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Indonesia Boosts Australian Lithium Imports for EV Push

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Indonesia is fast-tracking plans to secure Australian lithium supplies as it positions itself to become a dominant player in the global electric vehicle (EV) battery market. The Southeast Asian nation, already the world's top nickel producer, is moving aggressively to address critical gaps in its battery supply chain by locking in lithium imports. This strategic pivot comes as Indonesia's ambitious EV industrial policy begins yielding

results, with major manufacturers establishing production facilities across the archipelago. The lithium procurement drive underscores Jakarta's determination to transform the country from a raw materials exporter into a finished EV manufacturing hub.

Industry analysts note Indonesia's lithium strategy cleverly complements its existing nickel dominance, creating a complete battery metals portfolio. While Indonesia possesses substantial nickel reserves – a key component in most EV batteries – it lacks commercially viable lithium deposits. Turning to Australia, the world's largest lithium producer, provides a natural solution given existing trade ties and geographic proximity. The move also reduces reliance on Chinese lithium supplies at a time when Western nations are encouraging alternative supply chains. Market observers suggest Indonesia could emerge as the first developing economy to establish a fully integrated EV battery production ecosystem.



The lithium import acceleration forms part of Indonesia's comprehensive EV roadmap, which includes attracting \$35 billion in battery and vehicle manufacturing investments by 2035. Several global automakers have already committed to Indonesian production facilities, drawn by the nation's rare combination of battery metal resources and low-cost manufacturing base. However, challenges remain, including developing refining capacity for imported lithium and ensuring environmental standards meet international expectations. Success will require continued policy consistency and additional infrastructure investments to support the growing EV industry.

As the global EV revolution accelerates, Indonesia's strategic positioning could reshape traditional automotive supply chains. By combining Australian lithium with domestic nickel and cobalt, the country is

assembling all the pieces needed to dominate Asian EV battery production. This bold industrial strategy demonstrates how resource-rich developing nations can move up the value chain in the clean energy transition. If executed effectively, Indonesia's EV ambitions may soon make it the Detroit of the East – powered by Australian lithium and homegrown vision. The coming years will test whether this ambitious plan can transform Indonesia from an emerging market into an automotive powerhouse.

