## Digital Press Briefing with Daniel J. Kritenbrink, Assistant Secretary of State for East Asian and Pacific Affairs, and Grant Schneider, Director, National Security Council

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## March 14, 2023 Special Briefing

MODERATOR: Greetings from the U.S. Department of State's Asia Pacific Media Hub. I would like to welcome journalists to today's on-the-record briefing with State Department Assistant Secretary for the Bureau of East Asian and Pacific Affairs Daniel J. Kritenbrink and National Security Council Director Grant Schneider. The speakers will discuss the Australia, United Kingdom, and United States – or AUKUS – trilateral security partnership and the U.S. commitment to a stable and prosperous Indo-Pacific region. They will take questions from participating journalists.

With that, let's get started. Assistant Secretary Kritenbrink, I'll turn it over to you for your opening remarks.

ASSISTANT SECRETARY KRITENBRINK: Katie, thank you very much, and good evening and good morning, everyone, wherever you happen to be. It's always a pleasure to talk with all of you. I'll make brief opening remarks, and as Katie added, I would be delighted to take your questions.

Earlier today President Biden, alongside UK Prime Minister Sunak and Australian Prime Minister Albanese, announced the optimal pathway for Australia's acquisition of conventionally armed nuclear-powered submarines under the Australia, United Kingdom, and United States – AUKUS – partnership. Today's announcement outlined how we will do this under AUKUS. As AUKUS partners build the new SSN-AUKUS, we will leverage the best technology and ingenuity from the United States, Australia, and the UK to design a new class of submarine for Australia and the UK to use.

We are coming together to assist Australia in modernizing its submarine fleet to use the same technology – nuclear-powered submarines – that other countries such as India, the PRC, France, UK, Russia, as well as the United States already deploy in the region. As we do so, we are bolstering the economic opportunity of all three of our nations. We are deepening our longstanding, robust defense cooperation to bring our sailors, mariners, and engineers together to make this a reality and to build Australia's stewardship of this powerful technology.

AUKUS is an integral part of the U.S. strategy towards the Indo-Pacific, and a concrete commitment to the Indo-Pacific region by the United States, Australia, and the United Kingdom to ensure continued stability and prosperity in the region and across the globe.

As you know, the United States is an Indo-Pacific nation. We have a deep history in the region. The economies, people, and national security of all Indo-Pacific nations are inextricably linked. We are committed to realizing the full potential and prosperity the region can achieve in the decades ahead, advancing our Indo-Pacific Strategy together with allies, partners, and friends as we continue to face unprecedented challenges, including Russia's brutal war against Ukraine, the DPRK's unlawful weapons of mass destruction and ballistic missile development in violation of multiple UN Security Council resolutions, the climate crisis and its effects on global security, and supply chain vulnerability.

AUKUS is a modernization of our alliances and partnerships to face the challenges of the future, and is one of multiple partnerships that we are fostering in the region to build a stronger multilateral architecture to advance our shared goals of promoting a free and open, secure, and prosperous Indo-Pacific. Guided by a shared commitment to global security and stability, AUKUS deepens our diplomatic, security, and defense cooperation in the Indo-Pacific region in line with President Biden's vision of working with our partners and allies to solve global challenges.

AUKUS is binding our partners in Europe and Asia together, recognizing that our world is increasingly interconnected and the fate of all of the world's regions are intertwined. The AUKUS partnership reflects the critical role that both our European and Indo-Pacific partners play in supporting our shared vision for increasing peace and security throughout the world.

We're excited to deliver AUKUS as one piece of the U.S.'s broader Indo-Pacific strategy. Our intentions in the Indo-Pacific are clear: to advance a free and open, interconnected, prosperous, secure, and resilient region. Like our partners in Southeast Asia, East Asia, and the Pacific, AUKUS partners understand the critical role the region

plays in global trade and global prosperity. Global economic growth and prosperity requires security, stability, and predictability. AUKUS partners understand this reality, value it, and are working together to enhance our security and defense capabilities to help ensure this. AUKUS is a contribution to continued stability.

As President Biden said today at the AUKUS announcement on the West Coast, he said, "AUKUS has one overriding objective: to enhance stability in the Indo-Pacific amid rapidly shifting global dynamics."

In conclusion, I want to underscore one aspect of AUKUS that will continue to make it unique: transparency. AUKUS partners have made our intentions clear, including our commitment to regional peace and stability. We have committed ourselves to the highest safety and nonproliferation standards, and we look forward to continuing to engage with our friends, partners, and allies in the region.

Thank you again for taking your time to be with us today, and now I very much look forward to taking your questions.

MODERATOR: Thank you, sir. We will now turn to the question-and-answer portion of today's briefing. Our first question was received in advance, and it comes from Kirsty Needham of Reuters in Australia, who asks, "How has the U.S. been explaining the AUKUS plan for Australia to have a nuclear submarine fleet with Southeast Asian nations who previously expressed some concerns about nuclear proliferation?" Sir.

ASSISTANT SECRETARY KRITENBRINK: Well, Katie, thanks very much for the question. Look, we have continued regular consultations and dialogue with partners across the region, across the world, and particularly across Southeast Asia on the AUKUS announcement made today. As just one small example of that, I happened to be in the region last week, in Jakarta and Kuala Lumpur, for a series of meetings, and while there, as would naturally be the case, I also had the opportunity to explain clearly what AUKUS is and what AUKUS is not.

And whether it's friends in Southeast Asia or elsewhere around the world, we've underscored, as the President did today and as I tried to do in my opening, AUKUS is about promoting peace, stability, security, and prosperity across the Indo-Pacific region. It's a modernization of our existing alliances and partnerships; it's also a modernization of Australia's submarine capability and technology. This is a responsible and transparent agreement that is carried out in the name of the highest standards of nonproliferation, and in fact the IAEA director general has praised and commended and welcomed our approach.

I've also made absolutely crystal-clear the point that President Biden today made in his remarks. These are conventionally armed nuclear-propelled submarines. Nuclear propulsion has nothing to do with nuclear weapons. And this program will be operated safely, and again, the bottom line: it will contribute to peace, security, and prosperity across the region. Thank you.

MODERATOR: Thank you, sir. Our next question will go to the live queue: Mike Cherney from The Wall Street Journal in Australia. Mike, you should be able to unmute yourself now.

QUESTION: Yes, hi. Can everybody hear me?

ASSISTANT SECRETARY KRITENBRINK: Loud and clear.

MODERATOR: Yes, we can.

QUESTION: Excellent. Yeah, just a question about U.S. export controls known as ITAR. Some folks in the defense industry have sort of mentioned and foreign policy analysts have said that these rules from the U.S. are outdated, they make it difficult for U.S. allies to get the latest arms equipment and systems in a timely manner, and there are some worries about how this could affect AUKUS and the nuclear-powered submarines going to Australia. Are there any steps being taken by the U.S. to ease those rules for Australia, and if so, what can you tell me about what's being done?

ASSISTANT SECRETARY KRITENBRINK: Mike, thanks so much for your question. Maybe I'll take the first stab at it and then ask if Grant wants to respond as well. I think the clearest possible statement I could make is simply to say that we're absolutely confident that U.S. export control laws and regulations will not hinder the AUKUS effort. And as we move out on this ambitious plan, we're committed to developing robust, novel information-sharing and technology cooperation to make sure that AUKUS is successful.

Again, this is a decades-long commitment, decades-long investments that were made – that we're making in one another. I'm confident that we will succeed.

Grant, did you want to add anything to that?

MR SCHNEIDER: Thanks, Dan. I think the only thing I would add is that of course we wouldn't be doing this initiative if we weren't committed to seeing it through. As you

might notice in the joint leaders statement, as Assistant Secretary Kritenbrink noted, the leaders have committed to robust and novel information-sharing and technology cooperation, and while we don't have additional initiatives related to this to announce today, it is an important part and an essential part to the success of AUKUS and we're very much committed to it. Thank you.

MODERATOR: All right. Our next question comes from the Q&A box. It goes to Masakatsu Ota of Kyodo News in Tokyo, who asks, "What kind of nuclear fuel will be provided for AUKUS submarines? If it is HEU, would Australia invoke paragraph 14 of its NPT safeguards agreement to exclude significant quantities of highly enriched uranium from naval nuclear fuel? How will you alleviate the nuclear proliferation concern which could be caused by AUKUS?"

ASSISTANT SECRETARY KRITENBRINK: Thanks very much for the question. Look, I think our leaders spoke to this pretty clearly today, but it's probably – and I can speak to it in general terms. I think it's probably more responsible if I ask Grant to speak first.

## Grant?

MR SCHNEIDER: Thanks, happy to do so. Under all scenarios, Australia will receive complete, welded power units from the United States or the United Kingdom. This will include the fuel. Specific schedules for the reactors provided to Australia are still to be determined by partners in the future, but they of course – given that they'll be provided by the United States or the United Kingdom, they will be fueled with highly enriched uranium.

As Assistant Secretary Kritenbrink noted in his remarks, we are working very closely with the IAEA to ensure that we put together an approach that meets what the leaders have set out for us, which is the highest possible – the highest – excuse me, the highest standard of nonproliferation.

So while yet – and I also can confirm that the Australian Government will look to negotiate an article 14 arrangement with the IAEA. And again, all three countries are committed to doing this in a way that's at the highest nonproliferation standard. Thanks.

ASSISTANT SECRETARY KRITENBRINK: Thank you, Grant. I have nothing to add.

MODERATOR: All right. Our next question goes to the live queue, to James Griffiths from The Globe and Mail in Hong Kong. James, you should be able to unmute yourself now.

QUESTION: Hi, can you hear me?

MODERATOR: Yes.

QUESTION: Yeah, great. So in terms of the kind of broader environment that AUKUS fits into, how can likeminded countries – and I'm thinking particularly Japan, but also countries like Canada – how do they kind of fit into or liaise with AUKUS? How does AUKUS fit into the wider Indo-Pacific security environment as regards the U.S. and its allies in the region? Thanks.

ASSISTANT SECRETARY KRITENBRINK: Thank you, James. Let me take an initial stab at that and then ask if Grant wants to chime in as well. As we indicated earlier today, AUKUS is just one of several initiatives that the United States has engaged in over the past two-plus years now to demonstrate our commitment to the Indo-Pacific and in particular to demonstrate our commitment to building the collective capacity of allies, partners, and friends across the region. And whether it's AUKUS, whether it's further strengthening our treaty alliances with five very capable allies across the region, whether it's demonstrating our commitment to ASEAN centrality and the ASEAN Outlook on the Pacific, our commitment to the Pacific Islands Forum or the Quad, we're using all of these different, flexible, overlapping mechanisms to, again, build the collective capacity of partners who are all committed to the same goal: peace and stability across the region, and to bolstering the rules-based order that has benefited us all for many, many decades now.

So that would be my topline comment. Grant, would you want to add anything to that more specific?

MR SCHNEIDER: I don't think so. I think that about covers it. Thanks.

ASSISTANT SECRETARY KRITENBRINK: Thank you.

MODERATOR: Great. Our next question comes from the Q&A box, from Sam Sachdeva at Newsroom in New Zealand. "Will the sheer scale and ambition of the AUKUS agreement lead to smaller partners (like New Zealand) being shut out of foreign policy and defense progress in the Indo-Pacific? And more specifically, will AUKUS give consideration to allowing partners to participate in the non-nuclear components of the alliance, given reservations that some countries hold about nuclear technology?"

ASSISTANT SECRETARY KRITENBRINK: Yeah, let me take an initial stab and then ask Grant if he would like to add to that. I would say, first of all, absolutely not, as I tried to make clear in the previous answer. If you look at the past two years, I think that the United States of America has upped our engagement with and investments in the Indo-Pacific across the board, including in our many partnerships and including with, of course, our New Zealand partners as well.

So we don't approach the region through a, quote/unquote, "exclusive lens." Again, we're trying to build a network of interlocking relationships, a latticework of relationships, so to speak, to hopefully bring together all countries, again, who share our vision and our interest in peace and prosperity across the region.

But I do think – and perhaps Grant would want to speak to this – but of course there is the pillar two part of the AUKUS arrangement regarding advanced capabilities, and that may be what the questioner is referring to. But I think it would be most appropriate for Grant to address that.

MR SCHNEIDER: Thank you. Of course at this time, certainly in pillar two, which is the advanced capability part of AUKUS, partners are still working trilaterally but looking to the future to determine at the appropriate time when and how to include other partners if the three partners determine that to be appropriate.

Of course we have made no decisions, so I have nothing concrete on additional partners. But I would kind of refer you back to statements made by leaders and others within the three governments that this is something that we are looking at. With respect to pillar one, the submarine effort, there's no intention to broaden that arrangement beyond the three current countries: Australia, the United Kingdom, and the United States. Thanks.

ASSISTANT SECRETARY KRITENBRINK: So, Grant, thank you for that, and again, for our questioner, again, I would just underscore: The United States is taking an inclusive approach to the region. Again, we're trying to promote a region that is free and open, interconnected, prosperous, secure, and resilient. AUKUS is just one of many initiatives that we're using to advance those shared goals. Thank you.

MODERATOR: Our next question goes to the live queue, Damien Cave of The New York Times in Australia. Damien, you should be able to unmute yourself now.

QUESTION: Yes, hi. Thanks for taking my question. Broadly speaking, AUKUS is part of a much broader, bigger military buildup across the region, from China to India to

Japan to what the U.S. is doing. How would you sort of describe that buildup, and is it making the region safer or more at risk of a spiraling conflict or increased tensions?

ASSISTANT SECRETARY KRITENBRINK: Well, Damien, thank you for your question. Again, I'll go back to what the President said today, and the one line that I thought summed up the approach perhaps best today was when the President said that AUKUS, again, "has one overriding objective: to enhance stability in the Indo-Pacific amid rapidly shifting global dynamics."

Now, the rapidly shifting global dynamics I think is what you're referring to, but Damien, again, I think we would argue that clearly over the past several decades, for really close to a century now, our three countries have worked diligently to invest in peace and stability across the region. We've shown a commitment to do that, and again, I think we've shown an unprecedented commitment to do that through today's announcements.

But the goal – absolutely – is peace and stability, and we believe that investing in one another and investing in this technology will very much contribute to peace and stability across the region.

Now, as I noted in my opening comments as well, this is a technology that – nuclear propulsion technology that will be utilized in SSN-AUKUS – this is a technology that's already enjoyed and utilized by six other powers who operate regularly in the Indo-Pacific region. We think by helping Australia to develop that similar capability, we will again contribute to the peace and stability that we all seek.

Grant, would you like to add to that?

MR SCHNEIDER: I don't think I have anything further. Thanks.

MODERATOR: All right. Our next question goes to Danh Le Thanh from VnExpress in Vietnam, who asks, "What are the prospects for the U.S. to sign other agreements like AUKUS with other countries? In other words, what are the conditions for other countries to form such an agreement on submarine building with the U.S. or AUKUS, or is AUKUS exclusive – an exclusive, one-of-a-kind deal? Thank you."

ASSISTANT SECRETARY KRITENBRINK: Well, I very much appreciate the question posed by our friend in Vietnam. Again, I think as we indicated in a previous question, there are no plans at this point to expand the AUKUS agreement regarding nuclear propulsion technology beyond the three countries. But again, I'll underscore and

reiterate, as I said before, our commitment is to a region that's free and open, interconnected, prosperous, secure, and resilient. And in doing so, we've tried to demonstrate our commitment to engaging with partners across the region. It's why I was in the region for a range of ASEAN senior official meetings last week. It's why I visited other partners in the region. It's why the President last year hosted a special U.S.-ASEAN Summit here at the White House. It's why he hosted an historic U.S.-Pacific Island Country Summit. It's why the President has traveled regularly to the region and hosted our other treaty allies in the White House.

Again, we're taking an open, inclusive approach to build the kind of region we want to see. AUKUS is just one of many means to do that. Thank you.

MODERATOR: All right. Our final question will go to Tetsuo Shintomi of Kyodo News based in Washington, D.C., who asks, "I'm wondering if you could give us some explanation about the region in which this nuclear-powered submarine could be operated? Do you expect that it would possibly be operated in the South China Sea, Taiwan Strait, and East China Sea as well?"

ASSISTANT SECRETARY KRITENBRINK: Well, Shintomi-san, I think that I wouldn't want to speculate exactly where any of these submarines may or may not operate. And again, to make clear, once Australia takes possession of its own submarines, Australia will make its own sovereign decisions about where to sail its own submarines.

I would just go back, Shintomi-san, to what we've said earlier. We have seen shifting dynamics across the region. We've seen a growth in challenges across the region posed by a host of countries, from the PRC to Russia to North Korea and elsewhere. And again, these challenges are not limited just to the Indo-Pacific, but beyond.

What we're focused on is continuing to contribute to the peace and stability that has benefited all countries across the region for decades now, and that includes the PRC as well.

So that will be our focus going forward, and I think rather than overly focusing on a detail like exactly where such submarines may or may not operate in the future, I'd go back to my earlier point: AUKUS is all about contributing to the peace and stability that we've enjoyed across this region for decades. Today's announcement demonstrates our commitment to continuing to do so for the decades to come.

Grant, would you like to add to that as well?

MR SCHNEIDER: No, I think – I think you have it about right, and I'd just note of course that it'll be some time before Australia operates its own sovereign submarines, so it's a little premature to speak, I think, certainly from the United States side on how Australia will operate those in a sovereign manner.

Thank you and thanks to everybody for joining us today.

ASSISTANT SECRETARY KRITENBRINK: Great point. And maybe, Grant, just building on your last point there, again, to underscore AUKUS isn't about developing a capability to be used in one specific area. It's not an agreement that is aimed at any one particular country or challenge that exists out there. Again, it's a commitment – a decades-long commitment – to peace and stability across the Indo-Pacific region. And again, that builds on the work that we've done for many decades now to contribute to that same peace and stability from which we've all benefited.

MODERATOR: Great. And now, Assistant Secretary Kritenbrink, if you have any last words I'll turn it back over to you.

ASSISTANT SECRETARY KRITENBRINK: No, Katie, I'll just say thank you so much for giving us this opportunity, and again, to all of our friends in the media across the Indo-Pacific, thank you for joining us. Always appreciate our time together, and we look forward to continuing the conversation, including on AUKUS and many other topics, in the weeks and months ahead. Thank you very much.

MODERATOR: Thank you, Assistant Secretary Kritenbrink and NSC Director Grant Schneider. Unfortunately, that is all the time we have for today. Thank you for your questions and thanks to our speakers for joining us. We will provide a transcript of this briefing to participating journalists as soon as it is available. We'd also love to hear your feedback, and you can contact us anytime at AsiaPacMedia – Asia P-A-C Media – @state.gov. Thanks again for your participation, and we hope you can join us for another briefing soon.