



Integrated Country Strategy

INDONESIA

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Table of Contents

1. Chief of Mission Priorities	1
2. Mission Strategic Framework	4
3. Mission Goals and Objectives	6
4. Management Objectives	19

1. Chief of Mission Priorities

The United States values its relationship with Indonesia, a country of growing strategic and economic importance. Indonesia's leadership in ASEAN, Presidency of the G20, and growing influence throughout and beyond the Indo-Pacific region create opportunities to strengthen our cooperation under the U.S.-Indonesia Strategic Partnership. In that spirit of partnership, we seek cooperation with Indonesia to face global challenges, increase economic engagement and people-to-people ties, strengthen security, and promote democracy and respect for human rights.

We share Indonesia's resolve to address the global challenges of climate change and pandemic disease. We will support the government, civil society organizations, and the private sector to meaningfully confront the climate crisis, combat environmental crime, and improve resource management. We will deepen our cooperation with the government and civil society to ensure the safety and security of American citizens in Indonesia, especially in response to natural disasters. We will also support efforts to strengthen adherence to international best health practices to better prevent, detect and respond to disease outbreaks such as COVID-19.

Indonesia is a significant destination for U.S. exports and investment, but our economic relationship remains well below its potential given the size of Indonesia's economy and population. We will encourage Indonesia to adopt international best practices and policies that foster sustainable economic growth, innovation, improved market access for U.S. businesses and increased bilateral trade to create a resilient and prosperous economy. We will also encourage Indonesia to take a constructive role in international economic fora commensurate with its growing economic importance which can catalyze needed reforms in support of global best practices.

Indonesia contributes to regional and international peace and security through support of rules-based frameworks, including in the South China Sea, as well as participation in international peacekeeping operations as well as upholding the principles of inclusive government and respect for human rights in places like Afghanistan and Burma. We will

Approved: March 31, 2022

deepen our partnership with the Indonesian military to rebuild capacity, foster improved defense management, and increase interoperability amongst the services to support its externally focused mission. Indonesia's law enforcement-led approach to counterterrorism has achieved notable success but requires ongoing cooperation and assistance from international partners and civil society. We will promote information sharing between agencies and regional partners responsible for border security to counter terrorism in Indonesia and the possible regionalization of terrorist groups in Southeast Asia, and to enhance U.S. border security. We will partner with the Indonesian Government and civil society to prevent the spread of anti-democratic intolerance and violent extremism through prevention initiatives that support traditional Indonesian values of tolerance, acceptance, and diversity. In addition, we will deepen our working relationships with criminal justice sector, including civil society, to counter domestic and transnational crime and to bring to light and address corruption and corrupt practices.

We will increase our level of engagement with the government and law enforcement to help Indonesia continue the push for more financial transparency and rule of law essential to U.S. interests in the region. Indonesia continues to strengthen its democratic institutions but has also seen backsliding on a wide range of issues, including the deteriorating protection of vulnerable groups and the shrinking of civic space. We will contribute to the protection of fundamental human rights by amplifying voices for greater tolerance and pluralism crucial to maintaining a productive partnership with Indonesia.

Building partnerships at all levels is critical to enhancing mutual understanding and trust. We will foster increased collaboration in science and technology to provide greater opportunities for expanding bilateral and peer-reviewed research, and to encourage the use of science in decision-making. We will promote legitimate travel between the United States and Indonesia in order to deepen people to people connections between our countries. We will promote educational and cultural exchanges to grow a constituency with direct experience of the United States to counter unhelpful narratives and overcome a latent suspicion of U.S. motives, policy, and society. This will further promote shared values and approaches, strengthening the appeal of the United States as the partner of choice for Indonesia's future business and government

Approved: March 31, 2022

leaders. Our Mission will focus on youth outreach, given that approximately half the population is under 30 years old and well-connected on social media. We will encourage more Indonesians to study in the United States and more American universities to expand partnerships here. This will provide new openings to expand and diversify student bodies in the United States and prepare Indonesians to compete in the globalized economy of the 21st century.

We share the aspirations of millions of Indonesians who want to live in a society characterized by good governance and the rule of law. In its modern, democratic era, Indonesia has repeatedly held free and fair elections that have reflected the will of its people. Our Mission aims to be a resource and partner for Indonesia as it seeks to build the capacity of law enforcement and the justice sector, increase accountability to the public, and protect human rights, particularly those of minorities and vulnerable groups.

Embassy Jakarta is proud to be working out of one of the Department's finest New Embassy Compounds. It's time now to upgrade the rest of the Mission. We are currently building a state-of-the-art New Consulate Compound in Medan; seeking to upgrade our Bali Consular Agency; and advocating for the establishment of American Presence Posts in Denpasar and Makassar.

2. Mission Strategic Framework

Mission Goal 1: Strategic Partnership/Countering Emerging Threats: U.S.

collaborates with Indonesia to face global challenges, such as climate change, and counter emerging threats, such as pandemic disease.

- **Mission Objective 1.1:** Indonesia meaningfully addresses climate change, combats environmental crimes, and improves natural resource management. [CDCS DO 3]
- **Mission Objective 1.2:** Indonesia strengthens adherence to international best health practices (international health regulations) and accelerates its capacity to prevent, detect, and respond to emerging threats. [CDCS DO4]

Mission Goal 2: Increase Economic Engagement and People-to-People Ties:

Indonesia adopts international best practices and policies that foster sustainable economic growth, innovation, and improved market access for U.S. business.

- **Mission Objective 2.1:** Indonesia allows greater market access to U.S. goods and services by reducing barriers to trade and opening more sectors of its economy to foreign investment to create a resilient and prosperous economy. [CDCS DO2]
- **Mission Objective 2.2:** Indonesia plays a constructive role in international economic fora commensurate with its growing economic importance. [CDCS DO2]

Mission Goal 3: Strengthen Security: Indonesia contributes to regional and international peace and security through modern, professional, and accountable defense and law enforcement agencies and engaged community support.

- **Mission Objective 3.1:** The Indonesian defense establishment follows civilian leadership and develops externally focused defense capabilities for effective interoperability among the services, civilian agencies, and with the United States and other regional partners.

- **Mission Objective 3.2:** Indonesia contributes to regional and international peace and security by countering terrorism and violent extremism in accordance with international human rights norms. [CDCS DO1]
- **Mission Objective 3.3:** Indonesia's criminal justice sector contributes to regional peace and security by countering domestic and transnational crime through enhanced investigative and prosecutorial capabilities, resources, and inter-agency coordination.

Mission Goal 4: Democracy and Human Rights: Indonesia emerges as an Indo-Pacific leader in safeguarding and promoting democracy, combatting corruption, upholding the rule of law, and protecting fundamental human rights.

- **Mission Objective 4.1:** Indonesia combats corruption and promotes financial transparency by preventing illicit finance, effectively holding corrupt actors accountable. [CDCS DO1]
- **Mission Objective 4.2:** Indonesia protects vulnerable groups and preserves the right to free speech, assembly, and religion and advocates for the same abroad. [CDCS DO1]

Management Objective 1: Maximize workforce welfare and establish support platform to reflect local operating conditions

Management Objective 2: Improve Bi-Mission representation and facilities by advocating for American Presence Posts in Denpasar and Makassar, supporting Medan NCC construction, identifying options for improved Consular Agency facilities in Bali, and exploring options for improved warehouse space in Jakarta.

3. Mission Goals and Objectives

Mission Goal 1 | Strategic Partnership/Countering Emerging Threats: U.S.

collaborates with Indonesia to face global challenges, such as climate change, and counter emerging threats, such as pandemic disease.

Description | Close U.S.-Indonesia cooperation to combat global emergencies including the climate change crisis and global pandemics will yield mutually and globally beneficial outcomes. Indonesia is a regional lynch pin in the global effort to combat climate change. Indonesia is the world's eighth largest emitter of greenhouse gasses and an archipelagic nation with one of the world's largest stock of biodiversity. Indonesia is both a significant contributor and victim of climate change. What happens in Indonesia matters for the rest of the region and the world. Deforestation and climate change combined with a large population spread over 6,000 + inhabited islands, many in remote locations, make Indonesia a prime breeding ground for zoonotic diseases. Indonesia's healthcare system was brought to the brink of collapse in 2021 by the COVID-19 Delta variant. The United States and Indonesia must work together to prevent, detect, and respond to infectious diseases of regional and global importance.

Objective 1.1 | Indonesia meaningfully addresses climate change, combats environmental crimes, and improves natural resource management. [CDCS DO 3]

- **Justification |** Indonesia - the world's largest archipelagic state, consisting of more than 17,500 islands (~6,000 inhabited) with over 81,000 kilometers (km) of coastline - is highly vulnerable to climate change impacts, including extreme events such as floods and droughts, and long-term changes from sea level rise, shifts in rainfall patterns and increasing temperature. While rapid economic growth has led to a reduction in poverty in recent decades, with the poverty rate halving from 24 percent in 1999 to 9.78 percent in 2020, high population density in hazard prone areas, coupled with strong dependence on the country's natural resource base, make Indonesia vulnerable to the projected climate variability and climate change. These impacts of climate change will be felt

across multiple sectors and regions as the impacts of climate change could cost between 2.5–7 percent of the country’s GDP, with the poorest bearing the brunt of this burden.

Indonesia’s economic growth and transition to an upper-middle income country, as well as its long-range vision to become a high-income country, depend on: the sustainable use of natural resources; improved access to safe drinking water and sanitation services with key hygiene behaviors; strengthening resilience to the impacts of frequent natural disasters; and, transformation to a more advanced and sustainable energy sector with significantly reduced reliance on coal. Indonesia’s natural resources have fueled economic growth, resulting in massive land use change, deforestation, carbon emissions, and unsustainable fishing practices that threaten sustained growth. Finally, Indonesia is profoundly vulnerable to natural disasters and the negative impacts are exacerbated by environmental degradation and poorly managed urbanization in vulnerable locations. With American citizens living and traveling throughout the archipelago, close coordination on crisis-preparedness is essential to ensure the safety and security of American citizens following natural disasters.

The Indonesian government has announced plans to combat these threats. For instance, energy use is recognized as the second highest source of emissions after land use change and peat land (LUCP) conversion. Greenhouse gas emissions from the energy sector are forecasted to peak in 2030. To address the challenge of reducing emissions while meeting the increasing energy demand to sustain economic growth, the Government of Indonesia (GOI) laid out in its 2014 National Energy Policy the goal to increase the share of new and renewable energy in the country’s energy mix from 5 percent in 2014 to 23 percent in 2025. In 2021, GOI further announced plans to accelerate the energy transition to achieve net zero emission by 2060.

In response to these challenges, Post will focus its efforts on natural resources management (NRM); carbon exchange markets; urban environmental resilience; improved energy services; and increased investment in clean energy. Post will work with the GOI, civil society, including prominent faith-based organizations, and the

private sector to develop effective NRM practices that support sustainable economic growth, protect marine and terrestrial biodiversity, and deter transnational crimes, including illegal, unreported, and unregulated (IUU) fishing and wildlife trafficking. Post seeks to leverage public and private sector resources and solutions to address climate change challenges by reducing land-based emissions through productive forest management and restoration of high carbon value ecosystems.

- **Linkages** | This objective reinforces the 2021 Interim National Security Strategic Guidance for the United States to join with the international community to tackle the climate crisis and other shared challenges. This will help partners around the world mitigate and adapt to the effects of climate change and seek to raise the ambition of all nations. This objective also contributes to objectives 1.2 and 2.4 of the Joint Strategy Plan. Efforts to support Indonesia's energy transition directly contribute to Goal 1 of the Indo-Pacific Strategy, as the interagency Asia Enhancing Development and Growth through Energy, which provides a framework for advancing security and sustainability through transforming the energy sector. Efforts to support sustainable economic growth, protect biodiversity and deter transnational environmental crimes also directly contribute to Goal 1 of the Indo-Pacific Strategy. The protection of American citizens contributes to Goal 1 of the Consular Bureau Strategic Framework.
- **Risks** | Should Indonesia fail to significantly reduce its carbon emissions, the country would not meet its own carbon reduction targets and it would be difficult to prevent global warming from exceeding 1.5 degrees per year - the aspirational limit established by the Paris Climate Agreement - resulting in more frequent and intense natural disasters and negative economic impacts. In terms of climate impacts of significance, flooding due to intensifying storms, sea level rise, and land subsidence is a major threat across Indonesia, leading to displacement, threats to food supply, and other negative consequences. Recent scientific studies estimate Indonesia accounts for 11 percent of the global total land area at risk from sea level rise. Large scale population displacement exacerbates social and economic problems, potentially fueling instability in a geographically strategic region. Moreover, the effects of rising sea levels and

increasingly frequent natural disasters are likely to be even more severe in the event that Indonesia is unable to secure adequate financing and develop institutional capacity necessary for effective adaptation to the effects of climate change.

Objective 1.2 | Indonesia strengthens adherence to international best health practices and accelerates its capacity to prevent, detect, and respond to emerging threats. [CDCS DO4]

- **Justification** | COVID-19 has demonstrated that disease prevention and response at the national and subnational levels in Indonesia requires functional systems and real-time availability of quality data, which is then used to inform policy and programmatic responses. Indonesia's slow pace of adoption of recognized best practices to improve treatment coverage and quality of care for Indonesia's priority health areas, including TB, HIV/AIDS, and maternal and newborn health further demonstrate the importance of this goal. Post will help strengthen the GOI's utilization of best practices and quality data to improve health care services and service delivery, including supporting public and private systems to better prevent, detect and respond to disease outbreaks, such as COVID-19.
- **Linkages** | This objective reinforces the 2021 Interim National Security Strategic Guidance for the United States to join with the international community to prevent, identify, and combat the continuing threat posed by COVID-19 and other infectious diseases with pandemic potential. The objective also contributes to Joint Strategic Plan objectives 1.1 and 2.4 through its support for strengthening global health security and global resilience to systemic shocks.
- **Risks** | The risks of not achieving this objective include the possibility of a global pandemic originating from or being amplified in Indonesia with devastating worldwide impacts. The GOI's limited ability to control and contain public health crises has the potential to destabilize a country at the heart of a strategically important region.

Mission Goal 2 | Increase Economic Engagement and People-to-People Ties:

Indonesia adopts international best practices and policies that foster sustainable

economic growth, innovation, improved market access for U.S. business and increased bilateral trade.

Description | Increased economic engagement with Indonesia will strengthen the bilateral strategic partnership launched in 2015 and support jobs and economic growth in both countries, and potentially to enhance the environmental impact of increased commerce. As the largest economy in Southeast Asia and the 7th largest in the world based on purchasing power parity with a nominal GDP of over \$1 trillion, Indonesia is projected to be the world's fourth largest economy by 2050. Indonesia's large population, growing middle class, macroeconomic stability, and rich natural resources make it an attractive market for U.S. investors and exporters. In 2020, Indonesia was the United States' 33rd largest export market and two-way trade reached \$30 billion. The United States was Indonesia's 2nd largest export market in 2021.

Objective 2.1 | Indonesia allows greater market access to U.S. goods and services by reducing barriers to trade and opening more sectors of its economy to foreign investment to create a resilient and prosperous economy. [CDCS DO2]

- **Justification** | Although the United States is one of Indonesia's largest investors and trading partners, our economic relationship remains well below its potential given the size of Indonesia's economy and population. By comparison, in 2020 bilateral trade with neighboring Malaysia was twice as large as trade with Indonesia, even though Malaysia's economy is one-third the size of Indonesia's. The quantity of Indonesian trade and investment barriers significantly increases the uncertainties and risks facing U.S. companies and the international investor community. Inefficient import licensing procedures and permit requirements, product labeling, pre-shipment inspections, local content and domestic manufacturing requirements, local certification requirements, tariffs, and quantitative import restrictions impede U.S. exports, and restricts international investment in critical infrastructure by raising costs and lowering the quality of equipment and materials available for procurement. In addition, the Indonesian government has adopted measures that impede imports as it pursues the

Approved: March 31, 2022

objective of industrial and agricultural self-sufficiency. Despite being acknowledged as a major priority for both countries, investment in the energy sector also remains stagnant. Over half of Indonesia's planned 40.6 gigawatts of new power generation by 2030 is expected to come from renewable energy, representing a \$21 billion investment opportunity. However, inconsistent regulations, uncompetitive renewable energy tariffs, outdated procurement practices, and the ensuing lack of access to financing stifle the investment climate in this sector. Conversely, Indonesian firms, including U.S. subsidiaries, struggle to comply with new U.S. regulatory standards governing key sectors with significant U.S. investment, such as the seafood industry. Decentralized decision-making, legal uncertainties, economic nationalism, trade protectionism, and domestic vested interests all contribute to Indonesia's complex and difficult investment climate. Moreover, a growing number of U.S. firms have expressed concern about the Indonesian legal system, especially with regards to corruption.

- **Linkages** | This objective reinforces the 2021 Interim National Security Strategic Guidance to promote American prosperity as well as the Indo-Pacific strategy to support a free and open trade and investment regime and is consistent with IPS components such as the Asia Enhancing Development and Growth through Energy (Asia EDGE) initiative and its successor the Asia Clean EDGE initiative while strengthening natural resource safeguards and security. The State Department's Joint Regional Strategy for East Asia calls for sustained and inclusive growth and prosperity that is driven by open market economic policies, high-standard investment, increased connectivity, access to finance, and free and fair trading relationships that promote opportunity and inclusion regardless of gender, ethnicity, location, or creed. This objective also contributes to Goal 2 of the Joint Strategic Plan – Promote global prosperity and shape an international environment in which the United States can thrive – through objectives 2.1, 2.2, and 2.3. This objective links with Goal 2 of the Consular Bureau Strategic Framework.
- **Risks** | The risks of not achieving this objective include stagnant levels of bilateral trade and investment. MSMEs are less likely to participate in trade when faced with significant non-tariff barriers. The GOI's plan to transition its energy sector away from

reliance on coal towards greater use of renewable energy is unlikely to succeed without sufficient private sector investment. U.S. companies may choose alternative trade and investment locations in the region. Innovation and sustainable trade may be stifled, dampening prospects for economic growth, including potential environmental benefits.

Objective 2.2 | Indonesia plays a constructive role in international economic fora commensurate with its growing economic importance. [CDCS DO2]

- **Justification** | Indonesia plays an important role in regional and global economic and trade fora. As the largest economy in ASEAN, Indonesia supports increased economic integration and sustainable economic growth. Adopting international best practices and policies that foster sustainable economic growth and innovation will improve market access for U.S. business. Our Mission will also encourage Indonesia to take a more active role in global economic forums, such as the G20, WTO, OECD, APEC, ASEAN, and FATF. These forums can serve as valuable tools for catalyzing needed reforms in support of global best practices.
- **Linkages** | This objective reinforces the 2021 Interim National Security Strategic Guidance to lead and sustain a stable and open international system, underwritten by strong democratic alliances, partnerships, multilateral institutions, and rules. This objective also supports objectives 2.1 and 2.2 of the Joint Strategic Plan.
- **Risks** | If this objective is not achieved, other countries and norms that are not aligned with U.S. goals and objectives could dominate regional standard-setting bodies.

Mission Goal 3 | Strengthen Security: Indonesia contributes to regional and international peace and security through modern, professional, and accountable defense and law enforcement agencies and engaged community support.

Description | The United States is Indonesia's largest security engagement partner with over 220 annual engagements (pre-COVID), including major defense military exercises, and \$1.9 billion in current foreign military sales. Despite stringent COVID safety protocols throughout 2021, DoD was able to accomplish every one of its major service exercises (Army, Navy, Air

Approved: March 31, 2022

Force and Marines). In 2015, our Secretary of Defense and Indonesia's Defense Minister issued a "Joint Statement of Comprehensive Defense Cooperation" that identifies six areas for advancing cooperation: maritime cooperation; defense procurement and joint research and development; professionalization; cooperation on peacekeeping operations and training; humanitarian assistance and disaster response; and countering transnational threats. Our budget for the International Military Education and Training (IMET) program with Indonesia is \$2.6 million annually and, coupled with a significant contribution of national funds, and other sources, represents the largest U.S. training and education program in the USINDOPACOM area of responsibility.

Objective 3.1 | The Indonesian defense establishment follows civilian leadership and develops externally focused defense capabilities for effective interoperability amongst the services, civilian agencies, and with the United States and other regional partners.

- **Justification** | A well-managed, externally focused and maritime-capable, civilian controlled Indonesian National Defense Force (TNI) is in U.S. interests and will contribute to a free and open Indo Pacific region. Indonesia's inadequate defense posture, management processes, readiness, and joint capabilities currently prevent it from more effectively cooperating with the U.S. Our bilateral defense cooperation, via the Joint Statement on Defense Cooperation of 2015, aims to progressively address these inadequacies while improving mutual trust and understanding in a country that will not be allied with the United States for the foreseeable future. We will continue to deepen our partnership with the Indonesian military to help foster improved defense management and assist in rebuilding capability after years of chronic underfunding. Execution of the INDOPACOM Indonesia Country Engagement Plan and targeted assistance programs will remain critical to correcting TNI's reform trajectory and deepen our bilateral military relationship.
- **Linkages** | This objective reinforces the 2021 Interim National Security Strategic Guidance for the United States to "reinvigorate and modernize our alliances and

partnerships around the world.” It also supports specific guidance in the Interim NCS to deepen our partnership with Indo-Pacific partners that share our democratic values. Additionally, efforts to develop and externally focused Indonesian defense capability directly supports Goal 1 of the Indo-Pacific Strategy, to “promote an open, stable region,” as well as Goal 4, “enhance security,” since a more capable Indonesian national defense force will be a net exporter of stability and security for the region. Finally, this objective supports objective 1.4 of the Joint Strategic Plan through its promotion of international security.

- **Risks** | The risks of not achieving this objective include stagnant levels of Indonesian defense modernization and professionalization, which would have direct impact on U.S. interest for regional stability and a free and open Indo-Pacific. Additionally, lack of forward progress reforming Indonesia’s security forces introduces the possibility of future Human Rights sanctions if future transgression occurs.

Objective 3.2 | Indonesia contributes to regional and international peace and security by countering terrorism and violent extremism.

- **Justification** | Indonesia's civilian-led law enforcement requires ongoing cooperation and assistance from international partners to effectively counter terrorism in Indonesia and the possible regionalization of terrorist groups in Southeast Asia. The lack of comprehensive and systematic information sharing between agencies responsible for border security is a vulnerability as Foreign Terrorist Fighters return from Iraq, Syria, and the Philippines with the skills, know-how, networks, weapons, and access to funding to attempt additional terrorist attacks in Indonesia. The Indonesian Government and civil society need to take action to prevent the spread of violent extremism, particularly through effective management of terrorist prisoners and rehabilitation and reintegration of former terrorist convicts, interruption of recruitment efforts, and denial of potential members through prevention initiatives that support traditional Indonesian values of tolerance, acceptance, and diversity. The online presence of extremist groups requires both enhanced digital literacy education beginning at the junior high school

level and programs to amplify the voices of traditional, moderate Indonesian religious leaders, including by increasing their digital engagement skills. Poor cooperation between law enforcement and civil society organizations continues to hobble prevention, deradicalization, and reintegration activities. Lastly, targeted programming will help build the analytic and investigative capabilities of police, prosecutors, and judges to detect, disrupt, and enforce laws against terrorist and violent extremists.

- **Linkages** | This objective reinforces the 2021 Interim National Security Strategic Guidance for the United States to “building partnerships throughout the world...to address common challenges.” The threat posed by terrorism and violent extremism, is one such challenge that requires close and persistent cooperation. Working together to address the threat of terrorism and violent extremism also supports Goal 3 of the Indo-Pacific Strategy, to “strengthen resilient regional institutions,” as well as Goal 4, “enhance security,” since more stable and resilient Indonesian institutions can meet the legitimacy and security challenges posed by terrorism and violent extremism. This objective supports objective 1.4 of the Joint Strategic Plan through its contribution to the promotion of international security.
- **Risks** | The risks of not achieving this objective include the threat of social fractures with increased civilian strife and unrest over instability caused by terrorism and violent extremism. Additionally, ineffective handling of the threat posed by terrorism and violent extremism leaves the door open for the possibility of future Human Rights abuses, and the detrimental impact on the bilateral relationship should the U.S. bring back sanctions.

Objective 3.3 | Indonesia’s criminal justice sector contributes to regional peace and security by countering domestic and transnational crime through enhanced investigative and prosecutorial capabilities, resources, and inter-agency coordination.

- **Justification** | With its porous borders, weak law enforcement and endemic corruption, Indonesia struggles to detect and disrupt transnational crime, not least of all maritime trafficking in persons, human smuggling, narcotics, protected wildlife, illegally logged

timber, and other contraband. While great strides have been made in recent years in the professionalization of Indonesia's criminal justice sector institutions, serious challenges remain, including the need for enhanced inter-agency collaboration. Enhancing the effectiveness of Indonesia's criminal justice sector institutions contributes not only to respect for rule of law but, ultimately, stability in and around the region's most populous nation.

- **Linkages** | As the rule of law is so fundamental to the fabric of democracy, this objective reinforces the 2021 Interim National Security Strategic Guidance for the United States to "join with likeminded allies and partners to revitalize democracy the world over." This objective also directly supports Goal 3 of the Indo-Pacific Strategy, to "strengthen resilient regional institutions," and Goal 4, "Enhance Security," since Indonesia's criminal justice sector plays such a central role in disrupting transnational criminal networks. Finally, this objective also contributes to objective 1.4 of the Joint Strategic Plan through its promotion of international security.
- **Risks** | The risks of not achieving this objective include the threat of instability caused by transnational crime. Additionally, ineffective handling of the transnational threat has the potential to feed corruption, undermine rule-of-law, and negatively impact Indonesia's democratic institutions.

Mission Goal 4 | Democracy and Human Rights: Indonesia emerges as an Indo-Pacific leader in safeguarding and promoting democracy, combatting corruption, upholding the rule of law, and protecting fundamental human rights.

Description | The Indo-Pacific Strategy and the values and goals set forth in the Summit for Democracy are a crucial lynchpin in the U.S.-Indonesia relationship. The partnership between the U.S. and Indonesia is anchored by a strong belief in democratic values like transparency, the rule of law, freedom of expression, assembly, religion, protection of the rights of all citizens, support for free and fair elections, and respect for human rights.

Objective 4.1 | Indonesia combats corruption and promotes financial transparency by preventing illicit finance and effectively holding corrupt actors accountable. [CDCS DO1]

- **Justification** | While Indonesia has made some progress combatting corruption since the fall of Suharto, corruption remains endemic and presents one of the most significant challenges to the rule of law and consolidation of democratic gains in Indonesia, particularly following the passage of legislation that weakened the Corruption Eradication Commission (KPK) in 2019. Increasing our level of engagement, particularly with other parts of the government and law enforcement communities that have taken up the mantle of fighting corruption in the KPK's absence, to help Indonesia continue the push for more transparency and rule of law is essential to U.S. interests in the region.
- **Linkages** | This objective is directly linked to the National Security Strategy Memorandum 1 released June 3, 2021 which established fighting corruption as a core national security priority for the United States. Additionally, combating corruption was one of the core goals of the December 2021 Summit for Democracy, of which Indonesia was an active participant. This objective also contributes to objective 3.3 of the Joint Strategic Plan – Prevent, expose, and reduce corruption.
- **Risks** | Indonesia continues to struggle to combat corruption and undermines citizen's faith in their government and in democracy. Significant backsliding introduces the possibility of future Human Rights sanctions, limiting our ability to partner to achieve other core goals.

Objective 4.2 | Indonesia protects vulnerable groups and preserves the right to free speech, assembly, and religion and advocates for the same abroad. [CDCS DO1]

- **Justification** | Although Indonesia has made laudable gains since its transition to democracy in 1998, the past few years has also seen backsliding on a wide range of issues, including deteriorating protection of vulnerable groups and the shrinking of civil space. Civil society actors face intimidation, unfair prosecution, and harassment from government authorities. Additionally, conservative elements in Indonesian society

continue to push for the marginalization of minority religious groups. At the same time, Indonesia has been a global democratic leader in advocating for tolerant and inclusive governments in both Afghanistan and Burma. U.S. assistance in amplifying and supporting voices for greater tolerance and pluralism are crucial to maintaining a productive partnership with Indonesia.

- **Linkages** | The Department of State's statement on Human Rights Day 2021 re-emphasized that human rights would be at the center of U.S. foreign policy. Engaging our Indonesian partners on rights issues is an integral part of the close relationship between our two countries. Additionally, the interim National Security Strategy's goal of maintaining a free, open and prosperous Indo-Pacific includes the upholding of democratic values and human rights in the region. This objective contributes to objective 3.2 of the Joint Strategic Plan to advance equity, accessibility, and rights for all.
- **Risks** | Despite US efforts, Indonesia continues to erode democratic freedoms and ceases to be a model for the region.

4. Management Objectives

Management Objective 1 | Maximize workforce welfare and adjust support platforms to reflect local operating conditions.

- **Justification** | The Mission will be front and center in EAP as Indonesia hosts the G20 and ASEAN over the next few years. To prepare for this increased engagement, we must recruit and support a diverse and inclusive workforce, improve relations with the Ministry of Foreign Affairs (KEMLU), and improve our capacity to support a large visitor workload.
- **Linkages** | The Department's most important initiatives focus on diversity, inclusion, equity, and accessibility. The EAP Bureau recently published its Statement of Principles and is firmly committed to promoting these within the Bureau and in our foreign policy. This Objective also supports objective 4.1 (Build and equip a diverse, inclusive, resilient, and dynamic workforce) of the Joint Strategic Plan.
- **Risks** | Re-emergence of the pandemic and travel restrictions limit our interactions and effectiveness at supporting our visitors and influencing our counterparts.

Management Objective 2 | Improve Bi-Mission facilities by supporting Medan NCC construction; identifying options for improved Consular Agency facilities in Bali, including the establishment of an American Presence Post in Denpasar; explore; exploring options for improved warehouse space in Jakarta; planning for U.S. representation in Indonesia's future capital city, Nusantara.

- **Justification** | Management will focus its support to the consulate and consular agency facilities on achieving the location, approval, procurement, and move into safe and secure premises for its Consulate Medan Office and Consular Agency Denpasar office. Medan and Consular Agency Denpasar are in premises not meeting DOS security

standards and Consulate Medan's existing premises cannot meet the OSHA approval standard for renewing the lease.

- **Linkages** | With the Government of Indonesia looking to move its capital from Jakarta to Nusantara, it will be even more important to support our constituent posts and ensure they are ready to manage their workload in state-of-the-art facilities. This Objective also supports Objective 4.3 (Protect our personnel, information, and physical infrastructure from 21st century threats) and Objective 5.1 (Support and serve American citizens traveling or residing abroad) of the Joint Strategic Plan.
- **Risks** | Funding or project management shortages could significantly delay these critical projects. If the various teams that play a part in moving these projects forward cannot agree to the best course of action, our American Citizens Services could be compromised in both Bali and Sumatra.