

Indonesia's Emerging Role as a Key Donor in South-South Cooperation

Aswin Ariyanto Azis
Prinailla Reinata Satriani
Anggun Dia Pristica
Alifia Nur Azarine
Reza Febrian Nugraha

*Program Studi Hubungan Internasional
Universitas Brawijaya, Indonesia*

e-mail: a.azis@ub.ac.id
reinatasatriani@student.ub.ac.id
anggundia26@student.ub.ac.id
alifiazrn15@gmail.com
rezafebrian@student.ub.ac.id

ABSTRACT

This study addresses the research problem of understanding Indonesia's shift from an aid recipient to an emerging donor within South-South Cooperation (SSC). The research problem lies in how Indonesia's evolving role in SSC aligns with its national interests and contributes to global development, especially given its position as an Upper Middle Income Country. The study uses theory of emerging donors to examine the geopolitical and strategic significance of Indonesia's engagement in SSC, focusing on its long-term objectives in development assistance and international relations. A qualitative research methodology is employed, analyzing secondary data from policy documents, international reports, and historical records regarding Indonesia's foreign aid policies. By analyzing these data, the study highlights Indonesia's strategic approach to reduce dependency in the Global South and enhance its influence globally, positioning itself as a key player in fostering sustainable development and promoting South-South solidarity.

Keywords: *Emerging donor, Global South, Indonesia's foreign aid policy, South-South Cooperation*

ABSTRAK

Penelitian ini membahas masalah pergeseran Indonesia dari penerima bantuan menjadi donor baru dalam kerangka Kerja Sama Selatan-Selatan (KSS). Permasalahan utama terletak pada bagaimana peran Indonesia yang berkembang dalam KSS selaras dengan kepentingan nasionalnya dan berkontribusi pada pembangunan global, terutama mengingat posisinya sebagai negara berpenghasilan menengah. Penelitian ini menggunakan teori donor baru untuk menganalisis signifikansi geopolitik dan strategis keterlibatan Indonesia dalam KSS, dengan fokus pada tujuan jangka panjangnya dalam memberikan bantuan pembangunan dan hubungan internasional. Metodologi penelitian yang digunakan adalah pendekatan kualitatif, dengan menganalisis data sekunder dari dokumen kebijakan, laporan internasional, dan catatan sejarah terkait kebijakan bantuan luar negeri Indonesia. Melalui analisis ini, penelitian ini menyoroti pendekatan strategis Indonesia untuk mengurangi ketergantungan di Global Selatan dan meningkatkan pengaruhnya secara global, dengan tujuan menjadi pemain utama dalam mendukung pembangunan berkelanjutan dan mempromosikan solidaritas Selatan-Selatan.

Kata Kunci: *Donor baru, Global Selatan, Kebijakan bantuan luar negeri Indonesia, Kerja Sama Selatan-Selatan*

Introduction

The purpose of this study is to investigate the research problem of comprehending Indonesia's function as a new donor in the context of South-South Cooperation (SSC). The study specifically looks at how Indonesia's transition from a recipient of aid to an active donor in SSC fits with its interests as a country and advances global development. How does Indonesia's involvement in South-South Cooperation represent its strategic objectives and support sustainable development in the Global South? is the research question that drives this investigation.

Rich in natural resources and culturally diverse, Indonesia has long been acknowledged for its strategic location in Southeast Asia. Indonesia has emerged as a major actor in regional and international affairs due to its expanding economic and political clout. The Indonesian government has made a commitment in recent years to increase its influence internationally, especially by actively taking part in programs like South-South Cooperation (SSC). SSC, a platform for developing nations to collaborate, places a strong emphasis on shared development objectives, solidarity, and teamwork in tackling shared problems. As nations from the Global South band together to support one another's development, it represents a fundamental shift in the paradigm of global development.

Indonesia has been a leader in promoting South-South cooperation since the Asia-Africa Conference in 1955. Over time, this commitment has changed, and Indonesia has progressively changed from being a recipient of foreign aid to a provider, especially under the SSC framework. In addition to changing Indonesia's foreign policy, this change has established the nation as a new donor in the global aid arena. This shift has wide-ranging effects since Indonesia's growing donor role opens up new avenues for influence and cooperation among developing countries.

In 2023, Indonesia was officially recognized as an Upper Middle-Income Country (UMIC), with a Gross National Income (GNI) per capita reaching USD 4,580, up from USD 4,140 in 2021 (Deni Surjantoro, 2023). This milestone, which follows the success of the National Economic Recovery (PC-PEN) policy after the COVID-19 pandemic, helped the country achieve 5.1% economic growth and control inflation at 3.1% in 2023 (Erbi, 2023). This economic growth has increased Indonesia's engagement in global development, particularly through its involvement in South-South Cooperation (SSC), a forum that brings together developing countries based on principles of solidarity, shared growth, and equality.

Indonesia's Gross National Income (GNI) per capita increased from USD 4,140 in 2021 to USD 4,580 in 2023, earning it official recognition as an Upper Middle-Income Country (UMIC) (Deni Surjantoro, 2023). Following the National Economic Recovery (PC-PEN) policy's success following the COVID-19 pandemic, this milestone helped the nation achieve 5.1% economic growth and keep inflation under control in 2023 at 3.1% (Erbi, 2023). Indonesia has become more involved in global development as a result of its economic expansion, especially through its participation in South-South Cooperation (SSC), a forum that unites developing nations on the basis of equality, solidarity, and shared growth.

Understanding Indonesia's role as a new donor in South-South Cooperation is the research problem that this study aims to solve. The study specifically looks at how Indonesia's transition from a recipient of aid to an active donor fits with its interests as a country and advances global development. How does Indonesia's involvement in

South-South Cooperation reflect its strategic objectives and support sustainable development in the Global South? is the main research question that drives this study.

The Theory of Emerging Donors, which offers a framework for comprehending how nations like Indonesia are shifting from aid recipients to providers, is used in this study to critically examine Indonesia's role. The theory emphasizes the political, diplomatic, and economic drivers of this change, such as the wish to strengthen ties with other developing countries, expand global influence, and cultivate economic diplomacy. In order to evaluate Indonesia's contributions to South-South Cooperation, the study also employs a qualitative methodology, examining secondary data from international reports, policy documents, and historical documents.

Literature Review and Analytical Framework

This study is grounded in several key theoretical concepts that are interconnected to explain Indonesia's emerging role as a donor within South-South Cooperation (SSC). The Theory of Emerging Donors provides a critical framework for understanding the evolving role of developing countries like Indonesia, which have shifted from being recipients of aid to actively participating in the provision of development assistance. This transition is deeply intertwined with the national interests of these countries, as they seek to enhance their geopolitical influence, economic diplomacy, and overall sovereignty.

National interest plays a crucial role in shaping foreign policy, particularly in terms of foreign aid. For Indonesia, national interests are not merely about safeguarding the welfare and security of its people but also about advancing its diplomatic goals and establishing economic relationships through foreign aid. Indonesia's active involvement in SSC is reflective of its long-term strategy to assert itself as a leader within the Global South, aligning with its objectives of promoting peace, independence, and equitable economic growth. National interests, thus, act as the driving force behind Indonesia's foreign aid policies, where it uses aid to foster bilateral relationships, enhance economic cooperation, and advocate for sustainable development goals (SDGs) (Siswo Pramono, 2016).

The emerging donors concept is central to understanding Indonesia's position in the global aid system. In contrast to traditional donors from the Global North, emerging donors like Indonesia are playing an increasingly significant role in foreign aid. This shift reflects the changing global power dynamics, where rapidly growing economies in the Global South are not only recipients of aid but are now also providers. By offering aid, emerging donors such as Indonesia strengthen diplomatic ties, open new markets, and gain greater influence in international forums (Smith et al., 2010). Indonesia's shift from aid recipient to donor represents a fundamental change in the way foreign aid is understood, where mutual benefits are emphasized, and the legacy of dependence on the Global North is gradually dismantled.

South-South Cooperation (SSC) is a platform through which emerging donors like Indonesia engage in development assistance. SSC emphasizes collaboration among developing countries based on mutual respect, shared experiences, and collective goals. As an advocate of SSC since the 1955 Asia-Africa Conference, Indonesia views it as a strategic tool for fostering regional and global development. SSC allows Indonesia to provide technical assistance, capacity-building programs, and knowledge-sharing initiatives, all aimed at promoting self-sufficiency and reducing dependency on developed countries. Through SSC, Indonesia not only strengthens its role as a leader in

the Global South but also promotes the Sustainable Development Goals (SDGs) by helping other countries achieve long-term, sustainable growth (Rozy, 2020).

Finally, foreign aid as a concept has evolved significantly since its post-WWII origins. Traditionally, it was seen as a tool for diplomatic solidarity and relief. However, as economic and political power has shifted, foreign aid is now an integral part of the strategies of emerging donors. For Indonesia, foreign aid is no longer just about providing assistance to less developed nations; it is a key aspect of its foreign policy aimed at fostering economic diplomacy, cultural exchange, and regional cooperation (Pramono et al., 2016). Through its engagement in SSC, Indonesia uses foreign aid as a way to leverage its resources, promote regional stability, and assert its influence in global governance.

In sum, these interconnected concepts—national interest, emerging donors, South-South Cooperation (SSC), and foreign aid—are essential to understanding Indonesia's role in the global development landscape. This literature review highlights how Indonesia's foreign aid policies are shaped by both internal motivations (such as economic growth and national security) and external objectives (such as enhancing global influence and contributing to global development). Together, these concepts form the theoretical foundation for analyzing Indonesia's strategic participation in South-South Cooperation and its emergence as a key donor in the Global South.

Method

This study uses a qualitative case study design to explore Indonesia's role as an emerging donor in South-South Cooperation (SSC). The research examines Indonesia's transition from being an aid recipient to an active donor, focusing on its motivations, strategies, and impacts within SSC.

Data Collection:

1. **Document Analysis:** The study analyzes secondary data from policy documents, government reports, and international development assessments related to Indonesia's foreign aid policies and SSC participation.
2. **Elite Interviews:** Interviews will be conducted with key individuals involved in Indonesia's foreign aid policies, including policymakers from the Ministry of Foreign Affairs and BAPPENAS.

Data Analysis:

1. **Content Analysis:** The discourse around Indonesia's role in SSC will be analyzed to understand how the country frames its role as a donor.
2. **Thematic Analysis:** Key themes such as economic diplomacy and Sustainable Development Goals (SDGs) will be identified and analyzed.
3. **Comparative Analysis:** Indonesia's role as a donor will be compared with other emerging donors like Brazil and India to assess its unique position.

Results and Discussion

Indonesia in South-South Cooperation

The Asian-African Conference (AAC) hosted in Bandung in 1955 set Indonesia's path for involvement in South-South Cooperation (SSC.). Deeply ingrained in the AAC's solidarity, SSC has been intimately associated with diplomatic activities of Indonesia (Helmys & Irawan, 2023). Based on common values of unity, equality, and justice, SSC acts as a concrete attempt to foster solidarity and deepen multilateral relations among underdeveloped countries.

For Indonesia, SSC participation reflects the Preamble's mandate to the 1945 Constitution: "...to contribute to the establishment of a world order based on independence, eternal peace, and social justice." Indonesia aims to inspire underdeveloped countries to cooperate in generating possibilities for knowledge sharing and innovation to reach group advancement (Rozy, 2020).

Originally, Indonesia's participation in SSC was that of a recipient, especially in relation to technical cooperation during the New Order period. Economic difficulties, including high inflation in 1965 (CEACoS FISIP UI and JICA, 2010), shaped this role. The government created the Committee for Foreign Technical Cooperation in 1967 to organize forthcoming technical aid (Helmys & Irawan, 2023). By Presidential Decree No. 60 of 1981, which started Indonesia's participation in Technical Cooperation among Developing Countries (TCDC), Indonesia moved from a recipient to a contributing factor in international aid programs.

Following 2006, there was a notable change when the Ministry of Foreign Affairs established the Directorate of Technical Cooperation under the 2010 National Medium-Term Development Plan (RPJMN) and the establishment of the National Coordination Team for SSC confirmed Indonesia's part in SSC even more. An important turning point was reached when Indonesian AID was established in 2019, so underlining Indonesia's will to become an active international donor and so redefining its identity in global and regional development diplomacy (Virgianita et al., 2023).

Building on these reforms, SSC has become a vital framework for Indonesia as developing countries to share information, perspectives, and expertise in advancing development. In addition to becoming a middle-income country and a "new emerging donor" in the SSC, Indonesia's role in the SSC has evolved as a G20 member. This dual function demonstrates that Indonesia actively assists other developing nations in addition to being a recipient (Abdurachman & Prakoso, 2017).

SSC has assisted Indonesia in strengthening its position in international development through strategic programs such as grant assistance, training initiatives, and women's empowerment programs (Hutabarat & Damayanti, 2023). These programs demonstrate Indonesia's commitment to leveraging its resources and expertise to promote inclusive development and strengthen its standing as an SSC leader.

Indonesia as Emerging Donor: Optimizing Foreign Aid through Indonesian AID

The Asian-African Conference (AAC), which took place in Bandung in 1955, marked the beginning of Indonesia's participation in South-South Cooperation (SSC). SSC has a

strong connection to Indonesia's diplomatic activities and is rooted in the AAC's solidarity (Helmys & Irawan, 2023). Indonesia's active role in fostering mutual development among the Global South was made possible by the Bandung Conference, which highlighted the value of solidarity among recently independent countries. Based on the common ideals of justice, equality, and unity, the SSC is a concrete attempt to foster solidarity and improve multilateral ties between developing countries.

Participation in SSC is a reflection of Indonesia's commitment to "contribute to the establishment of a world order based on independence, eternal peace, and social justice," as stated in the Preamble to the 1945 Constitution. In order to achieve progress as a group, Indonesia aims to promote cooperation among developing countries by establishing chances for innovation and knowledge sharing (Rozy, 2020). It is crucial that this be in line with theoretical frameworks like Lancaster's Aid Theory. Lancaster contends that geopolitical and economic interests, which are represented in Indonesia's ambition to establish itself as a regional leader in global development, drive foreign aid more so than pure altruism.

At first, especially in the context of technical cooperation during the New Order era, Indonesia's role in SSC was that of a recipient. Economic hardships, including high inflation in 1965, had an impact on this role (CEACoS FISIP UI & JICA, 2010). In 1967, the government formed the Committee for Foreign Technical Cooperation to coordinate incoming technical assistance (Helmys & Irawan, 2023). The goal of Indonesia's foreign aid strategy during this time was to transfer technology and expertise from developed countries. This stage is consistent with the traits of recipient nations outlined in Lancaster's Aid Theory, where aid partnerships are frequently viewed as a means of addressing developmental deficiencies and enhancing recipient capacity.

However, through Presidential Decree No. 60 of 1981, which started its participation in Technical Cooperation among Developing Countries (TCDC), Indonesia moved from being a recipient of international aid programs to a contributing actor. This marked a turning point in Indonesia's transition to a donor nation. During this time, Indonesia's foreign aid strategy started to take into account its expanding diplomatic influence in the area as well as its growing economic capabilities.

After 2006, a major change took place when the Ministry of Foreign Affairs established the Directorate of Technical Cooperation. The establishment of the National Coordination Team for SSC and the 2010 National Medium-Term Development Plan (RPJMN) further cemented Indonesia's position in SSC. These changes demonstrate Indonesia's resolve to take an active role in international aid. An important turning point was the creation of Indonesian AID in 2019, which strengthened Indonesia's position as a donor nation and changed its image in international and regional development diplomacy (Virgianita et al., 2023).

Figure 1. Grant Distribution Realization.



Source: Lembaga Dana Kerja Sama Pembangunan Internasional, 2024.

Table 1. Foreign Aid from Indonesian AID for the Years 2020-2023

No	Foreign Aid/Program	Year	Participants
1.	Humanitarian Aid - Handling the Coronavirus Disease (COVID-19) Pandemic	2020	Republic Democratic of Timor Leste
2.	Humanitarian Aid for the Republic of Mozambique	2021	Republic of Mozambique
3.	Humanitarian Aid for the Republic of Zimbabwe	2021	Republic of Zimbabwe
4.	Development Assistance "Community Connect"	2021	Antigua and Barbuda
5.	Humanitarian Aid - Oxygen Concentrator	2021	India
6.	Humanitarian Aid for Madagascar	2021	Madagascar
7.	Financial Aid	2021	Papua New Guinea
8.	Cultural Aid "130th Anniversary of Javanese Migration to Suriname"	2021	Republic of Suriname
9.	Food Crisis Management in Afghanistan	2021	Afghanistan
10.	Capacity Building	2021	Palau
11.	Capacity Building Program for Young Diplomats of Timor-Leste to Support the ASEAN Integration Process	2021	Republic Democratic of Timor Leste
12.	Financial Aid for purchasing school buses	2021	Saint Vincent and the Grenadines
13.	Capacity Building Training for Stakeholders in Maternal and Child Health	2022	Afghanistan
14.	Educational Support for Afghan Postgraduate Students	2022	Afghanistan
15.	Capacity Building - on The Job Training	2022	Laos
16.	Capacity Building in passenger assessment training at airports (focused on preventing terrorism and narcotics trafficking)	2022	Bangladesh, the Philippines, Myanmar, Laos, Cambodia, Timor-Leste, Fiji, and Papua New Guinea
17.	Capacity Building MSG Roadmap on Inshore Fisheries Management and Sustainable Development	2014-2024	Melanesians Spearhead Group
18.	Humanitarian Aid to Palestine for COVID-19 Response and to the Occupied Territories through the ICRC	2022	Palestine
19.	Capacity Building - Basic Customs Training for Timor-Leste Custom Authority Employees	2022	Republic Democratic of Timor Leste
20.	Capacity Building for Young Diplomats of Timor-Leste through an Internship Program at the Indonesian Ministry of Foreign Affairs	2022	Republic Democratic of Timor Leste
21.	Humanitarian Aid for the People of Ukraine	2022	Ukraine

22.	Capacity Building - Training in Information, Communication & Technology (ICT)	2023	The Organisation of African, Caribbean and Pacific States (OACPS)
23.	Capacity Building - Workshop on Information and Communications Technology (ICT) for Customs Automation and Single Window	2023	Cambodia, Laos, Myanmar, Vietnam (CLMV)
24.	Capacity Building for Timor-Leste Civil Servants Through a National Cross-Ministry/Agency Internship Program	2023	Republic Democratic of Timor Leste
25.	Capacity Building - Training Activities in Family Planning and Reproductive Health	2023	Kenya
26.	Capacity Building - Training Activities in Coastal Fisheries	2023	Melanesians Spearhead Group
27.	Capacity Building - Workshop on Vessel Search for Asia/Pacific Customs Administration Officers	2023	Asia-Pacific Countries
28.	Financial Aid - Revitalization Activities for the Agricultural Rural Farmers Training Center	2023	Gâmbia
29.	Technical Assistance in the Agriculture Sector	2023	Fiji
30.	Capacity Building - Broiler Chicken Farming Training for Farmers and Agricultural Extension Officers in the Solomon Islands	2023	Solomon Island
31.	Capacity Building - Disaster Management Training	2023	Caribbean Community (CARICOM) and Central American Integration System (SICA) Member States
32.	Humanitarian Aid on Vaccine	2023	Nigeria
33.	Financial Aid - 7th replenishment	2023	Global Fund

Source: Lembaga Dana Kerja Sama Pembangunan Internasional, 2019.

Indonesia's foreign aid priorities are guided by strategic factors in line with its foreign policy, such as geographical proximity, economic cooperation, and national interests (Permenlu, 2020). These priorities include:

1. **Geographical Proximity:** Indonesia prioritizes neighbouring countries, especially in Southeast Asia, including CLMV nations (Cambodia, Laos, Myanmar, Vietnam), and Timor-Leste.
2. **Economic Cooperation:** Countries with strong economic collaboration opportunities, such as those in Southeast Asia and the South Pacific, are prioritized.
3. **Development Needs:** Indonesia also supports developing and least developed countries, especially in Sub-Saharan Africa and South Asia, that require development aid.
4. **Sovereignty and Stability:** Areas upholding Indonesia's sovereignty and regional stability, like parts of the Middle East, receive priority.
5. **Regional and Global Cooperation:** Indonesia focuses on regions that promote multilateral cooperation, such as the Indo-Pacific and Eastern Europe, aiming to enhance democracy, peace, and sustainable development.

Indonesia's foreign aid policy aims to strengthen its regional position, promote integration, and foster economic cooperation (Permenlu, 2020). However, the current broad approach dilutes resource allocation and reduces the policy's strategic impact. A more focused prioritization, considering global dynamics and security issues, would enhance its effectiveness.

An example of this evolving strategy is Fiji. Although previously critical of Indonesia on

issues like Papua, Fiji has become an important partner through consistent humanitarian aid (Wangge, 2016; Wardhani & Bugis, 2020). This shift illustrates how Indonesia can use aid as a focused diplomatic tool aligned with national interests. South-South Cooperation (SSC), despite the lack of clear priority countries, remains strategically significant for Indonesia. It strengthens Indonesia's global position, fosters economic cooperation, and advocates for shared development. According to the Regulation of the Minister of Foreign Affairs No. 15 of 2020, SSC helps enhance Indonesia's international profile, promoting economic cooperation and shared independence.

Indonesian AID is central to supporting development cooperation at regional and global levels. This includes technical cooperation, disaster aid, scholarships, and support in health, education, and infrastructure, aligned with the Sustainable Development Goals (SDGs) (Herry M, interview, April 25, 2024).

However, a key critique of Indonesian AID is the lack of a distinct priority sector, unlike countries like China, which focus on infrastructure (Yuan et al., 2022). Indonesia's aid programs are mostly demand-driven, shaped by recipient requests rather than a strategic focus reflecting its strengths. This absence of a defined priority sector undermines clarity, strategic direction, and sustainability in Indonesia's aid programs. To optimize its resources and effectiveness, Indonesia could focus on sectors like renewable energy, disaster management, or education, which align with its national capabilities and values (Hapsoro & Bangun, 2020).

Indonesia's Role as an Emerging Donor in South-South Cooperation

As a donor nation, Indonesia has become a major provider of aid to other nations, especially through South-South cooperation. This function has historically been actively carried out since Indonesia's early years of independence, when it started sending rice aid to India, which was starving as a result of the economic crisis. Therefore, this action was viewed as a form of rice diplomacy policy that Sutan Sjahrir, the Prime Minister of the Republic of Indonesia, had developed. It also served as a first step toward future developing-country collaboration. Indonesia had the chance to show its leadership in fortifying the framework among other developing nations at the 1955 Asia-Africa Conference in Bandung.

The Indonesia South-South Technical Cooperation (ISSTC) forum was used to carry out technical and scientific assistance, such as training in agriculture and fisheries, during President Soeharto's administration. In 1995, Indonesia established the NAM Center for South-South Technical Cooperation (NAM CSSTC), which aimed to address poverty, public health, environmental, and agricultural issues while fostering the growth of small and medium-sized businesses and technology (UNDP, 2021).

Due to its active participation in South-South Cooperation, Indonesia was promoted to the upper middle-income category and is now actively contributing to developing nations. The motivation behind Indonesia's growth as a new emerging donor is to continue to be a pioneer and leader in expanding diplomatic relations, especially with developing countries in Africa (Office of Assistant to Deputy Cabinet Secretary, 2024). This is a strategy for Indonesia's diplomatic policy to continue to be a supplier and trustworthy partner for other nations, especially in vital areas like energy, food, and health support.

Second, as part of a plan to support domestic economic growth, Indonesia makes the

most of its position as a recently emerging donor. This action is an example of economic diplomacy, which is a financial commitment made to establish a strategy for economic collaboration between donor and recipient nations. Third, as a strategic means of counterbalancing the influence of traditional donor nations and advancing an equitable global development framework, Indonesia's aspiration to strengthen its position as an emerging donor is utilized to promote solidarity among other developing nations (National Coordination Team of SSTC, 2016). Then, in order to promote the development of strategic sectors in other nations, foreign aid is allocated to other developing nations through training initiatives and knowledge exchange.

Indonesia has played a number of important roles in the development of foreign aid initiatives within the framework of South-South Cooperation on its path to becoming an emerging donor. To facilitate and coordinate the distribution of foreign aid to countries worldwide, the Indonesian government formally established Indonesia AID as the International Development Cooperation Agency in 2019 (Pramasiwi & Arsyani, 2020). The establishment of this agency also reflects the 2009 Jakarta Commitment, which sought to increase aid contributions through the establishment of specialized institutions. With a focus on food security and health initiatives, Indonesia's participation in the South-South Cooperation forum has grown to include 23 of 54 African nations, or nearly 42% of the continent (Office of Assistant to Deputy Cabinet Secretary, 2024).

Indonesia's foreign aid is motivated by both its national interests and altruistic ideals. Indonesia hopes to improve regional stability, expand economic opportunities, and fortify diplomatic ties by incorporating these interests into its foreign aid policy. This strategic assistance strengthens Indonesia's standing as a major player in the world, improves its reputation abroad, and lowers the likelihood of conflict (Rahadi, 2024).

Long committed to South-South Cooperation (SSC), Indonesia has used this platform to advocate for the collective interests of developing nations in global forums. In 2023, the country was acknowledged as a "new emerging donor" at the 6th Development Leaders Conference (DLC) in Oslo, Norway, solidifying its position as a key intermediary between developed and developing nations (Jatmiko, 2024). SSC also serves as a strategic tool for economic diplomacy, enabling Indonesia to form partnerships that foster economic cooperation and regional leadership. For example, Indonesia's collaboration with countries such as Madagascar and Nepal focuses on renewable energy and capacity building, assisting these nations in achieving their critical development objectives (Jatmiko, 2024).

Beyond economic cooperation, Indonesia's foreign aid also aligns with its sovereignty diplomacy. Through SSC, Indonesia has strategically provided aid to Vanuatu, which has been vocal about West Papua at international forums. Despite political differences, Indonesia's humanitarian aid to Vanuatu in response to natural disasters underscores its commitment to solidarity and improving bilateral relations (Berlian Helmy, 2020; Aryani & Hapsari, 2021). This aid helps neutralize criticisms related to Papua and reinforces Indonesia's position in regional stability.

Figure 2. Indonesia's foreign aid provision to Vanuatu after natural disaster



Source: Kementerian Koordinator Bidang Pembangunan Manusia dan Kebudayaan, 2023.

In addition to humanitarian aid, Indonesia's foreign aid programs are critical for economic diplomacy. By enhancing trade and investment opportunities, Indonesia's aid, such as technical training in agriculture and the provision of vaccines to Nigeria (Rahadi, 2024), also facilitates access to new markets for Indonesian products. These initiatives demonstrate how foreign aid is not just a tool for development but also for economic growth, expanding Indonesia's market share globally.

Through its active participation in South-South Cooperation, Indonesia has reinforced its global image as a compassionate and responsible actor. By offering humanitarian aid to nations such as Palestine, Vanuatu, and Gaza, Indonesia has not only alleviated suffering but also elevated its standing on the international stage (Kristianus, 2023). This enhanced reputation strengthens the country's bargaining power in global forums, enabling it to better advocate for its national interests and influence international policies.

Finally, Indonesia's engagement in peacekeeping missions, such as sending the Garuda Contingent to UN operations, aligns with its broader foreign policy goal of supporting global peace and security (UN Indonesia, 2024). This aligns with the mandate of Indonesia's 1945 Constitution, which emphasizes its role in establishing world order, eternal peace, and social justice. Through foreign aid, Indonesia contributes to a stable international environment, while also furthering its national security and economic welfare.

Overall, South-South Cooperation plays a central role in Indonesia's active foreign policy, fulfilling its constitutional mandate and reinforcing its position as a respected and influential nation. Through strategic foreign aid, Indonesia strengthens its diplomatic ties, promotes global solidarity, and secures long-term national interests (Risadi Apraisan, 2016). Thus, Indonesia's role in South-South Cooperation continues to grow, emphasizing economic cooperation and regional stability. Its foreign aid helps build partnerships and promote mutual development. This approach strengthens Indonesia's global presence while supporting sustainable growth in developing nations.

Conclusion

This study highlights Indonesia's strategic motivations and contradictions while providing important insights into the country's role as a new donor in South-South Cooperation (SSC). Indonesia's foreign aid initiatives prioritize solidarity and mutual development, but they are also influenced by national interests like regional influence and economic diplomacy. According to Lancaster's Aid Theory, which holds that aid frequently serves two purposes—development and self-interest—the study reveals a noteworthy pattern in which Indonesia's aid strategy, despite being presented as altruistic, also serves as a tool for improving its geopolitical standing and securing economic benefits.

The absence of a targeted priority sector in Indonesia's aid strategy has been noted as a significant contradiction. Although Indonesia offers assistance in many areas, this all-encompassing strategy lessens its impact and raises questions regarding the long-term viability of its aid initiatives. This conundrum poses a problem for Indonesia: striking a balance between its aspirations for the world and the long-term viability of its aid programs. This study also emphasizes the value of mutual benefit and knowledge transfer in SSC, but it also raises concerns about whether Indonesia's foreign aid can actually help recipient nations become self-sufficient or if it might unintentionally lead to dependency.

The results add to current discussions about donor behavior and South-South cooperation, especially by illuminating how new donors like Indonesia balance self-interest and solidarity. This analysis broadens our knowledge of how nations in the Global South strike a balance between their aspirations to influence regional and global dynamics and development goals. It also provides a critical viewpoint on the strategic use of aid to promote development and strengthen the standing of donor nations internationally.

Indonesia could improve its standing as a responsible and efficient donor by concentrating more intently on particular areas, like education, disaster relief, or renewable energy. According to the study, Lancaster's Aid Theory offers a helpful prism through which to view how Indonesia's foreign aid policy mirrors more general patterns in the conduct of new donors, providing understanding of the dynamics of South-South cooperation in a world growing more interconnected by the day..

References

- Abdurachman, B., & Prakoso, B. M. (2017). Peran Indonesia dalam Kerjasama Selatan Selatan dan Triangular. *TRANSBORDERS: International Relations Journal*, 1(1), 20–34.
- Apresian, S. R. (2016). Kerjasama Selatan-Selatan dan Triangular Sebagai Instrumen Peningkatan Peran Indonesia di Tingkat Global. *Jurnal Ilmiah Hubungan Internasional UNPAR*, 12(2).
- Aryani, M. I., & Hapsari, R. D. (2021). Foreign Aid for Alliance: Indonesia's Effort to Find Support in the South Pacific Region. *JOSAR (Journal of Students Academic Research)*, 6(3), 418–429. <https://doi.org/10.35457/josar.v7i1.1544>
- Azis, & Satriawangsa. (2024). From Recipient to Donor: Indonesia's Motives in Giving Foreign Aid to South Pacific 2015–2023. *Advances in Social Science, Education*

- and Humanities Research, 49–63. https://doi.org/10.2991/978-2-38476-236-1_7
- Wardhani, B., & Dugis, V. (2020). Interpreting Indonesia's 'Look East' Policy: The Security Dimension of Foreign Aid. *Issues & Studies*, 56(3), 1–19. <https://doi.org/10.1142/s101325112040010>
- CEACoS FISIP UI dan JICA. (2010). *Studi Arah Kebijakan Indonesia dalam Kerjasama Selatan-Selatan*. Jakarta.
- Chandy, L. (2012). New in Town: A Look at the Role of Emerging Donors in an Evolving Aid System. *Global Economy and Development*, 16 April.
- Engartias Wahana Putera. (2018). Esensi Hubungan Internasional dan Kebijakan Politik Luar Negeri Indonesia. *Sekretariat Kabinet Republik Indonesia*, 19 September. <https://setkab.go.id/esensi-hubungan-internasional-dan-kebijakan-politik-luar-negeri-indonesia/>
- Helmy, B. (2020). Mematahkan Dukungan Vanuatu terhadap Gerakan ULMWP (United Liberalization Movement for West Papua) guna Menegakkan Kedaulatan NKRI. *Jurnal Lemhannas RI*, 7(2), 21–27. <https://doi.org/10.55960/jlri.v7i2.69>
- Helmys, N., & Irawan, Y. (2023). Identitas Indonesia sebagai Negara Donor pada Kerja Sama Selatan-Selatan Selama Presidensi G20. *Jurnal Hubungan Luar Negeri*, 8(2), 31–54.
- Hutabarat, L. F., & Damayanti, A. (2023). Diplomasi Ekonomi Indonesia dalam Kerja Sama Selatan-Selatan. *Intermestic*, 7(2), 428–429.
- Kementerian Keuangan RI. (2020). Lembaga Dana Kerja Sama Pembangunan Internasional. *Indonesian Aid*. Jakarta. <https://ldkpi.kemenkeu.go.id>
- Kementerian Keuangan RI. (2020). Kementerian Luar Negeri Republik Indonesia. *Peraturan Menteri Luar Negeri No. 15 Tahun 2020*. Jakarta.
- Kristianus, A. (2023). Indonesia Sends \$2 Million Worth of Humanitarian Supplies to Palestine. *Jakarta Globe*, 20 November. <https://jakartaglobe.id/news/indonesia-sends-2-million-worth-of-humanitarian-supplies-to-palestine>
- Kumparan. (2024). Apa Itu Kerjasama Selatan-Selatan? Ini Definisi dan Sejarahnya. *Kumparan*, 8 Januari. <https://kumparan.com/berita-hari-ini/apa-itu-kerjasama-selatan-selatan-ini-definisi-dan-sejarahnya-21vVwK7R2eF>
- Mahalia, Z. (2022). Peran Kerja Sama Selatan-Selatan dan Triangular Indonesia sebagai Instrumen Diplomasi Indonesia ke Southern Partners. *MEDIALOG: Jurnal Ilmu Komunikasi*, 5(1), 95–106.
- Menko PMK. (2023). Menko PMK Serahkan Langsung Bantuan Kemanusiaan ke Pemerintah Vanuatu. *Kementerian Koordinator Bidang Pembangunan Manusia dan Kebudayaan*, Mei. <https://www.kemenkopmk.go.id/menko-pmk-serahkan-langsung-bantuan-kemanusiaan-ke-pemerintah-vanuatu>
- Nações Unidas. (2024). United Nations Thanks Indonesia for Its Contribution to Peacekeeping in Indonesia. *UN Indonesia*, November. <https://indonesia.un.org/en/273728-united-nations-thanks-indonesia-its-contribution-peacekeeping>
- National Coordination Team of SSTC. (2016). *Indonesia's South-South and Triangular Cooperation (SSTC)*. <https://openjicareport.jica.go.jp/pdf/12315719.pdf>
- Nawiyanto. (2017). The Politics of Food and Food Security during Indonesia's Old Order (1945–1965). *Lembaran Sejarah*, 10(1), 65–73. <https://doi.org/10.22146/lembaran-sejarah.23653>
- Nurfitra, T. (2024). Indonesia to Send Humanitarian Aid to Yemen, Sudan, Palestine, Vietnam. *Antara News*. <https://en.antaranews.com/news/328790/indonesia-to-send-humanitarian-aid-to-yemen-sudan-palestine-vietnam>

- Office Assistance Development Secretary. (2023). Indonesia Sends Humanitarian Aid to Palestine. *Sekretariat Kabinet Republik Indonesia*. <https://setkab.go.id/en/indonesia-sends-humanitarian-aid-to-palestine/>
- Office Assistance Development Secretary. (2024). Indonesia Reinforces Role as Development Partner in Africa. *Sekretariat Kabinet Republik Indonesia*. <https://setkab.go.id/en/indonesia-reinforces-role-as-development-partner-in-africa/>
- Pramasiwi, R., & Arsyani, N. (2020). Nurturing the Levelled-Up Indonesia's South-South Cooperation and the Future of Indonesian Aid. *LPEM-FEB UI Working Paper*, ISSN 2356-4008.
- Pujayanti, A. (2015). Kerja Sama Selatan-Selatan dan Manfaatnya bagi Indonesia. *Jurnal Politica Dinamika Masalah Politik Dalam Negeri dan Hubungan Internasional*, 6(1), 63–83. <https://doi.org/10.22212/jp.v6i1.300>
- Rahadi, F. (2024). Lima Tahun Indonesian Aid: Bantuan Kemanusiaan hingga Diplomasi Ekonomi. *Republika Online*, 4 November. <https://analisis.republika.co.id/berita/smeyjn291/lima-tahun-indonesian-aid-bantuan-kemanusiaan-hingga-diplomasi-ekonomi>
- Rozy, F. (2020). Dukungan dan Implementasi South-South Cooperation Indonesia dalam Meningkatkan Pertumbuhan Negara Berkembang. *Journal of Diplomacy and International Studies*, 3(1), 93–104.
- Siswo Pramono et al. (2016). Kepentingan Nasional Indonesia dalam KSS. In *Kerjasama Selatan-Selatan Sebagai Instrumen Kebijakan Luar Negeri Indonesia* (pp. 61–66). Jakarta Pusat, Indonesia: Badan Pengkajian dan Pengembangan Kebijakan Kementerian Luar Negeri Republik Indonesia.
- Smith, K., Fordelone, T., & Zimmermann, F. (2010). Beyond the DAC: The Welcome Role of Other Providers of Development Co-operation. *OECD Development Co-Operation Directorate*, 1–8.
- Strangio, S. (2022). Indonesia Launches First Home-Grown COVID-19 Vaccine. *The Diplomat*. <https://thediplomat.com/2022/10/indonesia-launches-first-home-grown-covid-19-vaccine/>
- UNDP. (2021). *Partnership Initiative for SSTC*. <https://www.undp.org/indonesia/projects/partnership-initiative-sstc>
- Virgianita, A., et al. (2023). *Perjalanan Satu Dekade KSS Indonesia: Kontribusi Bagi Tercapainya Pembangunan Berkelanjutan*. Jakarta: UI Publishing.
- Wangge, H. Y. R. (2016). Explaining the Effectiveness of Indonesia's Foreign Policy Toward the Papuan Issue in a South Pacific Region. In *Proceeding of International Conference on Contemporary Social and Political Affairs (ICOCSPA)*, 266–273.
- Yuan, J., Su, F., & Ouyang, X. (2022). China's Evolving Approach to Foreign Aid. *Stockholm International Peace Research Institute Policy Paper*, 2.