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EN AUSTRALIE**

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Address to the National Press Club

H.E. Jean-Pierre Thébault

Ambassador of France to Australia

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France-Australia: friendship always, but for which partnership now?

Spontaneously, the first visit I decided to make after being officially appointed as Ambassador to Australia was to the Australian Memorial at Villers-Bretonneux. And the nearby villages. So many places where Australians and French soldiers are resting. There I humbly paid my deepest respects to those who, fighting at our sides, had fallen for freedom.

Discussing with the mayors and the volunteers who each year lovingly attend the small cemeteries, organise community ceremonies, I could feel the strong bond that unites our two countries, our two people. The same I experienced when going some months ago to Stuart Town to honor, with the members of his family and the community, the memory of Private Thomas Cohen. A bond we commemorate, honor and never forget.

Marked by this long lasting friendship, forged in the blood of our forefathers, we have crossed the century, sharing and promoting the same common values and hopes for the future. Because together, we are facing the same challenges.

Increased ambitions and competition, changes in the regional balance of powers, create a dangerous instability. Without naivety we are prepared to tackle them. Being a direct immediate neighbor of Australia, with 2 million French citizens in the region, security is not a distant concern. It is for us both a direct and vital concern.

As two Indo-Pacific nations, two neighbors, it was only natural that our common vision became a genuine strategic partnership. During the past 10 years, this partnership has been growing fast, embracing new areas, with many prospects for our mutual benefit.

Since 2016, it was actively deepened. To promote our enhanced strategic partnership, an intergovernmental agreement was sealed between our countries, and approved by the Australian Parliament in 2017. It encompassed strong mutual commitments, opening in particular highly classified, restricted, channels of communication to exchange secret data.

This solemn act opened the way for the very ambitious Attack-class submarine program. Based on the design of the latest French nuclear propelled submarine Barracuda Class, a key element of our nuclear deterrence force, but with Australian specifications, France committed for the 50 next years:

- to build 12 regionally superior oceanic submarines,
- to fully transfer, at the same time, the technologies and know-how at the core of what is one of our most classified and sensitive defense programs, =in order to build a fully sovereign Australian submarine industry=, a move one nation can only consider with a deeply trusted partner;
- to ensure that this program would maximise Australian industrial content, boost the Australian capacities and jobs. On our proposal, a legally binding target of 60% was set, a totally unprecedented example in Australia's defense procurement history.

I insist on the absolutely unprecedented and largely underrated dimension of this partnership. The extent, sensitivity, of what France committed to transfer, was never done before. When you agree to transfer the technology of your own core national defense capability, which are vital elements of your national deterrence force, and not merely a “black box”, you entrust your partner with vital elements of your own national security. There cannot be a stronger sign of confidence. You can only do that if you have received full insurance that whatever happens, there will be full mutual transparency and trust. This was the extent and strength of our mutual commitments.

And it explains a lot in our current situation.

= The Attack Class program was always far more than a contract =. And this was well known by the Australian Government. Several ministers have served since 2016. As an unprecedented act of trust, it was bringing our relationship with Australia to a level never reached before, politically and technologically, fully complementing Australia’s, and France’s, historical alliance with the US. Indeed the FSP was a full tripartite program involving, for a very substantial share of its budget, Lockheed Martin, provider of the combat system.

With the full transfer of such highly sensitive capabilities, Australia was gaining direct sovereign control on one of its vital tools of defense.

“A stab in the back”

On September 16th, this Australian government abruptly announced the cancellation of the Future Submarine Program.

This decision had been deliberately kept secret for months, even as the French President, the French Ministers of Foreign Affairs and Defense, countless high-level working groups, as provided by the Intergovernmental Agreement, myself on the ground, were engaging regularly in good faith with our interlocutors.

One can always try to tell afterwards that we “should” have understood by ourselves, that some ambiguous Australian government attitudes “should” have made us “realise”...in fact we should have been able to read in coffee grounds. This is fiction. What is a hard fact is that still on the 30th of August French and Australian ministers for Foreign Affairs and Defense held a ministerial “2+2” dialogue. And they agreed a joint communique.

It was readily available to the public, and was widely acclaimed for its strength and ambition. It encompasses, agreed by both sides, the following sentence: “The two countries underline the importance of the FSP”.

Do you agree on such a joint communiqué when there is the slightest doubt on something so massive as the official backbone of our cooperation? Maybe on Mars. But not on this planet.

And probably the reason for which the Australian Government did not want to be explicit was frankly explained by the Prime Minister himself on the 16th of September. I quote;

“There were never any certainty that the long and painstaking (AUKUS) process would result in where we are now....And indeed, if we were unable to access this technology...then the Attack-class submarine is the best conventional submarine that we would be able to utilize.”

In fact, confronted with the high uncertainties surrounding the likely closure of an alternative deal, it was necessary to keep the possibility to continue the FSP. And so it was mandatory to keep us in the dark, on the backburner.

The deceit was intentional.

And because there was far more at stake than providing submarines, because it was a common agreement on sovereignty, sealed with the transmission of highly classified data, the way it was handled was a stab in the back.

France knows very well the meaning of sovereignty. We have exemplified countless times the value we attach to such notion. And it was exactly because of this, because of our shared history, because we are two neighboring Indo-Pacific Nations, sharing the same challenges, that France answered the call of Australia when it wanted to build a sovereign industry. This was at the core of our alliance inked in 2017.

Of course, the Australian Government makes its own decision when it comes to national security. President Macron restated that clearly. But the way this Australian government decided to turn its back on our solemn and far reaching partnership, without ever frankly consulting with France, when there were countless opportunities, without having shared frankly and openly its thoughts or without having looked for alternatives with France, is just out of this world =.

With solemn promises and acts, we were supposed to develop a joint approach in the region for the next 50 years. What can any partner of Australia now think? Is this the value of Australia's signature and commitment?

Renegading on its commitments was a unilateral act from this Australian Government, a conscious decision and it is its historical responsibility. Alarm bells should have rung on the likely consequences. And if it was the case, and they were disregarded, it is even worse. I have seen the comments already made by many former highly experienced Australian diplomats.

These are not things which are done between partners, even less between friends. Especially in view of the strong historical ties that exist between our people and our strong political, strategic common interests for our citizens in this region, for the peoples of the whole region.

Setting the record straight: Naval Group's impeccable commitment

The most recent nuclear propelled submarine produced in the world, the Barracuda submarine is top of its class, with groundbreaking technologies allowing remarkable performance in terms of range, stealth and lethality.

Naval Group's capacity to provide an excellent product is obvious, proven and unquestionable.

The Australian Prime Minister himself acknowledged it without ambiguity on the day AUKUS was announced and I quote him: *"The Attack class submarine is the best conventional submarine that we would be able to utilise. And we remain of that view"*. Further adding: *"the Attack class is a great submarine and Naval Group is a great organisation to deliver such a submarine"*.

It is important to set the record straight about Naval Group's impeccable commitment. And there is undeniable proof of that. In the Senate, some days ago, Defence Secretary Greg Moriarty stressed in writing that "The public discussion around the attack class submarine had been == largely == inaccurate.

"The total estimated cost of the program was the same estimate that we took to Government in 2016,". And he squarely concluded: "There was no cost blowout".

This was further explained during the discussion with the Senators: Defence's General Manager of Submarines, Rear-Admiral Greg Sammut stated, "I quote: "No, There was no blowout in the cost of the program. The program cost estimate, that was reviewed again this year in accordance with the normal processes under our contract, where we continually review the program cost estimate, remained within the total acquisition cost estimate that we announced in 2016.

The budget of the program was exactly the same as it was on the date that the contract was signed". It was within the \$50 billion in constant dollars... The program "was acceptable, affordable and compliant"

Let me repeat: the Attack class was affordable, acceptable, compliant, on bilaterally agreed time, despite the heavy blow of COVID, = with no cost blowout =.

When some still try to throw mud at it, in an attempt to justify themselves, these unequivocal, precise statements, made in front of Parliament with all the solemnity it presupposes, vindicate the reputation of the program.

But why was this not done long before?

We had questioned the Australian Government several times over the years about the false or misleading allegations which were regularly made, with scarce official reaction. We were told that such things “do occur in Australia”, are “normal”, “do go away” and “have to be managed solely by Defense”.

But in light of the subsequent events, the question now arises legitimately: why was it impossible earlier to state the naked truth, as was done just some days ago, on record, during Senate Estimates? This would have set the record straight and stopped the smear campaign.

In retrospect, knowing what we know for sure today, about the relentless conduct in parallel of an alternative plan, some had a direct interest to sabotage the public support and understanding for the Attack class program. Some say the program had “few friends”. What is sure is that lot was done to be sure that it would have less, including by allowing (“I quote”) “a largely inaccurate public discussion” to happen, unchallenged.

The Attack class program, despite the allegations made in this intensive smearing campaign, was in fact not at all a “troubled” program. There are others that are. And are stunningly attracting little attention and reaction. The Attack class program has been intentionally vilified to become an easy scapegoat, to justify a change of footing that was a long time in the making.

A situation worlds apart from the experience shared by all those “on the ground”.

As stated by an official letter of the Commonwealth of the 15 of September, all “gates” had been totally and satisfactorily cleared. And they recommended the signature of the next phase of the contract.

I seize this opportunity to reiterate my public appreciation for the outstanding and professional quality of the cooperation that has existed for several years between the French teams and the women and men of the maritime

program teams of the Commonwealth of Australia. They never used double language. I understand also that, despite being the only submarine experts in Australia, they were not in the loop of the secret plan. Which might explain...

The giant leap into the unknown

The Australian Government is abandoning a solid cooperation with well-established parameters for a yet-unspecified project, without even a solid transition.

A mere “project of a project”. Not even the length of the study of the study is certain!

Let’s be clear. Even if it was prepared in a “clumsy” manner, we wish well to the new program. “Good luck” wished President Macron. We have at heart the interest and security of the Australians, fellow Indo-Pacific neighbors and friends. France’s and Australia’s common interests are well established and long-enduring.

But it is enough to read the converging contributions of the most sensible experts in Australia to sense their anxiety.

All their questions are justified.

First of all, there are many doubts on the possibility for the program to be ever conducted in Australia, when the Attack program was fully Australian owned.

Second, the costs are likely to skyrocket, and it has already been officially acknowledged.

Third, it appears that there will be a capacity gap, maybe of up to 20 years! When the FSP program was delivering its first submarine, fully made in Australia, in the early 2030’s - Several would have been produced before the first, eventual, new type of submarine will have been produced.

Magical thinking will not change the facts.

Conducting a nuclear submarine program and maintaining it requires specific infrastructure and skills. It represents a daunting challenge in terms of material, regulatory and human investment, a very steep learning curve. We know this by experience, as do all nations with deep knowledge in this sector. ==There are no shortcuts without exposing the crews living alongside the reactors and the civilian populations to considerable risk==.

In fact, such level of uncertainty hardly seems compatible with the urgency and the needs described to justify scrapping the Attack class program.

And there could have been a different outcome.

As you know, France is the only European country to have developed in a totally sovereign manner both a submarine industry and nuclear propulsion technology, and one out of only four in the world. It is so very remarkable in this context that since March 2020, this Australian government has never consulted with us, at any level, at any time, about a possible nuclear-powered option or the merits of nuclear propulsion.

When it was Australia that asked France to transform an original nuclear powered submarine into a diesel-electric conventional one!

And now I am quoting the experts. Was it so urgent to totally renounce to a regionally superior solution which was ready at hand, to fill the capacity gap, for which the Australian taxpayer had already invested?

Was it so urgent to immediately renounce to building a national sovereign capacity that would have helped Australia to immediately develop expertise and human resources, in order to be able to secure for Australians the best substantial share of the possible new program?

All the more that the Attack class was developed on the design of the latest French nuclear propelled submarine, ensuring there would have been strong commonalities, even with other projects, in the skills required, and a natural transition, contributing to save years of unnecessary delays?

Was there a hurry to jump into what is widely acknowledged is the total unknown, with so much spin, spectacular marketing, but no concrete answers? Maybe, as mentioned by a prominent and knowledgeable Australian specialist, there were then elections looming. “Politicians and elections make an interesting mix”.....

What is sure, is that the decision to cancel the deal will have practical consequences for our local partners. Australian jobs and creating a sovereign capacity for Australia were indeed a key guaranteed benefit of the program:

- Our thoughts are with the 300 Naval Group Australian employees and their families in Adelaide as well as the 50 Australian families currently in Cherbourg in France who face a precarious situation. But it is thousands more jobs which have been trashed. In two years’ time, in 2023, when the first Australian steel was planned to be cut, these numbers were planned to rapidly grow to reach 2300 by 2030.

A number that would have been even larger with the jobs created in SME’s and contractors. These would have been highly qualified jobs, requiring high skills, well paid. And long-lasting, as the program was creating a sovereign Australian capacity, == not a one-of assembly line ==. Recruitment campaigns were underway. Apprentices were regularly auditioned and pre-selected. This has been put to an end.

- And NGA is also just one element of a broader picture that includes so far 195 Australian contractors, large as well as SME’s.

Without mentioning the numerous SME’s who had registered interest for the planned later stages. Several believed in the political commitment that was publicly made. Several even invested in advance, for the announced future development stages of the program. Certainty has been traded off for eventualities.

The termination of the Attack contract is a hard blow for the Australian defense industry in general, and for the South Australian economy in particular, which has severely been torpedoed.

You know we had established over the years very strong bonds with the universities there, in the research sector, establishing high tech laboratories. Deep connections had been created between Brittany and SA. We deeply feel for our friends in Adelaide, Port Elisabeth, other places. As it is now widely admitted that, beyond the initial spin communication, it is highly unlikely that there would be any tangible replacement soon. If any.

Finally, the AUKUS submarine component could also have implications in terms of our common efforts to strengthen non-proliferation norms. The further development of HEU naval propulsion programs goes against decades-long and costly international efforts, led notably by the United States, to reduce stocks of HEUs around the world. The new prospect therefore entails very specific responsibilities for Australia which will be scrutinized by the international community. Reconciling this project with the imperatives of nuclear non-proliferation will be a long and complex job.

To summarize, these new developments are all the more concerning as the deteriorating strategic environment in the Indo-Pacific region makes it necessary to reduce uncertainty.

France will always be a close and loyal friend of Australia.

No artificial wedge, despite attempts, can be put between our people. If there is a problem today, it is with certain aspects of the “Canberra Bubble” and its “Secret city’s” practices.

But as an Indo-Pacific nation, a neighbor, which has developed a clear vision of where it stands, the challenges it faces, the solutions it could bring and the partners it needs, France will be always available to Australia when the time comes. Ready to have an active and frank dialogue. There are many reasons for that.

1/ Geography has not changed: France, as a leading European country, as an Indo-Pacific nation, will continue to actively engage. To protect its citizens and its interests. To work jointly with its allies and partners.

France was the first European country to adopt an Indo-Pacific strategy and Australia was, alongside countries such as India and Japan, also taking into account the centrality of ASEAN, identified as one of the main partners. The French President laid the foundations of our Indo-Pacific strategy in this very country, during a speech he delivered in May 2018, on the Garden Island Naval Base.

In face of the great challenges of this region, France is determined to use its experience and resources to be a stabilising force, promoting the values of freedom and rule of law.

Our ambition for the region remains unchanged, for it is a matter of preserving our core national interests and that of our closest like-minded partners. Without naivety. We are acutely aware of the strategic consequences of the rise of China, and its multifaceted implications. But we have an all-encompassing approach and do not wish to prioritise military competition.

France played a leading role in ensuring the adoption of an ambitious EU Strategy for Cooperation in the Indo-Pacific, presented on September 16th. Its central message is that the EU is ready to step up its engagement in and with the region. The recent elevation of its relationship with ASEAN to a strategic partnership shows that this commitment is acknowledged by regional partners. == As France will take over the EU Council Presidency in the first semester of 2022, we will actively work, taking new initiatives, for the concrete implementation of this strategy ==.

In this context, we deeply regret that the AUKUS announcement stands in stark contrast with Australia's alleged intent to seek greater involvement by European allies in the Indo-Pacific region.

2/ At a time of increased uncertainty, France is the only European country with permanent and significant assets in the Indo-Pacific region and a capacity to rapidly step-up its presence.

We are not talking about an episodic role, or trade promotion like missions, without substantial follow-up. We are talking about our long-lasting presence in the region.

7000 French military personnel are permanently deployed in the Indo-Pacific. In the Pacific Ocean only 3000 of them are stationed on 2 sovereign bases, with 7 ships and 16 military aircraft permanently deployed.

Outside the US, no other western country has such a long established, diverse network. These troops and sovereign bases protect our territories and maritime areas, but they also ensure our capacity to permanently be able, for ourselves or in support of our allies, to deploy and act in a region that has become the world's strategic and economic center of gravity.

Just to give you a few concrete examples of the additional operations we have been undertaking these last twelve months in Australia's neighborhood: deployment (exactly one year ago) of a nuclear attack submarine in the Indo-Pacific (SSN EMERAUDE), including a port visit in Australia; deployment of an amphibious group all the way to Japan, which jointly operated with the Australian Navy in the South China Sea and in the Indian Ocean; a squadron of Rafale fighters, with their full supporting gear of support and supply planes, deployed from France to Hawaii and Polynesia. On top of the numerous multilateral exercises in the region: Peronne, La Pérouse, Croix du Sud, Marara, Varuna, Pitch Black, we are conducting freedom of navigation crossings in the South China Sea at least twice a year. We permanently train and enhance our ability to be a stabilising force in the region. On our own, and with our allies.

For those interested, I can provide you the record of our yearly missions going back several years. We are usually not boasting of them. The idea is to be credible, efficient and constantly present and ready. Not to show off and then disappear.

And this presence allows us to assist civilians against natural disasters and health crisis.

As friends and neighbors in this sensitive region we know the importance of effective solidarity. Because there is also another massive security challenge looming which requires immediate action. Climate change.

3/ Let's unite to make Glasgow a success.

A key pillar of our Indo-Pacific strategy is our commitment to common goods and the fight against climate change. France has always been at the forefront of climate change negotiations.

Climate change is already an existential threat for hundreds of millions. Here in particular in the Pacific. We are hearing regularly the poignant pleas of our Pacific brothers. Palau, Nauru, Tonga, Fiji, Samoa, Vanuatu, PNG. It is also true here in Australia, a place I am also proudly calling my second home. The bushfires, the droughts, the floods and their human casualties. They are the price of inaction.

Climate change is a unique global threat, which requires global solutions with every nation's outmost best effort. Climate change does not stop at your doorstep, neither at that of a single country. Believing that is denial. Each nation is responsible in its action towards its neighbors, towards the entire world.

Yes, we all have to make sacrifices. Yes, these sacrifices will be costing us some comfort. But it is an opportunity for change, innovation, progress. Glasgow is a wake-up call for responsibility.

This call is brilliantly answered in Australia by millions of Australians, from all walks of life, both in regional and urban Australia, with no artificial divide, all generations united, taking action, inspiring others. This call is, for example, actively relayed by the National Farmers Federation, by the major industry bodies, by several States, in particular New South Wales and Victoria, and the Territories.

Their commitments and actions already launched are impressive. But = they all say = it is not enough.

Their call is unequivocal. Individuals, entrepreneurs, local governments, companies need direction, certainty. In order to adapt, to invest, to unleash the formidable energy of our societies they say they need a strong, precise, compelling national drive.

“Lead the pack”, “go stronger” say Emma McKeon. The testimony of Australian bushfire survivor Jo Dodds in Glasgow, in the name of all the victims, in the name of the thousand heroic volunteer firefighters, who have payed such a high price, the calls of Mike Cannon-Brookes, Andrew Forrest, Matt Kean, together with hundreds of young and not-so-young farmers, entrepreneurs, NGO’s these last weeks, hint at the desirable direction.

Glasgow can only be a success if all our countries are pulling their weight together, without hesitation, or ambiguity. It is a historical responsibility for the richest nations, and among them for the richest and largest contributors of emissions per capita. The US, Japan, the UK, the EU have all shown the path by strongly increasing their commitments. New Zealand just joined. The time for prevarication has ended. Except if one is to become an accidental ally of the remaining who resist action.

According to its entrepreneurs, its scientists, its States; Australia, one of the largest emitters of CO2 per capita in the world, would be pulling its weight by committing in Glasgow to at least a 45% reduction of its emissions by 2030, a slight effort above the 35% it is already sure to easily reach. The Business Council of Australia says it plainly (and even says 46%). Australia could embark immediately toward the necessary transformations of its economy, with concrete measures, to boost innovation and entrepreneurship, jobs, become a world champion, while attending to the undeniable needs of transition of the most vulnerable regions and sectors.

Could this be a subject on which, for the greater good of ourselves but also this region we call home, we could unite forces?

Glasgow must succeed. No country would benefit from a second Copenhagen.

What is, then, the future path of the bilateral relationship?

Following the breach of trust caused by the attitude of this Australian government, I was recalled to Paris for in-depth consultations. I return to Australia with two specific missions:

- to strongly defend the interests of all companies and individuals, Australian and French, who trusted the solemn promises which were made, once, and are now in difficult positions, in the concrete implementation of the decision to end the future submarine program.

- to help redefine the terms of our bilateral relationship moving forward, considering all the consequences of the major breakdown of trust with this Australian Government.

President Macron spoke with Prime Minister Morrison last week and I met with Minister Payne on Monday.

On both occasions, the message was shared that it is now up to this Australian Government to propose tangible actions that embody the political will of Australia's highest authorities to redefine positively the basis of our bilateral relationship and to continue joint action in the Indo-Pacific.

As stated publicly yesterday by President Macron:

« I never say never. First, because we have common values and honestly I was in your country in May 2018 and I will never forget what I experienced. Your country was shoulder to shoulder with us during the wars. You had soldiers with us when our freedom was at stake. We have the same values. We have to honour these common values.

I think you can have disagreements. I do respect sovereign choices. But you have to respect allies and partners and I think that what happened is detrimental to the reputation of your country.

I will, while continuing to plead for substantial proposals, persist in fostering and developing the people-to-people exchanges, territories to territories, promoting shared values and ideas, further developing the fabric of what makes the relationship between our two countries and people unique. As I have already started for the past year, I will seize all opportunities to visit regional and urban communities, entrepreneurs, farmers, schools and answer every invitation. There lay the beating heart of this great Nation.

I seize this opportunity to warmly thank the people who reached out to us, immediately after the unfortunate events, to convey words of support, solidarity and love for France. I wish I could have the time to read to you

some of the letters received from children, students, elders, people who had never been to Europe as well as those missing their trips to France, ...

We are warmly looking forward to welcoming them again to France after this long time apart, just as we hope that our fellow citizens will soon be able to discover or rediscover the beautiful land of Australia.

As one letter quoted : « The Australian way is to be always honest, direct, practical, face up to hard problems with fortitude, intelligence and courage, to get things done, even hard things, without making a fuss and, above all, stick by your mates. ».

This is Australia as we love it, and never will stop doing so.