Indonesia is a close neighbour and a partner of first order importance – as reaffirmed by the Foreign Policy White Paper. A prosperous, stable and growing Indonesia is good for regional stability, security, trade and cooperation. Australia works with Indonesia to target the fundamental constraints to its growth and poverty reduction.

Strategic direction
Australia’s development cooperation with Indonesia supports economic growth and stability by improving competitiveness and strengthening the impact of Indonesia’s resources. Our economic partnership with Indonesia has three key objectives:
• effective economic institutions and infrastructure;
• human development for a productive and healthy society;
• an inclusive society through effective governance.

Our work in Indonesia contributes to achieving the Sustainable Development Goals (SDGs). We do this by: improving the lives of poor women through increased access to jobs (SDGs 5 and 8), social protection programs and improved conditions for overseas work (SDG5); improving access to water and sanitation (SDG 6) and infrastructure (SDG9); and promoting inclusive growth by increasing incomes for smallholder farmers (SDG 8).

Program highlights
In 2017-18, Australian support contributed to:
• Indonesia attracting approximately AUD$550 million in new infrastructure investment through asset securitisation;
• 295,000 Indonesians accessing improved water and basic sanitation;
• Indonesians accessing over 54,000 identity documents – a critical first step in accessing government services;
• 1.2 million Indonesian families accessing a new food assistance program;
• improving the allocation of Indonesia’s AUD$9.3 billion Village Fund, benefiting Indonesia’s poorest regions;
• enabling more than 30,000 women to contribute to policy and decision making in their communities;
• an additional 104,534 farm households increasing their incomes, by an average of 191 per cent.

As part of Australia’s education assistance to Indonesia, we also offered 300 Australia Awards Scholarships and 500 short-term awards in 2018.

For more details
• Australian Foreign Policy White Paper 2017
• Australia’s Aid Investment Plan for Indonesia 2015-16 to 2018-19