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; and • 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); promoting strong, sustainable and inclusive economic growth (SDG8); and helping to improve access to justice (SDG16).

Program highlights
In 2018-19, Australian support contributed to:
• Indonesia reducing its administrative costs by over AUD1.7 billion, as part of the 2020 Budget process;
• Indonesia leveraging over AUD2 billion from multilateral banks and other sources to finance priority infrastructure;
• the maintenance and rehabilitation of more than 1,479 km of road in West Nusa Tenggara province;
• increasing incomes of 345,001 smallholder farming households by 252 per cent, including 225,000 women;
• a regulation to allow 16,921 small and medium size businesses to use home addresses for business registration—53 per cent of which are women-owned;
• the expansion of social protection to more than 9 million poor and vulnerable Indonesians;
• 1 million teachers accessing quality professional development programs to improve student learning outcomes in madrasahs;
• enhancing higher education outcomes through the provision of 250 Australia Awards Scholarships and over 300 short-term awards;
• improved water access for 5.7 million people and improved sanitation for 4.7 million people, including 12,567 people with disabilities; and
• supporting partners on the ground providing critical health and gender-based violence services to 13,717 crisis affected persons.