

Ikhtisar Webinar

# Indonesia Defence and Security Outlook 2023



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Secara umum workshop ini membahas mengenai kondisi keamanan dan pertahanan Indonesia yang dibagi menjadi dua sesi, yakni TNI dan Operasi Militer Lain Selain Perang (OMSP) dan modernisasi senjata dan industri pertahanan. Dalam hal OMSP, pengerahan militer untuk operasi lain merupakan hal yang lumrah, tetapi terdapat beberapa implikasi terhadap hubungan sipil militer. Permasalahan terkait legalitas dan pengerahan kekuatan TNI harus dilihat secara kasuistis. Namun, dibutuhkan strategi yang lebih baik dalam pengerahan OMSP oleh TNI, khususnya berkaca dari pandemi COVID-19. Dalam hal modernisasi senjata dan industri pertahanan, terdapat sejumlah tantangan seperti masalah riset dan pengembangan, pendanaan untuk belanja dari luar negeri masih lebih besar daripada belanja dalam negeri, dan tidak semua industri Tingkat 2 (penyuplai modul) dan Tingkat 3 (penyuplai komponen) memiliki pemahaman bahwa mereka dapat berpartisipasi. Di sisi lain, Indonesia adalah negara dengan tingkat belanja dan investasi rendah dalam hal militer. Indonesia harus memodernisasi sistem persenjataannya, mengingat terdapat ruang yang besar bagi Indonesia untuk meningkatkan belanja pertahanan dan melibatkan pasar pertahanan domestik. Terdapat beberapa strategi untuk menghadapi ini: Pertama, meningkatkan skala ekonomi pengadaan dan pemeliharaan senjata. Kedua, meningkatkan otonomi strategis di tingkat ASEAN. Ketiga, menerapkan *Omnibus Law* untuk menarik investor asing dalam sektor pertahanan.

### OPENING REMARKS, WELCOME REMARKS, AND KEYNOTE SPEECH

Dr Leonard C. Sebastian as the Coordinator of the Indonesian Program at S. Rajaratnam School of International Studies (RSIS) gave the opening remarks for the workshop which then followed by welcome remarks by Prof. Ang Cheng Guan, the Associate Dean of RSIS, and keynote speech by Mr. Andi Widjajanto, the Governor of Indonesian National Resilience Institute (Lemhannas RI) consecutively.

#### Opening Remarks:

Dr. Sebastian stated that research on defence and security of Indonesia has been the core of Indonesia Programme of RSIS. This workshop aims to further understand the recent development in Indonesia's defence and strategic thinking. The workshop explores three interrelated topics, particularly military operations other than war, defence modernisation and the role of the defence industry, and post-MEF (Minimum Essential Force) defence development.

## **Welcome Remarks**

Prof. Ang in his welcome remarks discussed TNI's major organisational change and modernisation in recent years, including the integration of new weapon platforms and organisational enhancement. One of the most successful examples of organisational enhancement is Joint Regional Defence Command (Kogabwilhan) tasked with integrating three Indonesian services under joint doctrine thinking. Uncertain geopolitical context posed a medium and long term challenges for Indonesia as TNI needs to prepare for potential conflicts. Indonesia is also steadily recovering from COVID-19, where the TNI has been deployed in COVID-19 management.

## **Keynote Speech: Overview on Indonesia's Defence And Military Outlook:**

Mr. Andi Widjajanto started his keynote speech by mentioning the result of Ministry of Defence (MoD) leaders meeting two days before the workshop. During the meeting, President Jokowi gave several directions to Mr. Prabowo Subianto as Minister of Defence in which one of them was to gather all strategic intelligence, relating to the uncertainty of geopolitical dynamics in 2023. Afterwards, Mr. Widjajanto noted an outward-looking direction from President, highlighting nine global economic variables to be analysed by the MoD in 2023. These variables include monetary stability in the world, especially the situation in the US, Turkey, Argentina, and others. The President also described his concern on global supply chain disruption, pertaining to strategic commodities (energy and foods) in light of the Ukraine-Russia conflict. Furthermore, President Jokowi voiced his concern on technology rivalry between China and the US.

President also described five global politics variables. Those five variables are Russia-Ukraine, China-Taiwan, political stability related to national elections in major countries/regions (Argentina, Turkey, Thailand, Cambodia, and Myanmar), potential outward looking for defence outlook in 2023, and national outlook. President Widodo mentioned that Indonesia economy will be strong enough to face global dynamics. Moreover, he stressed the importance of national politics stability ahead of the 2024 elections.

Mr. Widjajanto then highlighted his meeting with Australian MoD's Deputy Secretary for Policy in which they discussed issues related to Russia-Ukraine, China-Taiwan, and the AUKUS technology partnership. Mr. Widjajanto believes this is a good starting point for deepening our Indonesia-Australia defence cooperation under the Lombok Treaty. They also discussed Indonesia's in ratifying the defence cooperation agreement (DCA) with Singapore in late 2022. This means that DCA is no longer a

controversial and politically sensitive issue in Indonesian politics. The implication of this phenomenon is a good sign for deepening Indonesia-Australia defence cooperation.

Furthermore, there is a possibility for Indonesia-Vietnam to complete the Sea Borders Agreement. Through the agreement Indonesia hopes to enhance the stability in South China Sea (SCS). Indonesia also plans to establish a joint development to exploit potential resources of oil and gas, especially in the North Kalimantan Area, with Malaysia. Indonesia hopes these moves can strengthen regional security architecture. Mr. Widjanto believes that Indonesia can optimise existing regional security architecture. Indonesia's participation in various regional security cooperation aims to form a multilayer architecture. The biggest is ASEAN Regional Forum which started in 1994 focusing on three pillars: Confidence Building Measures (CBMs), preventive diplomacy, and conflict resolution. With the dynamics of the geopolitical landscape in 2023 we need to focus to strengthen CBMs, preventive diplomacy, and inviting major countries in the region to discuss traditional and non-traditional security issues to have a more reliable dialogue mechanism and reduce tension between countries.

President Jokowi also mentioned the necessity for Indonesia to adopt cutting-edge technology. Some examples are the use of hypersonic missiles in Ukraine and the use combination between cyberattack with kinetic army operations in Ukraine. Some of the new terminologies at the operational level such as hybrid war, grey zone, and multidomain operations will be needed to be discussed in more detail. Mr. Widjanto also recently read several new wargaming methodologies published by CSIS Washington that focuses on Pacific War simulation. The paper tries to study the experience US-Japan Pacific War and try to relate that experience with the projection of the coming pacific war between the US and China. From this workshop, Mr. Widjanto also hoped that it will enhance research collaboration between RSIS, Lemhannas, and LAB 45 in 2023.

## **FIRST SESSION: TNI AND MILITARY OPERATIONS OTHER THAN WAR (MOOTW)**

The first session, entitled "TNI and Military Operations Other Than War (MOOTW)", was moderated by Reine Prihandoko, a policy-security analyst in Laboratorium Indonesia 2045 (LAB 45). Major General Jonni Mahroza, Ph.D, Vice Rector of Indonesia Defence University, and Dr. Muhamad Haripin, Research Coordinator for Conflict, Security and Defence Studies at Research Centre for Politics, National Research, and Innovation Agency (BRIN), were speakers for the first session.

*Major General Jonni Mahroza, PhD*

According to MG. Jonni Mahroza, MOOTW around the world is very common, legal, and necessary with COVID-19 as an example. Though MOOTW should neither affect military professionalism nor military political neutrality. He emphasised that MOOTW should not be about whether, but about how much. MOOTW implementation should be pondered by rationale, prospects, and challenges. In essence, MOOTW is about what we should pay attention to. For example, how the military should be mobilised and what is the objective.

He further explained that the policy of MOOTW is a product of interplay between legality, government, and the military. Legality concerns the attitudes of the government and military toward the laws of MOOTW. He argued that factors behind military withdrawal from politics are based on internal and external elements. The initiation of MOOTW can come from internal or external factors. From the legal basis, MOOTW is based on Law 3/2000 article 8(3), Presidential regulation 8/2021, and Law 34/2004. TNI acts as a support and assists other agencies who has primary responsible for MOOTW based on the request, political decision, or according to law. Unlike past practices when TNI was the main actor of MOOTW due to dual functions, some of the existing MOOTW are puremilitary activities, such as securing border areas and peacekeeping missions.

He mentioned that Indonesia's MOOTW is categorised under the military-led MOOTW, though he disagreed on several things. He argued that TNI did not request to get involved nor did it leads COVID-19 pandemic response. In this context, TNI Commander is the chief of operational of the COVID-19 task force and not the head of the task force. He also noted that TNI participation is mostly based on pull factors due to the Government assessment on crisis, military capacity, and assets, and incapacity of the civilian institution. During the height of COVID-19 pandemic, TNI provided military hospitals, medical supply, personnel, distribution of medical equipment, vaccination, tracing, and monitoring. Further, he mentioned that Indonesia should use available assets of the military and consider MOOTW as a side job of the armed forces. The challenge pertaining to combat-related MOOTW is human rights concern, civil-military relations (CMR) on assisting government and civil-military cooperation (CIMIC) issues about synergising inter-agencies response. He also contends that Indonesia is lacking in strategy, for example in CBRN. In conclusion, MOTW in not unique in Indonesia. In the context of Indonesia, MOOTW should be understood case by case so it will not risk overgeneralisation. From COVID-19 case, the military has yet to learn and establish significant changes in defence

strategic planning, along with some concerns such as CMR, CIMIC, and internal military SOP's.

*Dr. Muhamad Haripin:*

Muhamad Haripin focused his presentation to provide a more critical perspective of TNI MOOTW. Based on Law 34/2004 there are fourteen types of MOOTW. Mr. Haripin argued that we need to understand the domestic mission of the TNI and its history. Since the establishment of the military, TNI has had primary concerns about internal security missions, especially counterinsurgency. Looking at the MOOTW and MOW, Indonesian Army remains the most dominant service which consequently boosts their political influence. Indonesia economic growth pursuit that requires internal stability has further helped the army to cement its place in politics.

In light of separatism, he argued that conflict in Papua is unlikely to be resolved soon. Separatist has intensified attack on the military, police, and non-combatant, former TNI Commander General Andika Perkasa shifted the approach from security approach to social approach. The social approach requires troops to establish a communication channel with the people. His successor, Yudo pledged to continue this non-coercive approach, though results are yet to be seen.

Furthermore, Mr. Haripin said that although there have been no massive communal conflicts in the past 15 years, the government should put attention on the possibility of horizontal conflict as discrimination against minority groups is increasing and becomes a main concern for policymakers. In case of terrorism, he contended that Eastern Indonesian Mujahedeen (MIT) is no longer seen as a security threat. An offensive counter-terror operation has severely undermined MIT resistance. The Army Territorial Command (Koter) mission of pacifying population at large has been slowing down. However, TNI Koter remains keeping its intelligence and surveillance roles in Poso area.

Mr. Haripin also discussed the impact of MOOTW on civil-military relations. According to him, TNI still owns a significant influence on Indonesia's population. TNI's political involvement also persists. MOOTW has enabled TNI to influence society, which can enhance its political capital, especially for presidential and regional elections. Retired general Andika's possible candidacy as president or vice president is possible due to his achievement during his TNI days. In addition, MOOTW allowed TNI to resist further reforms, particularly on Koter and appointment of military officers to be part of civilian institutions. The existence of Koter has suppressed public liberty and student activist, notably at the regional level. This reminds us of the

authoritarian era of Soeharto. Nothing has changed about the Koter. Instead the number of Koter is increased.

In the future, MOOTW will be more intense and frequent. However, excessive usage of TNI for MOOTW poses two heavy risks: democratic backsliding and weakened civilian control. Additionally, Indonesian elites have no incentives to halt such military presence. In this sense, over-reliance on the military to conduct internal missions could endanger civil-military relations. To counter-balance this, Indonesia needs stronger civilian agencies. However, relying on civilian agencies is more complicated because they are staffed or headed by military officials. As such, the challenges of the future MOOTW lie mainly on security and developmental sectors.

## QUESTIONS AND ANSWERS

**Question: Does the TNI Joint Doctrine Affect MOOTW and how to make sure TNI does not use more military force when dealing with military force**

MG Jonni answered TNI has an SOP for each type of MOOTW. For example, in communal violence, in assisting the police, TNI uses non-lethal equipment but it depends on the scale of the spectrum. For example, if the country is in chaos and about to collapse, there is no guarantee the TNI will not use non-lethal weapons. Again, this is about the scale, we should look at this case by case.

**Question: How prepared is TNI against CBRN?**

MG Jonni answered TNI has an instrument to counter CBRN threats, but not large scale CBRN threats. For example, if we had nuclear dust around the countries from conflicted areas, we will not have enough equipment to distribute, and we have limited nuclear masks and limited protective equipment. We need to think about citizens isolation and evacuation to a safer place, something that need to be thought in strategic planning. We did start thinking about the issue, but in reality, we need all stakeholders involved in the strategy

**Question: From your own point of view, what should TNI enhance in defence strategic planning or MOOTW?**

MG Jonni said that Indonesia should think about Siskanhamrata (Indonesia's Total Defence), how we can implement a National defence system, how we include MOOTW like Cyber, etc. How we should comprehensively think our strategic thinking, assessing our assumption on threats, equipment, and instrument. The

objective should be specific and how we use strategic thinking for each type of MOOTW.

**Question: Should we have a new regulation about MOOTW or cooperation in regional architecture?**

MG Jonni responded that there is a debate about the new Law 34/2004 about TNI. We need to be more specific about what type of MOOTW. On the one side it is good because the discussion opens to interpretation. On the other hand, if you do not have a specific type of regulation, it will be difficult to conduct the MOOTW. Some of questions that may emerge: what instrument and what SOP for this. We need to amend the Law on TNI.

**Question: Is it Ideal to use MOOTW on armed violence groups in Papua or do you have other suggestions?**

Dr. Haripin replied that the new approach by Andika and continued by Yudo is a good sign from TNI in handling the Papua issue. According to Haripin, the result remains unseen, but more societal and non-coercive approach is what Papua needed. The casualties from separatists come the most from the civilian. Looking at the history of conflict in Papua and local dynamics, new autonomy law and enlargement have inflicted instability in the region and caused dissatisfaction among the political elites. TNI and the Indonesian government must be careful in handling the problem.

**Question: How will Indonesia strengthen the health sector through defence diplomacy from TNI perspective?**

Dr. Haripin highlighted that ADMM has an interesting initiative on military medicine. TNI itself, since Commander Hadi Tjahjanto era, has been improving military medicine capability. In terms of cooperation defence diplomacy with other partners, Haripin noted there is an increasing trend of cooperation with regional partners. Mr. Haripin then reiterated that MOOTW will be intensified and more frequent in the future. It is also fair to not generalise whether MOOTW is good or bad for TNI or democracy.

**Question: How do you think of MOOTW in civil engineering would undermine PUPR and other civilian agencies?**

In terms of purpose, they have different roles, even though they have similar functions according to Dr. Haripin. Looking at the case of Aceh or Poso or HADR mission, the contribution of Army engineering is noticeable. So far, there is no overlapping



problem between the army's engineering and civilian agencies. However, Indonesia should keep the balance between the military and civilian agencies in various activities of MOOTW.

**Question: What is Your opinion on TNI Food Estate Programme?**

Mr. Haripin disagreed with the military involvement in the food estate program. On the global hunger index, Indonesia is at a moderate level. In essence, the food crisis in Indonesia is a securitised. He argued that Indonesia can still improve the farmers' food production. He further believed that there's no need to mobilise troops for such affairs. Government should use other existing agencies for the program and focus TNI on other pressing issues.

**Question: On the sea patrol, which both had military, coast guard, and KKP, is this mission also a MOOTW?**

Dr. Haripin responded that such mission is part of the MOOTW. It is part of TNI role to secure the border areas, including in the sea.

**Question: What is the state of collaboration between Institutions on sea patrol?**

According to Haripin, every institution has its own budget, like Bakamla on sea patrol. One issue is how to produce an effective performance, because sea patrol involves many agencies in the field. The main problem lies in coordination.

**Question: What are the examples on the use of Koter before and after reform era?**

According to Dr. Haripin, in 1998, students wanted to radically demolish the territorial command but the military reject the ideas. Koter remains doing its surveillance function. The astagatra thinking (overall assessment on security political situation in Indonesia) became the foundation of such surveillance. For examples, Koter does food prices monitors and demonstrations surveillance. As a result, there is no significant difference from the New Order era to the current democratic era. The only difference is in the past, Koter's political influence was really powerful, but currently is not that strong and the structure works more implicitly in conducting intelligence and gathering information.

**Question: If Prabowo win the presidency will it led to bigger TNI roles?**

Muhamad Haripin responded that such proposition remains vague. But when Prabowo was appointed as defence minister, he was asked by a journalist about the

prospect of MoD under Prabowo. He answered that he thought there will be the militarisation of MoD. But on contrary, his recent study indicated differently.

## SECOND SESSION: ARMS MODERNISATION AND DEFENCE INDUSTRY

Dr. Adhi Priamarizki is the moderator for this second session. The theme of this session was discussed by Dr. Yono Reksoprodjo, head of Transfer of Technology and Offset of the Defence Industry Policy Committee of Indonesia's Ministry of Defence, and Dr. Curie Maharani, lecturer at Bina Nusantara University.

*Dr. Yono Reksoprojo:*

According to Dr. Yono, it is imperative to ensure national policy contains a proper road map of establishing a strong defence industry. An advanced, strong, independent and competitive defence industry is crucial to support both national defence and economic growth. Dr. Yono continued his explanation by explaining a list of bills that are the core of establishing the Defence Industry Policy Committee, including Law 16/2012 on Defence Industry, Law 11/ 2020 on Job Creation, Government Regulation 76/2014 on Mechanism of Counter Trade on Procurement of Defence and Security Equipment from Abroad, and Minister of Defence Regulation 30/ 2015 on Counter Trade, Local Content, and Offsets in the Procurement of Defence and Security Equipment from Abroad.

Dr. Yono stated that Indonesia's defence industry main priority aims to include at least 60% domestic component by 2024. Prior to this number, Indonesia has a baseline of 43% domestic component in 2019. The 2024 target includes 60% of components contribution & raw materials sourcing, 20% export products, 25% components export (GSC), 25% local MRO, and 60% defence equipment operational readiness. There are also special targets mentioned in Presidential Decree Number 136 Year 2014 on Development of Fighter Jet IF-X Programme and Policy of Ketua Harian KKIP Number KEP/07/KKIP/IX/2014 on Defence Industry National Programme, such as the production of Submarine & PMG, Fighter A/C IF-X/KF-X, Medium Tank, Rocket R-Han 122B, Guided Missile, GCI Radar, and Propellant. The Master Plan of National Research for Defence 2017-2045 also enhances the target with UAV Male, Cyber, and Under Water Sensor (UWS).

Dr. Yono mentioned at least four challenges in maximising Indonesia's defence capability. First, better research and development is needed on national assets related to the defence industry upstream downstream starting from education, research laboratories to industrial asset facilities. Second, the budget for foreign purchasing is currently still bigger than domestic. Third, Indonesia views defence purchases as project-based opportunities and never consider those activities as long term industrial

partnership. The last challenge is limited participation of Tier-2 (system/module suppliers) and Tier-3 (component suppliers) defence industry.

A clear and easy-to-understand defence industry grand strategy is needed to return the heyday of Indonesia's defence industry. Moreover, Indonesia's industrial ecosystem development cannot be separated from the role of the government, notably providing financial stimulants for strategic/defence industrial players. Furthermore, the obligation to comply with Counter Trade, Local Content and Offset (CTLCO) requirements under UU 16/2012 should not be seen as a burden but as an opportunity to measure long-term mutual beneficial cooperation with the local partners.

*Dr Curie Maharani:*

The future trends and trajectories of global arms trade can be seen from two aspects. The first is the seller market, which may result in a backlog in delivery and an increase in stock value. Dr Curie Maharani argued the Russian invasion to Ukraine has caused several defence responses by countries such as German and Australia. These countries have increased their military expenditure which consequently creates demand for arms acquisition. One of the procurement examples was the US's Javelin missiles sales to those countries. The second is technology decoupling which triggers a surge in arms demand for alliances and purification of global armament supply chain. Meanwhile, Indonesia's defence expenditure continues to grow despite the pandemic. This can be seen from countries' efforts in ensuring the independency of their own defence components. The latest saga regulation was US's semiconductor chips export to China.

Dr Curie Maharani continued her presentation by pointing out the issue of under-spending and under-investing in Indonesia's defence sector. Indonesia's import substitution strategy through offset allows Indonesia to increase the ratio of indigenous weapon system to foreign countries. Indonesia needs to modernise its weapon system to prepare itself against on-going geopolitical competition. In addition, there is a room for Indonesia to boost its defence spending and embrace more of its domestic defence market since it is ranked amongst 20 countries with largest military imports. Indonesia has already put effort to optimise its defence offsets to enhance its competitiveness in the global supply chain of arms trade by signing 35 offset programs from 2015-2030. Additionally, Indonesia has more than 147 defence companies, in which many of them are private companies, and 31% of them focus solely on defence sector while the rest are dual use in nature. However, the problem of Indonesia's finite defence spending remains, particularly for Research and Development sector.

Dr Curie Maharani suggested several potential strategies in the short-to-midterm period to increase Indonesia's leverage in defence offset mechanism. The first is raising the economic scale of arms maintenance and procurement. The second is leveling up the strategic autonomy to ASEAN level. The third is utilizing omnibus law to attract foreign investment to defence sector. The result of this will be offset credit banking which allows companies to calculate the surplus of their offset activities and reduce their future obligations. The scheme can encourage foreign companies to engage with locals in pre-procurement and after procurement.

## QUESTIONS AND ANSWERS

**Question: How many percent will the national defence industry takes part in Indonesia weaponry fulfilment/modernisation?**

Dr. Yono answered that it never has really measured by percentage.. He also emphasised that all TNI services use some locally-made products, part of it or all designed and produced in Indonesia. Dr Curie Maharani responded that listing all Indonesian military inventory in Military Balance would be one of the best ways to understand the trend. The limited use of local products by TNI will not change much if the government does not introduce a game changing policy (and be consistent in the implementation).

**Question: How many percent international cooperation will be used in the fulfilment of Indonesia MEF? Can Dr Yono share any of the updates from KFX projects with South Korea?**

Dr. Yono responded that most of the requirements will be provided from international cooperation. Moreover, Indonesia and Korea have agreed to solve the differences in understanding the intention of the cooperation and the Indonesian government has provided fund to speed up the continuity of the program.

**Question: Can we involve private sector in Defence Industry especially in R&D to create a good defence industry environment?**

Dr. Yono argued that under the omnibus law on Job Creation, private sector has been given similar opportunity to take part as system integrator. For example, if there is a private company that would like to design and build their own Frigate, they may directly offer their product to the Indonesian Navy. They may also work together with a foreign defence company.

**Question: Why there is no naval vessel in special target of KKIP? Is there a research center for ship or vessel technology in BRIN?**

Dr. Yono said that the targeted technology is on underwater navy vessel, because, if you can build the underwater vessel perfectly, theoretically you are able to build the surface vessel too. According to Dr. Yono, BRIN is still perfecting its organization. BRIN's contribution to defence sector is mostly producing research material papers. Dr. Yono believes BRIN is still working to find the best form of contribution.

**Question: Is the cost of cyber security included in defence spending figures?**

Dr. Yono highlighted the absence of single source of fund in the state budget towards cyber security product and services needs. Those budgets are individually listed within government ministries and institutions. Dr Curie Maharani responded that the budget is disbursed as all government ministries/institutions are responsible for security of their own cyber infrastructure.

**Question: Since defence industry is part of defence diplomacy, what are the results of defence diplomacy activities between RI and UK? In terms of procuring the Arrowhead 140 frigate, what are the benefits that Indonesia will get from the agreement with UK?**

Dr. Yono responded that to his understanding on the procurement of the Arrowhead class frigate, it is an exercise of selling and buying. Babcock is selling the design and not giving. Thus, PT PAL must be able to utilise this opportunity to push TNI AL to purchase more this type of Frigate to justify the demand get more benefits from the procurement, such as transfer of technology.

**Question: How can Indonesia maximise the defence industry, especially those who are producing dual use goods, so that it can effectively increase military power and the same time gain profits for selling goods for civilian use?**

Dr. Yono emphasised that defence companies are dealing with a market situation in which there is only one buyer but many producers. This is difficult for PT DI, for instance, to sell their air plane products abroad if Indonesian air force would not even use the products. Defence industries nowadays can take the inspiration from BJ Habibie's idea on building NC-212, a medium-sized civil and military passenger aircraft with turboprop engines. PT Pindad's Maung 4X4, a personal carrier defence vehicle that can be used for civilians, is an example of what Indonesian defence industries must try to create. If more companies can do similar things, there will be more opportunities to maximise Indonesia's defence industry.


Dr Curie Maharani argued that almost all technology has a potential to be dual use since not all of them rely on arms market. For example, Japan is not the main defence supplier, but many countries rely on Japan for its advanced technology which can also be used for commercial industries. However, Indonesia must increase its capability of producing dual use goods higher than its initial percentage (35%) because it requires such high technology.


**Question: How did the Ukraine war affect Indonesia's defence procurement policy?**

Dr. Yono highlighted that some countries including the US put sanctions (CAATSA) on products made by Russia. Since Indonesian air force fly Sukhoi, those needed to be maintained. On the other hand, it brings opportunity for Indonesia to produce products which are under sanctions. Dr. Curie Maharani agreed to Dr. Yono's response. She added that CAATSA increases the challenges in defence maintenance. Removal of Russia, Ukraine, and Belarus from the defence market due to sanctions would bring an opportunity for Indonesia to fill in their shoes. However, when it comes to defence export, Dr. Curie believes that removing those countries would not benefit the export potential for Indonesia's defence industry.



 Jl. Mabas Hankam No. T65,  
Bambu Apus, Cilangkap, Jakarta Timur.

 Jumat, 20 Januari  
2023

 +62811452045

 lab45@lab45.id

 www.lab45.id