



MARCH 14, 2023

In September 2021, Australia, the United Kingdom and the United States announced AUKUS – a new security partnership that will promote a free and open Indo-Pacific that is secure and stable.

The first major initiative of AUKUS was our historic trilateral decision to support Australia acquiring conventionally-armed, nuclear-powered submarines (SSNs). Today, we announce our pathway to achieve this critical capability.

Together we will deliver SSN-AUKUS – a trilaterally-developed submarine based on the United Kingdom's next-generation design that incorporates technology from all three nations, including cutting edge U.S. submarine technologies. Australia and the United Kingdom will operate SSN-AUKUS as their submarine of the future. Australia and the United Kingdom will begin work to build SSN-AUKUS in their domestic shipyards within this decade.

In order to deliver conventionally-armed, nuclear-powered submarines to Australia at the earliest possible date, we intend to pursue the following phased approach, moving through each phase based on mutual commitments from each nation:

- Beginning in 2023, Australian military and civilian personnel will embed with the U.S. Navy, the Royal Navy, and in the United States and United Kingdom submarine industrial bases to accelerate the training of Australian personnel. The United States plans to increase SSN port visits to Australia beginning in 2023, with Australian sailors joining U.S. crews for training and development; the United Kingdom will increase visits to Australia beginning in 2026.
- As early as 2027, the United States and United Kingdom plan to begin forward rotations of SSNs to Australia to accelerate the development of the Australian naval personnel, workforce, infrastructure and regulatory system necessary to establish a sovereign SSN capability.
- Starting in the early 2030s, pending Congressional approval, the United States intends to sell Australia three Virginia class submarines, with the potential to sell up to two more if needed. This step will systematically grow Australia's sovereign SSN capability and support capacity.
- In the late 2030s, the United Kingdom will deliver its first SSN-AUKUS to the Royal Navy. Australia will deliver the first SSN-AUKUS built in Australia to the Royal Australian Navy in the early 2040s.

This plan is designed to support Australia's development of the infrastructure, technical capabilities, industry and human capital necessary to produce, maintain, operate, and steward a sovereign fleet of conventionally-armed, nuclear-powered submarines. Australia is fully committed to responsible stewardship of naval nuclear propulsion technology.

When we announced the AUKUS partnership in September 2021, we committed to set the highest nuclear non-proliferation standard. The plan we announce today delivers on this commitment and reflects our longstanding leadership in, and respect for, the global nuclear non-proliferation regime. We continue to consult with the International Atomic Energy Agency to develop a non-proliferation approach that sets the strongest precedent for the acquisition of a nuclear-powered submarine capability.

Our plan elevates all three nations' industrial capacity to produce and sustain interoperable nuclear-powered submarines for decades to come, expands our individual and collective undersea presence in the Indo-Pacific, and contributes to global security and stability. In these outcomes, AUKUS reflects the principle that shared action, taken in partnership, can benefit all.

Implementing AUKUS will also require robust, novel information sharing and technology cooperation. Our nations are committed to further trilateral collaboration that will strengthen our joint capabilities, enhance our information and technology sharing, and integrate our industrial bases and supply chains while strengthening the security regimes of each nation.

For more than a century, our three nations have stood shoulder to shoulder, along with other allies and partners, to help sustain peace, stability, and prosperity around the world, including in the Indo-Pacific. We believe in a world that protects freedom and respects human rights, the rule of law, the independence of sovereign states, and the rules-based international order. The steps we are announcing today will help us to advance these mutually beneficial objectives in the decades to come.

[Source](#)

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## — FACT SHEET: TRILATERAL AUSTRALIA-UK-US PARTNERSHIP ON NUCLEAR-POWERED SUBMARINES

On March 13, 2023, Prime Minister Anthony Albanese of Australia, Prime Minister Rishi Sunak of the United Kingdom, and President Joseph R. Biden, Jr. of the United States announced an arrangement for Australia to acquire a conventionally-armed, nuclear-powered submarine (SSN) capability through the Australia-United Kingdom-United States (AUKUS) enhanced security partnership.



## U.S. EMBASSY & CONSULATES IN AUSTRALIA

and promoting stability in the Indo-Pacific.

Australia's future SSN – which we are calling “SSN-AUKUS” – will be a state-of-the-art platform designed to leverage the best of submarine technology from all three nations. SSN-AUKUS will be based upon the United Kingdom's next-generation SSN design while incorporating cutting edge U.S. submarine technologies, and will be built and deployed by both Australia and the United Kingdom.

AUKUS demonstrates our shared commitment to a free and open Indo-Pacific and an international system that respects the rule of law, sovereignty, human rights, and the peaceful resolution of disputes free from coercion. AUKUS partners operating highly capable conventionally-armed, nuclear-powered submarines will provide an assured undersea capability that contributes to stability, peace, and prosperity in the Indo-Pacific and around the world.

### **A Phased Approach to Build Stewardship and Sustain Australia's Undersea Capability**

Our nations have outlined an ambitious approach that will provide Australia with a conventionally-armed, nuclear powered submarine capability at the earliest possible date while ensuring Australia's capacity to safely operate, maintain and regulate this technology, and setting the highest standards for nuclear non-proliferation. Our phased approach includes the following elements, each underwritten by the mutual commitments of each nation:

- **Embedded Personnel and Port Visits.** Beginning in 2023, Australian military and civilian personnel will embed with the United States Navy, the United Kingdom Royal Navy and, subject to any necessary arrangements, within the United States and United Kingdom submarine industrial bases. This will accelerate the training and development of Australian personnel to ensure our ability to work together and for Australians to take on the responsibilities associated with these programs. The United States plans to increase SSN port visits to Australia beginning in 2023, with Australian sailors joining U.S. crews for training and development; the United Kingdom will increase visits to Australia beginning in 2026.
- **Submarine Rotational Forces.** As early as 2027, the United Kingdom and the United States plan to establish a rotational presence of one UK Astute class submarine and up to four U.S. Virginia class submarines at HMAS Stirling near Perth, Western Australia – this initiative will be known as ‘Submarine Rotational Force-West’ (SRF-West). This rotational presence will comply fully with Australia's longstanding position of no foreign bases on its territory. It will put our nations shoulder to shoulder as Australia builds the necessary operational capabilities and skills to steward and operate its own fleet of nuclear-powered submarines. Australia is launching an ambitious national effort to grow its defense and industrial workforce to support this plan.
- **Sale of U.S. Virginia Class Submarines.** Beginning in the early 2030s, pending approval from the U.S. Congress, the United States intends to sell Australia three Virginia class submarines, with the potential to sell up to two more if needed. This action is critical to continue growing Australia's ability to own and operate a fleet of SSNs, and to provide Australia with a sovereign capability at the earliest possible date. It also ensures Australia sustains its undersea capabilities until SSN-AUKUS is ready, given the planned retirement of Australia's current fleet of submarines.
- **SSN-AUKUS.** The combination of United Kingdom submarine design and advanced United States technology is intended to deliver a best-in-class submarine that meets Australia's long-term defense needs while bolstering trilateral industrial cooperation. SSN-AUKUS will be the future attack submarine for both Australia and the United Kingdom. Australia and the United Kingdom intend to start building SSN-AUKUS in their domestic shipyards before the end of this decade. The United Kingdom intends to deliver its first SSN-AUKUS to the UK Royal Navy in the late 2030s. Australia plans to deliver the first Australian-built SSN-AUKUS to the Royal Australian Navy in the early 2040s.

The implementation of this approach will be consistent with the trilateral partners' respective international obligations and domestic law and underpinned by future legal and enabling arrangements for sharing sensitive information, equipment and technology.

### **Responsible Stewardship of Naval Nuclear Propulsion Technology**

All three nations appreciate the enormity of this endeavor and are committed to the principles that have upheld the United Kingdom and United States naval nuclear propulsion programs' unmatched safety records. For over 60 years, the United Kingdom and United States have operated more than 500 naval nuclear reactors that have collectively travelled more than 150 million miles – the equivalent of over 300 trips to the moon and back – without incident or adverse effect on human health or the quality of the environment. Australia is committed to upholding these same standards to safely steward naval nuclear propulsion technology.

As part of this commitment to nuclear stewardship, Australia has committed to managing all radioactive waste generated through its nuclear-powered submarine program, including spent nuclear fuel, in Australia. The United Kingdom and the United States will assist Australia in developing this capability, leveraging Australia's decades of safely and securely managing radioactive waste domestically. Australia will manage these materials in accordance with its nuclear non-proliferation and other international obligations and commitments.

### **Strengthening the Nuclear Non-Proliferation Regime**

When the AUKUS leaders announced this initiative in September 2021, they committed to meeting our countries' respective nuclear non-proliferation obligations, setting the highest non-proliferation standard, and strengthening the non-proliferation regime while protecting classified and controlled information.

Our nations have made clear commitments to meet these objectives, including that:

- As a non-nuclear-weapon state, Australia does not – and will not – seek to acquire nuclear weapons;
- Australia will not enrich uranium or reprocess spent fuel as part of this program;
- Australia will not produce its own nuclear fuel for its SSNs;
- The United Kingdom and United States intend to provide Australia with nuclear material in complete, welded power units that will not require refueling during their lifetime;
- The nuclear fuel that Australia receives cannot be used in nuclear weapons without further chemical processing, which would require facilities that Australia does not have and will not seek; and





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Our nations have consulted regularly with the IAEA over the past year, in support of the IAEA's mandate to uphold the integrity of the global nuclear safeguards regime. The Director General of the IAEA has reported to IAEA Member States that he believes the AUKUS partners "are committed to ensuring the highest non-proliferation and safeguards standards are met," and noted his "satisfaction with the engagement and transparency shown by the three countries thus far." The international community can be confident that our nations will continue to work transparently with the IAEA towards an approach that will strengthen the nuclear non-proliferation regime and set the strongest non-proliferation precedent.

### Upgrading Infrastructure and Industrial Capacity

AUKUS submarine cooperation will result in significant benefits to infrastructure and industrial capacity in all three nations.

- **Australia:** The pathway to Australia acquiring SSN-AUKUS will be a whole-of-nation undertaking. HMAS Stirling in Western Australia will be expanded to support the scale of infrastructure required for nuclear-powered submarines – both for visiting and rotational submarines and for Australia's own nuclear-powered submarines. Australia's SSN-AUKUS submarines will be built at Australia's future Submarine Construction Yard in Adelaide, South Australia – employing thousands of workers onsite at peak. Overall, this enterprise will almost double the previously forecasted demand for personnel in Australia's submarine shipyard, and will be supported by significant investment in Australia's domestic industrial capacity and infrastructure. Australia will establish additional training, skilling and educational programs to achieve this growth for Australia's local submarine and shipbuilding industry.
- **United Kingdom:** The United Kingdom intends to build on the recent investment it has been making in its submarine delivery, such as the £2.0 billion in BAE Systems, Barrow and Rolls Royce, Derby announced last year. This will deliver thousands of jobs in the United Kingdom, including in the supply chain. Australia has committed to a proportionate financial investment in the United Kingdom submarine industrial base to accelerate production of SSN-AUKUS.
- **United States:** The United States is investing an additional U.S. \$2.4 billion over fiscal years 2023-2027 in the submarine industrial base to increase construction capacity – above and beyond its annual investment in undersea platforms – to meet U.S. national needs. The United States also added \$2.2 billion to its submarine maintenance budget over fiscal years 2024-2028 to improve Virginia class SSN maintenance. The U.S. is examining what additional investments are required to accelerate submarine production and maintenance to support both U.S. and AUKUS needs. These investments will support thousands of high-skill jobs in the United States. Australia has committed to a proportionate financial investment in the U.S. submarine industrial base to accelerate delivery of Virginia class submarines.

### Increasingly Integrated Submarine Forces

Incorporating proven, advanced U.S. technologies into SSN-AUKUS will optimize the capability, commonality and interoperability of all three nations' SSN platforms. Trilaterally sharing sophisticated submarine technology is emblematic of the broader integration of our submarine enterprises. For example:

- **Australian submariner training in United States and United Kingdom schools:** In 2022, the United States accepted its first Royal Australian Navy personnel into nuclear propulsion training programs, with additional personnel slated to join upcoming cohorts. The United States Congress, as part of the Fiscal Year 2023 National Defense Authorization Act, passed a bipartisan provision that establishes the ability for Royal Australian submarine officers to train at the Naval Nuclear Power Training Command and eventually serve on operational U.S. submarines. The United Kingdom has also welcomed Australian submariners into the Royal Navy's nuclear courses.
- **Australian personnel on board United States and United Kingdom submarines.** Australian submariners already train aboard U.S. and UK submarines. We will increase their numbers and levels of seniority over time as we grow Australia's capacity to operate, maintain and regulate its own sovereign nuclear-powered submarines.
- **Training Australia's industrial and technical workforce.** Australia intends to send hundreds of workers to United States and United Kingdom shipyards, and scientists and engineers to United States and United Kingdom technical facilities, for specialized skills training and to gain the experience required to build and sustain nuclear-powered submarines.
- **Interoperable Infrastructure.** As Australia upgrades its infrastructure to support the arrival of SSNs, it will build maintenance and repair capabilities that United States and United Kingdom submarines may also use, increasing our capacity to enhance our forces in peacetime and meet operational needs in times of crisis.

### Conclusion

The optimal pathway announced today will enhance the capabilities of AUKUS partners to contribute to security and stability in the Indo-Pacific. It will:

- Increase the number of partner-nation SSNs in the Indo-Pacific, increasing our combined capacity in the undersea domain;
- Create additional production capacity, enabling AUKUS partners to grow the size of our combined submarine forces;
- Strengthen and make more resilient trilateral supply chains, enhancing the industrial bases in all three nations; and
- Enhance the ability of our three nations to deter aggression and contribute to stability in the Indo-Pacific, and globally.

We are committed to open and transparent engagement with partners within and beyond the region as we implement this plan. The initiatives announced today will strengthen deterrence and bolster stability in the Indo-Pacific and beyond for decades to come.

### Source

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## — TRANSCRIPT: BACKGROUND PRESS CALL BY SENIOR ADMINISTRATION OFFICIALS ON THE AUKUS ANNOUNCEMENT



## U.S. EMBASSY & CONSULATES IN AUSTRALIA

Welcome to our briefing on the upcoming AUKUS announcement. As a reminder, today's call is on background, attributable to "senior administration officials," and embargoed until tomorrow, Monday, March 13th, at 1:00 p.m. San Diego time and 4:00 p.m. D.C. time. Again, that's Monday, March 13th at 1:00 p.m. San Diego time and 4:00 p.m. DC time.

For your awareness, not for your reporting, on the line today, we have [senior administration official], [senior administration official], and [senior administration official]. They'll have some words at the top, and then, of course, we're happy to take your questions.

With that, I'll turn it over to you, [senior administration official].

SENIOR ADMINISTRATION OFFICIAL: Thanks, [moderator]. And good morning, everyone. Thank you for joining us. And again, sorry for the little bit of delay. So, we'll just go quickly through some highlights, and then we're obviously welcome and hopeful to be able to answer some of your questions.

On Monday, at our naval base in San Diego, the President will host the prime ministers of Australia and Great Britain for our next phase in our AUKUS engagement. And the President will share that just 18 months after our original AUKUS announcement, and that's two days before the timeline we promised that we would report back, back in September 2021.

We will announce we've identified the optimal pathway to provide Australia with a conventionally armed nuclear-powered submarine. It's a multi-phased approach that will deliver to Australia that capability far more quickly than even we thought possible when we originally and initially launched this partnership. And it will result in all three nations lifting their game in their respective submarine industrial bases. And it will involve a level of sensitive, sophisticated technological cooperation that is almost without precedent. It's only happened once with the United States and Great Britain, and that was 65 years ago.

A year and a half ago, we announced AUKUS with two of our closest allies to take on the threats of the 21st century, just as we did together in the 20th century. AUKUS's primary objective is to uphold peace and stability in the Indo-Pacific and to deter and defend against rapidly evolving threats to the international order and system there.

But frankly, it's far more than simply a defense program. It is arguably the most prominent example of President Biden's commitment to invest in and modernize our alliances. AUKUS builds upon the UK's relatively recent strategic engagement in the Indo-Pacific and ensures it will be a lasting presence going forward and brings another European partner into our engagement in Asia. It makes Australia a major contributor to Indo-Pacific security and stability, and it binds the three of us together in ways almost unimaginable for the foreseeable future.

AUKUS, in many ways, headlines early achievement of President Biden's Indo-Pacific strategy for connecting allies in the Pacific and the Atlantic to build collective capacity that leaves us all stronger and more stable.

The United States, Australia, and the UK have briefed our allies and partners around the world, from Europe to Asia to the Pacific, on tomorrow's announcement, and we will carry forward AUKUS openly and transparently.

And, [senior administration official], over to you for some of the specific details along, with [senior administration official] as well. Thank you, [senior administration official].

SENIOR ADMINISTRATION OFFICIAL: Thank you, [senior administration official]. Before going through the optimal pathway, I want to emphasize that President Biden has a long history of commitment to non-proliferation, going back to his days as a senator. And since day one of this effort or consultation period, we have prioritized non-proliferation. We've kept the IAEA informed. And, in fact, IAEA Director General Grossi has complimented us publicly on our approach and our transparency. And AUKUS will adhere to the highest non-proliferation standards.

Now, on the optimal pathway, there are three phases in Australia's undersea capabilities. And our combined deterrence posture to promote security in the Indo-Pacific will increase with each phase.

Here's how it will work. Phase one is already underway with accelerating moves in the next few years. U.S. and UK submarines will visit ports in Australia and that will increase, starting this year. In fact, the USS Asheville is in Perth, Australia now for combined training exercises. Australian sailors will increasingly embed in U.S. and UK submarine forces and nuclear power schools. This has already started. And in the coming months, there'll be Australian workers in our shipyards. And starting this year, Australia will be building up its facilities and infrastructure to house Australia as well as U.S. and UK submarines.

Once Australia is ready, as early as 2027, we will establish a rotational force of U.S. and UK submarines in Australia — what we're calling Submarine Rotational Forces West. This rotational force will help build Australia's stewardship. It will also bolster deterrence with more U.S. and UK submarines forward in the Indo-Pacific.

Now phase two will start in the early 2030s. Once the Australians are trained and ready, Australia will buy from the United States three Virginia-class conventionally armed nuclear-powered submarines with an option to buy two more if needed. This will help systematically grow Australians' capabilities and stewardship for nuclear-powered submarines and it will help ensure that Australia does not experience any capability gap when its current Collins-class diesel electric subs are retired in the 2030s. This means that Australia will have a potent nuclear-powered submarine force in 2030s much earlier than many had expected.

And now, phase three starts in the late 2030s, with work to facilitate it starting in the near term in the industrial base that [senior





## U.S. EMBASSY & CONSULATES IN AUSTRALIA

known as SSN AUKUS.

SSN AUKUS will be based on the United Kingdom design for its next-generation nuclear-powered attack submarine, and it will incorporate critical cutting-edge Virginia-class technologies from the United States.

SSN AUKUS will be built and deployed by both Australia and the UK. The United Kingdom intends to deliver its first SSN AUKUS domestically in the late 2030s. Australia intends to deliver the first SSN AUKUS built in Australia to the Royal Australian Navy in the early 2040s.

This is going to require significant improvements in industrial bases in all three countries that [senior administration official] will talk about. We briefed Congress on this plan and see strong bipartisan support.

And now let me turn to [senior administration official] for some additional comments.

SENIOR ADMINISTRATION OFFICIAL: Great. Thank you. Good afternoon, everyone. As you all know, this is particularly exciting insofar as our allies and our undersea capabilities are two unique advantages of the United States. And this is an extraordinary way to bring those together to ensure Indo-Pacific security and stability and to deliver deterrence.

I would underscore that there has been unprecedented interagency cooperation throughout these 18 months of dialogue, and Secretary Austin has personally had his hand on the tiller in making this all come together.

As [senior administration official] briefly noted, across the U.S. government, we've also seen enthusiasm on the whole from our Congress as well. And a lot of appreciation for the strategic benefit of this part of AUKUS.

And then, finally, on the submarine industrial base, as you all know, the Biden administration made a substantial investment in that submarine industrial base last year with, of course, the hardy support of Congress. You will see, as will be announced tomorrow, \$4.6 billion being advanced for production and for maintenance over the next five years in our submarine industrial base. And that would, of course, be from the United States.

I'd like to briefly turn to what Australia will do, because Australia will also be contributing to our submarine industrial base, which is another manifestation of just how serious and critical this effort is that has been decided based on the principles of proportionality, fairness, and transparency. And I just want to underscore they will be making a substantial contribution to the U.S. submarine industrial base.

With that, we look forward to your questions.

Q Hello. I have two questions. First, just want to double check on the schedule that the new submarines will be built and delivered in the late 2030s in United Kingdom and built and delivered to Australia in the 2040s. Are those going to be actually built in those countries?

And then, the other question I had was: Why move forward with Australia buying the Virginia-class ones, as opposed to the original plan, which was to make sure they built all of them themselves?

SENIOR ADMINISTRATION OFFICIAL: I'll take the first part of the second question and let [senior administration official] do the first.

So, just to be clear, when we started this process, we had no preconceptions about where we would end up. There was no clear understanding about how we would devise or divine this program. And it is through working together — [[senior administration officials] — that we arrived at this integrated plan over 25 years that essentially provides Australia with capacity, no gaps, and seeks to fulfill the commitment that we laid out in September 2021.

[Senior administration official]?

SENIOR ADMINISTRATION OFFICIAL: Thank you, [senior administration official]. Chris, the buildout of the industrial base needed to produce submarines in the UK and Australia will start soon and — because it takes time to build out that industrial base and then to build submarines.

Yes, we expect that the first delivery of SSN AUKUS by the UK will be in the late 2030s. And because the Australians don't have an existing submarine industrial base, it will take them somewhat longer. We expect Australians will have first delivery in the early 2040s, and we expect an ongoing trilateral cooperation on this submarine industrial base effort.

Q And when you say "deliver," that actually means produced in those countries.

SENIOR ADMINISTRATION OFFICIAL: That's right. That's right. We expect there to be components that each country provides. But we're talking about the production and assembly of those submarines in the UK and in Australia.

Q Thank you.

Q Thank you. I wanted to ask, first, there's some concern that the U.S. doesn't have the resources to be able to fulfill all the goals you've just laid out, to fulfill the needs of the U.S. fleet as well as your allies.



## U.S. EMBASSY & CONSULATES IN AUSTRALIA

SENIOR ADMINISTRATION OFFICIAL: This is [senior administration official]. Let me, [senior administration official], take that question. The U.S. submarine industrial base is not where it should be and the Department of Defense is putting forward significant additional resources to lift the submarine industrial base. They made an initial request to Congress, which was approved last year. And there'll be additional funds in this year's budget.

More will be needed and the Australians, will also contribute there. So, this is a generational opportunity to lift the submarine industrial base for the U.S. and for the UK and to build one for Australia.

On the tech-sharing front, we're confident that we'll be able to go forward with this work on submarines with Australia and the UK, including for one of the most sensitive technologies in the world — the naval nuclear propulsion technology that we've shared with the UK since 1958.

There are additional technologies that will be involved. And the AUKUS effort on advanced capabilities overall spans a wide range of those. And we are looking at what changes to our current export control arrangements would be appropriate to ensure that we're able to move at the speed of relevance in our cooperation with the UK and Australia on these areas.

SENIOR ADMINISTRATION OFFICIAL: This is [senior administration official]. I would just add that Russia's aggressive war on Ukraine has further underscored the need to invest in our defense industrial base writ large and for our allies to do so as well.

AUKUS is just a manifestation of the need to do so. Moreover, on technology sharing, of course, Australia is one of our very closest allies. They have stood next to us in no shortage of events, and we feel very confident that they will take this unique capability in a responsible fashion.

Q Hi. Thank you all for taking our questions. A quick clarification and then a question. On the Submarine Rotational Forces West, I was just curious if that's going to be U.S. and UK subs under the same commander or if they would be operating separately just out of the same base?

And then my question is on the design effort to get to SSN AUKUS such that production lines can get started for late 2030 deliveries. Who will be doing that design work and do you guys have any kind of timeline as to when that's going to start, when that would need to be matured — that type of thing?

SENIOR ADMINISTRATION OFFICIAL: This is [senior administration official], Megan. On the question of SRF West, U.S. and UK submarines each will operate as sovereign assets of their respective countries under the command of respectively American and British commanders. We do expect that there'll be a significant degree of coordination in their activities and this is a critical aspect of not just U.S. and UK cooperation, but trilateral cooperation as we go forward.

On the question of design, SSN AUKUS will leverage the design work that the UK has been doing for a number of years on what they called SSNR, which is going to be the replacement submarine after their Astute-class. The British are now going forward with SSN AUKUS rather than SSNR, but the design work that they did will be useful and the discussions about how to effectively integrate Virginia-class technology into that have already begun and — with the result of the timeframe that we talked about before for delivery at late 2030s for the UK, early 2040s for Australia of these submarines.

Q And just to clarify, are there any dates where the design would have to be complete by X time so that the construction of the first boat would begin a certain date? I mean, do you have that timing yet?

SENIOR ADMINISTRATION OFFICIAL: We have estimates of that timing. And as the countries work together to develop this combined plan and take it to the next stage, we'll have more precise estimates in coming months.

Q Okay, thank you.

Q Hi, guys, thanks for taking my question. I wanted to ask if there is going to be another funding request to Congress and also how much funding are you expecting from the Australians.

SENIOR ADMINISTRATION OFFICIAL: This is [senior administration official]. Look, as you know, we'll be formally releasing the details of the defense budget tomorrow. And as I noted, you will see, I think, a substantial request to continue investing in our submarine industrial base.

As you know, from our national defense strategy, our undersea capabilities are a comparative advantage. And I think both the administration and Congress have really recognized the criticality of making sure that we are continuing to invest in it.

Regarding Australia's contribution, I would just emphasize that it's going to be a substantial contribution.

Q Yes, thank you very much. Thanks for taking our questions. Just to be blunt, is this program calibrated and these plans calibrated to counter China's exponentially growing military capabilities? Thank you.

SENIOR ADMINISTRATION OFFICIAL: Look, I'll jump in here quickly and then let [senior administration official] and [senior administration official] jump in as well.



## U.S. EMBASSY & CONSULATES IN AUSTRALIA

which shares a Pacific engagement as well.

And so, for those countries that believe that this operating system in the Indo-Pacific have been so essential to the peace and prosperity that we've all enjoyed over the last 50 years, we believe that this is a prudent and proper set of investments that will help to continue that joint effort going into the future. So, we think it is a responsible step. It is a joint step. It's been taken after much consultation, and it is designed to address the increasing security challenges in the Indo-Pacific.

[Senior administration official]?

SENIOR ADMINISTRATION OFFICIAL: Thank you, [senior administration official]. I'll just add what is perhaps obvious to everybody. The Australians acquiring and operating a conventionally armed nuclear-powered submarine is a substantial upgrade to the capabilities relative to their current diesel electric submarines. And the purpose of this, the fundamental purpose of this is to enhance deterrence in support of security and stability in the Indo-Pacific.

SENIOR ADMINISTRATION OFFICIAL: And relatedly — this is [senior administration official] — I would just emphasize that we have seen from this administration over the last few months some game-changing defense posture initiatives with Japan and with Australia and most recently with the Philippines that have really shown a number of allies around the Indo-Pacific who are also enthusiastic about ensuring their stability and security.

Q Hi, thanks for taking my question. It's a little similar to the last one, just building that. Just this week, Xi Jinping said in a rather unusually public rhetoric — he talked about the all-around "containment, encirclement, and suppression" of China. Those are his words. How would you reassure him that substantially building up the Australian Navy is not part of that containment and encirclement? Or is it? Thank you.

SENIOR ADMINISTRATION OFFICIAL: So, look, I would simply point to you that over the course of the last several years, we've seen a series of steps from China. We've seen stepped up activities and provocations in the South China Sea and around Taiwan; more joint activities, naval air exercises with Russia in the Pacific; challenges to India along its border; wolf warrior diplomacy; economic warfare. Remember, Australia has been the subject of virtually undeclared economic and commercial boycott now for almost five years.

So, what we've seen is a series of provocative steps that China has undertaken under the leadership of Xi Jinping over the last 5 to 10 years.

And so, I would reject the idea that what allies and partners, all of whom who have been committed to working constructively with China where possible, are taking steps that are somehow designed to contain China. This is an attempt to defend and secure the operating system of the Indo-Pacific. I think it is responsible and clear.

As you know, President Biden spoke directly at Bali when he met President Xi. The United States is determined to build a responsible, stable relationship between the United States and China. We will continue to do that. But we also believe that it will be necessary in that process to build that dialogue on a strong, stable defense platform and to do that with our allies and partners.

MODERATOR: Thank you. That's all the time we have. Thanks everyone for joining.

As a reminder, today's call is on background, attributable to "senior administration officials," and all the contents here are embargoed until tomorrow, Monday, March 13th, at 1:00 pm San Diego time and 4:00 pm D.C. time.

Thanks again for joining, everyone.

[Source](#)

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