

## CHAPTER IV CONCLUSION

By applying International Regime Theory, particularly through the lens of liberal institutionalism in the case of how Indonesia and Australia utilized IA-CEPA in pursuing their interest in the sector of electric vehicle, it could be concluded that as an international regime, IA-CEPA has served its function as a tool for Indonesia and Australia to help both countries achieve the interest in the EV sector through its programs called IA-CEPA ECP Katalis Program, which is by providing both countries the fundings to do research on the potential of green steel which will be beneficial for EV development, market outlook of two-wheeled EVs in Indonesia, etc. More than that, IA-CEPA has also provided an educational online platform for Indonesian individuals, called Indonesia-Australia Skills Exchange (IASE) to learn further about Smart Grids, Battery Energy Storage, etc which then could upskill Indonesian workers for a better EV development for Indonesia and also Australia. Not only that, as an international regime, IA-CEPA has also served its functions as a tool for Indonesia and Australia to promote the common goods and interest of both countries not only in the EV sector but also other prominent sectors. It could be seen in the key outcome that encompasses the sector of Goods, Investment and also Services.

From an International Relations perspective, this study argues that IA-CEPA, as an international regime, aligns with the broader dynamics of bilateral relations and partnerships. Specifically, it reflects both Indonesia and Australia's shared desire to strengthen their ties through strategic and mutually beneficial sectors, such as electric vehicles (EVs). By examining the inherent flexibility of IA-CEPA, this research highlights its role not as a static agreement but as a functional and adaptive regime capable of responding to evolving mutual interests and global challenges. Furthermore, this study also underscores the critical role of bilateral relationships in addressing global challenges, particularly as international organizations face significant challenges in securing collective agreements to specifically address the issue of energy transition. Programs under IA-CEPA, including the Katalis Program and the Skills Development Exchange Pilot,

exemplify how bilateral regimes can act as effective mechanisms for collaboration in tackling pressing issues like climate change and sustainable development. By focusing on the EV sector, this research presents the Indonesia-Australia partnership as a case study in environmental diplomacy and international cooperation. By integrating economic development and sustainability goals, IA-CEPA demonstrates how bilateral agreements can facilitate progress in critical areas of global governance. Additionally, from a political economy perspective, IA-CEPA plays a significant role in promoting foreign direct investment (FDI) flows, particularly benefiting Indonesia. Programs such as the IA-CEPA ECP Katalis enable cross-border investments, knowledge transfer, and industrial collaboration, thereby contributing to economic growth in both countries. Moreover, this study also highlights the potential of green hydrogen as a key area for exploration under the Katalis Program. Such initiatives offer a promising pathway for green industrial transformation while reflecting the broader political economy of partnerships between developing nations like Indonesia and developed countries like Australia. By leveraging bilateral agreements, Indonesia demonstrates how strategic collaborations can support sustainable industrialization and advance mutual economic and environmental objectives.

Finally, this thesis could be used for further research, regardless of the benefits and findings of this study. The specific focus of the research is to assess the framework laid out by IA-CEPA, therefore, further studies are essential to determine whether IA-CEPA will achieve its intended objectives and deliver mutual benefits for both countries. Additionally, future research could also explore how the Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA), as an international regime, might facilitate the alignment of interests between Indonesia and Australia in additional sectors, such as green hydrogen energy, through initiatives other than the IA-CEPA ECP Katalis and the Skills Exchange Development Program. However, one limitation encountered in this study is the restricted access to data on the participation of Indonesian individuals in the Indonesia-Australia Skills Exchange (IASE) online platform. As a result, this analysis relies solely on the statistics provided on the platform's website.