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Issue Brief

The Road Ahead for AUKUS in 2024

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S*ummary*

A roadmap for the delivery of SSNs to Australia was unveiled by AUKUS leaders in March 2023. In December 2023, the commitment and cooperation of the three nations in implementing this roadmap was reiterated. In 2024, the AUKUS nations can be expected to carry forward this momentum through a range of activities, though issues such as those relating to fully eliminating constraints imposed by the rigid export control regime of the US need to be effectively sorted.

As 2023 ended, it proved to be an eventful year for the AUKUS Trilateral Security Pact between Australia, the UK and the US. The unveiling of AUKUS back on 15 September 2021 came as a surprise and created a buzz among the global strategic community. This was considering the fact that AUKUS involved the sharing of the coveted nuclear propulsion technology by the US and UK to Australia for building eight conventionally armed nuclear attack submarines (SSNs). This was historic considering the last time such a sensitive technology was shared happened in 1958 between the US and UK.

AUKUS also envisaged the collaboration between the three countries in developing advanced capabilities such as Quantum Technologies, Artificial Intelligence (AI), Hypersonic, Cyber, Undersea, Electronic Warfare Capability (EWC), Information Sharing and Innovation. The announcement of AUKUS created a diplomatic rift between Australia and France as a result of the scrapping of the multi-billion-dollar deal between them for developing conventional submarines. Thus, AUKUS brought an Anglo-Saxon dimension to the Indo-Pacific geopolitical discourse.

In 2022, several key developments took place, most notable among which was the creation of a governing structure for the two distinct lines of effort under AUKUS—the construction of SSNs (Pillar I) and development of advanced technologies (Pillar II). In March 2023, this momentum further gained traction when the three AUKUS leaders unveiled a roadmap for the delivery of SSNs to Australia. On 1 December 2023, in the AUKUS Defence Ministers Meeting, the commitment and cooperation of the three nations in implementing this roadmap was reiterated. However, in this meeting the focus was more on Pillar II of AUKUS relating to development of advanced capabilities.¹

Key Highlights of 2023

Pillar I: Construction of SSNs

Ever since the announcement of AUKUS in 2021, there have been intense deliberations among the strategic community on what, where and how these SSNs would be built. Also, skepticism was raised regarding the Royal Australian Navy’s (RAN) depleting undersea capability in the integrum before the first SSN is delivered and the viability of Australia to construct these SSNs considering its limited nuclear industrial capability.

On 13 March 2023, the three AUKUS leaders convened in San Diego and unveiled the much-anticipated roadmap for the construction and delivery of SSNs to

¹ “[AUKUS Defense Ministers Meeting Joint Statement](#)”, US Department of Defense, 1 December 2023.

Australia.² This roadmap laid to rest much of the speculations and skepticism regarding Pillar I of AUKUS. First, contrary to expectations, it was announced that AUKUS would be building an entirely new class of SSNs rather than the existing American and British designs. The first of this new class of SSNs would be built in the British Shipyard and the rest would be built in Australia.

The delivery of the first of these SSNs is expected to take place not before the late 2030s. To bridge the capability gap that is bound to emerge with the retirement of RAN’s aging conventional submarines, the roadmap has envisaged the sale of at least three US Virginia Class SSNs to Australia by early 2030.³ On 14 December 2023, the US Congress passed a legislation allowing the sale of these SSNs to Australia under the AUKUS security pact. Under this plan, two old submarines will be transferred from the US Navy to RAN, while one would be new from the Virginia Class production line.⁴

Taking into consideration Australia’s limited industrial capability, the roadmap has envisaged the creation of a comprehensive ecosystem for the successful construction and operation of SSNs. The training of Australian naval personnel for operating SSNs has been identified as the first step towards building such an ecosystem. For this, the roadmap called for an increase in port visits by American and British SSNs to Australia to facilitate the training of RAN’s officers and sailors. As part of this effort, USS North Carolina, a Virginia Class SSN, arrived in Perth on 4 August 2023. According to Rear Admiral Simon Asquith of the Royal Navy, this visit demonstrated the commitment of the three AUKUS nations to develop Australia’s own SSN capability.⁵

By 2027, the roadmap seeks to establish a larger and sustained SSN presence in the region through the establishment of Submarine Rotational Force-West (SRF-West) consisting of three American and one British submarines.⁶ Simultaneously, since 2022, RAN officers have been undergoing training in the US and UK for operating submarines with nuclear propulsion. The first batch of six RAN officers have already completed training from the U.S. Nuclear Power School in late 2023.⁷

² [“Remarks by President Biden, Prime Minister Albanese of Australia, and Prime Minister Sunak of United Kingdom on the AUKUS Partnership”](#), The White House, 13 March 2023.

³ [“Fact Sheet: Trilateral Australia-UK-US Partnership on Nuclear-Powered Submarines”](#), The White House, 13 March 2023.

⁴ Daniel Hurst and Josh Butler, [“US Congress Passes Bill Allowing Sale of AUKUS Nuclear Submarines to Australia”](#), *The Guardian*, 14 December 2023.

⁵ [“U.S. Virginia-Class Submarine Visits Perth Australia”](#), US Embassy in Canberra, 4 August 2023.

⁶ [“Fact Sheet: Trilateral Australia-UK-US Partnership on Nuclear-Powered Submarines”](#), no. 3.

⁷ [“AUKUS Defence Ministers Meeting Joint Statement”](#), Australian Government Defence, 2 December 2023.

Apart from these developments, in 2023, the US initiated legislative reforms of its Cold War era export control regimes that create obstacles in the co-development of critical technologies by the AUKUS nations. For instance, the International Trade and Arms Regulations (ITAR) enacted in 1976 still creates bureaucratic delays for the services of US manufactured military hardware operated by Australia.⁸ In the subsequent months after the announcement of the roadmap, there have been several measures undertaken by the Biden administrations to bring about legislative reforms to ITAR.

On 6 September 2023, several of these reforms were elucidated by the Biden Administration to the Senate Foreign Relations Committee. This included the passing of the AUKUS export control legislation by the US Senate. This legislation aims to support the goals of AUKUS by enabling a case-by-case license-free defence trade among Australia, the UK and the US. At the same time, it was highlighted that some regulations of ITAR would be retained for protecting sensitive American defence technology from being re-exported beyond the AUKUS partnership.

Also, the US State Department has instituted the AUKUS Trade Authorisation Mechanism (ATAM) for facilitating the trilateral collaboration in Pillars I and II. This has been described as an interim measure to streamline defence trade of US-origin items between AUKUS partners.⁹ Apart from the US, the Australian Parliament has also passed the Defence Legislation Amendment Act in July 2023 for establishing a framework for ensuring nuclear safety mechanisms domestically.¹⁰

Pillar II: Advanced Capabilities

Since the very beginning, AUKUS has envisaged trilateral cooperation both in Pillar I and Pillar II. But thus far, Pillar I has largely overshadowed Pillar II in the global strategic discourse over AUKUS. However, it can be observed that the relevance and scope of Pillar II has been consistently expanding. Initially, AUKUS’s maiden joint statement in 2021 only identified four areas of cooperation under Pillar II, namely cyber capabilities, AI, quantum technologies and undersea capabilities.¹¹ By April 2022, the ambit of Pillar II had doubled with the inclusion of four new verticals on hypersonic technologies, EWC, information sharing and defence innovation.¹²

The AUKUS Defence Ministers Meeting on 2 December 2023 elucidated some of the substantial progress made in these eight areas of Pillar II. Most notable among these

⁸ James Carouso, Thomas Schieffer, Jeffrey Bleich, John Berry and Arthur Culvahouse, “[ITAR Should End for Australia](#)”, Centre for Strategic & International Studies, 7 December 2022.

⁹ “[AUKUS: A Generational Opportunity](#)”, US Department of State, 6 September 2023.

¹⁰ “[AUKUS Defence Ministers Meeting Joint Statement](#)”, no. 7.

¹¹ “[Joint Leaders Statement on AUKUS](#)”, The White House, 15 September 2021.

¹² “[Fact Sheet: Implementation of the Australia – United Kingdom – United States Partnership \(AUKUS\)](#)”, The White House, 5 April 2022.

include the unveiling of the AUKUS Maritime Autonomy Experimentation and Exercise Series. Through this exercise series, the AUKUS nations aim to enhance their combined ability to jointly operate autonomous maritime systems and share Maritime Domain Awareness (MDA) in real-time to support their combined decision making.¹³

Also, through the Deep Space Advanced Radar Capability Program, the AUKUS partners are creating infrastructure to increase space domain awareness. As part of this program, radar sites would be constructed in the US, UK and Australia to continuously monitor, detect, track and identify objects in deep space. The first of these radar sites is being constructed in Western Australia and is slated to be operational by 2026.¹⁴

The meeting also announced the AUKUS Innovation Challenge, inviting companies across the three nations to participate in the defence innovation vertical of Pillar II.¹⁵ The initial focus of this initiative is aimed towards creating innovation in the field of EWS.¹⁶ The other significant initiative that has been launched under Pillar II is the Resilient and Autonomous Artificial Intelligence Technologies (RAAIT). Through this initiative, the AUKUS nations are aiming to create advanced AI algorithms for collectively enhancing their force protection, precision targeting and ISR capabilities.¹⁷

The Road Ahead for AUKUS in 2024

Overall, 2023 has been a very important year for AUKUS considering its success in envisaging an optimal pathway for the delivery of submarines, kick starting several initiatives under Pillar II and creating legislative reforms for enabling technical collaboration. In 2024, the AUKUS nations can be expected to carry forward this momentum through a range of activities. This includes RAN sailors being deployed in US Naval Base in Guam for building the SSN maintenance skills. Two port visits of US SSNs at the RAN base HMAS Stirling are slated for 2024 during which the first planned maintenance activity of a US SSN is planned to take place in Australia.¹⁸ In 2024, the AUKUS nations are aiming to integrate RAAIT into their respective national

¹³ [“AUKUS Defence Ministers Meeting Joint Statement”](#), no. 7.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Jon Harper, [“AUKUS Launching New Electronic Warfare Prize Competition, Other Initiatives”](#), Defensescoop, 1 December 2023.

¹⁷ [“AUKUS Defence Ministers Meeting Joint Statement”](#), no. 7.

¹⁸ [“AUKUS Defence Ministers Meeting Joint Statement”](#), U.S. Department of Defense, 1 December 2023.

programmes to facilitate the rapid adoption of these technologies across land and maritime domains.¹⁹

Apart from these ground-level developments, the discourse at the higher echelons of regional geopolitics points towards the possibility of expansion of AUKUS membership in Pillar II. New Zealand’s Prime Minister Christopher Luxon who visited Australia in December 2023 stated that he would look into the benefits of joining Pillar II of AUKUS.²⁰ This was a far cry from New Zealand’s stance when AUKUS was announced back in 2021. New Zealand with its nuclear-free stance was amongst the nations which strongly criticised the trilateral security alliance citing risks of nuclear proliferation. Although Luxon reiterated that New Zealand’s nuclear-free stance was “non-negotiable”, he hinted his government’s eagerness to become part of AUKUS Pillar II.²¹

Earlier in August 2023, UK’s Foreign Affairs Committee released a report titled ‘Tilting Horizons: The Integrated Review and the Indo-Pacific’. This report recommends the British government to propose to Australia and the US that Japan and South Korea be invited to join AUKUS technological defence cooperation agreements within the ambit of Pillar II.²² These developments indicate that it is likely that Pillar II of AUKUS may expand to include more members like New Zealand, Japan and South Korea.

But despite these range of developments, it would not be prudent to assume that smooth sailing for AUKUS is a given. The US, despite initiating measures to introduce legislative reforms for enabling deeper technology sharing with Australia and UK, has not managed to fully eliminate constraints imposed by its rigid export control regime. Efforts have been made since the Clinton administration to bring about ITAR exemptions for Australia and the UK. But within the US Congress, there has been sustained opposition for ITAR exemptions on the assumption that it would open the tech transfer floodgates and put American technology-based military dominance at risk.

The US’s 2024 National Defense Authorisation Act (NDAA) has adopted some provisions to enhance US’s ability to engage in deeper technology sharing with Australia and UK, but only on a case-by-case basis. Observers point that these reforms can only be marginally effective and do not bring about any revolutionary

¹⁹ Ibid.

²⁰ Renju Jose and Lucy Craymer, [“New Zealand to Explore AUKUS Benefits, Boost Security Ties with Australia”](#), *Reuters*, 20 December 2023.

²¹ Rod McGuirk, [“Australia and New Zealand Leaders Seek Closer Defense Ties”](#), *AP*, 20 December 2023.

²² [“Tilting Horizons: The Integrated Review and the Indo-Pacific”](#), Eighth Report of Session 2022–23, Foreign Affairs Committee, House of Commons, 2023, p. 31.

change to American export control bureaucracy which Pillar II of AUKUS demands.²³ Analysts note that the US Congress has missed a generational opportunity to ensure enhanced technology cooperation with its AUKUS partners.²⁴ In such a scenario, expansion of membership in Pillar II of AUKUS would be accompanied by more bureaucratic complications.

Conclusion

Global geopolitics have undergone radical transformation within a short span of time since the unveiling of AUKUS. Two Black Swan Events namely the Ukraine War and the Gaza Conflict have yet again drawn global attention towards Europe and West Asia. The US has been playing a key role in these conflicts by extending its unwavering financial and military support to both Ukraine and Israel. This is bound to have long-term implications for US’s ability to allocate finances, resources and political support to AUKUS. Despite the looming uncertainties and challenges, in the little over two years since its inception, AUKUS has managed to achieve considerable progress. As the roadmap and scope of the two pillars of AUKUS are now clearly defined, near-term tangible outcomes can be expected to materialise from 2024 onwards.

²³ Jeffrey P. Bialos, [“Is the FY24 NDAA a Missed Opportunity for AUKUS Technology Sharing?”](#), *DefenseNews*, 20 December 2023.

²⁴ *Ibid.*

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