Mid Decade Assessment Indonesia

2007

EFA Secretariat Ministry of National Education, Republic of Indonesia 2007



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EFA Secretariat Ministry of National Education May 2007



Supported by:



Foreword

Since 2000, the Government of Indonesia has taken a number of important measures to ensure effective and accelerated implementation of its Education for All policies and targets. In 2002, a decree from the Coordinating Ministry of Peoples Welfare set out mandates and responsibilities for effective coordination of EFA policies and programs between Government Ministries, civil society organizations and other stakeholders. The education law 20/2003 sets out a clear legislative and regulatory framework of powers and responsibilities for increased decentralized planning and management of EFA policy.

The Presidential decree in 2006 on EFA and illiteracy eradication strongly reaffirms the Government's commitment to meeting key EFA targets by 2009. Other key milestones have been the formulation of the Renstra 2005-2009 and National EFA Action Plan in 2005. These documents set out a clearly sequenced set of strategies, programs and financing mechanisms for achieving EFA policies and targets by 2009. These strategies and plans have been strongly endorsed by national and local Parliaments, resulting in very significant increases in public expenditure on EFA related programs and activities.

This EFA Mid Decade Assessment represents an important opportunity to assess the progress made in achieving EFA goals and targets over the past 5-6 years. I agree with the overall assessment that substantial progress has been made, especially related to expanding early childhood education and care and basic education opportunities. I am encouraged by the

significant improvement in education standards and the narrowing of the gap in access across the various provinces in Indonesia. I am also heartened by the improvements in governance and accountability systems and performance management, highlighted in the EFA MDA report.

I very much agree with the key challenges outlined in the report, especially to reduce very significant EFA performance variations within provinces. The Renstra 2005-2009 is specifically designed to address many of these challenges, in terms of system capacity building, effective targeting of under-performing districts and additional resource mobilization. Though encouraging, over the past two years, I agree with the MDA report that it will take some time for the Renstra strategies to have their full effect and long-term impact.

Finally, I would like to take this opportunity to thank the Coordinating Minister of Peoples Welfare for overall coordination of the EFA MDA process. I would also like to thank the EFA Secretariat under the leadership of the Director General for Out-of-School Education, Ace Suryadi, Ph.D, for the management and organization of the MDA report. I would also like to highlight the important work of senior technical staff in the Ministry of National Education, Ministry of Religious Affairs, other Government Ministries and other organizations for participating in the various technical advisory groups and other consultations. I would also like to acknowledge the contribution of the UN Agencies especially UNESCO and UNICEF as well as the Australian Government for supporting EFA MDA process and EFA Secretariat.

> Jakarta, September 2007 The Minister of National Education of Republic of Indonesia

Prof. Dr. Bambang Sudibyo, MBA

Executive Summary

A. CREATING A HIGHLY CONDUCIVE EFA ENVIRONMENT

Indonesia is a large and diverse nation which derives its identity from both a homogeneity and heterogeneity in geographic, religious, cultural, ethnic and economic terms. Indonesia's population is 241 million covering more than 300 ethnic groups, speaking more than 583 local languages and dialects, with religious practices covering Islam, Protestantism, Catholicism, Buddhism, Hinduism and Confucianism. Education reforms must therefore respond to these opportunities, address particular geographic and economic constraints, through systems which are responsive to Indonesia's size and diversity. The Government of Indonesia recognizes that, as a member of the E9 group of large country education systems, it has particular responsibilities if global EFA targets are to be achieved.

Since 2000, and especially since 2003/04, the Government has taken a number of measures to create a highly conducive environment for EFA planning and implementation. Through the Office of The President and Ministry of National Education, a comprehensive legislative and regulatory framework has been put in place, including specific Presidential decrees for eradication of illiteracy and achievement of 9 years of basic education, which are guided by the revised National Education Law 20/2003. In 2005, a national education strategic plan (RENSTRA 2005/2009) was formulated which sets out the vision, mission, goals and targets for accelerating education reforms and achievement of EFA goals. The formulation

of the RENSTRA and the subsequent revision of the National EFA Action Plan in 2005 has ensured harmonization of Government's education reform efforts.

The RENSTRA and EFA action plan are built on three main strategic pillars covering: i) ensuring expanded access and equity, ii) improving quality and relevance and iii) strengthening governance, accountability and public image. High priority is being accorded to institutional, organizational and financing reforms. An extensive array of operational guidelines have been issued to inform implementation planning and management. In 2004, minimum service standards of education were issued, alongside the establishment of a semi-autonomous Board of National Education Standards (BSNP) and revised examination systems, in order to secure strong governance and monitoring of quality assurance.

In 2005, the Ministry of National Education (MoNE) and the Ministry of Religious Affairs (MoRA) were reorganized to increase the results orientation of education reform planning and implementation. A new Directorate of Quality Improvement for Teachers and Education Personnel was established in 2005, alongside revised and strengthened mandates for the Directorates of Primary and Secondary Education, Non-Formal Education and Higher Education and MoRA. These mandates incorporate increased responsibility for forging effective partnerships with the private sector, faith based education foundations and community organizations.

Education reform plans incorporate accelerating the pace of achieving EFA goals and targets. Accordingly, Government has dramatically increased public expenditure allocations for education. Since 2000, education share of GDP has increased from 2.5% to 3.9% and share of public expenditure has risen from 12% to 16.8%. Overall education spending, including provincial and district sources has more than tripled since 2000. Central education spending has increasingly focused on achieving EFA goals through expanded primary and secondary school infrastructure programs, quality oriented school operational block grants and teacher upgrading programs. In 2005, Parliament approved a new teachers law and funding program

to ensure that all school teachers and managers achieved graduate level qualifications and performance accreditation by 2015.

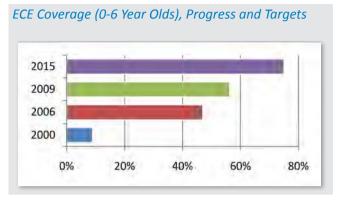
Recognizing significant disparities in provincial and district education performance and resource provision, education financing strategies have increasingly focused on underperforming and under-resourced areas. School infrastructure programs are targeting low enrolment districts. School and textbook operational block grants (BOS) are designed to offset parental contributions for poor families which constitute significant access and quality improvement constraints. Teacher upgrading programs are focusing on rural areas where the proportion of better qualified teachers is lowest. Non-formal adult literacy, early childhood education and life skills programs specifically target districts with the poorest performance indicators.

B. MAIN FINDINGS OF THE EFA MDA REPORT

Goal 1: Expanding and improving comprehensive early childhood care and education, especially for the most vulnerable and disadvantaged children.

The national EFA target is 75% coverage of early childhood education (ECE) services for 0-6 year olds by 2015, with an interim RENSTRA target of almost 60% by 2009. Since 2000, there has been a very significant increase in access and coverage of ECE services, reaching an estimated 47% by the end of 2006. Prior to 2004, there has been some underreporting of ECE access/coverage (2000 figure is Kindergarten only). This very substantial improvement is mainly due to expansion of, and better reporting of, non-formal community based approaches, especially community run playgroups, Qu'ranic ECE and other informal ECE units in pre-school and primary schools.

Moreover, the growth in early childhood education opportunities is having a positive knock on effect in terms of students being exposed to ECE ahead of primary school enrolment as part of children being more ready viii



and prepared for school. The percentage of students with previous ECE experience has risen from 17.7% in 2000 to 37.7% in 2006. In the longer-term, this

ECE exposure is likely to improve students primary school performance and improve internal efficiency.

Over the period 2000-2006, access to more formal kindergarten has also increased; for 3-4 year olds net enrolments have grown from 12.4% to 15.3% and for 5-6 year olds from 19.9% to 23.8%. There are signs that more formal ECE enrolment rates are beginning to level off as families take advantage of more flexible, more accessible and more affordable non-formal and informal approaches.

Nevertheless, significant disparities in urban/rural access remain with net ECE enrolments for 3-6 year olds being 25.4% and 15.4% respectively. Access disparities between the richest and poorest quintiles are also significant at 24.8% and 15.8% respectively. Mothers level of education and household socio-economic status both correlate strongly with accessing early childhood education. There are also significant provincial and district variations in ECE access, which appear to correlate significantly with a number of child health indicators such as levels of child malnutrition, infant mortality and immunization rates. For example, child malnutrition in Gorontalo and Nusa Tenggara Barat are 41%-42% (where ECE is access is lowest) compared to 15% in Yogyakarta (where ECE access is highest).

However, there has been an apparent decrease in access to early childhood care (ECC) programs in recent years, illustrated by the number of children accessing such services falling from around 10.8 million in 2004 to 6.6 million in 2006, despite the number of integrated health posts (Posyandu) increasing. The estimated ECC coverage for 0-6 year olds is currently 23%, constituting a 52% gap from the Government's target of 75% by 2015. In contrast, the ECE gap has been reduced to only 28%.

The overall strategy for meeting interim RENSTRA and EFA targets for ECE/ECC is to strengthen advocacy and promotion activities and enable greater community involvement in ECE/ECC provision. MoNE and MoRA are responding through innovative enabling mechanisms, including targeted block grants in acutely disadvantaged areas, strengthening planning and quality assurance advisory services and staff development programs. These strategies are drawing on lessons learned and evidence of good practice, including: i) expanding community run playgroups, ii) pioneering pilot public kindergartens (USB) and one roof combined kindergarten/primary school models (TK) and iii) community and workplace based ECE/ECC provision and Qu'ranic ECE/ECC alongside university students community internships.

Goal 2: Ensuring that by 2015, all children, particularly girls, children in difficult circumstances and those belonging to ethnic minorities, have access to and complete free and compulsory primary education of good quality.

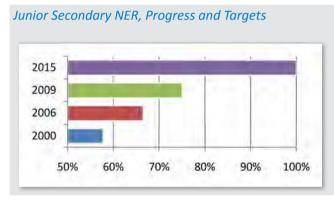
The EFA national target is 100% net enrolment rates in primary and junior secondary education by 2015. The intermediate *Renstra* targets are net enrolment rates of 98% and 75.5% for primary and junior secondary education levels respectively by 2009. The 2015 Dakar target also includes achieving net primary grade 1 intake rates of 100% by 2009 and primary to junior secondary transition rates of 100% by 2012. Achieving the Dakar target also implies elimination of repetition and drop-out in primary by 2009 and in junior secondary by 2012. Achieving these targets requires convergence between net and gross enrolment rates at 100%.

A number of policy and regulatory measures have been adopted. In 2005, the Presidential decree sets out mutual responsibilities for Government and parents regarding primary and junior secondary school attendance. The introduction of the school operational block grants are designed to



eliminate direct cost barriers for parents. As part of quality assurance, MoNE has issued minimum standards of school and student performance and

related standards for school infrastructure, textbooks and teacher deployment and qualifications provision. The BSNP is mandated to report annually on progress, including formal performance accreditation of primary and secondary schools.



At primary level, significant progress is evident over the period 2000-2006. Net enrolment rates have increased from under 93% to around 95%. Gross primary

intake rates have increased from 120% to 135% over the same period. Primary gross enrolment rates have begun to level off at 114%. Gross figures are partly due to significant levels of 6 year old enrolment in primary schools. Government is taking steps to regularize ECE and primary school intake, particularly through the integrated TK/SD model. Transition rates from primary to junior secondary have increased from 82% in 2000 to 92% in 2006. Net enrolment rates in junior secondary have increased from 58% to 66.5% over the same period. Enrolment of special needs groups in 9 years of basic education has also increased through both dedicated and mainstream provision.

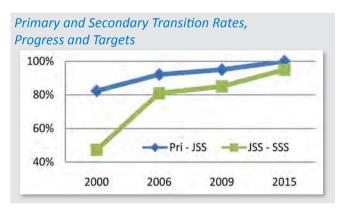
Previous legacies of drop-out and non attendance in primary and junior secondary schools has also been addressed. Enrolment in non-formal and informal education, through Paket A, Paket B, equivalency programs, home schooling and mobile schooling, has also expanded dramatically. Many school drop-outs are using non-formal education opportunities as a means of gaining performance accreditation and reentry to mainstream secondary and post-secondary education.

All provinces have shown improvements in primary and junior secondary net enrolments and many of the poorest performing provinces in 2000 have shown the largest rates of improvement. However, significant provincial variations remain. For primary NER, ranging from 96% (in Kalimantan Tengah) down to 78% (in Papua); for junior secondary NER, ranging from 78% (in NAD) down to 47% (in NTT). There are also even more significant variations in district performance within provinces, with the poorest performing districts being mainly the more rural and remote ones.

Nevertheless, Government recognizes that getting the last 5% of primary school aged children and 30% of junior secondary school aged children into schools will require creative approaches. Previous and new RENSTRA strategies are designed to help accelerate achievement of EFA goals and targets, building on innovative approaches and good practice. The nation-wide implementation of the BOS and textbook BOS is already impacting positively on enrolment through eliminating cost barriers, especially in the poorest urban and rural areas. The expansion of community managed infrastructure programs in low NER districts is overcoming facilities shortages. More flexible organizational models, such as the one-roof combined primary/junior secondary school and non-formal equivalency education programs are also enabling improved access, especially for the previously unreachable.

Goal 3: Ensuring that the learning needs of all young people and adults are met through equitable access to appropriate learning and life skills programs.

The longer-term indicator of national performance on lifelong learning is to improve Indonesia's ranking on the Human Development Index (HDI), which is currently 108 out of 179 countries in 2006. A related indicator is improving Indonesia's ranking on the global economic competiveness index, in which Indonesia in 1996 had jumped from 69th up to 50th position of the rank. Short to medium-term indicators related to Dakar EFA goals are to increase access to secondary and higher education opportunities, including technical and vocational, through improved transition rates.



Overall, there has been very significant progress over 2000-2006. Primary to junior secondary transition rates have increased from 82% to 92% whilst junior

secondary to senior secondary (both SMA and SMK) has increased from 47% to 81% over the period 2000-2006. The urban/rural gap in transition rates from senior secondary to higher education has narrowed from 22% to under 8% over the past 6 years. As part of increasing the vocational orientation of senior secondary level education, the proportion of senior secondary institutions that offer technical and vocational education has increased from 30% (in 2004) to 39% (in 2006), almost meeting the REN-STRA 2009 target of 40%. Youth (aged 15-24) literacy rates are being sustained at 98% (in 2000) to 99% (in 2005).

The enrolment share in technical and vocational schools (SMKs) has increased from 15% in 2000 to 17.5% in 2005. The enrolment in non-formal skills training programs has increased dramatically, rising from un-

der 20,000 in 2002 to almost 150,000 in 2006. Through this combination of institution based, community based and workplace based provision, lifelong learning opportunities are becoming increasingly responsive to labor market and workforce skill requirements. Formal and non-formal curricula increasingly incorporate other life skills, including environmental, health, HIV AIDS and social/cultural affairs.

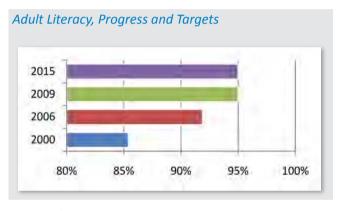
Nevertheless, significant provincial variations remain, especially for accessing more formal lifelong learning opportunities. The transition rates to senior secondary education range from 77% in Sulawesi Utara to 43% in Kalimantan Tengah, against a national average of 62%. For transition to higher education, opportunities are highly concentrated with 70% of higher education enrolment being concentrated in 7 provinces. Overall, overcoming the historical legacy of under provision for basic education and subsequent lifelong learning opportunities in a number of provinces is being actively and quickly addressed.

In order to sustain these improvements, a number of strategies have been adopted and will be expanded. Future provision will be based on local skill requirements mapping and appropriate formal and non-formal program development. Greater life skills orientation is being incorporated in SMA and SMK schools, alongside mechanisms that ensure these institutions respond to fluid local labor markets. Formal and non-formal workplace and community based skills training is being expanded through demand driven block grant mechanisms, including in-company and entrepreneurship training. In consultation with employers, workers organizations and school managers, skills training competencies, standards and accreditation arrangements are being set and implemented by MoNE and other stakeholders.

Goal 4: Achieving a 50 per cent improvement in levels of adult literacy by 2015, especially for women, and equitable access to basic and continuing education for all adults.

The Dakar target is to reduce the number of illiterates by 50% by 2015. The Government target is to accelerate achievement of this target by

2009/10. Halving the actual number of illiterate people (approxi-mately 15.41 million people in 2003) by 2009 will require Indonesia to make literate approximately 7.7 million people over 2004-2009. To meet this target, approximately 1.6 million people per year need to be reached by the literacy campaign. This is set out in Presidential Instruction No. 5/2006 on The National Movement to Hasten Compulsory Nine-Year Basic Education Accomplishment and the Fight against Illiteracy (NMHFAI), demonstrating high level political commitment to achieving this EFA goal.



In the past 6 years, there has been very significant progress towards achieving intermediate RENSTRA and EFA targets. Adult literacy rates have in-

creased from 85% in 2000 to 92% in 2006. The proportion of female illiterates has been halved from around 20% in 2000 to 11% in 2006, compared to a reduction from 10% to 5% for males. The urban/rural gap in illiteracy rates has been reduced from 10% in 2000 to 7% in 2005. Government has adopted a targeted approach to illiteracy eradication, including poverty targetting. Adult literacy rates have improved across all poverty quintiles with literacy rates, over the period 2000-2005, increasing from 83% to 87% (in the poorest) and from 92% to 95% (in the richest). Overall, the key target group for Government's literacy programs remains the rural poor, especially rural women.

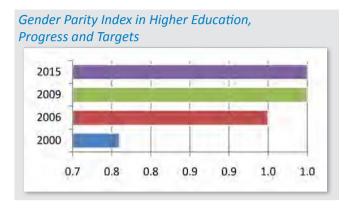
Significant provincial and district performance variations remain. Illiteracy rates range from 26% (in Papua) down to 1% (in Sulawesi Utara) with 10 provinces having an illiteracy rate greater than 10%. There are pockets of extreme illiteracy in some districts; in Papua one district has 84% of the adult population without literacy skills and some districts in East Java, Bali, N.T.B, N.T.T and Sulawesi Selatan, have more than 30%. Using enhanced literacy mapping and planning systems, developed since 2004, MoNE is increasingly focusing on these underperforming provinces and districts.

In order to sustain the impact of NMHFAI, the following strategies are being implemented: i) strengthened provincial targeting, ii) concentrating on high demand areas, iii) strengthening mutual accountability for eradicating illiteracy, iv) encouraging the developing of networks and partnerships, v) collaboration with universities/academics and vi) standards setting and quality assurance. Detailed operational planning is drawing on growing evidence of good practice, including literacy socialization programs, introduction of literacy certificates (SUKMA) and partnership programs with NGOs, universities, women's organizations, tribal and community groups. Demand led and performance based block grants are a key enabling strategy.

Goal 5: Eliminate Gender disparities in primary and secondary education by 2005, and achieve gender equality in education by 2015, with a focus on ensuring girl's full and equal access to and achievement in basic education of good quality.

Gender equity is fundamental to Indonesia's education reform planning and implementation. A dedicated unit within MoNE is responsible for ensuring gender equity is planned for and monitored, in consultation with the Coordinating Ministry of Women's Empowerment. The latter is mandated to ensure gender equity mainstreaming of all Government policies and strategies, including for education, to ensure equitable access to and benefits from education provision.

In terms of primary and secondary education access, gender equity was achieved over the period 2000-2003. The GPI for primary and junior secondary NER has been 0.99-1.00 over the past 6 years. For senior secondary education, the range has been 0.98-1.00 over the same period. The GPIs for these indicators show little or no urban/rural or socio-economic group disparities. In contrast, the GPI for senior secondary education is higher in



the poorest poverty quintiles, demonstrating households accord a high priority to the education of girls.

A very significant a c h i e v e m e n t has been prog-

ress towards gender equity in higher education access. The GPI for NER in higher education has risen from 0.76 to 0.99 over the period 2000/2006. Female students are currently outperforming male students in national examinations, resulting in greater female competitiveness in gaining admission to higher education. Female graduation rates in senior secondary schools were 98% in 2004/2005 compared to 95% for males. In terms of higher education programs, women are underrepresented in science and technology and overrepresented in social studies and education.

There are significant provincial variations in gender equity. The GPI NER for primary and junior secondary is lowest in Jakarta, Maluku Utara, Papua, Bali and Yogyakarta. At senior secondary level, Sumatera Utara, Nusa Tenggara Timur, Yogyakarta, Kepulauan Bangka Belitung and Sulawesi Utara have GPIs less than 0.8. The Government is adopting targeted and context specific strategies to address these disparities.

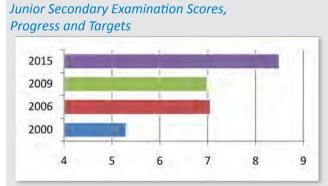
Despite these positive patterns and features, gender equity, in terms of teachers qualifications has yet to be achieved. Only 34% of women teachers have the minimum S1/D4 degree qualifications compared to 42% of male teachers. These disparities are particularly marked in private senior secondary schools. This suggests that female teaching staff are facing a qualifications barrier in access to school principal and other senior education management positions. It also constitutes a potential constraint on maintaining gender equity in secondary education where international evidence indicates that the presence of a female school principal corre-

lates strongly with high female enrolment rates and progression to higher education.

Goal 6: Improve all aspects of the quality of education and ensure excellence so that recognized and measurable learning outcomes are achieved by all, especially in literacy, numeracy and essential life skills.

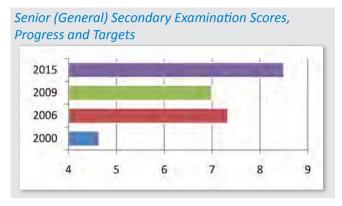
The Dakar commitment focuses on: i) improving the outcomes and outputs of education, including student and school performance and increased number of qualified graduates proceeding to the next level of education, ii) improving the availability of key quality oriented inputs, especially instructional materials, qualified teachers and supervisory systems and iii) improving quality assurance systems, including education standards setting, standards monitoring and controlling the standards of inputs including infrastructure.

Consistent with the Dakar commitment, the Government has adopted a number of key institutional, organizational and financing reform strategies for



quality improvement, especially since 2004. For improved student and school performance, Government has adopted a number of measures including: i) strengthening student examination systems and school accreditation systems, ii) setting up institutional arrangements for the setting of standards and governance through legislative, regulatory and organizational reform and iii) strengthening central, provincial and district capacity to implement these performance monitoring systems.

Overall student performance, as defined by average examinations scores, has improved significantly in both junior and senior secondary schools.



The RENSTRA 2009 target of an average exam score of 7.0 has already been achieved and more ambitious targets have been established for 2015.

The gap between MoRA and MoNE schools student performance has also narrowed. Moreover, the rise in national examinations pass rates over 2004-2005 is another indicator of improved education standard and quality. In terms of student performance in international and regional Olympiads, Indonesian students won a number of medals. An average number in 2005 and 2006 is 50 – 60 medals each year in various Olympiads.

In terms of improved availability of key quality oriented inputs Government has adopted a number of measures including: i) setting out minimum standards for these inputs, including infrastructure, instructional materials and qualified teachers and ii) setting out financial and management guidelines for the provision of these inputs and related resource management at school levels.

The qualifications of primary and junior secondary teachers have improved over the past 6 years. The proportion of primary teachers with the minimum qualifications rose from 10% (2000) to 14% (2006), whereas junior secondary ones it rose from 40% to 55% over the same period. In addition, the physical condition of school classrooms has improved with the proportion in good condition increasing from 46% to 50% over the past 5 years and the number of classrooms in fair/poor condition being reduced. The nationwide introduction of the school operational budget program (BOS) in 2005 and an additional textbook provision BOS in 2006 is ensuring increased and equitable access to key quality oriented inputs.

In terms of strengthened quality assurance systems and capacity building Government has adopted a number of measures including: i) revision of roles and responsibilities for education standards setting and monitoring, including increased autonomy for standards monitoring organisations, ii) revised roles and responsibilities for quality assurance of teachers and education personnel, including new organizational arrangements at central levels and iii) increased autonomy to school managers and committees for management for resources and reporting on student and school performance results.

The BSNP established in 2004, has taken the lead in defining standards, ensuring the security of examination systems and the broader governance of education standards and ensured public dissemination of examination results as part of improved accountability mechanisms. Extensive progress has also been made in standards setting and formal accreditation of schools. Since 2004, the number of institutions accredited annually has increased from around 8,000 to 54,000 with priority for primary and junior secondary schools equal to 53%. The target is to complete this process by the end of 2009. The new legislation and regulations on teacher qualifications, professionalism and accreditation, approved by Parliament in late 2005 is currently being implemented, with the target of 100% completion by 2015.

Despite significant improvements in national quality oriented performance indicators there are substantial variations across provinces and districts related to examination scores, operational budgets and availability of better-qualified teachers and managers. In particular, rural and remote districts find it difficult to recruit and retain graduate level teachers and mobilize education resources from local revenues. The challenge will be to design strategies which help offset these disparities and engage local authorities and community groups in the design and implementation of local solutions to local problems, taking account of the ongoing expansion of school based planning, management and governance initiatives.

GLOSSARY OF TERMS

Bappeda	Development Planning Agency at Sub-National Level (Badan Per-
Bappenas	encanaan Pembangunan Daerah) National Development Planning Board (Badan Perencanaan Pem- bangunan Nasional)
BI	Central Bank (Bank Indonesia)
BKM	Scholarship program for poor student (Bantuan Khusus Murid)
BKN	National Civil Service Agency (Badan Kepegawaian Negara)
BOS	Operational Aid to School Program (Bantuan Operasional Seko- lah)
ВРКР	Badan Pengawasan Keuangan dan Pembangunan
BPM	Community Development Agency (Badan Pemberdayaan Ma- syarakat)
BPS	Statistics Indonesia (Badan Pusat Statistik)
BSNP	Board of National Education Standar (Badan Standar Nasional Pendidikan)
Bupati	Regent Head
CGI	Consultative Group for Indonesia
CPI	Consumer Price Index
CY	Calendar Year
DAU	General Allocation Grant (Dana Alokasi Umum)
Desa	Village
Dinas	Provincial Sub-Project Management
DIPA	Issuance of spending authority (Daftar Isian Proyek Anggaran)
DPPHLN	Directorate General Treasury (Direktorat Jenderal Perbendaha-
FCCF	raan Negara)
ECCE EFA	Early Chilhood Care and Education Education for All
GDP	Gross Domestic Product
GDP GDS	Governance and Decentralization Survey
GER	Gross Enrolment Ration
GOI	Government of Indonesia
GPI	
GRDP	Gender Parity Index Gross Regional Domestic Product
HDI	Human Development Index
IMF	International Monetary's fund
INPRES	Presidential Instruction (Instruksi Presiden)
Kabupaten	District
Kecamatan	Sub-District
Recamatan	

Kelurahan	Village
Kota	City District
Madrasah	Islamic School
MDG	Millenium Development Goal
MONE	Ministry of National Education
MORA	Ministry of Religious Affairs
MTEF	Medium-term Expenditure Framework
NER	Net Enrolment Ratio
NMHFAI	National Movement to Hasten Compulsory Nine-Year Basic Edu-
	cation Accomplishment and the Fight against Illiteracy
OECD	Organization for Economic Co-operation and Development
PEFA	Public Expenditure and Financial Accountability
Perda	Local Regulation (Peraturan Daerah)
Perpu	Regulation in Lieu of Law (Peraturan Pemerintah Pengganti Un-
Гстри	dang Undang)
PGRI	National Teacher Association (Persatuan Guru Republik Indone-
1 GIA	sia)
PISA	Program for International Student Association
PKPS-BBM	Compensation Program to Reduce Fuel Subsidy (Program Kom-
	pensasi Pengurangan Subsidi BBM)
PTR	Public Teacher Ratio
RAPBN	Draft budget presented to the parliament (Rencana Pendapatan
	Belanja Negara)
RenjaKL	Annual Work Plans (Rencana Kerja Tahunan Kementrian/Lemba-
Renjake	ga)
Renstra KL	Ministry and Agency Medium Term Strategic Plan (Rencana Strat-
Nelistia RE	egis Kementerian/Lembaga)
RKA-KL	Ministry Work Plan and Budget (Rencana Kerja dan Anggaran Ke-
HIGT ILE	menterian/Lembaga)
RKP	Government Work Plan (Rencana Kerja Pemerintah)
Rp	Indonesian Rupiah
Sakernas	Labor Force Survey (Survey Tenaga Kerja Nasional)
SD	Primary School (Sekolah Dasar)
SLA	Subsidiary Loan Agreements
SMA	Senior Secondary School (Sekolah Menengah Atas)
SMERU	Independent institution for research and public policy studies
SMK	Vocational Height School (Sekolah Menengah Kejuruan)
SMP	Senior Hight School (Sekolah Menengah Pertama)
STR	Student – Teacher Ratios
TIMSS	Third International Mathematic Science Study
TK	Kindergarten (Taman Kanak-kanak)
TSA	Treasury Single Account
TVET	Technical and Vocational Education and Training
WDI	World Development Indicators
WEI	World Education Indicator
	wond Education multator

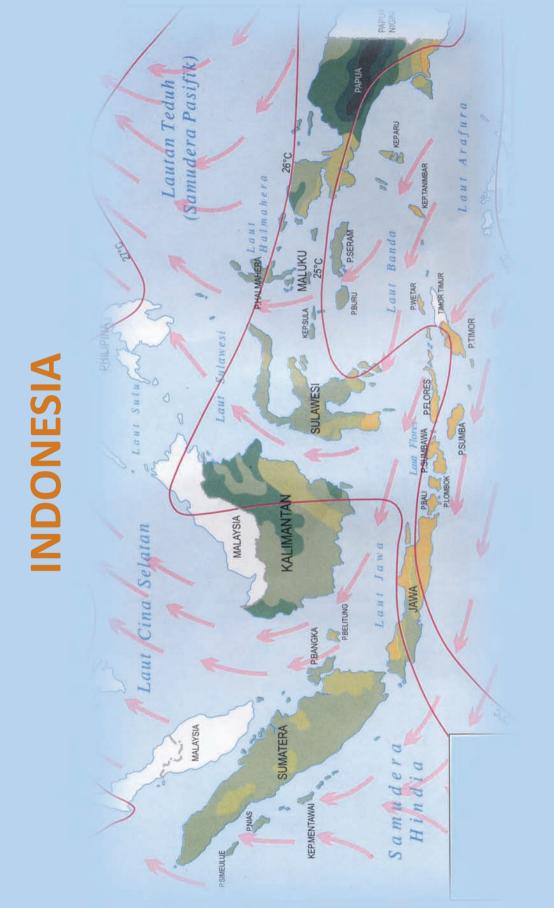


Contents

Fore	wor	d	iii
Exec	cutiv	e Summary	v
Glos	sary	of Terms	хх
Con	tens		xxiii
I	Intr A.	roduction Country Background	3 3
	В. С. D.	Development Context Education and National Development Context Data Collection and Sources	5 9 12
II	Ove A.	 erview of Indonesian Education System Broad Education Development Trends 1. Enabling Equitable Access to Education Services 2. Revitalising Education Quality, Standards and Relevance, and Assessment 	17 17 18 19
	В. С. D. Е.	 Enabling Improved Education Governance and Accountability Education Policy and Legal Environment Organisation and Structure of Education System Education Finance: Patterns and Trends EFA Coordination Mechanisms 	20 21 23 23 31
III		al 1: Expanding Early Childhood Care and Education portunities National Policy and Strategic Framework	35 35

	В. С.	Implementation Arrangements National Performance in Achieving EFA Goal and Related	38
	C.	Objectives	43
	D.	Key Performance Variations	47
	E.	Selected Success Stories and Challenges	50
	F.	Key Strategic Priorities and Issues	55
IV		al 2: Assuring Expanded and Equitable Access to Basic	
	Edu	ucation	59
	Α.	National Policy and Strategic Framework	59
	В.	Implementation Arrangements	62
	C.	National Performance in Achieving EFA Goal and Related	
	D	Objectives	66
	D. E.	Key Performance Variations Selected Success Stories and Challenges	71 79
	с. F.	Key Strategic Priorities and Issues	82
V		al 3: Expanding Life Long Learning Opportunities	87
	Α.	National Policy and Strategic Framework	87
	B.	Implementation Arrangements	89
	C.	National Performance in Achieving EFA Goal and Related	00
	D.	Objectives Key Performance Variations	90 95
	D. Е.	Key Strategic Challenges, Priorities and Issues	93 97
VI	Go	al 4: Assuring Increased Adult Literacy and Continuing	
		ucation	105
	Α.	National Policy and Strategic Framework	105
	Β.	Implementation Arrangements	108
	C.	National Performance in Achieving EFA Goal and Related	
		Objectives	110
	D.	Key Performance Variations	111
	Ε.	Selected Success Stories and Challenges	113
	F.	Key Strategic Priorities and Issues	115
VII	Go	al 5: Assuring Gender Equity in Education	119
	Α.	National Policy and Strategic Framework	119
	Β.	Implementation Arrangements	121
	C.	National Performance in Achieving EFA Goal and Related	
	-	Objectives	123
	D.	Key Performance Variations	129
	Ε.	Challenges, Strategic Priorities and Issues	133

VIII	Goal 6: Improving and Assuring Education Quality and		
	Standards 1		
	Α.	National Policy and Strategic Framework	137
	Β.	Implementation Arrangements	139
	C.	National Performance in Achieving EFA Goal and Related	
		Objectives	140
	D.	Key Performance Variations	147
	Ε.	Challenges, Strategic Priorities and Issues	149
IX	Ider	ntified Challenges and Reforms in Education	153
	A.	Enabling Expansion and Equity of Education	153
	Β.	Assuring Quality and Relevance of Education	155
	C.	Strengthening Governance and Accountability in Education	158
Х	Stre	ngthening Education For All Partnerships	163
	A.	Responding to Long-Term Education Reform Vision	163
	Β.	Assuring Indonesian Ownership of Education Reform	164
	C.	Mobilising Strong Education Partnerships	164
XI	Con	clusions and Recomendations	169
Def			470
References			173
EFA MDA Indonesia Development Team 1			175





Introduction

EFA Mid Decade Assessment I n d o n e s i a





I Introduction

A. COUNTRY BACKGROUND

Indonesia is home to around 241 million citizens and more than 300 ethnically distinct groups who speak about 583 local languages and dialects and practice some of major religions (Islam, Protestant, Catholic, Buddhism, Hinduism, and Confucianism). Divided into 33 provinces, Indonesia derives its identity from both homogeneity and heterogeneity; whether in economic, geographic, religious, cultural or ethnic terms, Indonesia is clearly a large and diverse nation and a member of the E9 group of large country education systems. Education reforms must therefore build on these opportunities and address particular geographic and economic constraints.

Education reform planning must respond to unique geographical patterns and distribution of the Indonesian population. For example, 60% of the population is concentrated in Java and Bali islands, yet these islands constitute only 7% of our land area. In contrast, the Mollucas and Papua represent 21% of the population and 69% of land area. Consequently, the education system in Indonesia faces particular issues in ensuring cost effective and efficient provision of high quality education. Education systems also need to be responsive to religious diversity incorporating Islamic, Christian, Hindu and Buddhist dimensions. Indonesia is also determined that education reform policies enable balanced economic and social development. Poverty rates still remain significant, despite encouraging economic recovery since the 1997 economic crisis. The current GDP growth rate is 5-6% per annum compared to 3-4% per annum earlier in the decade. Education development plays a key role in Indonesia's poverty reduction strategies through expanded access to post-basic education opportunities and subsequent paid or private employment. A related objective of the education reform program is to help create a well trained and motivated workforce that ensures growing economic competitiveness of Indonesia in the growing regional and global economy. A key target is to rapidly improve Indonesia's human resource base and its standing in the international human development index.

The Indonesian education system is the product of a number of historical and political roots. Historically, Indonesia incorporated a number of Kingdoms (e.g. Java, Aceh). Indonesia was a Dutch colony for over 350 years and education has played a lead role in independence movements. National youth organizations, originating from around 1908, were led by the few Indonesians receiving formal schooling. Similarly, an educated leadership was important after independence in 1945, under the Old Order Movement 1945-1966, New Order Movement 1967-1998 and the current Reformation Era, post 1998.

The geography, size and diversity of Indonesia are also reflected in the political and public administration system. There are currently 33 provinces and over 440 districts, each with their own publicly elected local governments and administrations. Population density across these provinces varies widely from around 1,000 people per Km² in East Java to 8 people per Km² in Papua.¹ The average population density is around 120 per Km². These population density variations have significant impact on the way in which education services are delivered and their costs.

¹Education Statistics in Brief, MoNE, 2005

B. DEVELOPMENT CONTEXT

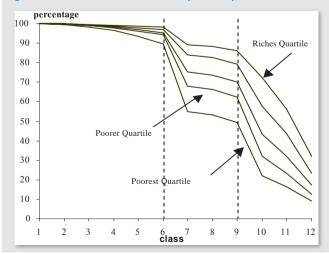
Achieving Education For All (EFA), Millennium Development Goals (MDGs) and improving Indonesia's Human Development Index (HDI) are fundamental targets in using education as a means of enabling balanced development, economic growth and broader poverty reduction. The Indonesia HDI rank was 104 in 1995, falling to 112 in 2003, with recovery to 110 in 2005 and was 108 in 2006. The design of broad education reforms, in order to meet agreed national and international development targets, must be responsive to broad socio-economic features and the need to ensure that the education system can be more responsive to regional and national economic trends and workforce requirements.

In 2003 the percentage of the population living below the poverty line stood at 17.4%. There is a significantly greater incidence of poverty in rural areas compared to urban areas. In 2003, 67% of the poor, or around 25 million people, were located in rural areas (20.3% of the rural population), compared to 12 million people in urban areas (13.5% of the urban population). The majority of the poor in Indonesia are employed in the agriculture sector. In 2003, 68% of rural workers were employed in this sector, mostly in informal employment. Improved rural access to formal and non-formal basic education and literacy is a key factor in rural economic

growth and increasing opportunities for further education and formal sector employment.

The contraction of the formal sector and paid employment in rural areas combined with increasing levels of open unemployment, weak growth and slowing job creation pose significant





constraints for poverty reduction. The rural population is significantly more vulnerable to changes in prices than the urban population due to a higher proportion of the population living just over the poverty line. If the poverty line were raised by 25% the percentage of the population classed as poor would rise to 40.9% in rural areas and 27.8% in urban areas. Supporting the current education financing reforms, especially school fee abolition and improved use of resources, is a key element in enabling the Governments poverty reduction strategy.

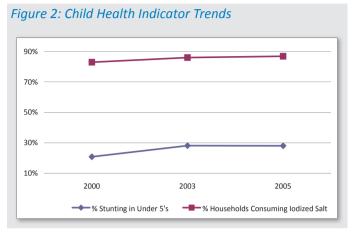
Indonesia is ranked in the bottom third of the global economic competitiveness index. A quarter of Indonesian firms consider inadequate workforce skills as a key obstacle to their profitability and competitiveness, which is a growing consideration for improved Indonesian competitiveness under ASEAN free trade arrangements. Key constraints include an inadequate supply of well educated, trainable and motivated secondary and higher education graduates and comparatively low levels of upgrading workers' skills by firms. Measures to ensure improved work force skills and productivity are critical for attracting domestic and foreign investment and optimizing the economic impact of the projected expanded urban and rural infrastructure programs. Education reforms need to take account of the fact that inequities in access to schooling are mainly poverty related with 85% of households reporting that direct cost barriers and child employment determine decisions on school attendance.

Since 1997 most job creation has been in the informal sector and through small and medium sized enterprises. Employment generation is stagnant in the trade, manufacturing and service sectors with the agriculture sector showing significant growth. The shortage of high quality secondary and higher education graduates and inadequate business education programs in school/madrasah and universities is recognised as a key factor in rural SME development. Overcoming these constraints will be critical if Indonesia is to respond to labour market mobility and trade liberalisation within the ASEAN Free Trade Area and take advantage of overseas migrant labour opportunities. It is projected that around 2-3 million school leavers will join the labour force annually over the next five years and that the number of unemployed 15-24 year olds is rising faster in rural areas, especially amongst females. Those who are unemployed are much more likely to be discouraged if they have a lower education background. In 2003, of those who had not completed primary schooling, 64% were discouraged and only 17% were looking for work, compared to 33% discouraged and 58% looking for work amongst those who had completed junior secondary. Expanding junior secondary access in rural areas, incorporating targeted measures for quality improvement, is critical. Expansion of non-formal education opportunities, especially market relevant life skills programs constitutes another reform priority.

EFA and broader education planning takes account of a number of demographic, social and health features. Population growth rates are declining, currently an estimated 1.2% per annum, due in part to declining fertility rates which have fallen from 3.3 in the 80's to the current estimate of 1.5. Infant mortality rates, currently an estimated 44 per thousand, are high in regional terms. The result is projected decline in demand for primary and secondary schooling over the next decade, providing an opportunity to begin to shift the focus from access to quality improvement.

Indonesia has a comparatively low dependency ratio of 0.51, compared to the Asia and World averages of 0.56 and 0.59 respectively. As life expectancy increases and fertility rates stabilise, it is likely that the dependency ratio for Indonesia will increase. Consequently, it is critical that the working population becomes more productive in order to maintain economic growth. Equally, infant mortality rates need to be reduced in order to sustain a sufficient working population. This argues for increased life-long learning opportunities for an aging workforce, integrated health/education strategies and measures to enable women to enter and be retained in the workforce.

It is recognised that child health status correlates strongly with both school attendance and child cognitive development. Levels of child malnutrition are significant with around 25% of under 5's being malnour-



ished and around 15% of 2-5 year olds having stunted growth. There are also significant provincial variations with child malnutrition rates ranging between 15% (Yogyakarta) and 42% (Gorontolo) recorded in 2005.

There are also a num-

ber of other related challenges. Breast feeding rates are variable, ranging from 35% in NAD to only 12% in Gorontolo. Urban/rural variations for 2-4 year olds breast feeding between 18-23 months were 19% and 24% respectively. Immunization rates for all kinds of immunization (BCG, DPT, Polio, Measles, Hepatitis B) are quite high at around 70%, but urban/rural gaps are still evident.

An associated challenge is to sustain and accelerate the falling infant mortality rates. These rates have fallen from 40 to 35 per 1,000 over 2000-2005, although higher female infant mortality rates remain evident. Infant mortality rates correlate directly with mothers level of education, showing 67 per 1,000 for mothers with no schooling compared to 23 per 1,000 if mothers have completed secondary education or more. A further challenge is to sustain the improvements in coverage of Vitamin A supplementation for infants which has risen from around 60% to over 80% in the past 2-3 years.

Given this health/education context, increased and equitable access to childcare and maternal health education programs, through both formal and informal approaches are critical to help address this issue. Child and family health and nutrition status also correlates strongly with mothers level of education, constituting a social benefit of increasing and maintaining gender equity in access to primary and secondary schooling.

C. EDUCATION AND NATIONAL DEVELOPMENT CONTEXT

The vision, mission and goals of education in the context of national development are set out in the Renstra 2005-2009 and the subsequent National Action Plan for Education Plan for All (November 2005). Indonesia's development in the future will be based on the long-term vision, namely the establishment of a modern Indonesian nation-state which is safe, peaceful, just, democratic, and prosperous, upholding the values of humanity, independence, and unity based on Pancasila, the State Ideology and the 1945 Constitution. In the framework of the long-term vision contained in the document: "Developing an Indonesia that is Safe, Just and Prosperous" (Susilo Bambang Yudhoyono and M. Jusuf Kalla, 2004).

Strategy for Aceh Education Development

Since the 2005 tsunami and resolution of conflict, Government and donors have worked together to complete the relief and rehabilitation phase for the education sector in Aceh. In 2006, it was recognised that formulating a longerterm education development strategy was important.

The process was led by the Governor, who established a number of technical advisory groups, helped organise district and community consultations and partly financed the operations of these groups.

The plan was presented to the Governor, central MoNE and MoRA senior officials and donor groups in early 2007. The intention is that the priorities and strategies set out in the plan will help guide the next phase of Government and donor support and help clarify the role of the provincial education authority in the development process. As detailed in the Renstra 2005-2009. education development will be based on the paradigm of enabling all Indonesian's to fulfil their full potential, including: (i) affective side which manifests in strong faith and piety, ethics-aesthetics, and fine moral characters and behaviors; (ii) cognitive capacities as reflected in sophisticated thinking capacities and superior intellectualism capable of acquiring and developing knowledge and mastering technology, and (iii) psychomotor abilities as reflected in sophisticated technical skills and practical intelligence.

The Ministry of National Education (MoNE) has the long term vision that all Indonesia's children and young people will have equal opportunity to quality education at all levels, irrespective of economic status, gender, geography, ethnicity and physical disability consistent with the Government's commitment to the U.N. Convention on the Rights of the Child. The Ministry envisages a time when graduates from all its institutions will meet the highest international and regional standards and will be competitive in global and regional job markets and be the impetus for broad-based, political, social and economic development in Indonesia. The Renstra 2005-2009 and the EFA action plan are enabling the implementation of this vision for longterm education reform.

The long-term mission of MoNE is to ensure that there are no barriers to accessing education opportunities and that the very highest standards of education and training are assured. Another part of this mission is to ensure that progression through the system is based on merit. A further mission is to inform parents, students and other stakeholders of the opportunities available, the basis for accessing these opportunities and sharing responsibility for optimising these opportunities. Part of this mission is that the Ministry will provide a teaching and learning environment that promotes a culture of excellence and strengthens the confidence of Government, parents, children and other stakeholders in the value of education and training provided. The Ministry's mission is consistent with EFA goals and objectives.

MoNE also recognises that it cannot achieve this alone and sees its mission to promote and implement a more inclusive approach to the governance and resource mobilization for education. In the context of broader decentralization reforms, the Ministry will adopt a stronger enabling role in providing local governments with clearly set standards, guidelines on optimum strategic choices and financing mechanisms, whilst recognizing the decision making powers of local governments and district education managers. The formation of the EFA coordination forum, including key Government ministries and other stakeholders is consistent with this approach.

Goals of Education in Indonesia

Improving learners' faith, piety, noble moral characters, and physical quality.

Improving ethics and aesthetics as well as mastery of knowledge and technology for the purposes of improving Indonesian people's overall prosperity.

Improving equity of learning opportunities for all citizens of Indonesia in a nondiscriminatory and democratic way regardless of their place of residence, socioeconomic status, gender, religion, ethnic group, and other characteristics: physical, emotional, mental as well as intellectual.

Finalizing the implementation of nine-year free compulsory education in efficient, quality, and relevant ways to serve as a bedrock foundation for human quality development at the ensuing higher levels of education.

Significantly reducing the number of illiterate population and provide these people with life skills training.

Expanding opportunities for non-formal education for those female and male citizens who are not yet in education, never enrolled in classes, illiterate, and drop-out from schools at all schooling levels. These people are accorded open opportunities for acquiring knowledge, improving general learning capacities, and acquiring skills to improve quality of their lives.

Improving competitiveness of the people by producing self-reliant, quality, skillful, and self-initiated graduates who can handle various kinds of challenges and changes.

Improving quality of education by using the existing (and/or making available) national education standards and standards for minimal services, and also improving minimum qualification standards and standards for certification for teaching staff members and other education staff members.

Improving the relevance of education to better match with development needs of the country by improving quality of research results, development and creation of science and technology by universities and dissemination as well as application of these in the society.

Redressing educational governance and management in ways deemed more efficient, productive, democratic and accountable.

Improving effectiveness and efficiency of the management of educational services by way of improving the implementation of School-based Management, community participation in education development, effectiveness of the implementation of local autonomy and decentralized education initiatives, as well as scientific autonomy.

Accelerating the implementation of programs related to eradication of corruption, collusion, and nepotism to establish better, "cleaner", and respected MONE (ministry of national education). The formulation of the Renstra 2005-2009 and subsequent revision of the national EFA action plan has ensured harmonisation of Government's education reform program. The National Education Law 20/2003 has also ensured that EFA plan implementation and achievement MDG goals and targets are fully enshrined in Indonesian legislative and regulatory frameworks.

Accordingly, the Renstra and EFA Action Plans have also been harmonised through three main strategic pillars, covering: i) ensuring expanded access and equity, ii) improving quality and relevance and iii) strengthening governance, accountability and public image. In this way, the Renstra and EFA action plans ensure a strong focus on institutional, organisational and financing reforms as a way of achieving Renstra and EFA Action Plan goals and targets.

D. DATA COLLECTION AND SOURCES

The data and analytical work used to compile this report has been drawn from existing Government of Indonesia information and performance management processes within a number of Ministries and agencies. The data and analysis on access draws on education censuses carried out by both the Ministry of National Education and the Ministry of Religious Affairs on an annual basis. The data and analysis on education quality and standards is derived from information provided by the Ministry of National Education examinations centre and the Board of National Education Standards (BSNP).

The report presents a broad range of EFA related information, including within time series and disaggregated by key relevant dimensions (e.g. poverty groups, urban/rural, gender). This information is derived from annual and multi-annual sample household surveys (SUSSENAS) conducted by the National Bureau of Statistics (BPS). These sample surveys have been validated over a number of years as being representative of national trends and patterns. The report also draws on specific analytical work and

reports carried out by Government ministries, supported by international donors. These sources are referenced where used in the report.

The primary source for national level education performance indicators is the Ministry of National Education database, which consolidates enrolment and other data across MoNE, MoRA, private provision and also formal and non-formal provision. The primary source for provincial level variations is the annual BPS surveys which are not only a sample but do not neccesarily sufficiently capture non-formal education provision at various levels. As a result, BPS surveys may not fully report the full scale of education provision, resulting in slightly lower enrolment rate indicators, compared to MoNE calculations.

The report also presents a broad range of information and analysis on public expenditure for education. The primary sources are the finance/ budget departments of the Ministry of National Education and Ministry of Religious Affairs. Other sources include recent public expenditure reviews carried out by the Ministry of Finance and Bappenas with support from the World Bank and other development agencies.

EFA Mid Decade Assessment Indonesia



Overview of Indonesian Education System

EFA Mid Decade Assessment I n d o n e s i a





II Overview of Indonesian Education System

A. BROAD EDUCATION DEVELOPMENT TRENDS

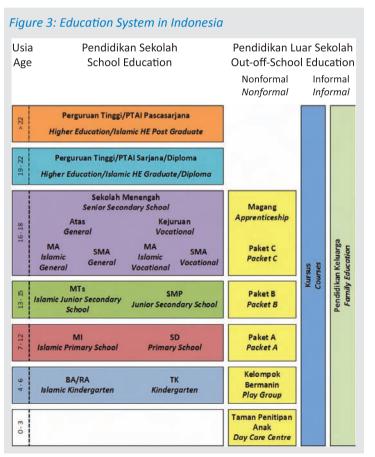
Since Jomtien (1990) and Dakar (2000), there have been a number of key milestones in education development in Indonesia, including: i) a number of action plans to expand access to high quality basic education, ii) introduction of legislation and regulations for the decentralization of education service management in 1999-2004, iii) amendments to the 1945 constitution related to education, set out in a new Education Law 20/2003 and iv) formulation of a revised education reform strategy, Renstra 2005-2009. These initiatives set out a legislative and regulatory framework for expanding education opportunities, defining standards and measures for improving education service governance and accountability.

The revised education law 2003 sets out the legal provision for ensuring that unreached or disadvantaged groups are addressed by the Ministry of National Education and Ministry of Religious Affairs, focussing specifically on equitable treatment for: i) religious, linguistic and ethnic minority groups, ii) socio-economic classes and other stratifications, iii) males and females, iv) students with disabilities or special needs, v) residents of remote/rural, island and border areas and vi) the very poor, orphans, street and working children.

Based on the 1999 decentralization legislation and the education Law 20/2003, the Government has designed specific strategies and programs to implement the education policy, legislation and regulations through strategic pillars: i) *ensuring expanded access and equity*, ii) *improving quality and relevance* and iii) *strengthening governance, accountability and public image*.

1. Enabling Equitable Access to Education Services

Government strategies and plans are directed at meeting MDG targets by 2010, especially ensuring the last 8% of primary school children and 35% of junior secondary school age students are enrolled and retained in



schools. Key strategies include i) an expanded junior secondary school construction proundergram in served areas. ii) expansion of nonformal and informal primary and secondary junior school programs for school dropouts, iii) reduction of direct and indirect cost barriers through the expansion of school operational budgets (BOS) and locating schools close to home (e.g. integrated primary and junior secondary schools), and iv) expansion of public information and communication programs, which promote school enrolment.

Key programs for enabling more equitable access include i) expansion of infrastructure programs, ii) increased deployment of teachers to underserved areas, iii) expansion of early childhood education, iv) expansion of ICT-based distance learning and communication programs, v) expansion of non-formal delivery of primary and junior secondary programs (packet A, packet B), vi) expansion of adult literacy programs, especially in remoter areas and vii) increased community involvement in the management and delivery of basic and post-basic education programs incorporating capacity building measures. These are set out in the diagram below.

2. Revitalising Education Quality, Standards and Relevance, and Assessment

Government is taking a number of measures to improve the quality, efficiency and effectiveness of basic education quality. Key strategies include i) expansion of education standards setting and monitoring systems through the establishment of the Board of National Education Standards (BSNP), ii) introduction and implementation of new teachers professionalism and quality assurance standards, through new legislation and organisational reform at central, provincial and district levels and iii) review of teacher utilisation and deployment norms, incorporating potential measures to increase non-salary operational spending, especially on instructional materials and school maintenance.

The proposals include a mixture of demand and supply-side interventions, including i) review of national primary and junior secondary school curricula and core textbooks and ii) immediate rehabilitation of primary and junior secondary schools in poor condition, in order to ensure a conducive learning environment. All these measures are underpinned by the setting of new minimum service standards related to outcomes (e.g. student exam performance) and inputs (e.g. school infrastructure standards, textbook availability norms). Government is adopting a systemic approach to addressing these constraints. New guidelines and regulations for use of school operational budgets focus on instructional materials and school asset maintenance. Strategic options to improve teacher management, incentives for teacher deployment to rural schools and teacher recruitment are currently being reviewed. Alternative approaches to expanding cost effective teacher upgrading systems are also being investigated. An action plan and financing strategy for school rehabilitation, particularly primary schools, is a key feature of RENSTRA 2005-2009, including prioritised 5 year budget allocation

3. Enabling Improved Education Governance and Accountability

RENSTRA priorities include i) new instruments and processes are needed to strengthen mutual accountability between executive parliamentary and arms of Government, ii) measures to increase the results orientation of financial planning and budgeting systems are also critical, iii) key capacities also need to be strengthened or extended, especially

Local Government Initiative, Health and Education Services in Jembrana District, Bali

In 2001, the Regent of Jembrana District in Bali, adopted a policy of free basic education and health services. The goal was to improve agriculture and livestock sector productivity through a better educated and healthy work force.

Education is free at primary and secondary levels, including textbooks and merit scholarships for top students. Health services are also free for the poorest families. These policies were implemented by devoting a greater share of spending to basic services and other efficiency gains elsewhere in the public sector.

Overall, district income has increased several fold, especially in the non tourist sectors. Health and education indicators, including EFA targets, have also improved.

personnel management, performance monitoring, quality assurance and internal audit systems and iv) the current fragmentation of financial and information systems also needs to be addressed.

MoNE and MoRA have identified strengthening of their own accounting and internal audit systems and better coordination with the Auditor General's Office, Supreme Audit Authority and Ministry of Finance inspection functions as the top priority. A second priority is to improve capacity to implement existing financial management and accounting systems. A third priority is to strengthen capacity to monitor policy implementation, including RENSTRA priorities and targets and minimum service standards.

A number of key possible entry points for system strengthening have been identified by the two Ministries. Strengthening performance and financial audit systems within the Inspectorate General is a priority. Enhancing examination systems and other quality assurance measures, through the independent Bureau of National Education Standards is also a priority. Supporting organisational development of the new Directorate General of Teacher Management and Quality Assurance is also accorded a high priority. Introducing a greater performance orientation to education management information systems is seen as another key entry point.

B. EDUCATION POLICY AND LEGAL ENVIRONMENT

In the past five years, Government has developed a comprehensive legislative and regulatory framework that sets out the roles, responsibilities and obligations of central/district authorities and community level stakeholders for education service provision. Sector development plan-

ning is built on the legal obligations of the State as outlined in the 4th Amendment to Article 31 on Education in the Constitution; Law 17/2003 on State Finance; Law 20/2003 on the National Education System (Sisdiknas); Law 25/2004 on the National Development Planning System; Law 32/2004 on Local Govern-



ment, Law 33/2004 on Fiscal Balance between Central and Local Governments; and Law 14/2005 on Teachers and Lecturers.

The law mandates implementation decentralization in two stages: i) devolution of authority to manage the education service delivery from central to the local governments and ii) devolution of a significant authority to the school level as represented by the implementation of school-based management. Parallel to the latter, the law promotes a greater role for the community, e.g. involvement in the education council at the district level and the school committee at individual school level. Provision and improvement of educational quality and relevance is stipulated in Law 20/2003 on National Education System and spelled out in detail at a more operational level by Government Regulation No.19/2005 on National Standard of Education.

Since late 2004, a number of key regulatory actions have been taken to set the foundation for education reform. PP 65/2005 for developing new minimum service standards across sectors has been issued by MOHA. The independent Board of National Education Standards (BSNP) established during mid 2005 has developed the i) Standard on Contents which was issued through regulations 22/2006, and ii) the standard on Competence through regulations 23/2006 while Regulation no. 24/2006 has been issued to clarify roles of different levels of government in the implementation of these. For instance the regulation grants governors and Bupatis some leeway in developing, scheduling and implementing these above regulations depending upon their own conditions.

In late 2005, Parliament approved new legislation (Law 14/2005) related to new or increased functional, professional and special areas incentives for teachers, as part of measures for education standards improvement. This legislative provision applies to MoNE and MoRA, covering both public and private schools. These comprehensive measures, alongside access to school operational budgets, constitute an opportunity for increased policy harmonisation across all providers.

C. ORGANISATION AND STRUCTURE OF EDUCATION SYSTEM

Under Education Law 20/2003, the education system is organised as: i) early childhood education including day care centres, playgroups and kindergartens, ii) primary education including both formal and non-formal (Paket A), iii) junior secondary education including both formal and non-formal (Paket B), iv) senior secondary education including both formal (general or vocational) and non-formal (Paket C and apprenticeships) and v) higher education, including professional education of managers and teachers.

The education services are primarily delivered through institutions under the auspices of the Ministry of National Education (MoNE) and Ministry of Religious Affairs (MoRA) which regulate both public and private providers, alongside public and private Universities which have variable degrees of autonomy. The system also incorporates formal, non-formal, informal and distance learning approaches to education service delivery, with a growing emphasis on ICT based education services. Legal provision, organisation and service delivery incorporates special needs, including both students with learning disabilities/constraints and gifted students. A diagram of the organisational structure of the Indonesian education system is shown below.

D. EDUCATION FINANCE: PATTERNS AND TRENDS

Education is financed from a number of sources, including central, provincial and district Government budgets and parental/community contributions. The Indonesian Government has demonstrated its commitment to implementing EFA through a significantly upward trend in public expenditure on education. Overall, in the past decade, there has been an upward trend in Government expenditure on education. Public expenditure on education has grown from around Rp 42 Trillion in 2001 to Rp 79 Trillion in 2005. Education shares of national expenditure have grown from 12% to almost 15% over the same period. Similarly, the education share of GDP has increased from 2.5% to 2.9% over the same period.

Table 1: National Public Expenditure on	Education (Central + Province + District)
for 2001 to 2007 (in Trillion Rupiah)	

Education	2001	2002	2003	2004	2005	2006*	2007**
Nominal National Education Expen- ditures	42.3	53.1	64.8	63.1	78.6	114.7	131.0
National Education Expenditures (2001 prices)	42.3	47.4	54.3	49.8	56.2	72.7	78.1
Growth Real National Education Expenditures	40.3	8.5	18.4	-8.4	12.8	29.4	7.5
Education Exp. (% Total National Exp.)	12.0	15.7	16.0	14.2	14.7	15.7	16.8
National Education Exp. (% GDP)	2.5	2.8	3.2	2.8	2.9	3.5	3.9
Total Nominal National Expenditures	352.8	336.5	405.4	445.3	535.8	728.2	778.2
Total Real National Expenditures	352.8	300.8	339.9	351.6	382.9	461.3	464.0
Government Size (Total exp. % of GDP)	21.0	18.1	19.8	19.6	19.6	22.0	22.0

Source: Investing in Indonesia's Education, World Bank, January 2007, Note: * = budget, ** = estimated.

In the past two years, Governments commitment to accelerating the implementation of EFA goals and targets has been reflected in increased central public expenditure allocations for education. In 2007, the allocation for education is estimated at Rp 131 Trillion, constituting a 67% increase over expenditure in 2005. The share of public expenditure in 2007 is an estimated 16.8%, constituting 3.9% of GDP.



Level	2001	%	2002	%	2003	%	2004	%
Central	12.6	31	13.8	27	21.3	34	18.8	30
Development	8.5	67	9.2	67	16.0	75	12.5	67
Routine	4.1	33	4.6	33	5.4	25	6.3	33
Provincial	1.9	5	4.0	8	3.9	6	3.8	6
Development	1.4	70	2.6	66	3.1	80	3.0	79
Routine	0.6	30	1.4	34	0.8	20	0.8	21
District	26.2	64	32.6	65	38.3	60	40.0	64
Development	3.0	11	4.6	14	5.3	14	4.8	12
Routine	23.2	89	28.0	86	33.0	86	35.2	88
Total Expenditures	40.8	100.0	50.4	100.0	63.6	100.0	62.6	100.0

Table 2: Nominal Education Expenditures per Level of Government 2001–04 (inTrillion Rupiah)

Source: Investing in Indonesia's Education, World Bank, January 2007

Over 2001-2004, the majority of education spending took place at district levels (see Table below). The spending at national and provincial levels has increasingly focused on development spending (e.g. school infrastructure, scholarships, textbooks) specifically related to achieving EFA goals and targets. The share of education spending on personnel costs has remained roughly constant over the period 2002-2004 with around 94-96% share of district expenditure and 62-71% of provincial expenditure.

In Indonesia, patterns in expenditure per pupil are broad typical of international norms. For example, expenditure per pupil in junior secondary education is approximately 2.5 times that of primary education, whereas senior secondary education is 3.4 times more than primary. Per-student expenditure at tertiary education levels is roughly 11 times more than primary education.

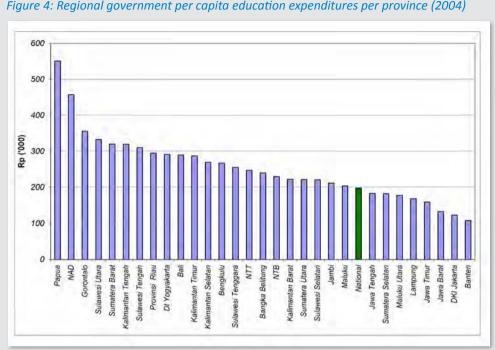
Countries	Pre-primary Education	Primary Educa- tion	All secondary Education	All tertiary Education
Indonesia	64	110	315	1296
India	79	396	712	2,486
Malaysia	552	1,897	2923	14,405
Philippines	62	491	452	1730
OECD Mean	4,294	5313	7002	10,655

Table 3: Expenditure on Educational Institutions/Student/Level - Based on Full-Time Equivalents (2002 USD PPP)

Source: Investing in Indonesia's Education, World Bank, January 2007

Schools are funded from a number of sources, including Government and parental contributions. A 2002/03 survey indicated that 92% of primary school budgets are funded by district Governments with parents contributing 4% in the form of school fees and other contributions. Parental contributions for junior and senior secondary schools represented an estimated 13% and 17% respectively, constituting a significant access barrier for students from poorer households. Recognizing these constraints, Government introduced a new primary and junior secondary school funding mechanism (BOS) designed to offset parental school fee contributions, through operational budget support direct to schools. The BOS is also designed to increase the volume and share of non-personnel spending at the school level. The scholarships for the poor program (BKM) has continued in a reduced form.

There is significant variation in per capita spending on education between provinces in Indonesia, covering all forms of education. The national average is Rp 198,000 per capita per annum in 2004 (see Figure 4) with individual provincial spending ranging from around Rp 110,000 to Rp 550,000. Much of this variation is due to larger economies of scale for education service delivery in more densely populated provinces. Many of the higher spending provinces have scattered populations and small school sizes, making it difficult to utilize staff and other resources cost efficiently.



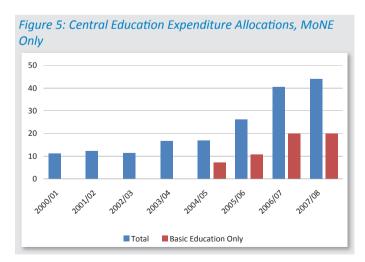
There is significant variation in the per capita spending on education across districts. In broad terms, spending patterns at the district level show that the richest districts have not only higher per-capita spending but also higher per-student expenditure. The spending gap between the poorest and richest districts also has increased over the period 2001-2004 (see Table below). Nevertheless, the poorest districts are according similar priority to education spending as other, richer, districts. These patterns are due in part to higher enrolment in secondary education (which has higher unit cost) in the richer districts. The table below also highlights the low proportion of district spending on non-personnel costs.

District Quintile	Per Capi District E tu	xpendi-	Education Expen- ditureEducation as % of Overall ExpendNon-per Educaper Public School Studentituresas % Tota ditures		diture of Overall Expend Public School itures		ation al Expen-	
	2001	2004	2001	2004	2001	2004	2001	2004
Poorest	558,116	725,459	165,486	215,523	35.7	34.4	5.5	5.3
2	364,804	724,234	148,595	228,492	40.1	36.3	4.4	4.7
3	393,305	690,836	144,850	209,021	43.0	35.0	4.3	4.6
4	493,893	899,841	184,214	245,510	40.0	32.0	4.9	5.6
Richest	619,163	950,714	182,893	272,704	32.9	31.1	5.2	3.9
All	484,758	798,819	165,168	234,718	38.2	33.7	4.8	4.8

Table 4: District Expenditures on Education per Poverty Quintile

Source: Investing in Indonesia's Education, World Bank, January 2007

Government has demonstrated its strong commitment to achieving EFA goals and targets through increased education expenditure allocations over the past 7 years (see *Figure* 5). Recovery from the 1997 economic crisis meant only gradual growth in MoNE budget allocations over 2000-2004, with allocations rising from Rp 11.3 Trillion in 2000/01 to Rp 16.9 Trillion in 2004/05. Since the adoption of revised EFA strategies in the Renstra 2005-2009, education expenditure allocations have grown significantly; rising to a projected Rp 44.1 Trillion in 2007/08. Budget allocations for achieving 9 years of compulsory education have also increased from



Rp 7.1 Trillion (in 2004) to Rp 19.9 Trillion (in 2006/07 and 2007/08).

MoNE budget execution and realisation rates have also improved due to improved implementation of programs. 2005/06 budget disbursements were Rp 23.1 Trillion from a budget of Rp 26.1 Trillion (89%). As of end of February 2007, Rp 37.2 Trillion of the 2006/07 budget of Rp 40.5 Trillion had been disbursed (92%).

Program	2004/05	2005/06	2006/07	2007/08
Early Childhood	0.4	0.4	0.3	0.5
Formal Basic Education	7.1	10.9	19.9	19.9
Formal Secondary Education	2.1	2.6	3.6	3.7
Higher Education	2.4	6.2	10.8	7.8
Out-of-School Education	0.7	0.5	0.8	1.2
Quality Improvement	N/A	2.8	3.3	2.4
Other	4.2	2.7	1.8	8.5
Total	16.9	26.1	40.5	44.0

Table 5: Central Education Expenditure Allocations, MoNE Only, By Program

Source: Ministry of National Education

Government has increased expenditure allocations on all EFA related programs over 2004-2007. Formal early childhood program allocations have increased complemented by expansion of non-formal early childhood initiatives. Program budget allocations for 9 years of compulsory basic education have more than doubled, focussing on expanded primary and junior secondary school infrastructure repair and new construction, dedicated textbook program allocations and the expansion of the school operational budget support initiative. Out-of-school non-formal education budget allocations have almost doubled, with priority for expanded



adult literacy, increased access to equivalency programs and new early childhood education initiatives.

Government is also according growing attention to lifelong learning and life skills education programs through formal and non-formal approaches. The increased secondary education program allocation reflects implementation of strategies to increase transition rates to senior secondary education, both general and vocational. The out-of-school program also includes expansion of senior secondary equivalency (Paket C programs). The increased allocation for higher education includes programs that help assure transition from senior secondary to higher education, including vocational and professional studies.

A key feature of the MoNE program budget patterns is the introduction of a dedicated program for implementing the legislation associated with upgrading and certifying the teach-



ing force at University graduate levels. The program is managed through the Directorate of Quality Improvement for Teachers and Education Personnel. A related initiative is increased spending on education standards setting and monitoring, through the MoNE examinations centre and the Board of National Education Standards (BSNP), set up in 2004. New programs and budgets have also been introduced since 2005 to strengthen MoNE financial management, accountability and audit systems.

E. EFA COORDINATION MECHANISMS

The legal basis for EFA coordination is set out in a decree issued by the Coordinating Ministry for Peoples Welfare in 2002. This decree established an EFA Coordination Forum (FORKONAS-POS) chaired by the Deputy Minister for Peoples Welfare, with the EFA secretariat established in the Directorate General of Out-of-School Education, Ministry of National Education. There is an advisory board at Ministerial level with representatives from Ministries of Peoples Welfare, National Education, Religious Affairs, Home Affairs, Finance, Social Affairs, Health, Planning and Women's Empowerment. The forum membership includes Director Generals from the various Ministries and selected representatives of non-government organizations and other key informants.

Under the EFA secretariat six inter-ministerial working groups have been established to initially prepare EFA action plans against the six main goals of: i) early childhood education, ii) basic education, iii) adult literacy, iv) life skills, v) gender equity and vi) quality improvement. This arrangement was used to coordinate preparation of the EFA National Plan of Action in November 2005. The same arrangement has been used to prepare the EFA Mid Decade Assessment, with task force members being appointed by the EFA secretariat.

As part of this process, provincial and district EFA forums have been established, with broadly the same government and NGO representation. Members are appointed by the provincial and district directors of education. This network helps ensure that appropriate EFA information flow takes place for EFA planning and monitoring. As part of the communication and awareness raising, annual regional meetings of provincial/district education forums are held annually. This mechanism will be used to disseminate the findings of the EFA mid-decade assessment.



Goal 1: Expanding Early Childhood Care and Education Opportunities

EFA Mid Decade Assessment Indonesia



34 EFA Mid Decade Assessment Indonesia

III Goal 1: Expanding Early Childhood Care and Education Opportunities

Goal 1: Expanding and improving comprehensive early childhood care and education, especially for the most vulnerable and disadvantaged children.

A. NATIONAL POLICY AND STRATEGIC FRAMEWORK

The Dakar 2015 target for Early Childhood Care and Education is to expand access and quality to childcare and education services for 0-6 year olds. The Indonesian country target is to ensure 75% access and coverage for this age group.

In order to achieve the 2015 national target, the government has set a number of strategies, including: i) improved distribution and expansion of care and education services for young children in an integrated fashion, ii) improvement of the quality and relevance of care and education services for young children and iii) improvement of good governance and accountability in the field of early childhood care and education services.

In order to achieve the national target for 2015, i.e. 75% of young children receive care and education services, the strategy to be applied is "integration of education services program with care program for young children", through:

- Optimizing the existing services by incorporating early childhood education program.
- Optimizing the existing early childhood education program by including care program for young children.
- Developing service model for education services that are integrated with care services like Posyandu which is integrated with PAUD, BKB with PAUD and the like.
- Development of pilot program for PAUD that is suitable for local needs (local wisdom).

The action program that will be implemented towards achieving the national target will be as follows:

- Equal distribution and expansion of care and education services for young children in an integrated fashion:
 - 1. Development and utilization of various facilities/infrastructures existing in the community for various activities for early childhood care and education.
 - Development and initiation of various models for early childhood care and education (Day Care Centre, Play Group, Small TK, Alternative TK, Integrated Posyandu and PAUD, BKB integrated with PAUD, and the like) in line with community requirements.
 - 3. Development of referral centre for care and education services for young children in each province.
 - 4. Improvement of public awareness on the importance of early childhood care and education through socialization, advocacy, guidance and elucidation and through direct involvement of the community in program management in early childhood care and education activities.
 - 5. Explore various funding sources from local and central governments, the public, business community in order to support

equal distribution and expansion of early childhood care and education services.

- Provide support and assistance to institutions, organizations related to early childhood care and education to improve accesses to services.
- 7. Develop various early childhood care and education service institutions (from, by and for the community).
- Improvement of Quality and Relevance of early childhood care and education services. Formulation and development of various standards for manpower, facilities, infrastructure, curriculum and so on for early childhood care and education services.
 - Improvement of qualifications and competency of educators, counselor and program managers for early childhood care and education services.
 - 2. Provision of support and assistance to the institutions related to early childhood care and education services.
 - Carry out development, evaluation and procurements of various materials for learning, guidelines, curriculum and facilities and infrastructures in line with program needs for early childhood care and education services.
 - Development of policy for collaboration with other relevant institutions like higher learning institutions, technical departments and other organizations to ensure smooth implementation of early childhood care and education services.
 - Provision of technical assistance, guidance and motivation, in particular to the institutions related to early childhood care and education services.
 - Exploration of various financial sources from central and local governments, the community and private sector towards improvement of early childhood care and education services.

- Improvement of good governance and accountability in early childhood care and education services.
 - Carry out sustainable guidance, monitoring and evaluation on the institutions related to early childhood care and education services.
 - Development of collaboration and partnership networks and coordination with various institutions, organizations and related sectors, among others through establishment of consortium, forum and professional organization for PAUD educators.
 - 3. Data collection and consolidation of target group and/or program target of early childhood care and education services.
 - Development and dissemination of communications, information and education materials on early childhood care and education services through printed and electronic media.
 - 5. Development and expansion of various standards and procedures related to early childhood care and education services.
 - Carry out evaluation, monitoring and feasibility study to review quality and for revision of policy in early childhood care and education program.
 - Upgrading and improvement of the management of early childhood care and education services both at central and local levels.

B. IMPLEMENTATION ARRANGEMENTS

The forms of early childhood service delivery, care and education in Indonesia are being implemented by various institutions, both government and the society, such as (a) Kindergarten (TK); (b) Raudhatul Athfal (RA); (c) Play Group; (d) Children Day Care Centre (TPA); Infants' Family Development (BKB); (f) Integrated Health Service Centre (Posyandu), or other equivalent forms. *Kindergarten (TK):* TK is a form of early childhood education through formal channel. The objective of TK is to help establish the foundation for the development of attitude, behavior, knowledge, skill and creativity of child for further development and growth. By attending TK, the children are expected to be better prepared to join primary education. The target for TK education is children between 4-6 years of age which are divided into two groups based on age, i.e. Group A for 4-5 years and Group B for 5-6 years of age.

Kindergarten education is supervised by the government together with professional associations, and the society. The government is represented by the Ministry of National Education and its provincial and district/ municipal offices. Professional associations are represented by the Association of Kindergarten Organizer (GOPTKI) and the Association of Indonesian Kindergarten Teachers-Indonesian Teachers Union (IGTKIPGRI), and the society is represented by the Kindergarten Committee. Currently 99.43 percent of kindergartens are organized by the society and only 0.57% is organized by the government.

A key objective is improvement in the efficiency and effectiveness of educational management among others through the development of Minimum Service Standard (SPM) for the organization of kindergarten education, implementation of Professional Development System (SPP) through kindergarten clustering, application of school-based management, improvement of cooperation among the parties involved in kindergarten education.

Raudhatul Athfal (RA): Similar to TK, RA is one of the formal channels of education. An Islamic kindergarten can even be considered to have no difference with RA. The



difference between RA and the kindergarten (TK) is in the religious nuances the former has. In RA the Islamic atmosphere is very strong and becomes the spirit of the overall teaching and learning process.

As with the kindergarten, RA is established with the objectives of helping to lay the foundation for the development of children's attitude, behavior, knowledge, skills, and creativity that will be needed for their subsequent growth and development. RA target is the same as that of the kindergarten, i.e. children of the ages of 4 to 6 or until the children are ready to begin their primary education. RA falls under the supervision of the Ministry of Religious Affairs.

Playgroup: Playgroup is a type of educational service given to children from the age of 3 until they are ready for primary education. Its activities aim at developing the children's potential to the optimum appropriate to their developmental stage through playing while learning and learning while playing activities. Playgroup targets three age groups, i.e. 3 - 4years old, 4 - 5 years old, and 5 - 6 years old groups. The learning activities are classified into two categories, i.e. (1) those whose objective is to instill basic values such as religious values and good conduct, and (2) those whose objective is to develop language skills, broad and refined motorist skills, sensitivity/emotion, socialization skills, and creativity across all the developmental aspects.

Playgroups are generally organized by a foundation or a non-governmental organization (NGO). Only a few of them are organized by the government, such as those developed by Center for the Development of Learning Activities (BPKB) and Learning Activities Clubs in some regions. Play groups are supervised by the Ministry of Social Affairs/its regional offices and the Ministry of National Education/its regional offices. The Ministry of Social Affairs is responsible for the development of the children welfare aspects and the Ministry of National Education is responsible for the development of its educational aspects. Other Ministries may also organize playgroups on the condition that they refer to the regulations issued by the Ministry of National Education.

Children Day Care Centre (TPA): TPA is a social welfare program to substitute family for a certain period for the children whose parents have to

go to work or for other reasons has to be away from home so that they cannot provide the necessary services to their children. The program is implemented through socialization and pre-school education for children aged between 3 months up to pre-school age. TPA targets are children aged between 3 months and 6 years or even children who have actually been old enough to stay at home (7-8 years). The length of stay in TPA is between 8-10 hours per day, 5-6 days per week.

Children Day Care Center (TPA) provides various services. *Firstly,* services are provided in the forms of care, upbringing, education and health services. *Secondly,* parents' services are given in the forms of family consultation, social counseling on children welfare programs which covers topics such as children growth and development and preschool education. *Thirdly,* community services are given in the form of social counseling on the importance of children upbringing, care, and education, infant socialization, and the role of Children Daycare Center, also provides research and job training facilities for college students and the community in general.

In general, Children Day Care Center (TPA) developing in the society can be categorized into two different types. *Firstly*, the type that develops in the lower level of the society, such as those in the market, hospital and social institutions; it generally functions only as a daycare center. *Secondly*, the type that develops in the middle to the upper class of the society serves more than just a daycare center and also functions as an educational institution equipped with various facilities and is commonly found in large urban settlements where a daycare center has become a necessity.

The Department of Social Affairs is responsible for the children welfare aspect and the Department of National Education is responsible for the educational aspect. Other Government Departments may administer TPA on the condition that they refer to the guidelines established by the Department of National Education. TPA is commonly organized by a foundation or an NGO. Only a small number of it are organized by the government *Infants' Family Development (BKB):* BKB is an activity that is carried out by the society with the purpose of providing the necessary knowledge and skills to parents and other family members on how to promote optimal infant growth and monitor their growth and development. BKB also serves as a means for parents and other family members to improve their understanding and ability to provide care and education to their children. The main target of BKB is families with infants and pre-school children (ages 0 to 6 years). As an organization, BKB is a group whose memberships are parents who have children aged 0 to 6 years. BKB is a non governmental organization (NGO) whose management is carried out by its cadres. A BKB cadre is usually also a cadre of Integrated Health Services Center (Posyandu). In many places, BKB activities have even been integrated with those of the Posyandu.

Relevant to the development of BKB program for families who have children of ages 5 - 6 years old, an educational/counseling program that helps parents and other family members prepare their children for primary school has also been established. This program, called BKB *Kemas* or Infants' Family Development Program for Schooling Readiness, involve both parents and their children (aged 5 - 6), so that the children can get used to the school learning environment. Responsibilities for the BKB program lies with the Ministry of Women Empowerment which formulates the overall policy for BKB. The operational responsibilities, meanwhile, rest with National Coordinating Body for Family Planning (BKKBN). Activities include counseling and home visit.

Integrated Posyandu (POSPAUD): Health and nutrition services for children are provided both by the government through Community Health Center (Puskesmas) and by the community through Integrated Health Services Center (Posyandu). Posyandu is a welfare facility for mother and child that functions as a center providing an integrated health and nutrition services, especially for expecting mothers and children aged 0-5 years. Posyandu is an activity "from the community, for the community, and by the community" with supervision from medical personnel.

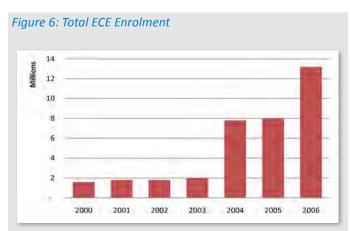
The Posyandu Program constitutes a basic intervention that is preventive in nature by providing services to improve the health and nutrition of children under five years old. In the case where further medical services are needed, patients are sent to the Community Medical Center (Puskesmas). All these programs are part of the community's monthly activities where mothers take their children to receive those services from the health personnel with the help of trained cadres/volunteers. These activities may take place at the house of the village head, the village hall, a meeting hall, or any other place that suits the need.

The leading sector for the development of Posyandu lies with the Department of Home Affairs while the technical responsibility lies with the Department of Health. The operational guidance, meanwhile, is to be provided by the Family Empowerment and Welfare Motivational Team (TP-PKK) of the central government down to the lowest administrative unit of Neighborhood Association.

C. NATIONAL PERFORMANCE IN ACHIEVING EFA GOAL AND RELATED OBJECTIVES

The national target for early childhood education (ECE) is to assure 75% of 0-6 year olds have access to services by 2015 at the latest. There has been a significant increase in access to early childhood programs since 2000. It appears that, as a result of under-recording of Islamic ECE enrolment, overall enrolment in ECE programs prior to 2006 has been underestimated. From 2006, the inclusion of Qur'anic ECE enrolment in national statistics demonstrates accelerated progress towards national targets. Nevertheless,

the current gap from the national target of 75% is 28% and will require continued and s u s t a i n e d measures to address.



Keterangan	2004	2005	2006
Number of Children Aged 0-6 Years Old	28.1	28.2	28.3
Number of Children Receiving Services	7.8 (27.8%)	8.0 (28.4%)	13.2 (46.6%)
a. Kindergarten (TK/BA/RA) ¹	2.2	1.8	2.2
b. Play Group	0.09	1.1	1.1
c. Day Care Centre	0.15	0.18	0.2
d. Similar ECE Unit ²	2.8	2.4	2.6
e. Qur'an ECE			5.6
e. Primary School ³	2.6	2.6	2.7
No. of Children Not Receiving Services	20.4 (72.2%)	20.2 (71.7%)	15.1 (53.4%)

Table 6: Numbers of Children Receiving Early Childhood Education

¹ Data Source: Pusat Data dan Informasi Pendidikan, Balitbang Depdiknas 2004-2006 ² Data on similar ECE consist of Integrated ECE with Infant's Family Development Programs (BKB) and Children Qur'anic Learning (TPQ). Source of data respectively came from National Coordinating Family Planing Board (BKKBN) dan from Minister of Religious Affairs. TPQ data currently reveal in 2006.

³ Data for children until aged 6 year who enroll primary school.



The national target for early childhood care (ECC) is to assure 75% of 0-6 year olds have access to services by 2015 at the latest. There has been a decrease in access to early childhood care programs in recent years. It appears that, despite the number of integrated health posts (Posyandu) having increased (from around 243,000 to 258,400 over the period 2004-2006), the number of children accessing services has fallen from around 10.8 million (2004) to 6.6 million (2006). The result is that the current gap against Governments 2015 target of 75% access to ECC is roughly 52%.

Keterangan	2004 ²	2005	2006
Number of Children Aged 0-6 Years Old	28.1	28.2	28.3
Number of Children Receiving Services	10.8 (38%)	8.6 (31%)	6.6 (23%)
a. Day Care Center	0.015	0.018	0.020
b. Integrated Post	10.8	8.6	6.6
No. of Children Not Receiving Services	17.3 (61.6%)	19.6 (69.4%)	21.8 (76.8%)

Table 7: Numbers of Children Receiving Early Childhood Care

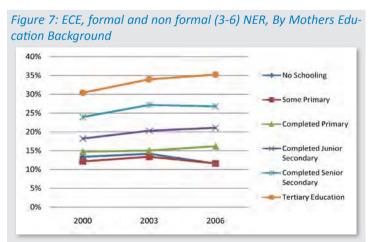
¹ Based on active integrated health post (Posyandu): in 2004 among 245,290 posyandus recorded by Ministry of Health, 85.4% are active; in 2005 there are 246,568 (79.6% active), and in 2006 there are 258,374 (60.7% active). Bold number are prediction data to describe of declining trend of services. The Government has made necessary program for revitalization, such as integrated ECC with ECE in Pos PAUD

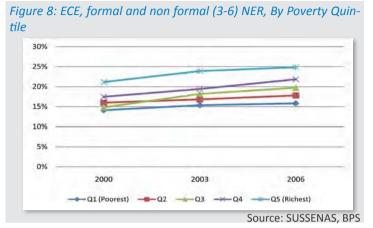
² Data on 2004 based on report National Action Plan Education for All 2005 p. 35

There has been significant expansion of non-formal ECE, including a 10 fold growth in community based playgroups. In contrast to and as a result of more affordable and accessible playgroup provision, overall net enrolment rates in more formal ECE (Kindergarten) appear to be leveling off. In 2006, the net enrolment rate for 3-6 year old children was around 19.5% with a gender parity index of 1. There are some disparities between urban and rural areas, with enrolment rates of 25.4% and 15.4% respectively in 2006. Access disparities between the richest and poorest socio economic quintiles are also significant at 24.8% and 15.8% respectively. Mothers level of education and household socio-economic status both correlate

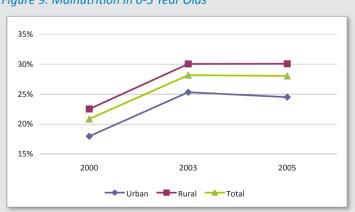
strongly with access to early childhood education (see Figures below).

There is strong international evidence that access to early childhood education and care correlates significantly with child health

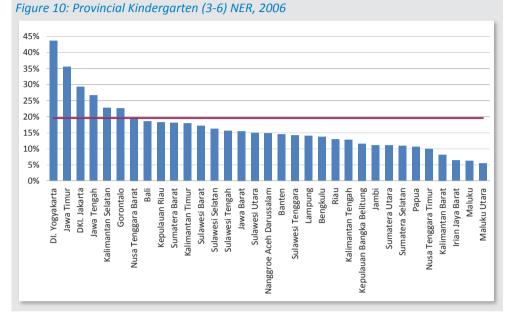




and nutrition. As shown in the Figure above, urban/rural disparities in ECCE access mirror variations in levels of child nutrition. For example, there are also significant provincial disparities in levels in child malnutrition ranging from 41%-42% in Gorontolo and Nusa Tengarra Barat to only 15% in Yogyakarta (which has the highest rate of access to early childhood education). In broad terms, these patterns are reflected in urban/ rural and provincial profiles for other child health indicators such as infant mortality, child immunization rates and access to micro nutrient supplements. While improved health education programs within ECE and ECC centres can positively impact on child health performance indicators, it is recognised that uneven access to safe water and sanitation constitutes a significant constraint and is being included in ECE curricula and public education campaigns.







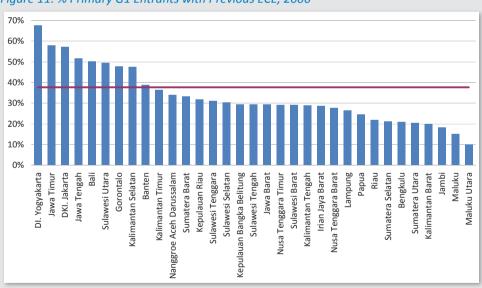


Figure 11: % Primary G1 Entrants with Previous ECE, 2006

D. KEY PERFORMANCE VARIATIONS

Since 2000, access to early childhood education has expanded significantly. For 3-4 year olds, net enrolment rates have grown from 12.4% to

15.3%, for 5-6 year olds from 19.9% to 23.8%. However, there are wide disparities in ECE access across the different provinces. Net enrolments for 3-6 year olds ranges from 43.7% (Yogyakarta) to 6.1% (Maluku). Five provinces (Irian Jaya Barat, Maluku, Maluku Utara, Kalimantan Barat and Nusa Tenggara Timur) have NERs of less than 10%.

The growth in early childhood education opportunities is having a positive knock-on effect in terms of students being exposed to ECE experiences ahead of primary school enrolment. The percentage of students with previous ECE experience has risen from 17.7% in 2000 to 37.7% in 2006. In the long-term, this ECE exposure is likely to improve student's primary school readiness and lead to improved primary school performance. Nevertheless, there are significant provincial variations. In 2006, 67.7% and 58.0% of primary grade 1 entrants in Yogyakarta and East Java respectively had received previous ECE experience. In Maluku, Maluku Utara and Jambi, less than 20% of primary grade 1 entrants had any ECE exposure.

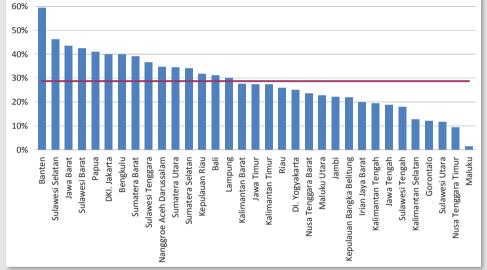
These variations are due to a number of factors. Most of formal kindergarten provision (99% of total) is private. Therefore, families' capacity and willingness to pay (understanding the importance of ECE) is a key factor in both levels of demand and capacity to provide services. A grow-



ing feature is bypassing ECE and its costs through early enrolment into grade 1 of primary school. For example, in 2004/05, of the 4.5 million enrolled in grade 1, 2.7 million (60%) were aged 5 or 6 years old.

There are significant provincial variations in the levels of underage enrolment in primary school. In 2004/05, 5 and 6 year olds constituted 10.6% of overall primary school enrolment. This pattern ranged from 8%-9% of enrolment in Banten, NTB, Sumatera Barat and Gorontolo to around 13%-15% in Malaku, Jakarta, East Kalimantan and West Sulawesi. Key factors affecting these patterns include limited availability of ECE provision, inabilities of poor families to pay for ECE and the growing availability of spare primary school facilities as primary school enrolment begins to decrease in line with demographic trends.

Figure 12: % Of Formal Kindergarten Teachers with Diploma/Graduate Level Education Background, 2004/05



There are significant variations in the level of academic and professional qualifications of ECE teachers. Overall, only 28% of teachers have diploma/graduate qualifications. Less than 50% have ECE professional training in ECE teacher training schools or colleges. There are significant provincial variations. In Banten, almost 60% of ECE teachers have at least a diploma level qualification, compared to Maluku where only 9 out of 647 ECE teachers (1.4%) have a diploma or graduate qualification. In broad terms, the pattern of ECE teacher qualification mirrors levels of ECE participation rates and demand. Comprehensive data is limited for the qualifications and education background of non-formal and informal ECE organizers

(e.g. playgroup leaders). Improved mapping systems for this ECE cadre is required in order to plan and implement staff development programs.

A number of factors contribute to these patterns in teacher qualification. Variable access to ECE teacher training opportunities is one factor. A second factor is that higher levels of demand for private kindergarten classes, especially in the urban areas, stimulates the supply of ECE teachers and demand for training. A third factor is that ECE teacher remuneration is determined by individual private kindergartens, related to the level of fees they charge. Consequently, in better off areas, there is a greater incentive for qualified teachers to accept ECE teaching positions and also there is a greater potential supply of qualified teachers in these areas, including qualified mothers who wish to return to paid work.

E. SELECTED SUCCESS STORIES AND CHALLENGES

Community Involvement in Kindergarten Provision. Kindergarten education is supervised by the government together with professional associations, and the society. The government is represented by the Ministry of National Education and its provincial and district/municipal offices. Professional associations are represented by the Association of Kindergarten Organizer (GOPTKI) and the Association of Indonesian Kindergarten Teachers-Indonesian Teachers Union (IGTKIPGRI), and the society is represented by the Kindergarten Committee. Currently 99.43% of kindergartens are organized by the society and only 0.57% is organized by the government.

The key challenges include: i) Government adopting a clearly defined and understood enabling function (e.g. targeted funding, quality assurance) without potentially crowding out continued community involvement and contributions and ii) strengthening community capacity to plan and manage community run ECE through both kindergarten and other approaches.



Innovative Models for ECE Provision. The Ministry of National Education is adopting a number of approaches to expand ECE access in underserved areas, including: i) the improvement in the distribution and expansion of opportunities for chil-

dren of kindergarten ages to attend kindergarten by building new school units (USB) of pilot project public kindergartens and pioneering one-roof Kindergarten-Primary School model, ii) alternative model services, such as Foster Kindergarten (*TK Asuh*), Nature Kindergarten (*TK Alam*), Kindergarten within the premises of places of worship (*TK di lingkungan tempat ibadah*), iii) mobile Kindergarten (*TK Keliling*), Children of the Beach Kindergarten (*TK Anak Pantai*), iv) kindergarten in the place of work (*TK di Lingkungan Kerja*) and v) stilted House Kindergarten (*TK Panggung*), University Students' Community Service Internship Kindergarten (*TK KKN Mahasiswa*) and Qur'an Kindergarten (*TK Al Qur'an*).

A number of challenges need to be addressed, including: i) rigorous analysis of the sustainability of some of these models, taking account of continued willingness and capacity of communities to contribute, ii) analysis of which of these models can be potentially expanded into nationwide programs for access and quality improvement and iii) analysis and planning of capacity development programs needed to both sustain and expand some of these ECE innovations.

Expanded ECE Professional Development. The improvement in the educational quality through Professional Development System in the education and training of kindergarten teachers and supervisors, improvement of kindergarten teachers qualification through two-year diploma kindergarten teachers education (DII-PGTK), improvement of kindergarten/primary school supervisors' performance through specialization training for kindergarten/primary school supervisors. Challenges include: i) developing a clear ECE teacher career path and certification system, possibly within the new teachers law and regulations, ii) expanding teacher training opportunities and the cadre of ECE professional teacher trainers, especially in currently underserved areas and iii) expanding ECE public education programs to stimulate demand for ECE and encourage qualified personnel to see ECE as part of a viable career path.

Increased Mobilization of Community Based ECE Playgroups. Playgroups are generally organized by a foundation or a non- governmental organization (NGO). Only a few of them are organized by the government, such as those developed by Center for the Development of Learning Activities (BPKB) and Learning Activities Clubs in some regions. Play groups are supervised by the Ministry of Social Affairs/its regional offices and the Ministry of National Education/its regional offices. The Ministry of Social Affairs is responsible for the development of the children welfare aspects

and the Ministry of National Education is responsible for the development of its educational aspects. Other Ministries may also organize playgroups on the condition that they refer to the regulations issued by the Ministry of National Education.

Key challenges include: i) measures to ensure the sustainability of playgroups through small targeted block grants, ii) selective support for play group capacity building, especially the training of playgroup managers and organizers, alongside steps to ensure

Early Childhood Education: Quality Assurance and Support

ECE in Indonesia is predominantly run by communities and the private sector, which constitute 99.9% of provision. Government is taking steps to provide support for quality assurance through various partnerships.

Key mechanisms include: i) establishing the ECE forum and ECDE consortium, ii) mobilising support from professional associations and iii) organising programs through religious centres and women's organisations and ECE centres through various Universities. Many of these arrangements include ECE model schools which can be used to trial materials and upgrade teachers.

playgroup organizers have a potential career path and iii) strengthening MoNE and MoRA capacity to provide technical support and quality as-



surance, including regulation of ECE curricula and ECE play group performance monitoring.

Use of Children Day Care Centers. Children Day Care Centers (TPA) provide various services. Firstly, services are provided in the forms of care, upbringing, education and health services. Secondly, parents' services are given in the forms of family consultation, social counseling on children welfare programs which covers topics such as children growth and development and preschool education. Thirdly, community services are given

in the form of social counseling on the importance of children upbringing, care, and education, infant socialization, and the role of Children Daycare Center, also provides research and job training facilities for college students and the community in general.

Key challenges include: i) stimulating demand for families to use these centres, though public information campaigns, ii) clarifying and simplifying the range of services provided by centres according to community needs, iii) ensuring that staffing and other resources are aligned with defined services and responsibilities and iv) strengthening coordination capacity between various ministries, including TPA performance monitoring and quality assurance.

Infant Family Development Systems (BKB). BKB is an activity that is carried out by the society with the purpose of providing the necessary knowledge and skills to parents and other family members on how to promote

optimal infant growth and monitor their growth and development. BKB also serves as a means for parents and other family members to improve their understanding and ability to provide care and education to their children. The main target of BKB is families with infants and pre-school children (ages 0 to 6 years). As an organization, BKB is a group whose memberships are parents who have children aged 0 to 6 years. BKB is a nongovernmental organization (NGO) whose management is carried out by its cadres. A BKB cadre is usually also a cadre of Integrated Health Services Center (Posyandu). In many places, BKB activities have even been integrated with those of the Posyandu. The challenge is to ensure the sustainability of BKB initiatives through measures which encourage mothers and other family members to help manage and run these grass roots ECE activities.

Another challenge is to address the uneven provision of ECE/ECC through Posyandu which constitutes a potential constraint on access to child health provision, especially to ensure effective immunization and other health care provision. As a result, child and maternal health education provision within the ECE programs is a priority in order to promote and advocate use of available ECC facilities.



F. KEY STRATEGIC PRIORITIES AND ISSUES

Ensuring Improved ECE Access and Equity. Strategic priorities include:

- Raising levels of awareness among parents and the community on the importance of early childhood care and education and stimulating parental attention to the proper care and education of their children.
- Addressing cost barriers in accessing ECE, especially in poorer areas, through providing ECE closer to home and poverty targeted financial support to poorer households.



- Increasing the availability of early childhood care and education institutions, both in number and distribution, particularly in rural or remote areas, including more flexible use of existing public facilities and infrastructure.
- Developing sustainable strategies for integrated early childhood education and early childhood care for 0-4 year olds, based on an analysis of which current models are cost effective and sustainable.

Improving Quality and Quality Assurance of ECE Services. Strategic priorities include:

- Increasing the number and quality of ECE educators, counsellors and program managers for early childhood care and services through expanding ECE teacher, manager and playgroup organiser training opportunities and institutions.
- Expanded availability of facilities and other infrastructure owned by early childhood care and education institutions, alongside

strengthening MoNE guidelines on ECE facilities requirements and standards and quality monitoring.

- Clear objectives and curricula for different ECE/ECC age groups, clarifying the balance between social, physical and cognitive growth set out in well defined ECE/ECC minimum standards.
- A clearer legislative and regulatory framework for integrated ECE/ ECC in order to set out the roles and responsibilities of education, health and social affairs ministries and as a basis for promoting and managing inter-ministerial and community based networks.

Strengthening Governance and Accountability Systems for ECE Services. Strategic priorities include:

- Effective dissemination of the role and responsibilities of Government, private sector and community groups for ECE/ECC, clarifying that the role of Government will be predominantly policy development and quality assurance, alongside enabling selective equity based provision.
- Strengthening of Government/private sector and community capacity for monitoring and evaluation of various ECE/ECC initiatives in order to develop nationwide programs that are sustainable and cost effective.
- Strengthening mechanism and selective incentives that promote collaboration/partnership among various related institutions, organizations and sectors to improve the efficiency and effectiveness of management.
- Strengthening ECE/ECC planning and information systems as a basis for program policy formulation (planning, implementation and evaluation) for early childhood care and education services.
- Publication of an annual ECE/ECC performance report, which sets out progress in achieving Government policies and plans and proposals for changes in ECE/ECC strategy, programming and financing by Government and other sources.