

AUSTRALIA'S SUPPORT TO UKRAINE: CHARTING A NEW DIRECTION IN 2024

**Submission for the Joint Standing Committee
On Defence, Foreign Affairs and Trade
(Defence Subcommittee)**

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EXECUTIVE SUMMARY

Shortly after the large-scale Russian invasion in February 2022, Australia offered its diplomatic and moral support to Ukraine. Our nation has also provided several assistance packages, consisting of military equipment including Javelin missiles, Bushmaster vehicles, trucks and armoured personnel carriers. It has also welcomed displaced Ukrainian people, and Australian citizens have been unstintingly generous to Ukrainian groups and non-government organisations raising funds for Ukrainian humanitarian and other forms of aid.

But over time, and with a change in government, attention and interest has waned in Australia. This is similar to other Western nations providing assistance. Notwithstanding the early support provided by Australia, according to the Kiel Institute statistics our nation is now only the 6th largest non-NATO contributor as a percentage of GDP.¹ This needs to change, particularly as 2024 shapes up as a very tough year militarily and diplomatically for Ukraine.

The Russians, who mobilised their defence industry in September 2022, now have a clear production advantage. Combined with munitions provided by Iran and North Korea, this advantage in areas such as drones and artillery results in the Russian Army now having the initiative on the battlefield. Ukraine will remain largely on the defensive in 2024 to absorb the Russian onslaught, reconstitute its military, and then conduct large scale offensive operations in 2025.

It is almost impossible to conceive of any Ukrainian large scale ground offensives in 2024, although Ukrainian strike operations are maturing and improving to fill some of the gap in operational capacity. But 2024 will be a year where Ukraine requires as much assistance as nations can provide it. Australia, with its allies and partners, must respond positively and resolutely to this challenge.

With Russia likely to launch more offensives in the lead up to the March Presidential election, the need for military and other aid is urgent. The U.S. Congress' failure of leadership has resulted in no new American aid packages for the near future. Every piece of assistance from other nations such as Australia is vital.

There are four areas where the planning and provision of Australia aid to Ukraine can be improved. These four elements – the amount of aid, the breadth of aid, diplomatic support and coordination of aid - should be the key elements of an Australian strategy for supporting Ukraine. These should be coordinated by an Australian strategy for Ukraine that explains the purpose of supporting Ukraine, the kinds of assistance might be provided and how this can be coordinated in a whole of government manner.

The aim of this submission is to provide a blueprint for a more effective and efficient whole of government approach to assisting Ukraine in its hour of need and ensure that all Australians can be proud of the support their nation is providing to the people of Ukraine.

RECOMMENDATIONS

The following recommendations are made in this submission:

- Australia should adopt a whole of government approach for assistance to Ukraine, and a government coordinator should be appointed to ensure coordination among government departments as well as with Australian businesses wanting to do business in Ukraine.
- As part of this whole of government approach, the government should develop and publish a strategy for supporting Ukraine to ensure transparency and accountability.
- The Australian government should publicly and consistently outline the strategic purpose for our nation investing in the defence of Ukraine, and why it is a compelling national interest for Australia to do so.
- The amount of aid for Ukraine provided by the Australian government should be increased and set a benchmark of at least 0.05% of GDP as the total economic value of annual aid to Ukraine.
- To provide greater certainty to Ukraine, the government should commit to regular assistance packages to Ukraine, with each package consisting of a mix of different forms of assistance.
- Australia should broaden the range of areas where aid can be provided by adding more financial and humanitarian assistance, in addition to existing military support, in future aid packages.
- Government should mandate consideration of equipment being disposed of by Defence for dispatch to Ukraine as a compulsory, auditable and transparent step in the disposal of any defence equipment in Australia.
- Where Defence provides military assistance from current inventories, the Department of Finance should be mandated to provide full cost compensation to the Department of Defence for their replacement.
- Australia should continue to participate in important NATO events. These include the annual NATO summits as well as the regular meetings convened by the U.S. Secretary of Defense in Germany to discuss the priorities for military assistance to Ukraine, and the capacity of donors to assist.
- Australia should commit to returning its Ambassador to Ukraine, currently resident in Warsaw, in 2024. Along with the ambassador, an Australian military attaché should also be posted in Kyiv.
- The Foreign Minister and Defence Minister should publicly commit to visiting Ukraine in 2024.
- The Australian government should initiate a program of visiting Ukrainian speakers to provide firsthand stories of the Russian invasion and its impacts on Ukrainian society.
- The government of Australia should invite the President of Ukraine to visit Australia in 2024 or 2025.
- The government should develop a plan for the conduct of strategic outreach and influence operations to develop a better relationship with the Australian-Ukrainian community, explain Australia's approach to the broader Australian community and international partners, and overcome the perception by many Australians and foreign partners that Australia has been mean spirited with Ukraine assistance.

AUSTRALIA'S SUPPORT TO UKRAINE: CHARTING A NEW DIRECTION IN 2024

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Introduction

The recent debate about the future of the Australian Army's decommissioned Taipan helicopters has highlighted a lack of coordination and transparency in Australia's approach to supporting Ukraine. Assistance packages are announced sporadically. Moreover, the government has not consistently spoken to the Australian people about why Australia should support Ukraine and its people.

As such, Australia should possess a strategy that explains the purpose of supporting Ukraine, what kinds of assistance might be provided and how this can be coordinated in a whole of government manner.

Shortly after the Russian invasion in February 2022, Australia offered its support for Ukraine. Thereafter followed several assistance packages, consisting of military equipment including Javelin missiles, Bushmaster vehicles, trucks and armoured personnel carriers. But over time, and with a change in government, attention and interest has waned here - and in other democracies. According to the Kiel Institute statistics Australia now is the 6th largest non-NATO contributor to Ukraine as a percentage of GDP.²

This year will be a pivotal one in the war. The Russians, who mobilised their defence industry in September 2022, now have a clear production advantage. Combined with munitions provided by Iran and North Korea, this advantage in areas such as drones and artillery results in the Russian Army having the initiative on the battlefield until Western defence production can catch up. Ukraine will remain largely on the defensive in 2024 as it absorbs the Russian onslaught, and reconstitutes its military, in the hope it can conduct large scale offensive operations in 2025.

With Russia likely to launch more offensives in the lead up to the March Presidential election, the need for military and other aid is urgent. To make matters worse, the US Congress' failure of leadership has resulted in no new American aid packages for the near future. Every bit of assistance from other nations like Australia is vital.

There are four areas where the planning and provision of Australia aid to Ukraine can be improved. These four elements – the amount of aid, the breadth of aid, diplomatic support and coordination of aid - should be the key elements of an Australian strategy for supporting Ukraine.

Increasing the Quantity of Assistance

While Australia has provided a useful amount of assistance to Ukraine since the Russian large-scale invasion in February 2022, the amount of aid provided by Australia should be increased. Assistance

has been sporadically provided and focussed on drawing from existing military stocks to reduce the cost to the budget. Overall, the cost to Australian taxpayers of assistance to Ukraine over the 700 (plus) days since 24 February 2022 is around 5 cents per person per day. Put another way, this is less than 0.3 percent of the budget for the future submarine fleet and about 0.035% of Australia’s annual GDP.

The regularly updated index of Ukraine Support undertaken by the German Kiel Institute provides data on all donors of aid to Ukraine. Australia ranks 35th on this index of 41 donors as a proportion of GDP donated, and 30th of 41 donors in total aid commitments.³

The quantity of assistance for Ukraine provided by the Australian government in financial terms should be increased. Further, the government should set a benchmark of 0.05% of GDP as the minimum total economic value of annual aid to Ukraine. While this would still be much less than that provided by countries such as Canada and the United Kingdom, it is appropriate that Australia do so as the 13th largest economy in the world.

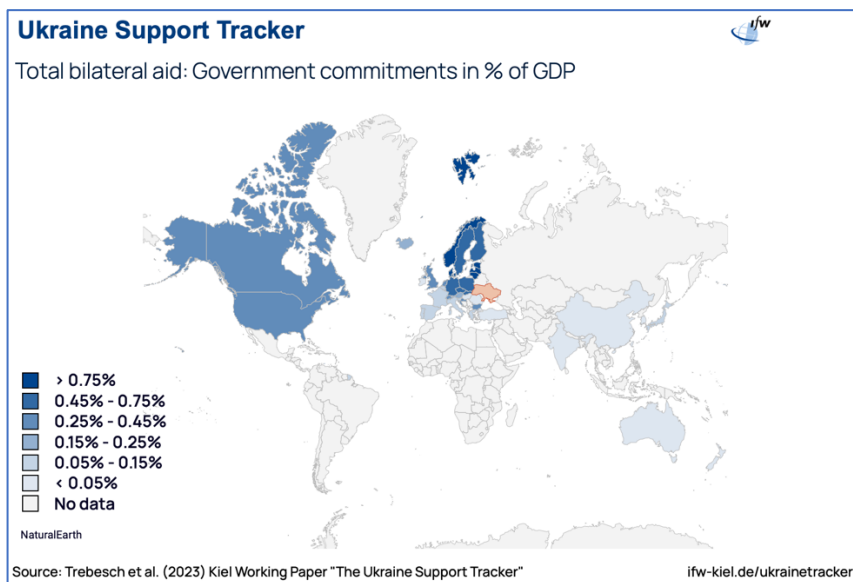


Figure 1. Australian Aid to Ukraine as % of GDP Compared to Other Nations⁴

There should also be more certainty for the recipients of this assistance; Ukraine. As such, the government should commit to quarterly assistance packages to Ukraine, with each package consisting of a mix of different forms of assistance.

Broadening the Types of Assistance Provided to Ukraine

Australia should broaden the range of areas where aid can be provided. 80 percent of Australia’s aid to Ukraine since February 2022 has been military assistance, which has included equipment and vehicles, munitions as well as the training provided by Australian soldiers under the auspices of Operation Kudu. This military assistance is valuable, appreciated by the Ukrainians and is even more important at a time of uncertainty about future U.S. military assistance packages.

This military assistance could be expanded to include more training for staff officers and senior leaders, assistance to the Ukrainians in development of more sophisticated warfighting concepts to solve several battlefield mobility and offensive problems, more M113 armoured personnel carriers (vital for casualty evacuation) and Bushmasters, more artillery munitions ordered from by government from the new munitions factory in Maryborough in Queensland, more drones for Ukrainian border surveillance, and an array of other requirements such as medical kits and Australian made loitering munitions.

Australia should also continue to participate in important NATO events related to Ukraine. These include the annual NATO summits as well as the regular meetings convened by the U.S. Secretary of Defense in Germany to discuss the priorities for military assistance to Ukraine, and the capacity of donor nations to help.

Further, when the Department of Defence identifies the need to replace older equipment, the disposal of this equipment should first be considered for transfer to Ukraine before disposal by other means. As such, Government should mandate this as a compulsory, auditable and transparent step in the disposal of any defence equipment in Australia. Key equipment such as the army's armoured personnel carriers, Tiger attack helicopters and M1 main battle tanks will shortly be replaced and should be considered for gifting to Ukraine.

Finally, where the Department of Defence provides military assistance from current inventories, particularly munitions and in-service items such as the Bushmaster vehicle, the Department of Finance should be mandated to provide full cost compensation to the Department of Defence for their replacement. Where possible, replacements should be sourced from Australian industry.

But despite the compelling requirement for weaponry, training and munitions, there are other areas where Australian assistance could be provided and valued by the Ukrainians.

One area beyond military assistance is reconstruction assistance. The most recent assessment by the World Bank describes how the costs for Ukrainian reconstruction and recovery in Ukraine have grown to US \$411 billion. A "Rapid Damage and Needs Assessment"⁵ has been developed which has measured the impacts of the Russian invasion in 20 different civil sectors. The highest priority requirements in the following sectors: transportation (22%), housing (17%), energy (11%), and social protection and livelihoods (10%). Over \$100 billion is urgently required to remediate physical damage to buildings and infrastructure.⁶ Russian damage to energy distribution networks, and to significant infrastructure such as the Kakhovka Dam,⁷ continue to increase and take a toll on Ukraine's GDP and its population.

Australia is yet to provide a contribution to the World Bank's Ukraine Recovery, Reconstruction and Reform Trust Fund. Reconstruction is a compelling need now; the Ukrainians can't wait until the end of the war to begin. Civil infrastructure such as hospitals, roads, bridges, power and energy networks and schools must be rebuilt and repaired. Regional countries such as Indonesia, Japan and Korea have already provided financial donations to the fund.⁸ A financial contribution by Australia would help Ukraine now and would be appropriate.

At the same time, Australia could provide better support to Australia businesses that might wish to contribute to Ukrainian reconstruction. This could include the conduct of trade fair in Kyiv or Lviv, and as discussed below, a more active diplomatic presence in Ukraine to facilitate access by Australian businesses. Finally, the Australian government should send representatives to the annual international conferences for Ukrainian reconstruction, with the 2024 event to be held in Berlin in June 2024.

Humanitarian demining and removal of unexploded ordinance is a subject that Australia has broad experience in. Australian companies have expertise in mine detection and demining operations, and this would be a useful area of support for Ukraine. Australia could also contribute more to Ukraine’s humanitarian needs such as demining the large parts of Ukraine contaminated with Russian mines and unexploded ordnance.

Australia might also provide direct financial assistance to keep the Ukrainian government funded as part of broader EU financial support efforts. The 2024 Ukrainian budget, published at the end of 2023, allocates approximately US\$40 billion for defence spending and US\$40 billion for other government expenditures including government salaries, infrastructure, health and social needs.⁹ The Ukrainian government is likely to have a significant shortfall, around US\$37 billion, in its 2024 budget, requiring economic assistance from the EU and other donors to remedy. Australia should contribute to this budget shortfall, whether through direct assistance or through international agencies.

Australia should also consider the establishment of a similar approach to Canada, which is known as the *Ukraine Sovereignty Bond*. This five-year, C\$500 million bond was issued on November 29, 2022. More details on this can be found at the Government of Canada website on this topic.¹⁰

Finally, there are a range of social and educational initiatives that could be implemented. Australia could commit to take additional Ukrainian refugees over the next three years, as well as providing more scholarships for Ukrainian students to study fulltime in Australia.

Diplomatic Support

Australia has been a good diplomatic supporter of Ukraine in international fora, including the United Nations. That said, more diplomatic supported from Australia is needed.

Australia is yet to re-establish its embassy in Kyiv. If Australian diplomats can remain in Port Moresby during riots, and in Tel Aviv during Hamas rocket attacks, why can’t they serve in Kyiv with its superb air, drone and missile defence system? This is an issue that has been raised with me on each of my visits to Ukraine, and is a topic also raised with me on visits to Washington DC, London, and Warsaw. Given nearly 70 nations have returned their ambassadors to Ukraine and reopened their embassies, the Australian position is inconsistent with its support of Ukraine and out of step with all its allies. Australia should commit to immediately returning its Ambassador to Ukraine.

Along with the ambassador and a small support staff, a military attaché should also be posted in Kyiv. Australia has had military attaches in similar appointments in what were considered warzones in the past decade. This has included Kabul and Baghdad. The military attaché would play an important

role in prioritising military assistance requests, facilitating ongoing logistic support for equipment provided by Australia, ensuring Australian Army trainers are providing the most relevant training to Ukrainians in the United Kingdom, and facilitating a steady flow of lessons on modern warfare to the Australian Defence Force leadership for its ongoing modernisation efforts.

At the same time, Australian ministers need to visit Ukraine and gain a personal appreciation for the situation and the needs of the government. Nothing beats walking the ground, talking to local officials and citizens to gain an appreciation of the many needs of the Ukrainian government and society. While the current Prime Minister has visited Ukraine, neither the current Foreign Minister nor Defence Minister have done so. They should publicly commit to doing so in 2024.

The Australian government should initiate a program of visiting Ukrainian speakers to provide firsthand stories of the Russian invasion and its impacts on Ukrainian society. Previous visitors, such as Yuri Sak, have had a significant impact on the audiences they spoke to.

Finally, Australia should invite the President of Ukraine to visit in 2024 or 2025.

Coordination of Australian Assistance

A crucial element of an Australian strategy is coordination of Australia's aid to Ukraine. Australian assistance has been largely uncoordinated and left to government departments and private entities. This can be improved with the simple coordinating mechanisms in the federal government which are used to ensure whole of government approaches to achieving government defence and foreign policy objectives in an array of other foreign assistance missions.

A key element of this coordination is a single, responsible person. There is no official advocate for Ukraine assistance in Canberra and no central coordinating mechanism to ensure a robust, whole of government approach is taken to ensuring Ukrainian needs are compiled, prioritised and met where we can.

The government should appoint such a coordinator and ensure they have to appropriate authorities and resources to effectively coordinate support among federal agencies, collaborate with Ukrainian support groups across Australia and coordinate Australian aid with that of other international government and multinational agency partners.

Strategic Purpose – the Key Element

A final area for an Australian strategy for Ukraine assistance that is desperately needed is for the Australian government to provide a clear statement of purpose and a consistent public narrative for its support to the government and the people of Ukraine.

The Prime Minister and Foreign Minister have mentioned supporting Ukraine in speeches. In his 2023 Lowy Address, Prime Minister Albanese reiterated Australia support for Ukraine when he stated that

“we stand with Ukraine in support of its courageous people.”¹¹ This is useful but not a convincing vision for why Australia should support Ukraine.

As such, in 2024, the Australian government needs to outline the strategic purpose for investing in the defence of Ukraine, and the defeat of Russia.

While geography is an important determinant in many aspects of Australia’s national security, it is not the sole determinant. Cyber and information operations are global, and almost entirely free of national border constraints. So too it is with the idea that democracies are worth protecting, regardless of their form or geography. Mid-sized nations like Australia also have a vital interest in not allowing establishment of a global norm where powerful authoritarians can invade their smaller neighbours.

Authoritarians believe that they possess a historic opportunity to shift the balance of power the world. The shining light on the hill for democracies – the U.S. - is viewed as weak and weakening. Europe has eschewed large standing military institutions. This perception of weakness in democracy is provocative.¹² Russian success against Ukraine will not only beget more Russian aggression against other European nations (and more global economic instability) but also emboldens and informs those in our region who aspire to suppress or extinguish their democratic neighbours. China is very open about this with Taiwan,¹³ as is North Korea with its southern neighbour.¹⁴ While protecting Ukraine now may not guarantee that Russia, China, Iran and North Korea eschew their offensive doctrines, not defending Ukraine will almost certainly see this authoritarian ‘Quad’ continue to push the bounds of global security norms. This is a direct threat to Australia’s security and prosperity.

To be sure, there are many Australian citizens who believe that Ukraine is far away, and that this war is Europe’s problem to fix. That may be partially true. But Australia is a wealthy and consequential nation, and one of the world’s oldest and most stable democracies. The citizens of this nation, if the government engages in an honest discussion with them on national security issues, will understand that not taking a stand against a brutal authoritarian in Europe will provide encouragement for another of a similar vein – President Xi of China – to engage in similar behaviour in our region.

Assembling Ukraine Support in a Coherent Strategy

But, beyond government support, and the appointment of a Ukraine support coordinator, the government should consider the development of a Ukraine Support Strategy. This strategy would bring together the various elements of support recommended in this submission. Further, it should provide the compelling strategic purpose, and national interest, in supporting the defence of Ukraine.

The strategy should be an unclassified document and shared in the public domain to ensure an appropriate level of transparency and accountability is provided across the Australian support to Ukraine. Most importantly, this strategy might enable a Team Australia approach for supporting Ukraine’s fight against Russia.

A critical element of the strategy and its execution will be the conduct of strategic outreach and influence operations. These should aim to develop a better relationship with the Australian-Ukrainian community, explain Australia's approach to the broader Australian community as well as its international partners, and overcome the current view held by many Australians and foreign partners that Australia has minimal interest in the Ukraine War and that it has been mean spirited in how it has provided assistance.

Conclusion: Australia's Ukraine Support at a Fork in the Road

Our nation's support for Ukraine stands at a fork in the road. The coming year is shaping up as the most difficult yet for the people of Ukraine. The shortages in munitions, the result of U.S. Congressional obstructions to Ukraine support and the continuing inability of western governments to incentivise expansion of their defence industries, means that the Ukrainians will fight this year with one hand tied behind their backs.

It is almost impossible to conceive of any Ukrainian large scale ground offensives in 2024, although Ukrainian strike operations are maturing and improving to fill some of the gap in operational capacity. But 2024 will be a year where Ukraine is on the strategic defensive, and it requires as much assistance as nations can provide it. Australia, with its allies and partners, must respond positively and resolutely to this challenge.

Over the past two years, the sacrifices of Ukrainian soldiers and citizens have been buying time for Western democracies to rediscover the significance of democracy and defending it. This has also provided Australia with time to reconsider its national security and defence production strategies. Finally, Ukraine has provided us with the opportunity correct a generation's worth of bad strategic assumptions, and military planning, related to the threat posed by Russia, China and other authoritarians.

The least Australia can do is enhance its support in what will be a very difficult and deadly 2024 for the Ukrainian people. And to do that, we require a whole of government strategy with a dedicated appointee to lead it for Australia's support to Ukraine. It is in Australia's national interest to increase the amount aid, broaden the kinds of assistance provided, and clearly explain the purpose of our nation's support.

Author Biography

Mick Ryan spent 35 years in the Australian Army and had the honour of commanding soldiers at troop, squadron, regiment, task force and brigade levels. He has a long-standing interest in military history and strategy, advanced technologies, organizational innovation, and adaptation theory. He was inaugural President of the Defence Entrepreneurs Forum (Australia) and is a member of the Military Writers Guild. He is a keen author on the interface of military strategy, innovation, and advanced technologies, as well as how institutions can develop their intellectual edge.

In February 2022, Mick retired from the Australia Army. In the same month, his book *War Transformed* was published by USNI Books. He is an adjunct fellow at the Center for Strategic and International Studies in Washington DC, and a non-resident fellow of the Lowy Institute in Sydney. In January 2023 Mick was also appointed as an Adjunct Professor at the University of Queensland in Brisbane, Australia. He has travelled to Ukraine several times since the beginning of the war, has assisted Australian soldiers preparing to train Ukrainian recruits in the UK, and is a frequent lecturer at military war colleges in Australia, the United States, Canada, the United Kingdom, Europe and India on lessons of the Ukraine War and the future of warfare.

End Notes

¹ <https://www.ifw-kiel.de/topics/war-against-ukraine/ukraine-support-tracker/>

² <https://www.ifw-kiel.de/topics/war-against-ukraine/ukraine-support-tracker/>

³ See the Kiel Institute Ukraine Support Tracker for all data used here. <https://www.ifw-kiel.de/topics/war-against-ukraine/ukraine-support-tracker/>

⁴ Source: Kiel Institute Ukraine Support Tracker. <https://www.ifw-kiel.de/topics/war-against-ukraine/ukraine-support-tracker/>

⁵ United Nations, *Ukraine: Rapid Damage and Needs Assessment*, 23 March 2023. <https://ukraine.un.org/en/224376-ukraine-rapid-damage-and-needs-assessment>

⁶ Mark Green, "Ukraine Reconstruction Costs 'Hopefully' to Rise", *Wilson Center*, 27 June 2023. <https://www.wilsoncenter.org/blog-post/ukraine-reconstruction-costs-hopefully-rise>

⁷ The dam was blown up by the Russians in June 2023, resulting in widespread flooding and a humanitarian disaster in southern Ukraine. <https://www.loyyinstitute.org/the-interpreter/unleashing-chaos-nova-kakhovka-dam-destruction-threatens-global-food-security>

⁸ See the current list of donors to this fund is available at the World Bank site here: <https://www.worldbank.org/en/country/ukraine/brief/world-bank-emergency-financing-package-for-ukraine>

⁹ Giovanni Coi and Lucia Mackenzie, "Ukraine's funding gap — by the numbers", *Politico*, 25 January 2024. <https://www.politico.eu/article/ukraine-war-funding-budget-defense-european-union/>

¹⁰ Ukraine Sovereignty Bond, Government of Canada. <https://www.canada.ca/en/department-finance/programs/financial-sector-policy/ukraine-sovereignty-bond.html#>

¹¹ Anthony Albanese, Australia in the world - 2023 Lowy Lecture, 19 December 2023. <https://www.pm.gov.au/media/australia-world-2023-lowy-lecture>

¹² Mick Ryan, Between Taiwan and China, Israel and Gaza and Russia and Ukraine, the world is trending towards greater instability in the coming months, ABC Australia, 16 January 2024. <https://www.abc.net.au/news/2024-01-16/taiwan-israel-gaza-ukraine-russia-2024-not-a-normal-year/103321734>

¹³ Yvette Tan, "Taiwan and China will 'surely be reunified' says Xi in New Year's Eve address", *BBC News*, 1 January 2024. <https://www.bbc.com/news/world-asia-china-67855477>

¹⁴ Gabriela Bernal, "Open and shut: North Korea sends a message with its embassy network" *The Lowy Institute*, 29 January 2024. <https://www.loyyinstitute.org/the-interpreter/open-shut-north-korea-sends-message-its-embassy-network>