

## INDONESIA

### Country Summary of Higher Education

#### **Background:**

**Recent expansion of tertiary education sector:** Higher education in Indonesia has steadily expanded since the enactment of the Education Act in 1961. The growth of the sector became rapid as Indonesia experienced high economic growth in 1970s. The student population in higher education had grown from 231,000 in 1973, the end of the first Five-Year Development Plan, to nearly three million in 1998, the end of the sixth Five-Year Development Plan. Gross Enrollment Rates increased from 1.97% to 11.54% during the same period<sup>1</sup>. In 2005, more than 3.5 million students were enrolled in over 2,300 Higher Education Institutions (HEIs)<sup>2</sup>.

**Tertiary education system:** Indonesian higher education system consists of university, institute, school, academy, and polytechnic in both public and private sectors. A university covers comprehensive disciplines with multiple faculties while an institute offers a single field of discipline, such as agriculture, with multiple faculties. Faculty is a single faculty institution. An academy and a polytechnic are a vocational HEI that provides professional skills and Diploma degrees. An academy focuses on science and humanities while a polytechnic focuses on engineering and related science. Most of Indonesian HEIs are managed by the Ministry of National Education and the Ministry of Religious Affairs.

**Quality assurance mechanisms:** There are internal and external accreditation systems in the higher education sector in Indonesia. The internal accreditation was recently introduced at some prestigious universities in the late 1990s for the purpose of continuously improving quality of higher education service. The external accreditation is conducted by the National Accreditation Board for Higher Education, which was established in 1994 to assess and accredit academic programs in public and private HEIs. Currently, the board is introducing institutional accreditation and will start piloting in later this year or early 2008. It is the only accreditation body in the Indonesian higher education system, based on National Education Act and Government Regulation on Higher Education. The accreditation process by the Board was mandatory for all the programs in HEIs by 2001, but it is currently a voluntary activity based on the study program request. Through the accreditation process, undergraduate and diploma programs are categorized into four levels from A (satisfactory) to D (unsatisfactory) while post-graduate programs are categorized into three levels: U (excellent), B (good), and T (fair).

**Government Strategy & Policy Reforms:** In 2003, the government introduced the Higher Education Long Term Strategy 2003-2010 (HELTS) as an important part of a comprehensive package of reforms covering macroeconomic management, financial sector reform, and policies to increase investment and reduce poverty. The main objective of the HELTS is to improve the quality of higher education, thereby helping to alleviate shortages of higher-level skills that are slowing investment in the economy and the absorption of new technologies. The HELTS particularly focuses on decentralizing public HEIs and making them autonomous institutions, changing public expenditure for higher education into a combination of block grants, competitive grants, and performance-based grants. These resources transfers will focus on improving not only education quality, but also governance, efficiency, and equity. With its emphasis on reforming governance in the sector and developing innovative public financing tools, the HELTS can be viewed as a significant experiment in improving the management and governance of public sector organizations.

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<sup>1</sup> Sector Study for Higher Education in the Republic of Indonesia, JBIC, 2003

<sup>2</sup> Higher Education in South-East Asia, UNESCO, 2006

## Summary Data Table on Higher Education (Data in 2005/2006)

Enrollment	Total Enrollment	2,691,810
	% of Female	43.8 %
	% of Private	61 %
Gross Enrollment Rate	Total	12.8%
	Male	
	Female	
Student Teachers Ratios		15:1
Teaching Staff	Total Number	173,487
	% of Female	39%
	% of teachers with Post Grad.	40%
	% of teachers with Doctorate	4%
Gross Graduation Rates*	Total	9.1
	Male	10.2
	Female	7.9
Total Public Expenditure on Education	% of GDP	0.9
	% of Govt. Expenditure	9.0
Total Public Expenditure on Higher Education	% of Govt. Expenditure	21% (2004)
Number of Higher Education Institutions	Total	2862
	University	431
	Institute	47
	School	1242
	Academy	997
	Polytechnic	145
	Public	82
	Non-Public	2780

Source: Global Education Digest 2006, UNESCO/ [http://www.depdiknas.go.id/index.php?option=com\\_wrapper&Itemid=129](http://www.depdiknas.go.id/index.php?option=com_wrapper&Itemid=129)

\* Number of graduates regardless of age in a given level or program expressed as a percentage of the population at the theoretical graduation age for that level or program

### Issues:

Access	<ul style="list-style-type: none"> <li>Gross Enrollment Rate (12.8%) is low compared with other countries in Asia, such as Thailand (31.9%), Malaysia (28.3%), and the Philippines (29.4%).</li> </ul>
Equity	<ul style="list-style-type: none"> <li>Economic and regional disparity in access needs to be improved. For example, only 3.3% of students from the lowest income quintile attend a HEI, while 31% of those from the highest income quintile.</li> </ul>
Quality	<ul style="list-style-type: none"> <li>There is a need to increase qualified staff and develop a solid system for supporting high-quality study programs and research.</li> <li>Only 9.1% of 4,925 public and private undergraduate programs received an “excellent” rating.</li> </ul>
Relevance	<ul style="list-style-type: none"> <li>Mismatch/gaps of field of study and graduates competence with job market</li> <li>Gaps on research between industry and university</li> <li>High rate of graduates unemployment</li> </ul>
Financing	<ul style="list-style-type: none"> <li>Public spending on all levels of education in 2004 was only 2.4% of GDP compared with an average of 3.2% in other East Asian countries.</li> <li>95% of the recurrent budget is spent on the salaries of faculty and staff.</li> </ul>
Governance/ Management	<ul style="list-style-type: none"> <li>HEIs need more autonomy, leaving decision-making to key stakeholders. Governance has been centralized for budgeting of public expenditure, human resource management, and overall decision making.</li> </ul>