

INDONESIA VISIT REPORT

Opportunities for UK-Indonesia collaboration

UNIVERSITIES UK INTERNATIONAL, BRITISH EMBASSY, BRITISH COUNCIL
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INTRODUCTION

Indonesia is the fourth most populated country and has one of the world's largest higher education systems. The Government has implemented a broad range of reform policies, with a strong emphasis on reforming higher education and research.

This report aims to help UK universities to engage with Indonesian institutions. The first section provides a summary of a recent high-level delegation to Jakarta. The second section presents an overview of the Indonesian higher education system and the current levels of UK-Indonesian collaboration. The concluding section sets key opportunities for UK universities' to work with Indonesia in the years to come.

DELEGATION SUMMARY

- In November 2019 President Jokowi announced his new Cabinet, following his inauguration as President for a second term. The ministry responsible for higher education, Ristekdikti was split between two separate Ministries; Mendikbud (Ministry for Education and Culture) and BRIN (National Research & Innovation Agency). Going forward, BRIN has responsibility for science and research, including Newton, under the leadership of Minister Bambang Brodjonegoro (former Minister for National Planning). Mendikbud is responsible for HE policy, including student mobility, skills, TVET and TNE under Minister Nadiem Makarim (the former CEO of GoJek, one of Indonesia's largest start-up companies).
- In this context, the British Embassy Jakarta, British Council and Universities UK International (UUKi) organised a visit by senior representatives from ten UK universities from 4-7 November. The visit was the first such visit from any country since President Jokowi's re-election for a second term and since he reshuffled his cabinet and reorganised his ministries. During the four-day programme, delegates met a range of key Government and institutional representatives from the higher education and research sectors.
- The National Planning Agency (Bappenas) briefed on Indonesia's ambitious 2024 targets for increasing higher education delivery and academic attainment. The Head of the Indonesian scholarships fund (LPDP), described how the dramatic budget increase for scholarships (from £145m to £2.4bn) would target more Indonesian students at postgraduate and doctoral level to enable their studies at more UK

institutions. Since 2013 more than 3000 Indonesian students studying in the UK have been funded through this scheme. From Deputy Chief of Staff to the President (and Chevening alumnus), Prof Yanuar Nugroho, the delegation heard first-hand how Jokowi plans to invest in higher education, including opening the sector to more overseas collaboration and pushing Indonesia's top three universities into the world's top 500.

- Meetings at DG and PUS level in the Ministry for Education and the Ministry for Research and Innovation outlined how the two Ministries will work together to ensure a strong relationship between higher education and research. The visit also included briefings from the Ministry of Industry on how the sector is preparing students for Industry 4.0.
- With the ASEAN Secretariat Directorate for Education, Youth and Sports, the delegation committed to outlining the full range of higher education and research collaboration taking place across the ASEAN region, and explored options for increasing bilateral partnerships with ASEAN projects outside existing EU-led efforts. For many of the delegation, this was the first time engaging with ASEAN, and all recognised the benefits of the grouping as a multiplier of bilateral efforts.
- Together with several Indonesian polytechnic colleges, representatives from the maritime industry and Ministry officials, the delegation supported the launch of the PF-funded Skills for Prosperity programme for Indonesia. The £8m programme will seek to demonstrate a new model for vocational education in the maritime sector (another Jokowi priority). It will work over four years in four locations (Surabaya, Batam, Semarang and Manado) to develop vocational curricula which ensure Indonesian students have the necessary technical and digital skills for future employment in shipbuilding, port management and logistics, the seafarer industry and in the broader maritime economy.
- On research collaboration, the delegation was able to celebrate the success of Newton Fund joint projects in Indonesia. Together with the Indonesian Institute for the Sciences (LIPI) they also explored wider areas for future scientific research partnerships, including in biodiversity, life and social sciences. The delegation was also able to support lobbying on recent retrograde changes to the research visa application process.

CONTEXT

Indonesian Higher Education Sector

Indonesia's higher education system is composed of public, private and Islamic institutions. In total, there are more than 4,650 universities, of which the vast majority are private and only under half are accredited. While access to Higher Education is growing, only 8.8% of the population has a tertiary qualification. Public institutions tend to be more prestigious, and competition for places at top state institutions is fierce. However, the quality of provision across the sector is variable, and only 14% of lecturers have doctoral

qualifications. Positive economic prospects suggest that the Indonesian Higher Education sector is expected to continue to expand rapidly.

According to research by the World Bank, Indonesia will need to double its current productivity rate and find an additional 3.8million skilled workers per year to maintain its current growth rate. This is a considerable challenge and improving secondary education outcomes, as well as vocational education is a personal priority for President Jokowi, who is determined to provide a fit-for-purpose education system to keep pace with the regional competition.

The internationalisation of the Indonesian higher education sector is considered to be below the regional average. Indonesia's outbound student mobility numbers are small for a country of Indonesia's size and per capita income. In 2016, there were 46,000 Indonesia international students in universities abroad, representing only 1% of the global flow of internationally mobile students in tertiary education (by comparison, China was the largest contributor with 790,850 students).

Transnational education (TNE) has been proposed as one method by which Indonesia might improve the quality of its domestic capacity. However, Indonesia is relatively late in embracing TNE as part of its internationalisation strategy. Indonesia's reluctance is focused on two main objections: vested interests making money from the private university system across Indonesia and fears that TNE will create a two-tier education system.

The country's scholarly output is low, particularly when considering the population size, but is growing rapidly. Under the Ten-Year Plan (2015 – 2025), Indonesia is looking to build infrastructure and funding mechanisms for research. The total number of publications increased by more than a factor of ten between 2007 and 2017, from 1,366 to 19,685 per year. However, there has been a decrease in citation, which on average reaches 45 per cent per year. In terms of impact, the average field-weighted citation impact (FWCI) for Indonesian scholarly output was 1.02 in 2017 versus 0.93 in 2007, though there was not a constant improvement over this period. The proportion of Indonesian scholarly output produced with an international co-author fell from 64.5 per cent in 2007 to 21.1 per cent in 2017.¹⁶ The country's share of world publications for 2017 stood at 0.65%, which is low considering their population size, with a total of about 75,220 research documents produced.

UK-Indonesian collaboration

Student recruitment

The number of Indonesians studying abroad, and particularly in the UK, has expanded in recent years. As the demand for higher education has increased, Indonesia's education sector has struggled to absorb its growing number of students. In 2018, the UK was the fourth most popular host country for Indonesian students studying overseas, after Australia (11,040) and the United States (9,304) and Malaysia (5,823), according to UNESCO data.

The number of Indonesian students studying in the UK has been growing from 2012/13. The most recent figures show that 3000 Indonesian students were studying in the UK in the academic year 2017/18 (1,685 PG and 1,315 UG). There is an array of scholarships that have been used to encourage Indonesian mobility; including the Indonesia Endowment Fund for Education (LPDP), MORTHE's BUDI and PMDSU scholarships, and those from the Ministry of Religious Affairs. Erasmus Plus Masters Programme, Chevening, and scholarships coming from the Islamic Development Bank are also all motivators for study abroad.

Transnational education (TNE)

UK TNE in Indonesia is a tiny proportion of the regional total but increasing. In 2017-18, 780 students studied for a UK qualification in Indonesia and 48 UK institutions reported some students in Indonesia. The total number of students studying via TNE grew by 355 from 2013/14 to 2017/18, with the majority (76%) of UK TNE students at undergraduate level. The most common form of TNE delivery is 'Distance, flexible, or distributed learning' (42%) and this was the fastest-growing form of provision in Indonesia, with a growth of 14% from 2016-17 to 2017-18.

Changes to regulations could present an opportunity for UK TNE. In 2018, a ministerial regulation that enacts a 2012 law authorising the establishment of foreign university campuses was a significant step towards TNE in Indonesia. The October 2018 regulation provided the following clarity on the criteria to be applied by the Ministry in approving an IBC in Indonesia

- IBC must be located in an economic zone (SEZ)
- The foreign university must be ranked in the top 200 universities in the world
- IBC must be a non-profit-based institution
- IBC must collaborate with Indonesian universities
- IBC must offer at least two study programmes
- IBC must provide programmes identified as a priority area for the state

However, as policies are still being bedded down, the precise implementation details remain to be worked out.

Research collaboration

UK-Indonesian collaborations produced 984 co-authored publications between 2015-2018. The most significant research areas for UK-Indonesian collaborations in the fields of Agricultural and Biological Sciences, Engineering, Environmental Science, Medicine and Social Science. Among the top ten countries collaborating with Indonesia, the UK achieves the third-highest Field-Weight Citation Impact (4.81), after Indonesia-France (5.44) and Indonesia-South Korea (5.38) collaborations, respectively. The Newton Fund in Indonesia has increased from an initial allocation of £2m per year to £3m per year, bringing the total UK commitment between 2014 and 2021 to £18 million.

High-profile bilateral initiatives, including the Newton programme and Grand Challenges Fund, are also creating the conditions for international research collaboration. The Newton Fund in Indonesia is widely seen as a successful example of international cooperation by Indonesian partners. To date, it has funded joint research projects, institutional links, postdoctoral fellowships on STEM skills and extensive facilities, PhD scholarships, and leadership in innovation fellowships.

FUTURE LOOK ON UK-INDONESIAN COLLABORATION

Key messages:

The UK has a diverse, world-leading higher education system

Our universities:

- Pursue ground-breaking research: The UK represents 0.9% of the world's population but produces 9.9% of downloaded articles, 10.7% of citations and 15% of the world's highly cited articles.
- Educate the workforce of tomorrow: In 2016–17, 2.32 million students were studying at UK higher education institutions; 90% of graduates in work or further study six months after graduation (DLHE); UK ranked 1st in the world by international students.
- Are critical actors in innovation eco-system and central to local growth: an estimated £95bn for the UK economy and support nearly 950,000 jobs
- A vital strength of the UK HE sector is its diversity: institutions differ in size, subject focus, research interests, infrastructure and priorities. This enables the sector to meet the needs of different types of student and partner.
- There were 458,490 international students in the UK in 2017-18 – 19.6% of the total student population
- One in five staff at UK universities are international – 87,615 from over 180 countries
- More than half of all UK research outputs have an international co-author
- 707,915 students were on the UK's HE TNE programmes in the year 2016-17: 1.6 times the number of international students in the UK in the same year.
- The UK university sector is also world-leading in university-business links. The UK Government is seeking to boost R&D by over £80bn over the ten years from 2018; devolve skills and innovation to city-regional level actors; implement a Knowledge Exchange Framework (KEF); back the patient capital review to fund long-term innovation.

Strengthening and diversifying links with Indonesia is a priority for the UK Higher Education sector

- Higher Education and Research are one of the UK's greatest strengths, and the UK Government is committed to helping build long term, sustainable partnerships between the UK and Indonesia.

- The UK is the fourth most popular destination globally for Indonesian students and Indonesia's fifth most frequent research partner.
- Collaboration with Indonesia through Newton and other bilateral programmes, will not only benefit UK and Indonesian universities but can help make the world a better place –addressing global challenges and driving prosperity.

The UK stands ready to support President Jokowi's priorities

- Education and TVET collaboration is a high priority for the UK-Indonesia bilateral relationship
- The UK is well-positioned to support President Jokowi's ambitions to develop human capital to improve Indonesia's competitiveness in the international market and narrow the vocational skills gaps
- English language skills are at the heart of our offer

Opportunities:

• **The implementation of the Indonesian Government National Medium-Term Plan (RPJMN) 2020-2024:** To meet the ambitious goals set out in the RPJMN, Indonesia is expressing a new willingness to open its education sector to the world. UK universities are well-placed to support Indonesia's ambitions for higher education through innovative partnerships, skills development, and system-level exchange.

Higher education

- **Government scholarships:** The dramatic budget increase for the Indonesia Endowment Fund for Education (LPDP) scholarships (from £145m to £2.4bn) will target more Indonesian students at postgraduate and doctoral level to enable their studies at more UK institutions.
- **Transnational education:** Despite regulatory barriers, the Government appears keen to make greater use of TNE as a mechanism to address growth and improve quality. The Ministry's increasing acceptance of blended-learning provision is a positive development and may also be the first step in greater liberalisation of the Indonesian approach to cross-border provision.
- **Student mobility to the UK:** A large proportion of undergraduates receive no financial backing – an average of 85 per cent over the last three years. UK universities would warmly welcome more Indonesian students and are encouraged to highlight the introduction of the Graduate Route, a post-study work (PSW) visa.
- **Student mobility to Indonesia:** there may be scope to increase bilateral partnerships with ASEAN projects outside existing EU-led efforts
- **Private institutions:** Indonesia has seen a dramatic shift toward private provision. As enrolments rise, UK universities can support with accreditation and international recognition of qualifications from private institutions.

Skills development:

- **Skills for Prosperity programme:** This £8 million initiative aims to improve human capital development focused on the maritime sector. UK universities with expertise in skills development are encouraged to pursue the opportunity to establish centres of excellence relating to maritime skills.
- **Industry engagement in vocational education:** To increase industry engagement in vocational higher education, there may be demand for the UK to share experiences in developing skills for employability, and partner with Indonesian institutions in this area.
- **English language training:** Indonesia set out the ambition for its top universities to develop their English language skills to allow them to compete internationally. There may be scope for the UK to support with subject-specific ELT.

Research Collaboration:

- **Research collaboration:** Both countries recognise research collaboration through the Newton Fund as a standout success. There will be scope to build on the work accomplished in the Newton Priority areas, especially with industry participation, where relevant.
- **University-Industry research partnerships:** Indonesia had ambitions to increase cooperation between university and industry. There may be demand for the UK to share experiences in developing UK-Industry links, and to partner with Indonesian institutions in this area.