

Indonesia

Australia's aid partnership with Indonesia

Australia will provide [A\\$346.8 million in ODA to Indonesia in 2026-27](#), making it our largest bilateral development partner in Southeast Asia. With a population of approximately 281.2 million and a [Gross National Income per capita of US\\$4,910 \(2024\)](#), Indonesia's size and proximity mean its stability and prosperity are intimately linked to Australia's own security and regional interests. The partnership, guided by [the 2024-28 Development Partnership Plan](#), supports Indonesia's goals for equitable economic transformation, a just energy transition and stronger human development systems.

Development challenges

Indonesia ranks [113 out of 193 on the Human Development Index](#), masking sharp disparities between its thriving urban centres and outlying provinces. Key challenges include:

- High stunting rates and gaps in primary health-care quality
- Education quality and skills not yet matching labour-market needs
- Vulnerability to climate disasters across the archipelago
- Persistent gender inequality and barriers for people with disability
- Governance and service-delivery gaps in highly decentralised system

Priority sectors

[Australian ODA to Indonesia by Sector Group, 2026-27 budget estimate:](#)

- Governance (35%)
- Economic Infrastructure and Services (22%)
- Education (23%)
- Agriculture, Trade and other Production Sectors (6%)
- Humanitarian (4%)
- Health (6%)
- Multisector and General Development Support (4%)

Project spotlights

1. [Climate-Resilient and Inclusive WASH in Indonesia](#)

Delivered by: Plan International Australia & Water for Women

Objective: to establish climate-resilient, inclusive water, sanitation and hygiene systems reaching more than 500,000 people in East Nusa Tenggara and West Nusa Tenggara, while embedding gender equality and disability inclusion in local government practice.

2. [Eye health services](#)

Delivered by: Fred Hollows Foundation

Objective: to reduce avoidable blindness in remote Indonesian provinces by training eye-health workers, equipping district hospitals and delivering sight-restoring cataract surgery.

Sources

- [Australia's Official Development Assistance Budget Summary 2026-27 \(DFAT 2026\)](#)
- [Indonesia Development Cooperation Factsheet \(DFAT 2026\)](#)
- [Lowy Institute Asia Power Index 2024 Edition Indonesia](#)
- [International Data: Indonesia \(Population Reference Bureau 2025\)](#)
- [Human Development Insights \(United Nations Development Programme 2025\)](#)
- [Indonesia Development Cooperation Factsheet \(DFAT 2024\)](#)
- [Water for Women - Indonesia](#)
- [Fred Hollows Foundation Indonesia](#)