CALM, CONOCURVONE CONTRACT

283.   Dr CONSTABLE to the Minister for the Environment:

I refer to an article in CALM News in February 1994 titled World Exclusive Conocurvone Contract and the Minister's answer to question on notice No. 2062 of March 2000 and ask -

(a)   how do the terms of the new agreement signed in 1995 differ from the original agreement with AMRAD;

(b)   what financial benefits are there for Western Australia in the new agreement;

(c)   what is the State financial obligation for this project;

(d)   who are the scientists and others involved in the investigation of 'synthetic versions of the active compound in smokebush; and

(e)   why was it necessary to change the emphasis from the original agreement on the development of the compound derived from smokebush to the 1995 agreement which seeks to 'investigate synthetic versions of the active compound in smokebush'?

Mrs EDWARDES replied:

(a)   The key difference in terms between the two agreements is that CALM has a smaller research role under the 1995 agreement with the change of focus from the natural compound to synthetic versions, and the progression of the project.

(b)   In the event that AMRAD develops a commercial product from smokebush, the agreement requires AMRAD to make milestone payments to CALM at each development stage, such as the completion of clinical trials; to pay royalties on the sale of any such product; and to pay royalties on any monies received from sub-licensees selling products incorporating conocurvone. AMRAD is required to pay full cost recovery for any research projects conducted by CALM.

(c)   The State's only financial obligation to the project is the limited input by CALM officers working within existing budgets.

(d)   This question should be directed to AMRAD, who commissioned the research.

(e)   Results from the work carried out under the original agreement changed the direction of the project.