Australia–Indonesia defence and security partnership

Overcoming asymmetric aspirations to tackle common threats

EUAN GRAHAM
GATRA PRIYANDITA

AUGUST 2025

Special Report

ASPI
AUSTRALIAN STRATEGIC POLICY INSTITUTE

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Executive summary

Australian officials accustomed to dealing with Indonesia are cognisant of the limitations to strategic cooperation, but Canberra needs to be more realistic and creative in how it approaches the critical relationship with Jakarta. Australia places greater strategic value on the relationship with Indonesia than vice versa. That dynamic is unlikely to change fundamentally. Optimism and ambition will still be needed to achieve a more balanced partnership, but it's also crucial that Australian policymakers ground their expectations in this reality. Politicians, in particular, should guard against optimism bias.

There are still plenty of opportunities for both countries to engage more deeply across a range of shared security challenges. This report analyses the defence and wider security partnership and identifies several areas where Indonesia and Australia should productively concentrate their efforts in the coming years, particularly to counter the rise of hybrid threats.

The 2024 Australia–Indonesia Defence Cooperation Agreement (DCA) is best understood as a continuation of, rather than an acceleration in, the strategic relationship. But it provides Australia with useful avenues to expand its defence relationship with Jakarta, at a time when Indonesia finds itself courted by other countries that don't share Australia's security interests. Ultimately, the DCA reflects Canberra's long-term investment in a defence partnership that can address evolving regional security challenges. From disaster response and maritime patrols to multilateral peacekeeping, the agreement lays the groundwork for a future in which the two countries' armed forces can operate together effectively. Continued engagement should centre on expanding military training programs, enhancing operational coordination, and exploring new areas of cooperation, especially to counter hybrid threats. The DCA's future success will depend on the ability of both sides to manage their differing aspirations, motivations and strategic outlooks in a rapidly deteriorating global security environment.

Proper management of those differences, rather than avoidance of them, would better position the two countries for practical cooperation on clear common interests but which, too often, is limited to positive prose instead of action. Revitalising the Australia–Indonesia security relationship requires a shift in focus, away from treating defence cooperation as simply an expression of goodwill or strategic alignment and towards framing it as a joint response mechanism to shared vulnerabilities. Australia and Indonesia face a convergence of challenges, such as maritime insecurity, cyberattacks, disinformation, illegal fishing and transnational crime, that affects both nations and undermine the broader stability of the Indo-Pacific.

Responses to those shared concerns can still guide the two countries' defence partnership in the absence of strategic alignment.

By investing in functional collaboration—through interoperable training, coordinated hybrid threat responses and trilateral maritime frameworks involving states such as the Philippines—both countries can build a more flexible and purpose-driven security partnership. This approach acknowledges the limitations to cooperation without being paralysed by them, allowing the relationship to evolve around problem-solving rather than the chimera of strategic convergence.

Realities and limitations

On 29 August 2024, Defence Minister Richard Marles met with Prabowo Subianto, then Indonesia's Defence Minister and now President, in Magelang to sign the Australia–Indonesia Defence Cooperation Agreement (DCA). Marles hailed the agreement as profoundly historic and the most significant Australia–Indonesia defence pact yet signed.[1] While it constitutes an important milestone in the defence relationship, the DCA's success will depend on both sides' ability to manage their differing aspirations and strategic outlooks, especially in regard to the deteriorating global security environment and their respective relations with the major powers.

The most basic indicator of health and progress within the Australia–Indonesia relationship is that there's been no serious crisis for a decade.[2] Cooperation continues to move forward incrementally along a broad policy front. Prabowo was quick to invite Prime Minister Anthony Albanese to Jakarta following his government's re-election in May 2025. As Defence Minister, from 2019 to 2024, Prabowo played a key role in elevating the DCA to treaty status. Albanese, for his part, has pledged to continue building Australia's relations with Indonesia, choosing Jakarta for his symbolically important first overseas visit at the start of Labor's second term in power. Although ties have proven to be resilient, recovering quickly after past crises and irritants, it would be premature to conclude that the bilateral relationship has permanently escaped the tempestuous cycle of boom and bust-up that has periodically hobbled it.

Defence cooperation, although being a policy silo within the relationship, has served as an anchor for intergovernmental ties. A fundamental challenge lies in bridging the two countries' differing strategic outlooks, as Jakarta's threat perceptions and foreign policy aspirations differ significantly from Canberra's. While Australia is allied to the US, Indonesia remains non-aligned, cautious of being drawn into strategic competition and alert to opportunities from all directions, whether economic or security related. Like most other countries in Southeast Asia, Indonesia perceives US–China rivalry as the principal driver of geopolitical tensions in the Indo-Pacific. That perception disposes Jakarta to draw equivalences between the US and China as equally disruptive 'great powers', rather than identifying Beijing's expansionist behaviour as the primary destabilising factor and one that requires an American balancing and deterrence role.[3]

Figure 1: Australian Minister for Defence Richard Marles receives a guard of honour on arrival for a meeting with HE Lieutenant General (Ret.) Sjafrie Sjamsoeddin, Minister of Defence of the Republic of Indonesia, in June 2025

Source: Defence image library, online.

Prabowo's administration appears more inclined to see Beijing and Moscow as sources of opportunity than as threats to Indonesia or to regional security.[4] Despite ongoing concerns within the defence establishment about Beijing's intentions in the South China Sea, Indonesian elites now uniformly view China through the lens of economic opportunity—a trend that became firmly established under Prabowo's predecessor as President, Joko Widodo (2014–2024). Despite Russia's 'no-limits' partnership with China since 2021, Indonesian elites are still inclined to perceive Russia as a balancer to China—a viewpoint certainly not shared in Canberra.[5] Jakarta's pursuit of closer ties with Beijing

and Moscow, and its new-found interest in joining the BRICS grouping,[6] are part of an effort to diversify its links even at the risk of international reputational damage, given the grouping's domination by China and Russia. Indonesia will be confident that it can manage those risks by adopting India's approach of opting out of some meetings and joint statements, but that's likely to prove challenging, given that Indonesia is also being actively courted by China and Russia on the international stage.

Domestic politics further complicate the relationship, particularly in Indonesia, where defence policy is closely intertwined with civil–military dynamics. Within the past decade, Indonesia's armed forces, the *Tentara Nasional Indonesia* (TNI), have steadily ventured further out of the barracks, reversing years of efforts to confine their role in civilian and political affairs.[7] At the same time, the TNI has itself been increasingly politicised by civilian leaders, who view its support as useful in winning votes and boosting electoral popularity.[8] This is a trend that predates Prabowo's presidency and it appears likely to intensify under him. It lends additional weight to the defence dimension of the Australia–Indonesia relationship, but it also saps attention within the TNI, at the expense of a greater focus on conventional threats.

Fundamental divergences in strategic outlook naturally shape how both nations perceive the balance of power differently. The reality falls short of Canberra's rhetorical claims that Australia and Indonesia are—in Prime Minister Anthony Albanese's words—the 'nearest of neighbours and closest of friends'.[9]

Nonetheless, Australia and Indonesia face a convergence of challenges that can still guide their defence and security partnership in the absence of strategic alignment. Hybrid threats that, among other things, fan maritime insecurity and create a less secure information and cyber environment could be a mutually helpful focus for greater cooperation and coordination. The DCA provides a mechanism for operationalising growing trust, enabling joint action in hybrid threat mitigation—areas where interoperability and preparedness are increasingly necessary.

Revitalising the defence and security partnership will require both sides to reframe cooperation as a problem-solving response to common vulnerabilities, rather than regarding it as a driver of political alignment. By investing in practical collaboration—whether through hybrid threat cooperation, trilateral maritime engagement with the Philippines, whose sovereignty is under threat, or interoperable training—the Australia–Indonesia partnership can evolve into a more resilient and adaptive framework. It's true that divergent threat perceptions will continue to constrain the potential for defence cooperation that may involve sensitive data sharing or high-intensity exercises. However, if managed well, the DCA will become not just an institutional milestone, but a test case for how two strategically dissimilar neighbours can meaningfully contribute to Indo-Pacific security together.

After all, despite the areas of divergence, practical cooperation remains strong, highlighting just how significant the common threats—from terrorism to disaster response—have been. Defence officials on both sides have affirmed that disagreements over US–China rivalry haven't derailed joint operations, training activities or institutional linkages.[10] However, the second Trump presidency could complicate matters. Trump's scepticism about military alliances and his deal-making tendency to demand alignment on controversial issues and bundle together discrete policy issues could put pressure on Jakarta's non-aligned stance. That, in turn, could further encourage Prabowo's own transactional tendencies and therefore Indonesia's turn to other powers that are more hostile towards Australia's interests, including Russia and China. Of course, the shared trait between Trump and Prabowo of being highly transactional and seeking opportunities with all could bring them closer in some areas. Prabowo's willingness to publicise his congratulatory phone call with Trump following the latter's re-election was akin to much of what Trump does with world leaders: seemingly awkward but favourable politically.

Under Prabowo's leadership, Jakarta has already moved to also deepen security ties with China, inaugurating a '2+2' meeting between foreign and defence ministers, establishing a regular naval exercise, and resuming a joint special forces exercise after a decade-long hiatus.[11] Indonesia has also signalled its openness to exploring alternative means to respond to Chinese expansionism in the South China Sea through bilateral cooperation. This was illustrated in Indonesia's joint statement with China in November 2024, which referred to 'overlapping claims' in the South China Sea—language seen as accommodating Beijing's position and inconsistent with Indonesia's longstanding opposition to

Beijing's Nine-dash Line claims as legally baseless. Although Indonesia's Foreign Ministry later clarified that its position on claims remained unchanged, the episode highlighted Prabowo's personal inclination to pursue joint development projects with China in the Natuna Sea.

Prabowo has fostered a pragmatic relationship with Russia, including cooperation extending into defence, energy and education. In 2025, Indonesia conducted its first bilateral naval exercise and held high-level talks with Russian Security Council officials.[12] Russia is also a provider of defence equipment, especially fighter jets, to Indonesia, with there being ongoing talks for Indonesia to procure Su-35 fighter aircraft.[13] Following Prabowo's visit to Moscow in June 2025 (notably sticking with that visit to Russia over an invitation by Canada to the G7), there are also indications that the two sides may be exploring cooperation on developing a spaceport on Biak, which is an island north of Papua.[14] Any major new arms purchases from Russia, or a move to acquire frontline combat capabilities from China, could constrain advanced defence industrial collaboration.[15] Australia's strategy needs to be grounded in pragmatic realism while guarding against the extremes of either alarmist fatalism or complacency.

Those strategic tensions are layered atop a history of episodic disruptions in military ties. The most significant rupture occurred in 1999, when Australia's military intervention in East Timor was viewed by Jakarta as a breach of sovereignty, prompting Indonesia's parliament to terminate the 1995 Agreement on Maintaining Security. More recently, in 2017, cooperation was temporarily suspended after an Indonesian officer objected to training material at an Australian facility—illustrating how even minor frictions can have outsized effects.[16]

In addition to political and strategic issues, legal and regulatory challenges continue to constrain defence industry cooperation. Indonesia's stringent local content rules and corruption concerns pose a barrier to deeper industrial integration with Australia.[17] On the Australian side, access to the Indonesian market may be held back by third-country export restrictions that apply to the Australian subsidiaries of multinational defence companies.

Cautious convergence: the emergence of the Defence Cooperation Agreement

Despite persistent differences, Australia and Indonesia face a growing set of common security challenges—both conventional military and otherwise—that underscore the need for deeper, more adaptive cooperation. Maritime insecurity, cyberattacks, disinformation, illegal fishing and transnational crime affect both nations and undermine the broader stability of the Indo-Pacific. Climate-induced disasters, too, are becoming more frequent, placing new demands on military preparedness and humanitarian response. Those shared threats transcend ideological differences and alliances, highlighting that practical cooperation—whether through humanitarian assistance and disaster relief (HADR) operations, maritime domain awareness or cybersecurity frameworks—can drive cooperation even in the absence of full strategic alignment. Canberra and Jakarta understand that no country can manage those challenges alone, and mutual resilience depends on the ability to respond together with speed, clarity and cohesion.

Relations between the ADF and the TNI have been a point of enduring stability since the East Timor crisis of the late 1990s. While ties have fluctuated, both nations acknowledge that defence cooperation is essential for trust-building and regional security. For Canberra, it strengthens relations with a larger neighbour while enhancing Indonesia's maritime surveillance and defence capabilities as a potential bulwark against power projection by China into Australia's northern approaches. For Jakarta, the defence partnership with Australia offers training support and bolsters the TNI's capacity for defence and operational readiness. There's a further strategic logic in Jakarta's calculation: defence cooperation aims to improve the TNI's partnerships and readiness to defend itself from potential threats, including those from China. Cooperation is driven by overlapping security interests, including counterterrorism, maritime security and regional stability.

For decades, Australia has provided training and capacity-building support to the TNI. Joint exercises and coordinated border patrols have become central to defence engagement. Exercises such as Garuda Shield and Wirra Jaya enhance land-based military operations, while Cassowary and Albatross AusIndo improve maritime and air force coordination. In November 2024, just months after the signing of the DCA, the ADF and TNI conducted Keris Woomera, the largest bilateral military exercise to date (even as Indonesia and China held their inaugural 2+2 meeting).[18] Australia, Indonesia and the US participated together in international HADR exercises, originally named Exercise Crocodile Response (2023), and later renamed Exercise Bhakti Kanyini AusIndo (2024).[19] Most recently, the two states agreed to hold joint air force and naval drills in Morotai in eastern Indonesia.[20]

Figure 2: An Australian KC-30A conducts air-to-air refuelling with an Indonesian F-16A Fighting Falcon.

Source: Defence image library, online.

The DCA is an upgrade to the original Defence Cooperation Arrangement, which was first signed in 2012 and renewed in 2018 and 2021.[21] It has treaty-level status, and its ratification by both the Australian and Indonesian parliaments would allow both militaries to more smoothly undertake defence-related activities (including training, mutual access to military facilities, and science and technology cooperation) with fewer regulatory or legal restraints.

The DCA enables Australia and Indonesia to:

- *Deploy and organise complex cooperative or joint activities between the ADF and TNI.* This includes training in each other's military facilities with relative administrative and legal ease. It may also make it easier to deploy troops in each other's territories for HADR operations.
- *Expand two-way exchanges of personnel for education and training,* enabling more Australian and Indonesian personnel to train and study in each other's countries.
- *Expand technical cooperation, including in science and technology.* The DCA provides further opportunities for the two countries to participate in the exchange of scientific and technological data, as well as other forms of technical cooperation. While many priorities have yet to be defined in detail, the DCA has already paved the way for deepened collaboration in military medicine. As a result of his personal military experience, Prabowo is interested in both malaria eradication and soldiers' welfare. The DCA strengthens the framework for cooperation in this field.
- *Widen reciprocal access to each other's bases.* A major tangible outcome of the DCA is that it makes it easier for Australia and Indonesia to conduct training in each other's military facilities. Indonesia is expected to take up additional training opportunities at ADF ranges in northern Australia, some of which are already used by the US Marine Corps.

A key feature of the DCA is that it addresses several longstanding bureaucratic and administrative challenges that have encumbered practical cooperation. A desired outcome, particularly from the Indonesian side, is to streamline entry procedures for defence personnel and facilitating operational access. The DCA obliges Australia and Indonesia to consult in good faith in the event that defence personnel, or their dependants, are suspected of having committed an offence which could attract the death penalty—a vexed area for Australia. However, these new streamlined arrangements fall short of constituting a status of forces or reciprocal access agreement. While both countries are already moving to implement elements of the DCA, it has not yet formally entered into force. That's expected following ratification by the Australian and Indonesian parliaments.

Differing motivations and aspirations

Australia

Australia's most established and institutionally thickest defence relationships in Southeast Asia are with Malaysia and Singapore, through the Five Power Defence Arrangements. And Australia is currently most strategically aligned with the Philippines as the most active ASEAN member in countering Beijing's expansionist aims. But Indonesia always carries a premium within Canberra's interagency and political policy processes because of its strategic weight, proximity and the close working relationships between the two countries' law-enforcement and intelligence organisations. In the diplomatic arena, Indonesia's role was central in ensuring that Australia became ASEAN's first comprehensive strategic partner in October 2021, a month before China.

Australian governments, particularly at the political level, have often suffered from optimism bias in their pursuit of a closer relationship with Jakarta, based on the elusive premise of shared normative principles, or wider questions around Australia's regional identity. Seeing Indonesia as it is, rather than as what Canberra would like it to be, will be essential to realise the DCA's limited but important potential. For Australia, the DCA is a strategic effort to 'crisis-proof' an increasingly comprehensive and institutionalised defence partnership with Indonesia. Canberra has repeatedly underscored Jakarta's strategic significance, and the 2024 National Defence Strategy identified Indonesia as an 'essential and enduring partner' in regional affairs.[22] The DCA formalises that commitment by expanding military cooperation, deepening institutional ties and enhancing interoperability between the ADF and the TNI.

A key objective for Canberra is to strengthen institutional and personal relationships within the TNI, ensuring that cooperation is not just leadership driven but embedded at multiple levels. Canberra is focused on building relationships with senior TNI commanders, fostering a sense of strategic trust and alignment, and potentially serving as informal communication channels for crisis management. Simultaneously, efforts at the junior level aim to enhance people-to-people links between ADF and TNI personnel, ensuring that future generations of military officers have a foundation of mutual understanding and collaboration. A common anecdote highlighting the value of such ties is the near-clash in East Timor in 1999, where trusted relationships between commanders helped avert conflict—underscoring how interpersonal connections can manage tensions effectively.[23] Those relationships are also crucial in HADR operations, where prior joint training can enhance response times, even if broader political frictions remain. Less well known, but also significant for managing more recent bouts of bilateral tension, are the close links between intelligence officials in both countries.

Figure 3: Australian and Indonesian personnel interact during Indo-Pacific Endeavour 2024 on HMAS *Adelaide* in Jakarta

Source: Defence image library, online.

It's in Australia's interests that a strong and stable Indonesia is able to defend itself. Rather than focusing on high-end platforms or weapons integration, however, interoperability in the Australia–Indonesia context is primarily about communication, coordination and the ability to conduct operations side by side. The DCA supports efforts to align military practices, to improve language proficiency in joint activities and to standardise protocols and rules of engagement. Those initiatives are critical not simply for building confidence, but also for overcoming the bureaucratic and logistical complexities of joint operations and ensuring that both sides can respond swiftly and efficiently in times of crisis.

Australia has a further, abiding, strategic interest in improving the ADF's ability to access Indonesia's sea- and airspace, in order to secure its northern maritime approaches and ability to operate forward in other parts of Southeast Asia, the South China Sea and beyond. That interest has become more acute since the advent of the AUKUS nuclear submarine partnership, the 2023 Defence Strategic Review and 2024 National Defence Strategy, which have all intensified Australia's focus on long-range strike capabilities and 'impactful projection', in order to implement the ADF's guiding strategy of deterrence by denial. Projecting power north from Australia isn't impossible without access to Indonesia, but other options are limited. In Australia, the DCA's advent was widely heralded in terms of improved reciprocal access for both countries' armed forces. The government's official announcement highlighted the DCA's significance, in less expansive terms, as enabling 'Australia and Indonesia to operate from each other's countries for mutually determined cooperative activities'.[24] Notably, the text of the DCA itself doesn't specify 'access'; nor does it reference defence 'operations' by either party. This suggests that the mutually agreed scope for the ADF to access TNI facilities and deploy forces within Indonesia's territory remains modest and aspirational.

Enhanced ADF–TNI cooperation under the DCA shouldn't be conflated with the more strategic concept of 'access' as it applies to Australian naval vessels and military aircraft transiting through the archipelago *en route* to operations further afield. Although such rights of navigation and overflight are guaranteed under international law, this remains a sensitive issue for Jakarta. Intensifying US–China strategic rivalry and the advent of AUKUS have revived Indonesian sensitivities about the potential abuse of its archipelagic sea lanes by way of unplanned encounters during times of hostility. Canberra therefore continues to tread carefully, despite Australia's longstanding preference for an east–west transit corridor running laterally through the archipelago, to supplement Indonesia's three existing archipelagic sea

lanes, which all run along a north–south axis. Perhaps the best that Australia can hope for when moving military assets through Indonesia's archipelago is to maintain strategic deconfliction with the TNI.

Australia's approach towards expanding defence cooperation with Indonesia, through the DCA, is primarily about building mutual confidence, in the expectation that this will raise the bar of reciprocal military access over time. In a significant demonstration of growing trust between the two armed forces, the Royal Australian Air Force deployed six F-35A aircraft to Indonesia for the first time in 2023, to take part in Exercise Elang AusIndo.[25] Still, Australia-based observers shouldn't overinterpret the DCA as offering a strategic access framework for the ADF to operate within Indonesia's territory. The DCA leaves such sensitivities well alone.

Indonesia

While Australia views Indonesia as a critical strategic partner, that sentiment is less pronounced in Jakarta, which approaches relations with Canberra primarily in terms of a neighbour-to-neighbour relationship and stability across their long, shared maritime boundary.[26] To the extent that Indonesia views Australia through a wider strategic lens, that's through Australia's status as a close US ally. Like Australia's, Indonesia's strategic outlook has traditionally been northward oriented, prioritising relationships with major powers and ASEAN member states. There have been periods of strategic alignment, such as during the anti-communist convergence and the 1995 Agreement on Maintaining Security, during the Suharto era. However, contemporary defence diplomacy has remained guided by pragmatism, oriented towards practical cooperation rather than deep alignment. Jakarta still casts a wary eye on its restive provinces in West Papua and pro-independence sentiments within Australia. On regional security, while some in Jakarta value Australia's active countering of Chinese adventurism, others see it as contributing to regional tensions. Prabowo himself appears favourably disposed towards Australia. But Indonesia's large southern neighbour has an ever-present latent potential to be an irritant in its nether regions.

Indonesia's defence posture under Prabowo, as both Defence Minister and now President, has become more outward looking, shaped by a push for military modernisation and greater international engagement. Prabowo has pursued major arms deals with a range of suppliers—including France and South Korea—while simultaneously expanding Indonesia's participation in defence diplomacy, exercises and strategic forums. The DCA aligns neatly with those priorities, offering practical avenues for training and exposure to military capabilities and operational concepts that support the TNI's modernisation goals. Jakarta's interest in access to northern Australian training facilities reflects both logistical pragmatism and a recognition that proximity to advanced infrastructure can accelerate capability development. In this context, the DCA isn't merely a symbolic gesture of goodwill, but a functional instrument that supports Indonesia's evolving defence requirements—albeit limited by structural and political constraints that often make strategic convergence between the two countries more symbolic than real.

The DCA has expanded opportunities for training and military access. In future, Indonesian forces may be able to train on military ranges and facilities in northern Australia—a move welcomed in Jakarta, where there's growing interest in tapping into Australia's advanced defence infrastructure, which has the obvious advantage of proximity for the TNI. That interest could potentially extend to the use of port and other facilities in the Darwin area by Indonesia's navy in future.[27]

Despite growing security ties, barriers to deeper cooperation persist. Australia's defence industry has struggled to engage Jakarta due to strict local content rules, limiting broader defence science and technology collaboration. While some defence exports, like the Bushmaster protected mobility vehicle, have been successful, meaningful technology transfer remains limited. Joint work in areas like military medicine—including projects with Indonesia's defence university—and the incorporation of Australian systems in Indonesian C-130 Hercules transport aircraft show incremental progress, although those aren't covered explicitly in the DCA. Operational hurdles, including visa delays and logistical restrictions, continue to complicate military engagements, even as the DCA seeks to ease some of those frictions. In contrast with Australia's public representation of the DCA as a breakthrough agreement, there's a view within the TNI that the agreement is a repackaging and codification of existing frameworks.[28]

Nevertheless, trust between Indonesian and Australian military personnel is deepening. Indonesian officials have been allowed to observe Australian combat aircraft and submarine operations, reflecting a growing confidence in bilateral military ties.[29] Indonesia has regularly participated in Australia's flagship, biennial multinational air exercise, Pitch Black. Similarly, Australian submarines have conducted joint activities with Indonesian naval assets.

The DCA doesn't solve every issue, but it signals a steady trajectory of expanding cooperation. Realising the full potential of this relationship will require sustained efforts to improve technology access, defence industry integration, and the resolution of administrative and legal obstacles.

Figure 4: TNI and Royal Australian Navy personnel on HMAS *Stuart* during Indo-Pacific Endeavour 2024 in Jakarta

Source: Defence image library, online.

Enhancing the DCA: policy recommendations

Opportunities to advance the DCA lie in targeting specific areas of bilateral engagement that reflect Indonesia's evolving threat perceptions and fall within its comfort zone. Fundamentally, cooperation on countering hybrid threats—activities that combine military and non-military, overt and covert tactics employed by state and non-state actors below the threshold of conventional warfare—must be a key focus. In recent years, hybrid threats such as cyberattacks, disinformation campaigns and economic coercion have become more frequent and sophisticated across the Indo-Pacific.[30] Those tactics exploit institutional, technological and societal vulnerabilities, challenging the resilience and sovereignty of even well-governed states. Australia and Indonesia are no exception.

Indonesia has long conceptualised national security through a broad lens of *ketahanan nasional* (national resilience), recognising that threats to sovereignty and stability often emerge from multiple dimensions.[31] The Ministry of Defence has increasingly prioritised non-military security challenges—including cyber threats, terrorism, piracy and foreign interference—alongside broader risks such as environmental disasters, natural resource theft, illicit trafficking, pandemics and the disruptive impact of emerging technologies.[32] That expansion of the threat landscape provides a timely opportunity for international cooperation, particularly with partners like Australia that share a commitment to regional stability, sovereignty and a rules-based order.

A bilateral framework focused on hybrid threat cooperation—with the potential for expansion regionally—is therefore necessary and opportune. In an era of intensifying strategic competition, hybrid and grey-zone tactics are increasingly

used to gain advantage without triggering open conflict. A coordinated Australian–Indonesian approach would strengthen national resilience, reinforce shared norms and contribute to broader Indo-Pacific stability. However, care must be taken to ensure that such cooperation doesn't inadvertently support the erosion of Indonesia's democratic institutions or contribute to the further militarisation of civilian domains.

As a first step, Australia and Indonesia could *establish a Track 1.5 mechanism* to facilitate mutual understanding of hybrid threats and the broader strategic environment. That forum should involve officials from defence, intelligence and cybersecurity agencies, alongside experts from academia, civil society and the private sector. Such an inclusive dialogue would help build trust, clarify shared priorities and identify points of convergence, especially in a sensitive and rapidly evolving policy space.

From there, a second step should be the *creation of a joint hybrid threat taskforce*, which would provide a more structured avenue for bilateral coordination. Comprising representatives from relevant government agencies, the taskforce would conduct joint threat assessments, coordinate responses and share intelligence and best practices. Crucially, it should also include liaison officers from civilian institutions to ensure a whole-of-government approach, particularly as many hybrid threats cross military boundaries.

As with other kinds of defence engagements, training and exercises will be core dimensions of the security relationship. In defending against hybrid threats, a third step should involve both states *either establishing new exercises or incorporating scenarios into existing joint exercises* that feature information-based and cyber-enabled threats. Such exercises would also provide opportunities for Australia and Indonesia to share information and knowledge about future warfare and the impact of emerging technologies in conflict.

Fundamentally, training programs must be designed to ensure broad-based participation. Training and exercises should engage not only military personnel but the broader defence and national security ecosystem—which includes civilians outside government. This inclusive approach is important not only to prevent the monopolisation of hybrid threat expertise, within Indonesia, by the TNI but also reflects the reality that building resilience against hybrid threats is a whole-of-society effort. This is also fundamental to ensure that civilians remain deeply engaged in the process and limit encroachment by the military into traditionally civilian domains.

Equally important is ensuring that cooperation remains focused on defensive resilience. Support should prioritise the protection of critical infrastructure, institutional integrity and societal cohesion. By avoiding tools that could be used for surveillance or repression, both countries can ensure that the partnership doesn't erode democratic governance or trigger domestic sensitivities.

To complement their bilateral efforts, Australia and Indonesia should take a fourth step: *extending their defence cooperation to include the Philippines, with a particular focus on the maritime domain*. A trilateral approach wouldn't require new formal commitments but could meaningfully enhance naval interoperability, improve maritime domain awareness, and signal a shared commitment to resisting coercive actions—especially in the South China Sea. While Indonesia has traditionally been cautious about security-focused trilaterals, particularly those perceived as targeting a specific state, the Prabowo government appears more open to cooperation beyond ASEAN frameworks. And, since 2017, Indonesia has already been part of a trilateral cooperation agreement with Malaysia and the Philippines.

Encouraging Indonesia to include the Philippines in naval exercises, coordinated patrols and training programs would visibly counter China's efforts to isolate Manila diplomatically within ASEAN. As an initial 'easy lift', a unit from the Armed Forces of the Philippines could be invited to observe the next iteration of Exercise Bhakti Kanyini AusIndo, which currently includes the ADF, the US Marine Corps and the TNI, or the new bilateral ADF–TNI drills to be held at Morotai.

In summary: the DCA marks a major step forward in Australia–Indonesia defence ties, but its long-term success will depend on navigating persistent structural challenges, reconciling strategic differences and asymmetric aspirations, and building trust that can withstand both political shocks and geopolitical shifts. Focusing on those policy areas and implementing those practical recommendations would do just that.

Notes

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2 Arguably, the most recent crisis in Australia–Indonesia relations followed Indonesia's execution of Andrew Chan and Myuran Sukumaran in April 2015. Chan and Sukumaran were two Australian citizens—and members of the 'Bali Nine'—who were convicted of drug trafficking to Indonesia. Their execution led to the recall of the Australian ambassador from Jakarta. The five living members of the Bali Nine were returned to Australia in December 2024. See Jane Norman, 'Bali Nine: Australia to withdraw ambassador to Indonesia over executions of Andrew Chan and Myuran Sukumaran', *ABC News*, 29 April 2015, online; Erwin Renaldi, 'Indonesian president wants Bali Nine members back in Australia by Christmas', *ABC News*, 9 December 2024, online.

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5 We thank Ristian Atriandi Supriyanto of Universitas Indonesia for providing this insight.

6 BRICS: Brazil, Russia, India, China, South Africa, Egypt, Saudi Arabia, Ethiopia, Indonesia, Iran and the United Arab Emirates.

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Acronyms and abbreviations

ADF	Australian Defence Force
ASEAN	Association of Southeast Asian Nations
DCA	Australia–Indonesia Defence Cooperation Agreement
HADR	humanitarian assistance and disaster relief
TNI	*Tentara Nasional Indonesia* (Indonesian National Armed Forces)

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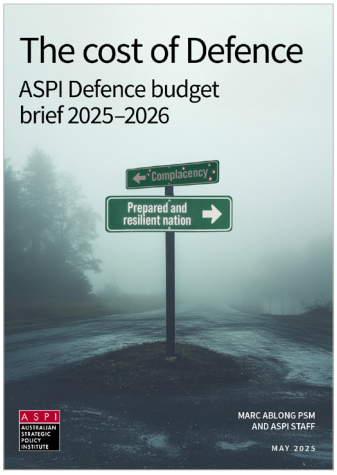

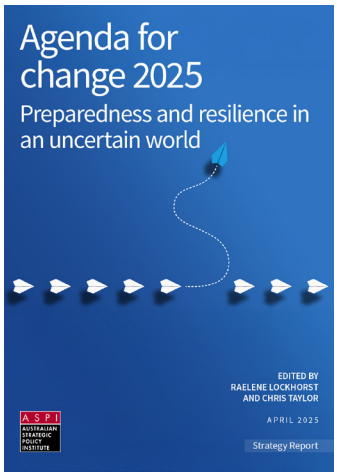

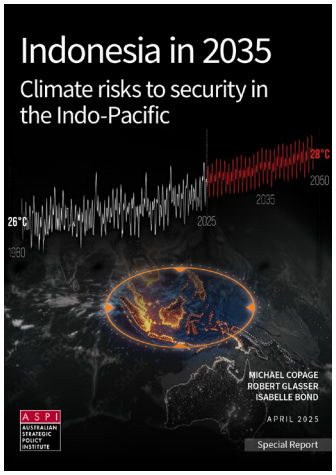

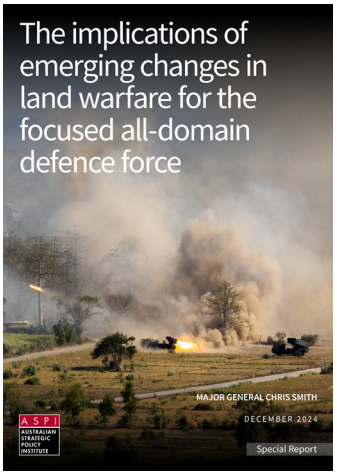

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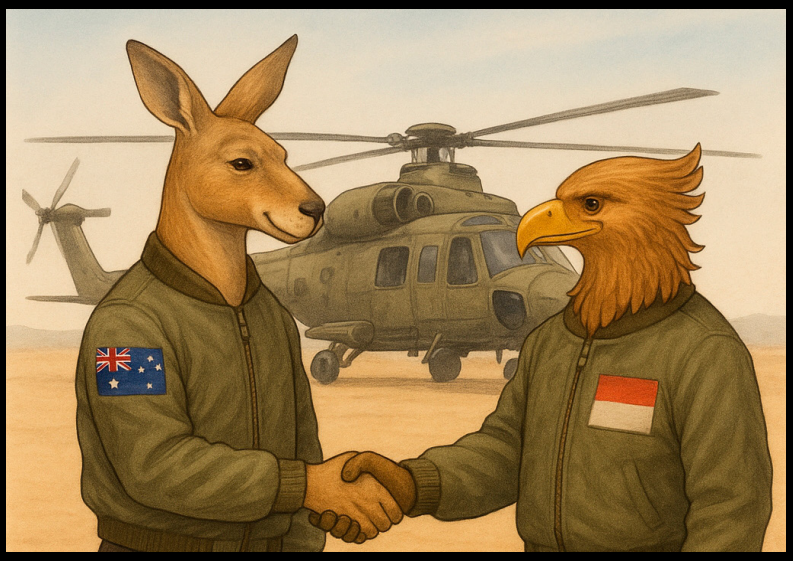

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