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Minister of Foreign Affairs
Minister of Defence

For information by
For information by

22 October 2021
22 October 2021

AUKUS: Trilateral Enhanced Security Partnership – Implications for Aotearoa New Zealand

BRIEFING Overview Submission

PURPOSE To provide an overview of the recently established AUKUS trilateral enhanced security partnership, and the implications for Aotearoa New Zealand and the Indo-Pacific region.

Tukunga tūtohua – Recommended referrals

Prime Minister and Minister for National Security and Intelligence	For information by	27 October 2021
Minister Responsible for the NZSIS and GCSB	For information by	27 October 2021
Minister for Trade and Export Growth	For information by	27 October 2021
Minister for Disarmament and Arms Control	For information by	27 October 2021

Taipitopito whakapā – Contact details

NAME	ROLE	DIVISION	WORK PHONE
Cecile Hillyer	Divisional Manager	International Security and Disarmament Division	s9(2)(a)
Kathleen Pearce	Head of International Branch	Policy and Planning	

Mā te Tari Minita e whakakī – Minister's Office to complete

<input type="checkbox"/> Approved	<input type="checkbox"/> Noted	<input type="checkbox"/> Referred
<input type="checkbox"/> Needs amendment	<input type="checkbox"/> Declined	<input type="checkbox"/> Withdrawn
<input type="checkbox"/> Overtaken by events	<input type="checkbox"/> See Minister's notes	

Comments

AUKUS Security Partnership: Implications for Aotearoa New Zealand

Pito matua – Key points

- On 16 September, Australia, the United Kingdom, and the United States announced the creation of AUKUS - a non-binding, trilateral partnership focused on defence and security technology and capability.
- s6(a), s6(b)(i)

Officials will continue to engage with AUKUS partners to understand the partnership and maintain visibility over areas of particular interest to Aotearoa New Zealand.

- AUKUS is a significant geostrategic development, with wide-ranging and still evolving impacts for regional security, partnerships, and nuclear non-proliferation. s6(a)
- The announcement has received a mixed response. s6(a)

- s6(a)

- s6(a)

Ben King
for Secretary of Foreign Affairs and Trade

Andrew Bridgman
Secretary of Defence

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Tūtohu – Recommendations

It is recommended that you:

- | | | |
|---|--|----------|
| 1 | Note that on 16 September 2021, Australia, the United Kingdom, and the United States announced a non-binding trilateral defence partnership, “AUKUS”. | Yes / No |
| 2 | Note that AUKUS provides for: <ul style="list-style-type: none"> i) Australia’s acquisition of at least eight nuclear-powered submarines, supported by the United States and the United Kingdom; and ii) Increased cooperation among AUKUS partners across a range of emerging security technology and defence capabilities, such as artificial intelligence, cyber, quantum, long-range strike capabilities, and additional undersea capabilities. | Yes / No |
| 3 | s6(a) | Yes / No |
| 4 | Note that the partnership will have wide-ranging and still evolving impacts, including for regional security, partnerships, and nuclear non-proliferation. | Yes / No |
| 5 | Note that officials will continue to engage with AUKUS partners, with a view to better understanding the partnership and maintaining visibility over areas of particular interest to Aotearoa New Zealand. | Yes / No |
| 6 | Endorse the updated key messages on AUKUS at Annex A. | Yes / No |
| 7 | Refer a copy of this submission to the Prime Minister, Minister Responsible for the NZSIS and GCSB, Minister for Trade and Export Growth, and Minister for Disarmament and Arms Control. | Yes / No |

Hon Nanaia Mahuta
Minister of Foreign Affairs / Minita Take Aorere

Hon Peeni Henare
Minister of Defence Minita Kaupapa
Waonga

Date: / /

Date: / /

AUKUS Security Partnership: Implications for Aotearoa New Zealand

Pūrongo – Report

What is AUKUS?

1. On 16 September, Australia, the United Kingdom, and the United States announced the creation of AUKUS - a non-binding, trilateral partnership on defence and security technology and capability. The first initiative – and key driver – of the partnership is Australia's acquisition of at least eight nuclear powered submarines. The submarines will be built in Australia using US and British technology, and come into service towards the end of the 2030s. They will be nuclear powered, but not nuclear armed, and include precision guided conventional weapons (as do Australia's current submarines). AUKUS also covers deepened cooperation on emerging security and defence technologies, including artificial intelligence, cyber, quantum, long-range strike capabilities, and additional undersea capabilities.
2. These headlines aside, it is clear that much work remains to be done to flesh out the arrangement. ^{s6(a), s6(b)(i)}

s6(a), s6(b)(i)

4. ^{s6(a)} the US force posture announcements, delivered following the Australia-US Ministerial Consultations (AUSMIN)¹ on 16 September, also signalled significant developments in the Australia/US defence relationship, including an increase the breadth, scale, and frequency of rotations of US land, air and maritime forces in Australia.
5. ^{s6(a), s6(b)(i)}

¹ AUSMIN are the annual set of bilateral US-Australia foreign and defence minister meetings, held since 1985.

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s6(a)

Non-proliferation

9. To date, no non-nuclear weapons state has possessed a nuclear propelled submarine.²
s6(a), s6(b)(i)

² Countries that possess nuclear propelled submarines are the UK, US, France, Russia, China, and India.
s6(a)

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s6(a), s6(b)(i)

Managing the broader nuclear non-proliferation challenges would be an ongoing challenge. The attached annex contains further detail.

Responses

10. The attached annex contains detail of the international response to the AUKUS announcement. s6(a), s6(b)(i)

s6(a), s6(b)(i)

Impacts for the Indo-Pacific region

s6(a), s6(b)(i)

- 14.

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15. s6(a), s6(b)(i)

Next steps for AUKUS partners

16. The immediate focus for AUKUS partners will be the 18-month submarine procurement, s6(a), s6(b)(i)

17. s6(a), s6(b)(i)

18. s6(a), s6(b)(i)

Implications for Aotearoa New Zealand

19. The establishment of AUKUS is another manifestation of the negative trajectory in our strategic operating environment over coming decades. Recent MFAT and Defence assessments of our strategic outlook foresees a world that will be less open, less prosperous, less secure and less free. COVID's ongoing impact will amplify and accelerate these trends. s6(a)

20. s6(a)

There are likely to be significant opportunities to develop other planned capabilities through future cooperation with AUKUS development programmes beyond the submarines, particularly in the cyber and artificial intelligence areas.

21. s6(a), s6(b)(i)

22.

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23. s6(a), s6(b)(i)

The Trilateral Pacific Security Dialogue, a senior official level meeting between Australia, the US and Aotearoa New Zealand, scheduled for December, may provide an opportunity to discuss these issues further with Australia and the US, s6(a), s6(b)(i)

24. While we have welcomed increased engagement by the UK and US in the region,

25. As the partnership evolves, it will be important for Aotearoa New Zealand officials to maintain visibility of a number of particular areas, namely:

- Nuclear non-proliferation aspects, including engagement with the IAEA; and
- Other areas of cooperation, including cyber, AI, and quantum computing. s6(a)

26. s6(a)

Prime Minister Arden's public comments – which welcomed increased engagement by the UK and US in our region while reiterating the collective objective needing to be the delivery of peace and stability and the preservation of the international rules based system - s6(a)
s6(a)

Updated unclassified messaging for use by New Zealand Ministers and officials, based on the Prime Minister's existing statements and recent speeches by the Prime Minister and Minister of Foreign Affairs, is included in the Annex to this submission.

27. We will maintain active diplomatic engagement with AUKUS partners to stay apprised of developments and – as possible – ensure partners are aware of our interests and to share perspectives on regional responses/reactions.

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Annex A: Aotearoa New Zealand key messages on the AUKUS partnership

What is AUKUS and what is Aotearoa New Zealand's position on it?

- We understand the AUKUS arrangement to focus on enhanced capability in security and defence technology areas, and to be complementary to, rather than supplanting, existing arrangements with other partners, including Five Eyes, Quad and ASEAN-centric architecture, but it is still early days in terms of being able to assess the details and implications.
- Aotearoa New Zealand welcomes increased engagement by the UK and the US in our region. We are a Pacific nation and we view foreign policy and security developments through the lens of what is in the best interest of the region.
- We note the joint statement by the three AUKUS countries describes the initiative as helping to sustain peace and stability in the Indo-Pacific region. We agree our collective objective needs to be the delivery of peace and stability and the preservation of the international rules based system in the region.
- This arrangement does not change our security and intelligence ties with these three countries, as well as with Canada.

Should Aotearoa New Zealand have been invited to join AUKUS?

- No, given the centre piece of the arrangement is nuclear powered submarines, prohibited from our internal waters under the 1987 New Zealand Nuclear Free Zone, Disarmament, and Arms Control Act. New Zealand's position in relation to the prohibition of nuclear powered vessels in our internal waters remains unchanged.
- We note AUKUS includes cooperation on other emerging security capability areas, including ones on which we work closely with these countries, such as cyber. We will continue to engage closely with the US, the UK and Australia on how we can cooperate to mutual benefit in such areas

What is Aotearoa New Zealand's position on proliferation risks?

- We note concerns about nuclear proliferation raised by the deal, as well as the public reiterations of commitments to non-proliferation by the AUKUS partners, including for Australia those under the South Pacific Nuclear Free Zone Treaty. [Note: which prohibits the acquisition of nuclear explosive devices but not nuclear power].
- While these public commitments include Australia not acquiring nuclear weapons or establishing a civil nuclear capability, it will be important for Aotearoa New Zealand that as well as Australia, the US and the UK upholding their commitments, that AUKUS does not encourage proliferation by other countries. We will be watching this closely in the IAEA and other relevant fora.

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s6(a)

What is Aotearoa New Zealand's position on the Five Eyes?

- Aotearoa New Zealand derives significant value from the Five Eyes. We are a committed and contributing participant within the grouping.
- AUKUS does not in any way diminish our commitment to the Five Eyes; nor the value we derive from it.

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Annex C: Proliferation concerns from AUKUS nuclear submarine procurement

- To date, no non-nuclear weapons state has possessed a nuclear propelled submarine.⁴
s9(2)(g)(i)

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- For Aotearoa New Zealand, section 4 of the New Zealand Nuclear Free Zone, Disarmament, and Arms Control Act 1987 establishes a nuclear free zone on land, water, sea and airspace out to the 12 nautical mile limit. Section 11 prohibits the entry into the internal waters of New Zealand by any ship whose propulsion is wholly or partly dependent on nuclear power. The right of innocent passage through New Zealand's territorial sea (in accordance with international law) is permitted. Australia has noted that the nuclear powered submarine procurement is not in contradiction with its obligations under the South Pacific Nuclear-Free Zone Treaty, or "Treaty of Rarotonga", which is concerned with nuclear weapons and nuclear dumping rather than the issue of nuclear propulsion.
s9(2)(h)

⁴ Countries that possess nuclear propelled submarines are the UK, US, France, Russia, China, and India.

⁵ The IAEA Board comprises 35 Member States including China. Aotearoa New Zealand is serving on the Board from 2020-22.

⁶ Canada previously explored development of nuclear submarines in the 1980s and Brazil has a long-standing interest in developing the capability. Iran has also in recent years expressed an interest.