

**Senate Standing Committee of Foreign Affairs
Defence and Trade**

Inquiry

**Opportunities for strengthening Australia's
relations with the Republic of France**

**Department of Defence
Written Submission**

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Australian Government

Department of Defence

The contemporary defence relationship between Australia and France has maintained a positive trajectory, with activities growing in scale and complexity each year. There is a shared intent to continue deepening and broadening our partnership, including into new areas of cooperation such as security, science and industry collaboration. While the global COVID-19 epidemic has resulted in the cancellation or postponement of a range of bilateral engagements, and multilateral activities, in which both countries were to have participated, it is anticipated that engagement will be resumed at its previous intensity in due course. This reflects the solid underlying relationship that has continued through a period during which the response to the epidemic has been an overriding global priority.

Defence also continues to be focussed on improving interoperability to enable increased cooperation, including with respect to geo-strategic challenges, particularly in the Indo-Pacific region.

Inquiry into opportunities for strengthening Australia's relations with the Republic of France, with particular reference to:

- a) increasing bilateral trade and investment, including future growth areas for exports and imports, and opportunities in the mining industry;*
- b) enhancing political, security and defence cooperation, including through initiatives such as the Joint Statement of Enhanced Strategic Partnership between Australia and France signed in 2017, and the Strategic Partnering Agreement signed in 2018 for the Future Submarine Program;*
- c) options for enhancing strategic cooperation, including in the Indo-Pacific region and through multilateral fora;*
- d) Australian engagement with intergovernmental organisations headquartered in France including the Organisation for Economic Co-operation and Development (OECD) and the United Nations Educational, Scientific and Cultural Organization (UNESCO);*
- e) opportunities to build on shared historical and cultural values and promote tourism, with specific reference to Commonwealth War Graves, cultural exchanges and people-to-people ties; and*
- f) any related matters.*

Australia's strategic defence relationship with France

1. The Department of Defence (Defence) views France as an important and significant partner for Australia, both globally and in our region. This is due to a range of factors that underpin a strong and mutually-beneficial relationship, including our historical ties, geographic

proximity to French Territories in the Indian and Pacific Oceans, and shared values and interests. The defence relationship between our two nations is extensive, and covers a range of activities, including operations, exercises, visits, personnel exchanges and training.

2. There is no doubt Australia's defence relationship with France has strengthened over the past few years following the selection of Naval Group (previously DCNS) as Australia's international partner for the Future Submarine Program. On 20 December 2016, Australia and France signed the *Framework Agreement between the Government of Australia and the Government of the French Republic Concerning Cooperation on the Future Submarine Program* (FSP), and formally established the government-to-government framework between Australia and France to underpin the FSP. The Agreement entered into force on 5 May 2017, following an exchange of Diplomatic Notes. While the Future Submarine Program (FSP) has played a key role in elevating our strategic relationship, today's partnership is driven as much by a recognition of shared Indo-Pacific interests and the practical benefits both countries realise from closer security cooperation.
3. Related to the FSP, but also in recognition of the strengthening bilateral security relationship, over the past few years, a number of government-to-government enabling agreements have been concluded, including:
 - the *Agreement between the Government of Australia and the Government of the French Republic regarding the Exchange and Reciprocal Protection of Classified Information (General Security Agreement)* which entered into force in 2017 that facilitates the sharing of classified information and strengthens existing protections;
 - the *Joint Statement of Enhanced Strategic Partnership between Australia and France*, which is reviewed periodically by Australian and French ministers;
 - the *Mutual Logistic Support Arrangement* that allows both the Australian Defence Force (ADF) and the French Armed Forces to increase mutual support to each other in the conduct of bilateral and joint military activities.

Importance of Australia/France Indo-Pacific Engagement

4. As publicly articulated by former Australian Prime Minister Malcolm Turnbull and French President Emmanuel Macron in the May 2018 *Vision Statement for the Australia-France Relationship*, Australia and France share a range of mutual interests in the Indo-Pacific. This includes a shared belief in promoting adherence to international rules and norms, supporting open markets and economies, and helping enable countries in the region to be more resilient in the face of both natural disasters and foreign coercion.
5. We share similar perspectives on the region's current opportunities and challenges, and on how our elements of national power—including our respective defence forces—can help secure our regional interests. In this regard, Defence welcomes the French Ministry of Armed Forces' September 2019 release of its strategy, *France and Security in the Indo-Pacific*, which reaffirmed France's commitment to supporting the enduring security and prosperity of the Indo-Pacific.

Enhanced Regional Engagement

6. Defence, as part of a whole-of-Government effort, has enhanced engagement across the Pacific, with a greater focus on new and practical opportunities for cooperation with our Pacific Island neighbours as well as our regional partners, including France. Current practical cooperation with France in the Pacific includes training, combined exercises, and humanitarian assistance and disaster relief capability (HADR), albeit subject to a temporary, but significant, pause in activity resulting from efforts to address the COVID-19 epidemic.
7. The planned participation of French Armed Forces New Caledonia (FANC) force elements in Exercise Indo-Pacific Endeavour 2020 would have been a representation of the continued and growing engagement between the ADF and French Armed Forces (FAF). Indo-Pacific Endeavour is the annual ADF activity comprised of military force elements based around a major amphibious unit conducting operations, activities, and actions in the Indo-Pacific region. Unfortunately Indo-Pacific Endeavour in 2020 was cancelled due to COVID-19.
8. A further example of Defence's multilateral engagement in the Indo-Pacific region that includes France, is Exercise LA PEROUSE. The first iteration of this exercise, which is led by France, took place in April 2019, and included participation from Japan and the United States. The second iteration was scheduled for April 2020, but was also cancelled due to COVID-19.
9. Australia and France collaborate closely in the South Pacific, including via our cooperative FRANZ arrangements to respond to natural disasters in the region - *Arrangement between France, Australia and New Zealand*, signed on 22 December 1992, and through the Pacific Quadrilateral Defence Coordination Group, which helps coordinate maritime surveillance activities and facilitate better information exchanges.
10. Australia is committed to continue working with France in the Pacific bilaterally, as well as through other important regional mechanisms, such as the South Pacific Defence Ministers' Meeting, to strengthen information-sharing on respective regional capacity building activities and programs. This will be important to maximise the effectiveness and efficiency of our respective security investments in the region, particularly following the Australian Government's *Pacific Step Up*, announced in November 2018. Close and enduring collaboration between our representatives and forces deployed in the region, in particular with FANC and French Forces in French Polynesia (FAPF), will be critical in this effort.

11. Defence also notes the FANC's biennial Exercise CROIX DU SUD (CDS), the region's largest humanitarian assistance and disaster relief exercise, involving participation from almost all regional states, and an important part of the region's disaster preparedness and response efforts. The activity while initially planned for May 2020, has been deferred because of the COVID-19 epidemic, although it may be held later in the year.

Industry, Science and Materiel Cooperation

12. Defence's Science and Technology relationship with France is with the Direction Générale de l'Armement (DGA), through the Department of Research and Technologies of Defence and Security (Service des Recherches et Technologies de Défense et de Sécurité (SRTS)). Enhanced science and technology (S&T) collaboration will be an important part of the growing Australia-France relationship that has the potential to produce significant mutual benefits.
13. Defence is looking to step up S&T collaboration, and last year Australia and France signed an Arrangement to facilitate increased cooperation on possible focus areas such as hydro-acoustics, fluid-structure interaction, lasers, high frequency radar, and nano-satellites.
14. Defence and DGA will soon commence a joint research project on hydrodynamics using the complementary Australian and French cavitation tunnel facilities. Furthermore, Defence is due to sign a new arrangement with France on S&T collaboration on composites to investigate the durability and impact behaviour of composite materials that are immersed in sea water.
15. Australia and France also continue to deepen the already strong bilateral defence industry relationship, both at an industry-to-industry and a Government-to-Government level. Our respective defence industries have complementary strengths, with further bilateral cooperation allowing both nations to leverage our experiences and identify new opportunities to deepen collaboration.
16. Major capability projects such as the FSP not only build Australian defence industry capability, but also help partner nations, such as France, meet its defence needs by recognising Australia's industry and its capabilities.
17. For Australian industry, participating in major acquisition programs has the potential to lead to greater access to global markets through the supply chains of defence primes. This is particularly true for the French market, and Defence has already seen Australian companies achieve success in France. For example, W&E Platt, a business based in Sydney that specialises in weapon mounts for the military vehicles and naval vessels, has had success in exporting weapon mounts to France. Australia remains committed to working with France to maximise Australian industry involvement in key capability projects with French companies.

18. There are a number of mechanisms that seek to strengthen Australian-French defence industry cooperation beyond the FSP. These include the Australia-France Defence Industry Symposium, which is a key defence activity under the Australia France Initiative (AFiniti). The Symposium provides an opportunity for industry and government representatives from each country to identify complementary capabilities and opportunities for cooperation. Australia hosted the first Symposium in 2018. The next iteration of the Symposium is tentatively planned for 2020 in France, and Australia welcomes continued engagement with France on defence industry issues through this forum.
19. Defence is also continuing to increase the Australian defence industry's exposure to French markets, through supported attendance at French international trade shows and targeted trade missions. These missions have included engagement with the French defence industry and related networking opportunities.
20. The Australian defence industry's presence at French international trade shows under the Team Defence Australia banner continues to grow. In 2018, Team Defence Australia took 38 companies to *Eurosatory* and 46 companies to *Euronaval*. As an outcome of these trade shows, Australian and French companies have committed to progress joint ventures, collaborations and partnerships. Furthermore, Australian companies have progressed export opportunities at these trade shows, including securing export contracts.
21. Defence also works closely with the newly established Defence and Security Director position at the Australian Embassy in Paris to identify and develop priority segments in the French marketplace where Australian companies can best compete. This position focuses on promoting opportunities across markets, scouting for opportunities, connecting French and Australian stakeholders, exploring emerging markets and setting the stage to secure outcomes.
22. In terms of materiel cooperation, Capability Acquisition and Sustainment Group meets annually with counterparts from the DGA for the AUS-FRA Bilateral Armaments Committee (BAC). The BAC is co-chaired at a senior official level and promotes information exchange and identifies future opportunities for cooperation in the field of defence equipment procurement. The BAC last met in Paris in June 2019, and is next scheduled to occur in Australia in June/July 2020.

Future Submarine Program

23. Defence views the Attack Class Submarine Program as a central pillar of the long-term relationship between Australia and France. The objectives of the Program, which include a regionally superior submarine capability, sovereignty and the maximisation of Australian industry involvement, require deep engagement between our nations at Government and industry levels.

24. The Australian and French Governments entered into a binding Framework Agreement concerning cooperation on the Future Submarine Program in December 2016. The Agreement formalises the assurance and commitments provided by the French Government for the development of a sovereign operational and sustainment submarine capability in Australia. These assurances and commitments include transfer of knowledge, skills and technology. Further, the Agreement defines the principles, framework and initial means of support and cooperation between the Australian and French Governments to help Australia achieve a sovereign operational and sustainment submarine capability.
25. Successful implementation of this inter-governmental agreement is overseen by a joint Australia-France steering committee, co-chaired by representatives from the Australian and French Defence acquisition agencies, meeting biannually. The Steering Committee oversees all aspects of the implementation of this agreement and is accountable to the respective Australian and French Ministers for Defence.
26. The Commonwealth continues to work with Naval Group on engaging all elements of Australian industry. The Australian Government is committed to maximising the involvement of Australian industry in the delivery of the Attack Class fleet. Naval Group has committed to spending at least 60 per cent of the Naval Group contract value in Australia. The commitment does not displace Naval Group's contractual obligation, to maximise Australian industry involvement in the Attack Class Program, but does reflect the growing understanding between Defence and Naval Group that at least this level of spend in Australia will be possible, as efforts continue to be made to maximise Australian industry involvement during the design and delivery of the 12 Attack Class submarines.
27. Beyond the arrangements for management of the Attack Class Submarine Program in Australia, at this stage of the Program, there is also a sizeable Australian presence in France, which is focused on the preliminary design of the submarine and the development of the skills of Australians that will be brought back to Australia to meet our capability goals. This includes Defence staff and Australian employees of Naval Group Australia.
28. As the Program progresses, there will continue to be a migration of activity to Australia, particularly during detailed design of the Attack Class, leading into the construction of all submarines in Adelaide.

International Security Policy Cooperation

29. The exchange and reciprocal protection of classified information is handled under the General Security Agreement (GSA) between the Governments of Australia and France. This is a Government-to-Government treaty that is binding under international law, and which entered into force on 4 May 2017. The GSA establishes the principles for the protection of classified information between the parties, establishes equivalencies between the parties security classification systems, outlines provisions for industrial

security cooperation, and regulates visits. It provides a foundational setting for all Defence collaboration and deeper engagement on sensitive and classified matters.

30. Defence understands that France intends to update its security classification system. Changes to the classification system would necessitate an update to the GSA to ensure that it continues to meet our mutual security needs. Defence welcomes this effort as an opportunity to further enhance and streamline our information sharing, important both in support of the FSP and our wider strategic relationship.
31. Defence is also strengthening its security relationship with France through the FSP Bilateral Security Working Group, which is one element of cooperation established under the Strategic Partnership Agreement signed in 2017. The biannual Working Group provides oversight and guidance in relation to the physical security, counter-espionage, and cyber security arrangements for information and technology exchanges.
32. Through this collaboration we have achieved standardised security requirements for government and industry participants in the FSP. We have also shared industry education packages that outline both countries' industry security policies and the processes involved in obtaining personnel security clearances, as well as joint threat assessments necessary to supporting the FSP.
33. As the National Naval Shipbuilding Enterprise develops in scale and complexity, Defence will continue to engage with France to pursue joint efforts that counter foreign interference, and strengthen information sharing and industry supply chain security, to meet the evolving threat environment.

Service-to-Service Engagement

34. The Royal Australian Navy (RAN) and the Marine Nationale (MN) have a long history of trusted cooperation. As partners with shared maritime security interests, particularly in the Indo-Pacific region, we have new opportunities to refocus and enhance our relationship in order to further advance our shared objectives. Australia's decision to partner with France on the FSP has increased the positive impetus for the relationship.
35. As part of the bilateral relationship, the MN and RAN agreed in 2007 to commence regular strategic talks. Since then, the two Navies have continued to grow closer at all levels and with after a decade of bilateral discussions, remain committed to strengthening and deepening this important relationship.
36. Annual Navy-to-Navy talks, co-chaired by the Major general de la Marine (MGM) for the MN and the Deputy Chief of Navy (DCN) for the RAN, provide the pre-eminent forum to discuss strategic, organisational, managerial, personnel, training and operational issues/problems of mutual interest/benefit to the MN and RAN. It is a forum in which to discuss future initiatives and opportunities and, in an environment of trust, to also discuss any aspects of our relationship on which we can improve.

37. Annual submarine staff talks are also conducted as the primary working group subordinate to, and reporting to, the Navy-to-Navy Talks. They are established with a focus squarely on the relationship between the submarine communities of both Navies, and in support of optimal FSP capability outcomes.
38. There is also mutual engagement in relevant Exercises, Operations and Multilateral Fora such as Exercise KAKADU, Exercise LA PEROUSE, Exercise CROIX DU SUD, Exercise EQUATEUR, the annual *Jeanne d'Arc* Mission, the Indian Ocean Naval Symposium, and the Western Pacific Naval Symposium. A Chief of Navy Liaison Officer is also posted to the Office of the French Chief of Navy, at the French Defence Headquarters in Paris.
39. The Australian and French Armies have a mature relationship with regular dialogue. Army-to-Army staff talks occur annually to coordinate exchange programs, mutual training opportunities, and ongoing dialogue between key leaders. Dialogue also occurs annually between Australian Special Operations Command and its French counterparts.
40. Most tactical level engagement between the Australian and French Armies occurs with French units on rotation as part of the FANC. FANC contingents participate annually in shooting and military skills competitions in Australia. FANC contingents also participate in field training exercises in Australia. The establishment of an ADF liaison officer at the FANC headquarters and Australian consulate in Noumea, planned to commence in mid-2020, will facilitate further increases in cooperation with French forces in the Pacific region.
41. The Australian Army's engagements with the French Army in Europe focus on individual training and exchanges. Short term exchanges are targeted at improving Army's amphibious capability, improving the capability of Army's MRH-90 and Tiger ARH helicopters, and improving corps level command, control, and logistics. The Australian Army provides Hellfire missile simulation training for French pilots in Australia, and will host French Army observers on amphibious and land-based exercises in 2020.
42. The Royal Australian Air Force (RAAF) has a strong relationship with the French Air Force (FAF) and with the FANC. The FAF remains a key partner in Europe and the Pacific. The RAAF intends to maintain this relationship in areas of mutual benefit. In the Pacific area, both nations are committed to support HADR operations, and continue to participate in combined exercises both in Australia and New Caledonia.
43. FAF participation in RAAF's Exercise PITCH BLACK, allows both nations to exercise high-end air combat capability, as well as enabling the FAF to practise airpower projection in our region.

44. Both the RAAF and the FAF have, or are introducing, common aircraft platforms. This presents potential opportunities to deepen our future engagement. The RAAF remains committed to continuing Air Staff Talks, and continue the one way personnel exchange of a KC-30 pilot at RAF's 33 Squadron.

Conclusion

45. Defence sees the contemporary defence relationship between Australia and France as on a strongly positive trajectory, with our joint activities growing in scale and complexity each year. There has been a pause in activity as a consequence of the global response to the COVID-19 epidemic. However, it is anticipated that the strong trend of growth will be resumed, following a period in which the response to the epidemic has been an overriding priority.
46. Political and Defence leaders from both nations have expressed a shared intent to continue deepening and broadening our defence partnership, including into new areas of cooperation such as security, science and industry collaboration.
47. Defence continues to be focussed on improving interoperability to allow for increased cooperation and a collaborative approach to new and emerging geostrategic challenges, particularly in the Indo-Pacific region.