

Utilising the AUKUS licence-free environment to support projects under AUKUS [and GWEO]

Australia and the United States of America are accelerating defence cooperation under the AUKUS partnership and Australia's Guided Weapons and Explosive Ordnance (GWEO) Shared Pathway. Doing this effectively requires faster, more predictable transfers of defence articles, technical data and services between trusted partners. Australia, the United Kingdom, and the United States have moved toward a licence-free environment for defence articles to strengthen defence collaboration and make it easier to develop defence-related advanced scientific, technological, and industrial capabilities.

At the Australia-United States Ministerial Consultations (AUSMIN) in December 2025, Ministers and Secretaries of the United States and Australia encouraged maximising the practical use of export control licence exemptions, including under United States International Traffic in Arms Regulations (ITAR) § 126.4 and § 126.7, to streamline bilateral defence trade and strengthen both nations' defence industrial bases.

Building on this Ministerial-level direction, senior officials from Australia and the United States exchanged letters on February 18, 2026, confirming their mutual intent to maximize use of available exemptions such as those under United States ITAR § 126.4 and § 126.7 and exemptions under Australia's *Defence Trade Controls Act 2012*. The exchange of letters confirmed a shared interest in streamlining cooperation on defence projects and programs covered by international agreements and arrangements, including, but not limited to, projects under the AUKUS partnership and GWEO Enterprise.

What this means for industry

The exchange of letters, which reflects the spirit of the AUSMIN 2025, does not change export control laws and regulations, but does clarify how the Australian Department of Defence and the U.S. Department of War expect existing rules to be applied.

The exchange of letters confirms a shared expectation that, where available and appropriate, including under applicable laws and regulations:

- U.S. ITAR licence exemptions should be used, rather than defaulting to licence applications, to support timely capability delivery.
- Exemptions should be applied consistently and confidently for appropriate Australian Department of Defence – U.S. Department of War programs, including under AUKUS and GWEO.
- The Australian Department of Defence and the U.S. Department of War intend to support industry use of exemptions through guidance, information-sharing, and outreach.

Accordingly, the use of appropriate ITAR exemptions is encouraged. Ministers at AUSMIN 2025 and senior officials through the February 18, 2026 exchange of letters expressed their mutual intentions concerning industry use of available export control licence exemptions to support AUKUS and the GWEO Shared Pathway.

See the [DEC Outreach and Education](#) for copies of the letters.