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## AUKUS AND THE NON-PROLIFERATION DEBATE

*The AUKUS arrangement has stoked concerns of nuclear proliferation which could potentially trigger an arms race in the Asia-Pacific. Discussions sparked by Australia's plan to acquire nuclear-powered submarines with the help of the United States and the United Kingdom could pave the way for future safeguarding of nuclear fuel used for naval propulsion, suggest **ALVIN CHEW** and **SARAH TEO**.*



Fuel for the AUKUS-proposed Australian submarines of the same class as the nuclear-powered USS Virginia is at the heart of the Asia-Pacific non-proliferation debate. *The appearance of U.S. Department of Defense (DoD) visual information does not imply or constitute DoD endorsement.*

It has been about a year since the announcement in September 2021 of the AUKUS trilateral security partnership between Australia, the United Kingdom, and the United States. Under the pact, the United Kingdom and the United States will help Australia acquire nuclear-powered submarines to be deployed in the Asia-Pacific region. The announcement has been met with criticism from some countries, based in part on the belief that the AUKUS deal had exploited a [loophole](#) shared by the Treaty on the Non-

Proliferation of Nuclear Weapons (NPT) and the Comprehensive Safeguards Agreement (CSA) of the International Atomic Energy Agency (IAEA).

### **Addressing Non-proliferation Concerns**

The NPT prohibits nuclear-weapon states (NWS) from transferring nuclear weapons or other nuclear explosive devices to other parties, and non-nuclear-weapon states (NNWS) from acquiring or manufacturing nuclear weapons or other nuclear explosive devices. Nor should NWS assist, encourage, or induce NNWS to manufacture or acquire nuclear weapons. As the AUKUS arrangement involves the use of highly enriched uranium as fuel for the submarines to be developed by Australia (a NNWS), some parties to the NPT have suggested that Australia might be acquiring the ability to divert the fuel to weaponisation.

Both the NPT and the CSA that Australia has with the IAEA allow for naval propulsion, which the AUKUS partnership considers a non-proscribed military activity, to be exempt from safeguards. There is actually no technical loophole in these documents as the intention is to preserve the confidentiality of military operations. Nonetheless, there is the risk that NNWS could exploit the clause of safeguard exemption for naval propulsion, and divert fissile material towards the development of nuclear weapons.

The international community's proliferation concerns over Australia's submarine deal are genuine, given that the fuel to be used will be highly enriched uranium, a weapons-grade level of enrichment. The situation is exacerbated with Australia being a major exporter of uranium. However, Australia's active proposition to place its submarine fuel under IAEA safeguards is meant to be a testament to its commitment to preserve the NPT, and debunk the notion that it has intentions of developing nuclear weapons.

The AUKUS consortium is currently consulting with the IAEA to establish safeguarding protocols for Australia's future nuclear-powered submarines, and, if successful, Australia will set the benchmark to allow the IAEA to conduct inspections on nuclear-powered submarines operated by NNWS. Concomitantly, the IAEA could in future have the expertise to conduct safeguard inspections for non-proscribed military activities, thus lowering the risks of proliferation.

### **AUKUS and the Region**

When the AUKUS framework was first unveiled, views among the Association of Southeast Asian Nations (ASEAN) member states were mixed, and [ranged](#) from relatively explicit support to circumspect understanding, to wariness. Those who voiced reservations about AUKUS focused in part on the potential for the new arrangement to trigger a destabilising arms race in the region. Indonesia and Malaysia, for instance, were vocal on the [implications](#) for the South China Sea territorial disputes and the non-proliferation regime.

One year on, the willingness of Australia and its AUKUS partners to work within IAEA safeguards, as well as Australia's reiterations that it would not be pursuing a nuclear weapons programme, do not seem to have completely alleviated these initial concerns among some regional states.

As recently as June 2022, Malaysia's foreign minister Saifuddin Abdullah, following a meeting with his Australian counterpart Penny Wong, [declared](#) that his country's position regarding Australia's plan to acquire nuclear-propelled submarines "remains the same" in its concerns about a regional arms race. Beyond Southeast Asia, China has continued to [frame](#) the "transfer of nuclear-weapon materials" under the AUKUS framework as illegal and setting a bad precedent for nuclear proliferation.

Politics and rhetoric aside, the substantive discussion and push towards greater safeguards which have been sparked by AUKUS arguably constitute a net positive for the region. At the Tenth Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons in August 2022, Indonesia [put forward a proposal](#) for stronger regulation regarding nuclear-powered submarines.

Postulations that the AUKUS submarine deal could lead to an arms race in the Asia-Pacific are not without merit. Such an arms race may not incline specifically towards the acquisition of nuclear weapons, but possibly take the form of acquiring nuclear-propelled military craft. While Australia is currently one of the rare NNWS to seek nuclear-powered submarines — Brazil being another — it is not unthinkable that others, such as [South Korea or Japan](#), might more seriously pursue such capabilities further into the future.

In this regard, the ongoing dialogue and debate to strengthen safeguards and address what resembles a loophole in the NPT framework and IAEA regulations could represent a constructive step forward. Within the region, it may also help to strengthen the Treaty on the Southeast Asia Nuclear Weapon-Free Zone (SEANWFZ) against the backdrop of the evolving security landscape. The treaty prohibits the development, acquisition, and use of nuclear weapons within the SEANWFZ, although signatories reserve the right to decide for themselves whether to allow visits and transits by foreign military vessels and aircraft, [including](#) those that are nuclear-powered or nuclear-armed.

Amid the uproar over AUKUS, references have been made to the SEANWFZ. Its treaty has been signed by all 10 ASEAN member states, but ASEAN's attempts to persuade others, such as the NWS, to participate in the treaty have faltered. In light of this, an enhanced global-level framework to manage the potential risks associated with NNWS acquiring nuclear-powered submarines may be helpful in contributing towards bolstering the fundamental objectives of the SEANWFZ.

The plan for Australia to acquire nuclear-propelled submarines under the AUKUS framework, and the developments that have followed, have sparked useful discussions about strengthening the non-proliferation regime. These discussions are closely related to concerns about Asia-Pacific stability amid major power politics and persistent regional tensions. If the efforts to strengthen the non-proliferation regime prove effective, the region could certainly reap the benefits of enhanced safeguards and better regulation in the longer term.

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