

The Nakamal Agreement has been signed, but at what cost?

by Siobhan McDonnell

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Vanuatu and Australian minister gather to "initial" the Nakamal Agreement on top of Mount Yasur on Tanna Island, Vanuatu, August 2025

Photo Credit: [Facebook/AHCVanuatu](#)

In the last fortnight the Australian government has loudly celebrated the signing of two new security treaties in the Melanesian region. The first, the Nakamal Agreement, was [signed with Vanuatu](#), with both prime ministers meeting before the assembled parliamentary press in Canberra on 29 June 2026. The second, the [Ocean of Peace Alliance](#), was signed with Fiji on 6 July. Australia's motivation for signing these security agreements has always been clear: they reflect its broader strategic interest in maintaining its regional security role to the exclusion of other international players (read China). What has been less clear is the cost to Australia of pursuing these security agreements as its single-minded diplomatic strategy, when the complex geopolitics of the region is in play.

This was not the first signing, nor the first mention, of the Nakamal Agreement. Readers might remember the iconic August 2025 images of Australia's Deputy Prime Minister Richard Marles with Ministers Pat Conroy and Penny Wong on one side of the table on the slopes of the Mount Yasur volcano on the island of Tanna, and Vanuatu's Deputy Prime Minister Johnny Koanapo flanked by Ministers Ralph Regenvanu and Andrew Napuat. This was supposed to be the occasion of a provisional agreement on \$500 million of Australian funding for Vanuatu over ten years, as [reported by the ABC](#) at the time. It turned out that the Vanuatu government was not ready to sign due to concerns about sovereignty and control over critical infrastructure, and negotiations between the countries continued.

Diplomatic relations became further strained in 2026, as the Australian government decided to apply additional pressure to Vanuatu to sign the Nakamal Agreement. In my role as an adviser to the Vanuatu government, senior government representatives have told me that Australia has withheld sectoral funding usually released as part of the budget cycle, along with funding for ongoing in-country placements and for a long-announced [renewable energy program](#). The Australian government curtailed diplomatic relations, with the Australian High Commissioner

no longer meeting Vanuatu government ministers. In addition, the announcement of the [Australian Pacific Engagement Visa](#) ballot listed the Pacific countries eligible for the visa but specifically excluded Vanuatu, a country that has long been a major contributor to the Pacific seasonal worker scheme.

Ultimately the strategy of making many aspects of the Australia-Vanuatu relationship contingent on the signing of the Nakamal Agreement appears to have worked, and the treaty has been signed. But this was a high-stakes approach, and while the Australian government may have gained a treaty, the question remains: when you strong-arm a country into a treaty, what is the geopolitical trade-off?

The term *nakamal* is defined in the treaty as “a traditional meeting place where community and its leaders discuss, consult, make decisions and resolve points of difference with mutual respect, trust and understanding”. Locally, *nakamals* are often called the house of the chief. To close a *nakamal* so that no meetings can occur inside and no one can enter, two large *namale* (cycad leaf fronds) are laid across the pathway to the door. It then becomes *tabu* (prohibited) to pass inside. The Vanuatu government’s [naming of a parallel agreement](#) with the Chinese government the “Namale Agreement” was no accident: it was a signal that the country’s sovereignty and its enduring commitment to geopolitical neutrality must be respected.

The most important clauses of the “Nakamal Agreement” are Article 7: Security and Stability and Article 8: Resilient Infrastructure. While the preamble to these articles speaks to “co-operation” and “equal partnership”, the operative clauses underneath effectively bind Vanuatu to act in a particular way, drafted in mandatory language requiring that Vanuatu “shall” act to do certain things. Article 7(3): “To reinforce Pacific collective security and sovereignty Vanuatu shall not permit its territory to be used for any foreign military base or infrastructure”. Article 7(4): “Vanuatu shall prioritise any policing request to Pacific Islands Forum members”. Article 8(2)(a): “Vanuatu agrees that its critical infrastructure shall remain free from militarisation, any form of foreign interference or unauthorised access”.

What becomes clear when reading these clauses is that all obligations are placed on Vanuatu and no reciprocal obligations are placed on Australia. So apparently “to reinforce Pacific collective security and sovereignty” Vanuatu “shall not” permit its territory to be used for any foreign military base or infrastructure. Australia meanwhile continues to allow United States joint military facilities at Pine Gap, Shoal Bay, Kojarena, North West Cape, RAAF Base Edinburgh and HMAS Harman. Similarly, the Australian government entered into the [AUKUS agreement](#) without any intention of alerting the Pacific leadership. These concepts of security are neo-colonial with very little reference to the concerns, or the agenda of Vanuatu or the

broader “Pacific collective security” as named in the agreement.

In Vanuatu, the final and most controversial part of the Nakamal Agreement’s critical infrastructure clause has been the requirement that: “Vanuatu agrees to consult Australia on proposed third party engagement in Vanuatu’s critical infrastructure” and that “As part of consultations ... Australia shall provide Vanuatu with technical advice and practical support”. While the clause does not expressly provide Australia with a veto, it has generated extensive domestic debate over the extent to which it could affect Vanuatu’s sovereign decision-making. These concerns have prompted Prime Minister Napat publicly to emphasise that the Agreement does not diminish Vanuatu’s sovereignty, arguing that: “Consultation does not mean permission. Consultation does not mean approval. At the end of the day, Vanuatu has the sovereign right to decide what is in its best interests.”

The Nakamal Agreement itself could have been something better. The Agreement has clauses that speak to other more relational, careful diplomatic practices that could have been pursued as a way to forge ties between Vanuatu and Australia, and to build rather than test concepts of “Pacific family”. Many of these priorities were adroitly identified by ni-Vanuatu scholar [Anna Naupa](#) in the lead-up to the release of the Nakamal Agreement, and include Indigenous engagement, economic transformation and climate cooperation, to which I would add humanitarian partnerships. On these fronts, nothing new has been delivered. The announced \$500 million over 10 years is a continuation, or in fact a real-terms reduction, of the current allocation: Australia’s bilateral [Official Development Assistance](#) to Vanuatu in 2024-25 was \$50 million, and in 2025-26 and 2026-27 is again projected to be \$50 million.

In relation to climate change, Article 4 of the Nakamal Agreement reiterates existing commitments and includes specific reference to the preservation of maritime zones and statehood “notwithstanding climate change-related sea level rise”. This clause, while seen as particularly important to Pacific atoll states, is also viewed as vital by Australia for preventing any further encroachment by China into maritime zones as sea levels rise.

Article 5 of the Agreement requires that Vanuatu shall seek the assistance of the [France, Australia, New Zealand \(FRANZ\)](#) trilateral cooperation arrangement in the context of a disaster before it can request assistance from a third party. I only hope that this process is managed in a timely manner, to ensure that the ni-Vanuatu are ensured the best available humanitarian support in the fastest possible timeframe.

In speaking to the Vanuatu public about the Nakamal Agreement, Prime Minister Napat said, “We do not take sides. We will always defend what is in the best

interests of Vanuatu as a sovereign country.” Australia has rolled its diplomatic dice and secured the Nakamal Agreement. It is a high-stakes strategy and in the process it appears that Australia might have sacrificed a significant amount of goodwill for the sake of a single treaty. Time will tell whether the treaty is a worthwhile diplomatic outcome. But *namale* leaves may yet block the pathways to *nakamals*.

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