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DEPARTMENT OF STATE
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
AMERICAN EMBASSY, JAKARTA, INDONESIA

PROJECT PAPER

PROFESSIONAL RESOURCES DEVELOPMENT II

PROJECT NO. 497-0275

Office of Education & Human Resources Development
May, 1978

Professional Resources Development II
Indonesia

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Required are ". . . administrators who realize that in a rapidly changing society, with a rapidly increasing population, and all the additional social changes following from it, administrative procedures should be capable of continuous adjustment to demands and needs arising from those changes, and from the greater political awareness of larger parts of the population than before."

Dr. Soedjatmoko, former Ambassador to the United States and presently Social and Cultural Advisor to BAPPENAS in "National Policy Implications of the Basic Needs Model, Prisma 9, Indonesian Journal of Social and Economic Affairs (March, 1978).

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10. ESTIMATED COSTS (\$000 OR EQUIVALENT \$1 -)						
A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B. PR	C. L/C	D. TOTAL	E. PR	F. L/C	G. TOTAL
AID APPROPRIATED TOTAL	5,000		5,000			5,000
GRANT:						
LOAN:	5,000		5,000			5,000
OTHER U.S.:						
HOST COUNTRY		800			3,628	
OTHER DONOR(S)						
TOTALS	5,000	800	5,000		3,628	5,000

11. PROPOSED BUDGET APPROPRIATED FUNDS (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		E. 1ST FY		H. 2ND FY		K. 3RD FY	
		C. GRANT	D. LOAN	F. GRANT	G. LOAN	I. GRANT	J. LOAN	L. GRANT	M. LOAN
(1) EH	B 601		600		5,000				
(2)									
(3)									
(4)									
TOTALS									

A. APPROPRIATION	N. 4TH FY		O. 5TH FY		LIFE OF PROJECT		12. IN-DEPTH EVALUATION SCHEDULED
	D. GRANT	P. LOAN	R. GRANT	S. LOAN	T. GRANT	U. LOAN	
(1)						5,000	MM YY <div style="border: 1px solid black; display: inline-block; padding: 5px;">09 80</div>
(2)							
(3)							
(4)							
TOTALS						5,000	

13. DATA CHANGE INDICATOR. WERE CHANGES MADE IN THE PID FACESHEET DATA, BLOCKS 12, 13, 14, OR 15 OR IN PRP FACESHEET DATA, BLOCK 12? IF YES, ATTACH CHANGED PID FACESHEET.

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 1 = NO
 2 = YES

14. ORIGINATING OFFICE CLEARANCE		15. DATE DOCUMENT RECEIVED IN AID '9, OR FOR AID '9 DOCUMENTS, DATE OF DISTRIBUTION	
SIGNATURE <p style="text-align: center;">Thomas C. Niblock </p>	DATE SIGNED <p style="text-align: center;">MM DD YY <div style="border: 1px solid black; display: inline-block; padding: 2px;">05 15 78</div></p>	MM DD YY <div style="border: 1px solid black; display: inline-block; padding: 2px;">05 25 78</div>	
TITLE <p style="text-align: center;">Director, USAID/Indonesia</p>			

PART I - SUMMARY AND RECOMMENDATIONS

A. Recommendations:

It is recommended that a loan be authorized for \$5,000,000 with the following proposed terms:

1. Maturity: Thirty years including a ten-year grace period.
2. Interest: Two percent per annum during the grace period and three percent per annum thereafter.
3. Currency: Interest and principal repayable in U.S. dollars.

B. Description of the Project:

Professional Resources Development II (PRD II) will provide the training and technical assistance required to implement comprehensive staff training plans for two Government of Indonesia (GOI) departments, so that they will be more effective in designing and executing development programs to assist the rural poor. The agencies to be strengthened through the upgrading of their training capabilities are the Department of Agriculture (DOA) and the Department of Education & Culture (DOE).

AID loan funds will support degree and short-term training and technical assistance in project management, selection and placement of participants and in the development of a substantial number of in-country training programs. The mix of these various forms of training and assistance will provide an integrated project responsive to the pressing requirements of the two departments to rapidly strengthen their in-service training capabilities and to produce sufficient numbers of personnel adequately skilled in planning and implementing programs and projects beneficial to the people of Indonesia. It was jointly agreed by the Government of Indonesia and USAID that

PRD II should focus on developing the administration and project management areas, essentially at the second and third echelon of leadership, and that training efforts should increasingly be directed toward improving local level development planning, administration and management.

This is the second loan in a series directed toward improving development management skills in key cooperating country departments. The first Professional Resources Development I (0261) was authorized in FY1977 and is designed to upgrade the capabilities and effectiveness of the personnel of three GOI agencies: the National Development Planning Institute (BAPPENAS), the National Institute of Administration (LAN), and the Department of Finance (DOF). This project also provides training abroad at levels commensurate with needs; for the training of trainers; as well as for the support of substantial in-country formal education and in-service training.

Both Professional Resources Development I and II represent an expansion of the USAID's commitment to education and training. This increase in assistance is made to better meet the GOI's long recognized and continuing need for project management and administration training; and while human resources development has always been a major thrust of this Mission as stated in each Annual Budget Submission (ABS), there is today an even greater Mission emphasis on the upgrading of cooperating country personnel.

These projects relate directly also to Indonesia's development plans. The Second Five Year Plan (Repelita II, April, 1974 to March 1979) assigns priority to the development of agriculture and the social sector with particular emphasis on reaching the rural communities. While the Third Five Year Plan is still being designed, all indications are that it will continue the priorities of Repelita II and will place strong emphasis on food production and improving social services. The GOI

recognizes that the successful implementation of these national Development Plans depends on the administrative and management capabilities of the key departments. It has found that bureaucratic and administrative inefficiencies have slowed the allocation of resources and have prevented the timely implementation of planned activities funded by the GOI or foreign donors, particularly in the rural sector where the need is greatest.

The need to upgrade the administrative and management capacities of the Departments of Agriculture and Education & Culture is particularly acute since the DOA is charged with the improvement of food production so that Indonesia may feed its people, while the DOE has been directed to increase its educational offerings so that all children can have at least a primary education. Both departments will doubtlessly receive larger and larger portions of the development budget, both will be called upon to expand and improve their functions, but unless there is a concerted and continuing effort to increase the number of capable and well-trained staff, the present backlog of planned GOI activities will become even greater, and planned progress will be stifled.

Both the DOA and the DOE reflect the overall GOI personnel limitations (both in numbers and skills) that prevent effective project planning, financing, and management of projects designed to contribute to national development goals. At the time of the last GOI census (March, 1975) only 2.5 percent of the civil servants had college educations. This project will not be able to significantly increase the percentage but it will greatly strengthen the institutional and in-service training capabilities of two key cooperating country agencies, the Department of Agriculture and the Department of Education & Culture.

Overall administration of the project will rest with the Minister of State for Administrative Reform (MENPAN) and the Secretariat of the Cabinet (SEKKAB). These two entities have drawn up the project's Implementation Plan and have identified specific training needs.

AID loan funds will meet the costs of degree training in the U.S. for some 95 participants, many of whom will be professional trainers, at a cost of approximately \$2,639,000; short-term training in the U.S. and third countries of another 50 participants at a cost of approximately \$326,000; and even more importantly the in-country training of approximately 8000 participants who will attend seminars, short courses and on-the-job training at a cost of approximately \$1,170,000 including technical assistance to the departments.

The actual training needs of the departments are far greater than this project can fulfill. PRD II reacts, however, to their highest priorities and greatest needs for leadership training, and it will strengthen, along with other USAID projects, DOA and DOE in-country training capacities so that eventually the GOI will not be dependent on external training opportunities. The magnitude of in-country training must eventually reach a total of 10,000 DOA and DOE employees trained each year.

Technical assistance will include U.S. long and short-term consultants to provide project management, professional advice, and training in various fields of specialization particularly the training of trainers, conduct in-country pilot training courses that may be replicated and to assist with the selection and placement of overseas participants. The balance of the loan will pay for training materials, supplies, international travel and indirect costs. The GOI will provide 3.6 million (equivalent) to meet local currency costs.

C. Summary Findings:

The Government of Indonesia, and the Departments of Agriculture and Education & Culture, are profoundly interested in obtaining the management and administration skills benefits that will be provided by Professional Resources Development II. This GOI interest is expressed by the high priority given to training in the involved departments; the support given to a substantial planned in-country training program; the commitment to select

carefully only the most conscientious and highly qualified participants for study abroad; and the assurance that the training efforts, both in-country and abroad, will be utilized as fully as possible in upgrading the programs of the departments.

Previous cooperating country experience with the USAID's participant training program ensures adequate support in the selection of qualified and motivated trainees in their subsequent assignment to responsible positions. The GOI, moreover, places priority value on U.S. training as it believes that, particularly in the areas of project planning and management, the education and training of its officials is likely to be more relevant and more effective than similar training which might be available elsewhere.

The USAID will have on board the necessary experience and trained staff to handle effectively the administrative responsibilities required to provide the intensive monitoring needed to direct the PRD II project. This project is, therefore, deemed financially, socially and economically sound. It not only meets the technical criteria for good project design, but also will contribute directly to the needed GOI-USAID capacity to plan and implement other joint development projects aimed at achieving the goals of the GOI's Five Year Plan and further, the program is fully in conformance with U.S. Congressional mandates.

D. Project Issues:

The message approving the PID (STATE 230236, dated September 26, 1977) raised two questions: (1) what GOI departments would participate in future Professional Resources Development loans; and (2) how did USAID propose to continue to support to completion U.S. study programs initiated under the General Participant Training project (0183)? The Mission's reply (JAKARTA 13876, dated October 13, 1977) provided then current information on both these questions.

Subsequent discussions with the GOI and within the USAID have provided the following supplemental detail:

1. The Professional Resources Development loan series in future proposes to assist these key additional cooperating-country departments: Public Works, Manpower & Transmigration, Health and Social Affairs;

2. It is not anticipated that during the remainder of FY 1978, there will be any GPT participant terminated for lack of funding. Monies conserved from FY 1977 are successfully being used to continue all participants who cannot be transferred to other Mission projects with a training element.

In FY 1979 there will be four participants from Finance and one participant each from Bulog, Communications, Mines and Public Works who will require additional funding. These individuals will be, with the exception of the Bulog case, transferred to the Professional Resources Development loans. The Bulog participant will be transferred to Agriculture Development Planning and Administration (0265).

DLSC evaluation concerns detailed in a recent cable (STATE 111100, dated May 2, 1978) have been responded to in Part VI, Evaluation Plans, of this Project Paper. The tripartite plan of evaluation outlined for PRD II will also be used in evaluating PRD I.

PART II - DETAILED DESCRIPTION

A. Background

Indonesia is potentially a rich country with substantial natural resources. However, these resources are not easily available to the population which unfortunately is largely concentrated on the island of Java. The result is that at least one half of the population live on incomes of \$200 U.S. per capita per year or less. Most farmers live on less than half a hectare (1.23 acres) of land, and most supplement their income with laboring jobs. Food production, though increasing, is deficient nation-wide and close to three million tons of food grains are imported annually.

The Indonesian Government has initiated programs intended to stimulate the economy, increase educational levels, raise farm production, upgrade health services, expand highway and irrigation systems, develop the industrial and agricultural systems in Indonesia, and to move the people out of overcrowded Java in order to provide the human resources to develop the outer islands.

In spite of the above efforts poverty persists, especially at the rural level, and migration to cities appears to be accelerating. Although family planning is increasing in effectiveness, population will continue to sharply increase for approximately 25 years.

Given the natural resources available and the GOI's efforts to correct weaknesses in government operations and projects in service to the nation's population, the relevant question is "Why has progress not been faster?"

The progress has not been constrained by a shortage of sound development projects as much as by management problems which seriously restrict the delivery of a coordinated program. The good projects, whether GOI or foreign donor, that exist are rarely implemented with efficiency due to the shortage of qualified and innovative personnel at all levels.

The Indonesian Civil Service is greatly hampered by this lack, and it presently lags far behind in its capacity to address the nation's economic and social priorities. The immense need for relevant training becomes apparent when one realizes that 93 percent of the present government workers have not progressed beyond a high school education, as shown below:

Education Levels of GOI Civil Service

Education	Male	Female	Total Numbers	Percent
Illiterate	48,019	4,950	52,969	3.2
Elementary School Drop-outs	138,004	4,478	142,482	8.5
Elementary School	410,377	42,712	453,089	27.1
Jr. High School	283,692	83,697	367,389	21.9
High School	388,273	149,689	537,962	32.1
Jr. College-3 yrs.	67,664	11,637	79,301	4.7
University-5 yrs.	36,125	5,394	41,519	2.5
Not known	128	32	160	0.0
TOTALS	1,372,282 (82%)	302,589 (18%)	1,674,871	100%

The GOI's administrative and management skills have, as in many developing countries not developed at the same rate as its technical and scientific skills and therefore available natural and human resources are not being used efficiently to obtain either maximum productivity or the socio-economic benefits consistent with planned goals. Weaknesses in management, administration, planning, project and program implementation and policy making must be confronted and overcome.

A common practice in developing countries, Indonesia included, and to a degree in developed nations, is for administrative/management positions to be held by technical specialists with little or no management training. Teachers and agricultural scientists fall within this category, and they naturally advance upward in the hierarchy into management positions. In most cases technical specialists are ill-equipped to handle the stress and decision-making required in organizational positions where multiple functions rather than a functional speciality make up the administrative mode, and so their technical training often conflicts with the criteria appropriate for effective management. Better management requires management training and organizational changes that provide increased managerial effectiveness. Obviously these two are intimately related since more skillful managers can suggest and implement improved organizational arrangements. Equipping specialists with management skills and upgrading existing administrative personnel is a massive and, perhaps, the most urgent problem in Indonesia.

Management is conceived as the process for developing goals within the system, innovatively using the resources over which the system has control, and being free, yet judicious, in making decisions concerning the uses of those resources. Effective public management and project development administration, which is the aim of this project, is an active, positive, opportunity seeking, change-oriented, aggressive, and developmental concept. "Administration is the creative formulation of policy, along with the imaginative, and fair execution of sound policies," writes Professor Metin Heper in "Public Administration Training For Potential Bureaucratic Elites," Development Digest, Vol. XV, No. 4, October, 1977.

Until recently, the Government of Indonesia provided rudimentary administrative services and infrastructure. These services included record-keeping essential to state administration, security and legal administration, and some limited agricultural services to farmers and minimal educational services to meet economic, social and technological needs. Structurally, the government apparatus consisted of departmental entities operating within strict

functional compartmentalization, hierarchical norms of decision making, and advancement or promotion within a system which placed seniority above merit. This type of traditional administration can not function effectively; nor can it satisfy the requirements of development and modernization; public management and administration in Indonesia, as a result has not kept pace with the rapidly evolving developmental needs of the nation. This reduced level of effectiveness has hindered the delivery of many basic services to the poor.

The traditional administrative machinery has in recent years been reshaped and strengthened to make it more effective and to expand its developmental concentration on the economic and social sectors that deal directly with problems of employment, education, health and agricultural production.

This expanded scope of government activity and its better organizational arrangements now make possible the achievement of important social and economic improvements, but an innovative rather than a reactive approach is essential. Also the GOI's rigid functional separation along departmental lines must be eliminated. The developmental process requires creative management which can synthesize project planning, budgeting, implementing, and evaluation and also coordinate the activities of the central bureaus and all the sub-strata of government structure.

The ingredient most lacking now to accommodate the Indonesian development process is a sufficient number of trained leaders who can provide such creative management.

The Professional Resources for Development II project will strengthen the critical GOI institutional capabilities necessary for development through the upgrading of the personnel who are responsible for putting into play those forces that can most rapidly result in more effective Department of Agriculture and Department of Education & Culture projects and programs. These two departments have been selected because each plays a major role in the overall development process throughout Indonesia, and because

the GOI has a serious commitment toward using education and agricultural development as tools towards social development and income distribution.

This project results from an urgent request by the cooperating country for U.S. assistance in developing its management capability. It is understandable that Indonesia looks to A.I.D. for this assistance as the U.S. has been long recognized as a world leader in effective use of management tools, and since the A.I.D. has given recognition to the importance of these tools in the development process and has expressed a desire to share U.S. expertise with developing countries.

B. Project Overview

The Professional Resources Development II project is an important facet of the Mission's overall thrust to help Indonesia develop the human resources which are urgently needed if it is to utilize its natural resources effectively and provide a sufficient number of qualified and creative leaders for selected key GOI departments and agencies. The first of the PRD projects (0261) is to provide training for the leadership of the National Planning Office (BAPPENAS), the National Institute of Administration (LAN), and the Department of Finance. This present loan will rapidly upgrade the Department of Agriculture and the Department of Education & Culture. Subsequent loans planned in the series will provide training for the Departments of Manpower & Transmigration, Public Works, Health, and Social Affairs.

The PRD II project is also closely allied with the Agricultural Education for Development loan (0260), the Higher Education for Development loan (0248), and the Agriculture Development Planning and Administration Project (0265). The Agricultural Education for Development loan is part of a ten-year project to upgrade the higher agricultural educational institutions, so that they can produce high level agriculturists who have the concerns, scientific knowledge and skills required to upgrade Indonesia's

agricultural technologies. Professional Resources Development II will supplement Agricultural Education for Development by providing substantial in-country, in-service, training with a particular emphasis on the management function. It will develop mid-career training programs that contribute to Indonesia's eventual capability to provide all levels of agricultural management personnel in Indonesia.

The Higher Education Development Training loan, which is complementary to PRD II, is to upgrade the staffs of selected Indonesian non-agricultural universities in specific key development fields. One of these fields is management, and eventually the universities will help supply the GOI with much needed management training. The Higher Education Development Training project also assists in educational administration and therefore is preparing the cadre of leaders who will develop programs to produce school and university administrators. In the future, these programs help to prepare new leadership for the DOE itself.

The Agriculture Development Planning and Administration project will concentrate on the planning function of the DOA as this is a main pressure point in agricultural development. The Professional Resources Development II project will not duplicate its assistance but provide urgently needed training for other key developmental functions of the DOA.

The Professional Resources Development loan projects are an outgrowth of the very successful General Participant Training grant project (0183) which for more than a decade was primarily responsible for producing much of Indonesia's most capable GOI leadership. The project, as the title indicates, was general and cut across all departmental and agency lines. The Professional Resources Development Projects, however, specifically focus on a select few GOI agencies and departments. The loans though are flexible to the extent that they may cover all the major facets within a GOI department or agency, with the result that the GOI entity can develop a comprehensive staff development plan and in-service training program. Such a departmental master plan will not only include specific training assistance

from specialized A.I.D. projects such as the Agriculture Development Planning and Administration project but will also include the training assistance received from other donors. The Professional Resources Development projects will also provide for both training abroad and substantial in-country training with the objective of developing the DOA and DOE training units so that in time and in conjunction with the National Institute of Administration, which is receiving PRD I assistance, the GOI will not need to rely on external training assistance.

C. Program Details

The overall cost of the project is \$8,627,600, of which \$5,000,000 is the U.S. contribution and \$3,627,600 (equivalent) is the GOI contribution.

The participating agencies will be the Department of Agriculture (DOA), responsible for food crops, animal husbandry, fisheries, forestry, research and development, and training services; and the Department of Education and Culture (DOE), responsible for planning and development of the educational process in Indonesia. The project will receive policy guidance and management from the Minister of State for Administrative Reform (MENPAN) and the Secretariat of the Cabinet (SEKKAB).

Section E on the DOA and DOE Training Plans, in addition to Annexes 5 & 6, provides detailed project plans for each of the involved departments. A summary of the overall project inputs is given below:

The PRD II project will provide technical assistance to develop and upgrade a substantial number of in-country specialized courses and to help in the selection, placement, monitoring, and evaluation of all participants. This assistance will require the services of a full-time contract project leader, a full-time advisor on training and human resources development, and short-term experts (40 months), the latter in such fields as organizational development, agricultural management, curricula development, management teaching methodologies, planning financial

management, personnel management, office management, and supervision.

The project will provide for academic and short-term training abroad as well as for the expert consultants to help in the in-country training requirements. An estimated 203 person years of academic training and 156 person months of short-term training abroad, either in the U.S. or a third countries will be funded by the project.

The project will provide some \$768,800 for instructional equipment, materials, and aids. Of this, \$485,000 will be provided by the GOI. The U.S. contribution of \$283,800 will be primarily to produce teaching materials and provide teaching aids which are not available in Indonesia.

D. Method of Financing

A letter of commitment will be issued to cover the costs of the technical assistance contract and all training in the U.S. and third countries. Any allowable rupiah costs will be funded through the direct reimbursement method.

E. Training Plans

The following sections set forth in detail the PRD II training programs for the Department of Agriculture and the Department of Education and Culture:

1). Department of Agriculture (DOA)

a. Background

Indonesia's land area is about 200 million hectares, 60,000 million of which have been designated as suitable for agricultural purposes. Existing forest concessions and reserves cover 24 million hectares; 16 million hectares are presently cultivated. Another 20 million hectares, located in the sparsely populated Outer Islands, are available for agricultural development.

It is responsibility of the DOA to make the utmost use of these resources.

The Department of Agriculture was formed in the mid-1960's by combining five former departments, each of which was given a Directorate General status within the new department. These are Food Crops, Estates, Animal Husbandry, Fisheries and Forestry. Each Directorate General continued its vertical line of service, however, so that at the local farmer level several DOA representatives were responsible for advisory services and data collection. In order to eliminate this duplication, DOA was reorganized in 1974 by Presidential Decree.

The present organization, in addition to a Secretariate General and an Inspectorate General, includes two new agencies. These are Agriculture Research and Development (ARD) and Agriculture Education, Training and Extension (AETE). (Refer to chart on following page). Although it was intended that these agencies be responsible for all DOA research and training, their status has evolved more slowly than was intended and the Directorates General still retain considerable autonomy.

Data relative to the present composition of DOA staff are shown by the table on page 19. It is estimated that less than 20% of DOA's 41,174 staff members have college training, including those with sarjana muda degrees which are roughly equivalent to a junior college education. Less than 100 staff members have had academic training abroad. In addition, this deficiency in trained staff will be greatly increased by the hiring of 13,000 new personnel in 1978/79.

The Department of Agriculture realizes that its lack of an adequately trained staff is a major handicap to the execution of its development programs and its departmental operations. DOA has accordingly sought assistance in education and training, while developing its own in-country training capabilities. The major emphasis of donor aid up to now has been through the providing of badly needed technical skills and a few programs addressed to the improving of management and administrative skills.

**ORGANIZATION CHART
DEPARTMENT (MINISTRY) of AGRICULTURE**

MINISTER

Secretariate General

Bureaus

Planning	Capital Investment	Logistics	Finance	Admin-istrative Affairs	Legal/Arts and Public Relations	Personnel
----------	--------------------	-----------	---------	-------------------------	---------------------------------	-----------

Inspectorate General

Secretariate

Inspectorates

Food	Non-Food	Finance and Logistics	Personnel
------	----------	-----------------------	-----------

Directorate General Food Crops / BIVAS

Secretariate

Directorates			
Program-ning	Production	Infra-structure	Crop Protection

Directorate General Estates

Secretariate

Directorates		
Program-ning	Production	Infra-structure

Directorate General Animal Husbandry

Secretariate

Directorates			
Program-ning	Production	Infra-structure	Animal Health

Directorate General Fisheries

Secretariate

Directorates			
Program-ning	Production	Infra-structure	Fisheries Resources

Directorate General Forestry

Secretariate

Directorates				
Program-ning	Production	Infra-structure	Reforestation and Rehabilitation	Nature Conservation

Agency for Agriculture Education, Training & Extension

Secretariate

Centers			
Agriculture Education and Training	Staff Education and Training	Agriculture Extension	

Agency for Agriculture Research and Development

Secretariate

Research and Development Centers/Centers									
Soils and Food Crops	Estates and Forestry	Animal Husbandry and Fisheries	Agriculture	Economics	Library for Agriculture	Biological	Agricultural Quarantine	Crop Processing and	Statistics

The DOA training program to date has also stressed the technical aspect of development. The 1977-78 budget provided for the technical training of 9,814 staff members with virtually all such training given in the AETE training centers which are located throughout Indonesia. These centers provide speciality courses:

- The National Training Center (at Bogor) trains 100 people per year in general agricultural management;
- Multi-purpose Training Centers (13) to train in food crops, animal husbandry, inland fisheries and estates;
- Forestry Training Centers (6); and
- Marine Training Centers (3).

These twenty-three AETE centers have a total staff of approximately 100 permanently assigned instructors, who are augmented by part-time instructors drawn from the Directorates Generals, the National Institute of Administration (LAN) and the Agricultural University Bogor (IPB). Courses range in length from one month to one year but average three months.

The present DOA budget provides funding as well to the Directorates Generals to conduct their own discrete training programs, for which AETE develops curricula and minimum instructor qualifications. The courses are presented by technical staff personnel. This fragmented approach to staff upgrading is scheduled to end with Repelita III, when all funding for training will be included in the AETE budget.

b. Problem Areas and Training Needs

One of the paramount development goals of the GOI is the improvement of the living conditions of the rural poor through increased and more efficient land use,

DEPARTMENT OF AGRICULTURE

PERSONNEL INFORMATION

No.	Organizational Unit	Levels				Total 1977	Additional Staff Needs 1978	College Degrees* (B.S., Ir., Ph.D.)
		IV	III	II	I			
1	Secretary General	43	208	389	405	1,045	1,160	NA
2	Inspectorate General	13	40	62	23	138	138	NA
3	Directorate General of Food Crops	31	236	357	326	950	950	181
4	Directorate General of Estates	22	231	301	122	676	682	NA
5	Directorate General of Animal Husbandry	26	225	319	112	682	689	274
6	Directorate General of Fisheries	23	276	260	96	655	714	94
7	Directorate General of Forestry	47	437	720	579	1,783	2,318	478
8	Agency of Agriculture Research & Development	51	655	1,451	2,059	4,216	4,836	NA
9	Agency of Agric. Educ. Training & Extension	26	170	358	645	1,199	1,215	256
10	BIMAS	8	260	(1) 4,601	22	4,891	905	711
Total						16,235	13,607	1,994
Provincial and Local Employees Advised by DOA:								
1.	Food Crops Services (26 Provinces)					(2) 19,614		
2.	Estate Services (26 Provinces)					3,044		
3.	Animal Husbandry Services (26 Provinces)					(3) 6,450		
4.	Fisheries Services (26 Provinces)					5,854		
5.	Forestry Services (26 Provinces)	18	170	1,839	4,186	6,212		
Total						41,174		

* B.S. (Sarjana Muda) - three year program
Ir. (Sarjana) - five year program

(1) Including field extension workers in provinces.

(2) Including field extension workers but not including DIY (Special Distric of Yogyakarta).

(3) Not including Special Distric of Yogyakarta (DIY).

improved agricultural methods, modern seed production, and other appropriate technological advances, as well as the delivery of training services at the farmer level. In addition the government is working toward the reduction of unemployment, the redistribution of income and the halting or lessening of rural worker migration to the cities.

The Department of Agriculture has made progress toward achieving these national objectives but continues to face a variety of impediments:

- Low productivity on presently cultivated lands;
- An agricultural system not yet capable of dealing effectively with differing regional needs;
- Large transmigration programs that have placed massive demands on limited agricultural services;
- A shortage of broadly trained extension agents;
- A large staff; only twenty percent of whom have been educated beyond the equivalent of high school; that particularly at the middle and upper management levels is ill-equipped to cope with expanding projects;
- An in-service training program that is fragmented among the AETE and the Directorates General, all deficient in teaching methods, fully qualified instructors and sufficient and appropriate teaching materials and aids; and
- No alternate source in Indonesia from which to obtain needed professional upgrading in agricultural administration, economic and social planning for the rural poor, and project management.

There are additional reasons for the continuing problems in DOA: rapidly expanding programs have

strained budgets and finances; inexperience and a lack of technically trained personnel have exacerbated the situation; but an equally widespread cause of difficulty DOA has identified as its weakness in management. Many well-trained technical and scientific personnel have risen to management positions without first having learned the necessary planning and supervisory skills needed to equip them to serve as administrators.

It is to the AETE and the PRD II loan project, therefore, that the Department of Agriculture looks for the creation and establishment of an in-house education and training capability. DOE realizes that improvement in the agricultural sector will only result from its own ability to produce the technical and managerial personnel in the large numbers it requires.

The AETE must initially be strengthened in order to fulfill its role under Repelita III as the sole coordinating and training entity within DOA. It must then be provided with the instructors, course and training materials necessary to undertake substantial in-service training and education for the Directorates General, their Directorates and their regional offices and DOA projects.

DOA general training needs are established as follows:

- The development of AETE's capacity to serve as DOA's central training institution;
- The development of budgeting, management information, supervisory and training systems geared to local and regional operations and responsive to national policy guidance;
- Major educational and training investment in the development of Directorate level technical, planning and management capabilities; and
- The development of DOA skills in organization and management systems specific to agriculture.

c. Training Plan

Professional Resources Development II will direct its assistance toward the creation of an AETE capability to produce in Indonesia the technical and managerial staff personnel required by DOA; and to provide for urgently required technical and administrative personnel to be assigned directly to DOA positions. The greatest emphasis will be placed on training in the United States or in equivalent institutions to produce the trainers of trainers.

The specific training required is as follows:

Academic Training

The training of 60 persons for 130 per person/years of graduate level work in the following general disciplines:

- Public Administration - Development Planning
- Management Science - Agricultural Planning
- Economics - Water Management
- Social Science Research- Project Evaluation
- Agricultural Planning - Manpower Management

Of these sixty participants, twenty (20) are to be for AETE and ten each are to be reassigned to the Directorate Generals of Food Crops, Animal Husbandry, Fisheries and Forestry. These latter individuals will be available to AETE for instructional assistance as required.

Short-term Training

Forty (40) staff members for 120 person/months in subjects such as:

- Agricultural Administration - Manpower Management

- Agricultural Economics - Fiscal Management
- Agricultural Marketing - Budgeting
- Agricultural Planning - Project Monitoring

These participants will be drawn primarily from the AETE training centers and will form a cadre of trainers of trainers.

Textbook and Instructional Materials

DOA will require substantial assistance in the preparation and purchase of educational and training materials and aids. DOA will contribute a major portion of its project funds for the local procurement and production of training materials for the AFTE centers. Loan funds will be required to purchase those materials not available in Indonesia. These will include textbooks, reference materials, audio-visual aids and equipment to improve language capabilities.

Expert Consultants

While upgrading its cadre of instructors, trainers of trainers, the AETE will utilize the services of the U.S. contractor to provide guidance in the development of its training centers; curricula and training materials and approximately 3,000 persons will be trained under this project.

d. Expected Project Results

The Department of Agriculture as a consequence of this project will have established the AETE, and its twenty-six specialized training centers, as a viable agency for the planning, coordination and conducting of in-service, in-country staff training in technical and administrative fields and all levels. By assisting DOA to rapidly upgrade personnel both in and out-of-country the loan will have enabled DOA to have a greater capacity to implement national agricultural development programs for the people of Indonesia. This will be in line with both goals of Repelitas II & III and Congressional mandates.

e. Proposed Budget

The proposed budget for the DOA project under the PRD II loan is as follows:

<u>Elements:</u>	<u>In U.S. Dollars</u>
<u>(A) AID</u>	
- Academic Training	1,690,000
- Short-term Training	250,000
- Expert Consultants	180,000
- Instructional Materials and Equipment	175,000
- U.S. Office Support	75,000
- Indirect Costs *	255,000
- Contingencies	118,000
	<hr/>
AID sub-total:	\$2,743,000
 <u>(B) GOI</u>	
- Local Travel	145,600
- Salaries of Counterparts and Participants	750,000
- In-country Training	570,000
- Instructional Materials, Equipment and Facilities	235,000
- Indirect Costs	25,000
- Contingencies	100,000
	<hr/>
GOI sub-total:	\$1,825,600
Grand total:	\$4,568,600

* This element includes international travel costs.

f. Organizational Arrangements

The DOA will appoint a senior staff member to manage and coordinate the department's project. He will be responsible to the Minister of Agriculture. As the

Project Manager he will chair a Steering Committee that will be responsible for:

- (a) A continuing assessment of the overall training plan;
- (b) Coordinating the implementation of the overseas and AETE in-country training program;
- (c) Establishing criteria for the selection of training candidates;
- (d) Screening all overseas candidates and submitting their names to the Cabinet Secretariat (SEKKAB) for approval;
- (e) Preparing participants for training;
- (f) Backstopping participants while in training and evaluating their progress periodically;
- (g) Assigning trained personnel to management-sensitive positions;
- (h) Maintaining relations with the U.S. contractor, the National Institute of Administration (LAN) and other resources which may assist in program implementation; and
- (i) Working with the USAID project manager.

For additional details on DOA and its training plan see Annex 5 for the Public Administration Service Report, prepared in April, 1978.

2. Department of Education and Culture (DOE)

a. Background

The Department of Education and Culture has a vital role to play in implementing the National Development Plan of Indonesia.

By Presidential Decree in 1972 the education and training functions of the GOI were divided among the Department of Education and Culture, the Department of Labor, and the National Institute of Administration (LAN). The DOE was charged with responsibility for public and private education; the setting of educational objectives, policies, and standards; preparation of curricula, and methods of teaching; inspection of schools; and preparation of budgets or subsidies for school operations.

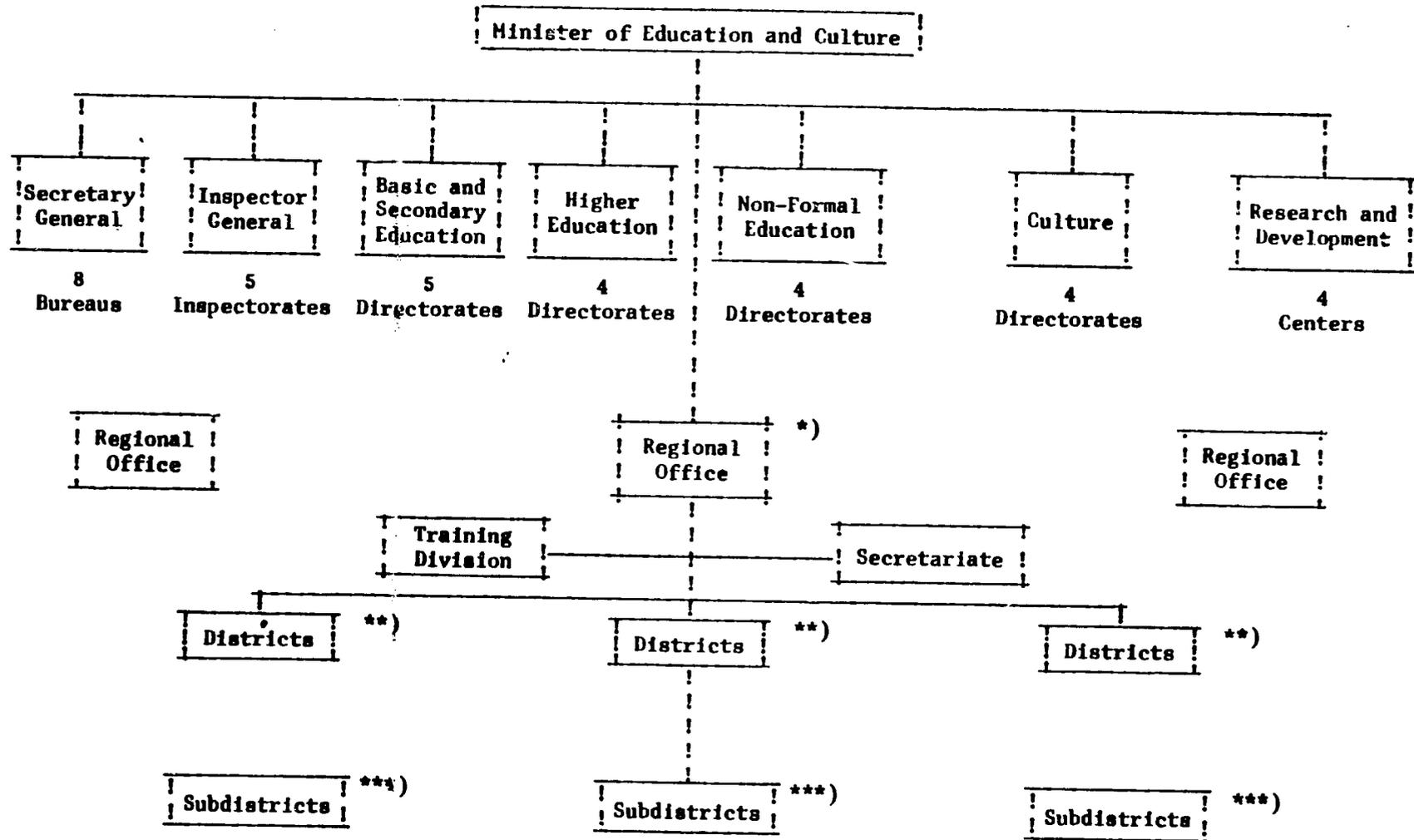
Further Presidential Decrees in 1974, established DOE structure and organizational patterns and assigned broad functions "to assist the President in improving, maintaining, increasing and developing the efficiency and productivity of public education in its broadest sense."

To carry out its functions DOE primarily has non-teaching employees, and is divided into five major Directorates General, a Secretariate General and an Inspectorate General. (Refer to the chart on the following page).

The Secretary General's Office deals primarily with administrative matters, the Inspectorate General audits the accounts and the performance of the rest of the DOE by confirming that the instructions of the Minister are implemented. The program areas are as follows:

- (a) The Director General of Basic and Secondary Education is charged with carrying out in grades 1-12 the technical

ORGANIZATION OF DEPARTMENT OF EDUCATION AND CULTURE



- *) 26 Regions
- **) 328 Districts
- ***) 3,544 Subdistricts

functions of curriculum, teacher training, establishing and maintaining standards, etc;

- (b) the Director General of Culture deals with Indonesian cultural practices;
- (c) the Director General of Non-Formal Education deals with community-based programs and sports;
- (d) the Director General of Higher Education is charged with responsibility for the public and private universities and academies; and
- (e) the Director General of Research and Development is responsible for collection of statistical data on the educational system, conducting long-term planning and carrying out research, development and evaluation.

The current personnel figures for the DOE by educational attainment shown below amply demonstrate DOE's need to upgrade its staff's capability.

Total	Elementary	Jr.High School	Sr.High School	Sarjana Muda / <u>1</u>	Sarjana / <u>2</u>
16,599	5,628	2,046	5,448	2,393	1,084
		79.3%		14.5%	6.2%

1 Three year program roughly equivalent to a U.S. Junior College Associate of Arts degree (129 of this group are female).

2 Five year program from Indonesian institutions roughly equivalent to a U.S. bachelor's degree (143 of this group are female).

The budget for DOE operations under Repelita II todate (1974-78) is Rp235,129,291,000 and the amount assigned to staff development todate has been Rp12,979,881,500. This is seven percent of the overall DOE budget and of this Rp781,205,500 is allotted to general administrative or management training in four years. This latter figure is 0.4 percent of the staff improvement budget, well below DOE's hoped for level.

The Department of Education & Culture is requesting PRD II assistance to develop its heretofore extremely limited staff management function. This is to be done by aiding DOE to develop a continuing in-service staff training capability. In this way the added thrust and impetus needed to rapidly implement educational development projects can be realized.

The project embodies the goals and objectives of the GOI and its recognition of the need for and value of training. DOE also realizes that higher quality management will finally determine the cost effectiveness of its many national programs. (Annex 7 provides information on "Returned Participants Holding Key Positions in DOE.")

b. Problem Areas and Training Needs

DOE has made considerable progress during Repelita II in establishing and modernizing uniform educational standards and syllabi and in the construction of schools and facilities for an ever expanding clientele. Continuing problems in the education sector, however, are:

- The requirement for an education system that is capable of dealing effectively with different regional needs and a wide range of employment goals;
- A student population that has grown more rapidly than was predicted in Repelita II planning;

- Serious DOE weaknesses in administration, management and planning;
- A serious shortage of qualified teachers;
- The continued use of outmoded curricula;
- A continuing shortage of modern textbooks; and
- The lack in Indonesian universities of adequately taught training and education programs essential to government management and economic, social and national planning.

There are other reasons for the continuing problems in DOE: heavy demands for education and training in almost every field of study, and at all levels of the learning ladder, have strained budgets and finances; inexperience and few well trained personnel have contributed to the situation; but an equally serious problem is faulty or untrained management.

In DOE, the educators and technically trained personnel assigned to management positions have not always received the necessary administrative and management training necessary to allow them to serve as department administrators and project managers. This has resulted in weak management and a system that is only held together by the more able employees who, to avoid appearing to assume authority beyond their station, work by standardized norms and procedures and do their best to cover for the educator or technician administrator. Few questions are asked, students suffer, and bureaucratic inefficiency has resulted in costs that have grown entirely out of proportion to the educational services actually provided. Further, tradition-bound thinking has made it exceedingly difficult for DOE planners to direct their attention to non-formal education concerns that must necessarily be addressed outside of a school, training center, or university

setting. Any real management improvement within the education system will require in-depth development of innovative management skills as a part of an ongoing in-house training activity.

DOE looks to the Professional Resources Development II project to supplement a recently initiated departmental management training program. Thus the project will be a substantial part of an overall development program for the department.

A complete inventory of training needs in DOE is now underway as a result of PRD II. This training needs assessment was initiated in the Directorate of Research and Development as a pilot project. DOE estimates that the complete, department-wide inventory will be concluded in about 18 months; however, to date it has identified 87 specific training requirements in its five major divisions, plus the Secretariate and Inspector General's Office. DOE general training needs are:

- The development of budgeting, management information, and supervisory and training systems that are geared to local regional operations and are responsive to national policy guidance;
- Reorientation of supervisory styles to facilitate the participation of bottom-up planning;
- Major investments in development of central and regional planning and management capabilities;
- Development of skills in organizational design and management systems; and
- The development of structures that nurture and facilitate, rather than stifle, the capabilities of the professional staff.

c. Training Plan

The first task of the Professional Resources Development II project will be to assist DOE to create a Program Development Unit. This organization will be responsible for the development and coordination of a comprehensive departmental management and administrative training program.

The more advanced training models recognize the effectiveness of matrix forms of organization with which most education sector managers are neither familiar nor comfortable. The need, therefore, exists in Indonesia to develop an understanding of the necessity for, and logic of, matrix forms of organization and to develop the program and management skills involved in the identifying, gaining cooperation of, and coordinating of resources over which one has limited authority. (Refer to Annex 8). DOE requests training under this project to improve its entire management resource development program.

A study of DOE program areas and program needs indicates that the training, development, and institutionalization of a core of trainers and managers would greatly strengthen the department's projects. The specific training activities for the project are as follows:

Academic Training

(1) The training of 32 persons in master's degree programs in the following general disciplines:

- Management & Science & General Management
- Personnel Management
- Procurement & Material Management
- Management Information Systems & Data Processing
- Training Programming
- Education Planning & Administration
- Organization & Methods

- Financial Management
 - General Office Management
 - Economic Development
 - Curriculum Development
 - Innovative Technology
- (2) Leadership training for 3 Ph.D. candidates who will be placed in key administrative positions in DOE.

Short-Term Training

Ten visits abroad to (1) explore leadership programs; (2) study techniques of design of training and evaluation programs; (3) make comparative studies and evaluate the progress of trainees; and (4) study manpower management programs.

Expert Consultants

While upgrading its leadership in the U.S., DOE requires the presence of U.S. expert consultants to provide in-country training for 600 counterpart trainers, to assist in institutionalizing leadership training in DOE and to train 4,400 managers. Experts are required as follows:

- (1) One human resources development expert for the duration of the project to assist in establishing a permanent Program Development Unit and to conduct leadership training;
- (2) Six experts for short-term training for leadership development in the following areas:
- Planning
 - Financial Management
 - Material Management and Procurement
 - Personnel Management
 - Office Management
 - Supervisory Development

Textbook and Instructional Materials

Because the DOE has placed considerable emphasis on in-country leadership training, it must develop the capacity to use up-to-date instructional methods and materials.

Textbooks and instructional materials will be used in all components of the program, and each participant will be required to develop additional material. In this manner a training library can be developed with maximum relevancy within the Indonesian context.

d. Expected Project Results

DOE as a result of this project will have established the Program Development Unit as the central unit that will in the future be responsible for coordinating and developing a comprehensive departmental management and administrative training program. The Unit will continue in the future the upgrading of DOE administrative personnel that was begun with PRD II assistance. As a result of better departmental administrative and program management capabilities, DOE will greatly increase the effectiveness of its projects for the Indonesian people. Congressional mandates and GOI development objectives will be met by the obtaining of PRD II project goals.

e. Proposed Budget

The proposed budget for the DOE project under the PRD II loan is as follows:

<u>Elements:</u>	<u>In U.S. Dollars</u>
(A) AID	
- Academic Training (73 per/yr)	949,000
- Short-term Training (36 per/yr)	76,000
- Expert Consultants	770,000
- Instructional Material and Equipment	108,800
- U.S. Office Support	75,000
- Indirect Costs *	153,400
- Contingencies	124,800
	<hr/>
AID sub-total:	\$2,257,000
(B) GOI	
- Local Travel	125,000
- Salaries of Counterparts and Participants	647,000
- In-Country Training	600,000
- Instructional Material, Equipment and Facilities	250,000
- Indirect Costs	30,000
- Contingencies	150,000
	<hr/>
GOI sub-total:	\$1,802,000
Grand total:	\$4,059,000

* This element includes international travel costs.

f. Organizational Arrangements

The DOE will appoint a senior staff member to manage and coordinate the department's project. He will be responsible to the Secretariat General of the DOE. As Project Manager, he will chair a Steering Committee and with the Education and Training Center and the Program Development Unit will be responsible for:

- A continuing assessment of the overall training plan;
- Coordinating the implementation of the overseas and in-country training programs;
- Establishing criteria for the selection of training candidates;
- Screening all overseas candidates and submitting their names, through the Minister, to the Cabinet Secretariat (SEKKAB) for approval;
- Preparing participants for training;
- Backstopping participants while in training and evaluate their progress periodically;
- Assigning trained personnel to management-sensitive positions;
- Maintaining relations with the U.S. contractor, the National Institute of Administration (LAN) and other resources which may assist in program implementation; and
- Working with the USAID project manager.

For additional detail and DOE and its training plan see Annex 6 For the Public Administration Service report, prepared in April, 1978.

PART III - PROJECT ANALYSIS

An initial general analysis of the state of Indonesia's bureaucratic strengths and weaknesses was made in FY 1977. At that time assistance was obtained from the Ford Foundation Representative (whose doctoral studies dealt with Indonesian bureaucracy), UNESCO experts, members of the Harvard Institute for International Development and various other American, European and Indonesian consultants, sociologists, economists and development planners. Each individual consulted was greatly concerned that there be a concerted effort to help Indonesia strengthen its ability to better administer and manage its governmental operations. The cooperating government itself has reflected this concern by having established a Ministry of State for Administrative Reform (MENPAN).

In consequence the USAID developed the "Professional Resources Development I" loan project (0261) which is focused on strengthening the institutions of the National Planning Institute (BAPPENAS), the Department of Finance (DOF) and the National Institute of Administration (LAN).

In the months since the planning of that first project, the USAID has had extensive planning meetings with MENPAN, the LAN and BAPPENAS as well as members of the foreign and Indonesian expert community. From these discussions it has become clear that the cooperating government urgently requires administrative and management assistance in all its national institutions and that the major problem lies in determining the training priority that should be assigned each department. Subsequently it was decided that those agencies which ~~that~~ could most effectively influence Indonesia's meaningful development were Agriculture, Education & Culture, Manpower & Transmigration, Public Works, Health and Social Affairs.

After close planning between the USAID and the GOI, it was determined that the next departments to receive training in administration should be Agriculture and Education & Culture as these two agencies are responsible for delivering vital government services to the people of

Indonesia. A team of consultants from Public Administration Services were therefore sponsored under PDSF funds to assist the USAID and the participating agencies in development of this proposed project.

A. Economic

The focus of the Professional Resources Development II Project continues the process of strengthening key institutions within the GOI that have responsibility for essential services within the economic and social development sphere. Two institutions have been selected, the Department of Agriculture (DOA) and the Department of Education & Culture (DOE), because of their roles in the overall economic and social development of Indonesia; in addition, each has demonstrated an urgent need to improve management capabilities to deal adequately with the rapidly growing responsibilities of development. These growing responsibilities are administrative as well as financial with the extension of objectives into more difficult socio-economic areas of income distribution, employment generation, ecology, urbanization and social infrastructure.

The main objective of this project is institutional development to be achieved through the overseas and in-country training and education of government workers. This objective is intermediate to the ultimate objectives of the project -- a more effective and efficient system for allocating development resources to achieve the broad goals of growth (economic development) and a more equitable distribution of national income.

Institutional development and the benefits of education do not readily lend themselves to analysis through the application of the usual economic techniques. Therefore, the approach that has been selected is to demonstrate that the two participating GOI departments have paramount roles to play in the allocation of development resources, that there is ample evidence that their performance could be improved to deal with the multiplicity of complex and often conflicting objectives, that the economic costs are reasonable in relation to the sphere of potential impact based on existing responsibilities and that there is, therefore, reasonable cause to believe that with effective implementation the PRD II project will yield economic returns far greater than the economic costs.

The project's Detailed Description and the Public Administration Service prepared Annexes # 5 & 6 fully explain the responsibilities of the organizations and their respective relationships with the development process. The next step is to describe the sphere of resources and activities under their influence and present some cases which illustrate the needs for improved institutional capacities in the respective organizations.

The sphere of economic activities and resources under the control of the GOI have been growing at a rapid rate during the decade of the 1970's. Between IFY 1971 and IFY 1978 the national budget increased tenfold from \$1.1 billion. The development budget also increased by a factor of ten during this period, from \$509 million to \$5.2 billion. The major implications of this dramatic increase relate to the growing responsibilities and the concomitant management and administrative requirements of already over-burdened staff. (While the budget has increased significantly, the resources available for development are still small in relation to the problems that must be dealt with in Indonesia. The total national GOI budget remains at less than one-third the annual payroll of the U.S. Federal Government.)

The relationship between the routine and development budgets and the direct linkage between the proposed training and programs that will impact on the social and economic needs of the rural poor can be demonstrated by looking at the allocations within the development budget.

In IFY 1971, 39 percent of the development budget (\$197 million) was allocated to Regional (Rural) Development and social sector activities. By IFY 1978 this allocation increased over 13 times to a level of \$2.5 billion (48 percent of the development budget). This increasing allocation of GOI resources to the major areas of interest to AID speaks for the commitment of the GOI to improving the quality of life for its deprived majority, but as is often the case managerial and administrative weaknesses and attitudes have strongly hampered the implementation of development efforts.

Unemployment is a growing concern, and there is a need to provide more educational opportunities so that the

youth do not add to the unemployment roles and so that when they do seek employment, they have the skills needed by the economy. There must be greater educational opportunities but the education must be made relevant to specific needs of Indonesia.

The effectiveness with which students learn depends upon many interrelated variables, including previous educational experiences and various school factors, such as physical facilities, equipment and teaching materials, curricula, methods of teaching, examinations, supervision, and perhaps most important, teachers. Most existing teaching programs have weaknesses in one or more of these factors as shown in examination results. In 1970 only 65% of primary grade six enrollment passed the final examination. Between 1966 and 1970 pass rates at the universities to prepare teachers (IKIPS) were only about one-third and one-fourth, respectively, of terminal enrollments at the intermediate and first-degree level. Refer to Annex 7.

Considerable inefficiency can be traced to existing administrative patterns. Primary schools in many provinces are administered by two departments (Education & Culture and Interior Affairs) which entails unnecessary duplication of supervisory staff. The allocation of primary teachers has been uneconomical. In North Sumatra, for example, some schools with 200 pupils have ten teachers while others with the same pupil enrollment have only two teachers. Patterns of administration and university management are among the causes of low internal efficiency in higher education. Duplication of courses (resulting in small class size) and administrative services, e.g. fee collection and distribution, are prevalent.

The DOE recognizes the need to increase its administrative capabilities as shown by some of the shortcomings noted above, but this need becomes most urgent in the light of the GOI's objectives and plan to greatly enlarge educational opportunities by:

1. Building more schools;
2. Providing more adequate instructional materials;

3. Developing new programs; and
4. Disseminating innovations from successful pilot projects.

As an example of the critical relationship between administrative capacity and success of the new program, the case of the project to develop an "Open Junior High School" is typical. This project is to provide education for out-of-school youth by means of modern educational technology i.e. radio education, programmed learning, modular instruction, etc. This is an exciting project with good possibilities for expanding educational opportunities; however, it requires creating a highly competent administrative organization to manage all the elements of what will be a complex program. Unless the project is managed very well, the funds which the GOI is obligating for the project will have only a minimal cost benefit. On the other hand if administered well it will be possible to educate many additional junior high school pupils at only a fraction of the present regular junior high school per pupil cost.

With the DOE challenged to enlarge and improve educational opportunities, for example the Open Junior High School, it is most understandable that the department places a very high priority on training to improve its administrative and management functions.

Better management of available resources is clearly necessary in DOE, and the principal constraint on educational development is not likely to be financial but rather administrative capacity.

In DOA the following case study is representative:

The Government's national campaign to find a solution to Java's rice problem in 1968 coincided with the country's first contact with high-yielding rice varieties developed at the International Rice Research Institute (IRRI) in Los Banos, Philippines. The remarkable showing of the new rice technology in other areas of Asia provided the GOI with

a seemingly foolproof weaponry for attacking what heretofore had been an intractable problem. Thus, in 1969, the First Five Year Plan forecast self-sufficiency in rice production by 1974, a goal which would entail raising rice production by over 50% from the 1968 base figure. Java, Indonesia's rice bowl, was to bear the full brunt of this campaign, and the rural bureaucracy was set in motion to mobilize farmer support in accepting the new high-yielding varieties. From its inception in 1969, nearly 25 percent of all farmers on Java have been participants in the Government's program, and by 1973, the last year of the First Five Year Plan, practically every farmer in the irrigated regions of Java had had some knowledge or experience with HYVs. Nevertheless, despite enormous outpourings of energy and resources, the results were considerably less than expected. By 1974, production had increased by a margin of only 20-30 percent, and Indonesia continued to supplement domestic production with annual imports exceeding two million tons.

For five years the Government staked a great deal of its credibility upon generating a Green Revolution and was prepared to support this effort with large expenditures of financial and administrative resources. Indeed, most of the programs of the Five Year Plan were focused either on rice production itself or upon the development of those services and infrastructure related to its cultivation. Yet, a serious shortfall in production resulted; not because of an absence of further opportunities for increasing rice production in Java -- for the potential of the high-yielding technology still has yet to be fully exploited -- and not for the lack of effort on the part of the GOI. The failure to even approach production targets occurred largely because administrative structures were not performing at a level consistent with the complexity of the technology itself. Even today, given the timely delivery and the proper mix of production factors (water, seeds, pesticides, and fertilizer), further advances could be made in raising the productivity of the Javanese rice farmer. Nevertheless, major administrative deficiencies still remain in the provision of these resources and in their adaptation to farmer needs.

In addition, major obstacles have been encountered in devising policies and institutional mechanisms for mobilizing the support of the small farmer. A system of planning and communication linkages has yet to be worked out which, if effected, would enable both the government and the farmer to pursue a mutually satisfactory and productive course of action. The government has placed a premium on "solutions" rather than upon developing a process by which one arrives at real solutions. As a consequence, the farmer frequently resists what seems like, in the perceptions of traditional policymakers, a rational strategy for improving his welfare. In order for the government to break out of this pattern, it must evolve an institutional capability to design policies and programs that are responsive to and in harmony with the needs of the vast majority of Indonesians who live in simple rural communities. Any improvement in DOA's competence to identify needs and problem areas, to design and analyze projects, and to effectively monitor follow-on implementation activities can only have a salutary effect on the rural poor.

The complexity of socio-economic problems facing the GOI in the natural resource field were explained quite explicitly in a Prisma 2, Indonesian Journal of Social and Economic Affairs article: Problems of Resource Development in Southeast Asia with Special Reference to Indonesia - by J.A. Katili. He writes:

"Resources are part of the whole fabric of the earth and do not exist in isolation from one another. Thus it follows that planning and management of any one resource can be successful only if it is a part of a carefully planned, integrated resources development scheme"

He also pointed out difficulties that exist in dealing with the more complex social goals:

"It is important to note that in developing nations the question of how to transfer the benefits of resource extraction and in-country processing into the social sector (e.g. housing, employment, education, health) is of greater concern rather than the question of resource depletion.

And it is this area that we can turn to the developed world for economic cooperation and technical guidance."

The DOA and DOE play paramount roles in the development of the Indonesian economy and the welfare of its people, particularly the poor. The following table illustrates that the number of their trained staff members are minute in relation to their total staffs, while the importance of their duties to national development and the well-being of Indonesia's citizenry is great. The relatively small investment this project makes in the development of these institutions can reasonably be expected to yield significant economic returns in improved project administration, implementation, evaluation, training and management of developmental activities in Indonesia.

EDUCATIONAL STATUS - 1977

	<u>Total Staff</u>	<u>With University Education</u>	<u>Percent of Total</u>
Dept. of Agriculture	16,215	3,182 *	20
Dept. of Education	<u>16,559</u>	<u>3,476</u>	<u>21</u>
Total	32,774	6,658 **	20.3

* Estimated from DOA files.

** Includes both 3 & 5 year programs.
Approximately 69 percent have 3 years of college
98 percent hold minimal degrees from Indonesian Universities.

B. Social Beneficiaries

1. Organization

The Professional Resources Development II loan project will be directly under the Ministry of State for

Administrative Reform (MENPAN) with the Department of Agriculture (DOA) and the Department of Education & Culture (DOE) as the participating agencies, and from their personnel ranks participants will be selected for overseas and in-country training to strengthen the capability of each department to fulfill its particular project planning, implementing, managing and evaluation roles.

Personnel development is a priority element in MENPAN's overall administrative reform programs. The implementation of the far-reaching administrative reforms that it plans depends in large measure on having sufficient qualified and change motivated personnel, particularly in key positions. For example, it has made a lengthy and meticulous study of the GOI personnel situation and has designed a modern personnel system with job descriptions and job classifications, but it recognizes that personnel management requires both creative and innovative abilities in addition to considerable expertise. If it can train enough well motivated and knowledgeable personnel management officers it may be able to implement the system fully within the next five to ten years. MENPAN is anxious to implement reforms such as this in the DOA and the DOE to provide basic economic and social services directly to the people.

Both the DOA and the DOE have training and education units which are specifically assigned the personnel in-service training function, and the day-to-day administration of the PRD II project will be centered in these agencies. The project will vitalize these units by providing them with carefully selected U.S. technical assistance so that unit personnel will gain the expertise, motivation and creative ability needed to plan and implement effective training activities. As the education and training units prove their value, they will better be able to bring the coordination of all departmental training under their jurisdiction as the GOI has mandated but which as yet has not yet been fully implemented.

Formerly the DOA consisted of several ministries and agencies (the DOE was once two), and to date the coordination of the various functions of these previously multi-faceted entities has yet to be fully realized. Even after the restructured DOA was formed, the Directorate Generals, which had previously been fully independent, maintained their training, education and extension units. The Agency for Agricultural Education, Training and Extension (AETE) has now been assigned the functions implied in its title, but the Directorate Generals are only beginning to relinquish their training activities and doing so only as they recognize that the AETE is better able than they to carry out what is deemed a most vital function. It was evident during the preparation of this Project Paper that by simply having the leadership responsibility for developing a departmental training plan, the AETE gained substantial recognition within the DOA. One very important effect of this project then will be to help DOA, and DOE, to achieve greater internal coordination with less overlapping and duplication of authority.

Any lack of coordination of training activities within the departments reflects in part the significant role that the various Directorate Generals of the two departments assign to training and education. Throughout the departments, great importance was given to the development of the PRD II, and full cooperation was accorded in producing the training plans and other project elements. This was due to a recognition by DOA and DOE leaders that they are severely handicapped by the lack of a well-trained staff. For example, one of the most frequently recognized fundamental constraints to delegating authority, not only within the central government departments, but also at the provincial and lower levels, is the great gap that exists between the leaders and their subordinates. As a result, key administrators have little or no confidence that their subordinates can accomplish more than routine delegated tasks, with the inevitable consequence that there is an increased concentration of decision-making in the overburdened upper echelons, an inability to effectively and rapidly translate ideas into action programs, and a serious loss of development mobility.

The need to improve the administrative capacities of both the DOA and DOE has become even more acute as their workloads have been greatly increased. The DOA is charged with implementing large new agricultural programs, such as the scheduled doubling of its extension program. In addition to a significant increase in the number of schools to administer, the DOE also has many new programs that tax its already thin administrative capacity, for example its large program to provide educational opportunities for the out-of-school youth. Both departments in accepting these increased responsibilities have come to realize that there is a vital need to upgrade their administrative and management capacities commensurately.

2. Participation

At present the GOI relies heavily on foreign consultants to assist in the initial conceptualizing and drafting of development plans and projects as well as in establishing the procedures for their implementation and evaluation. In the related areas of issues identification and problem solving, again, foreigners are too often necessary as catalytic agents. If the GOI is to be helped to achieve its development goals, particularly to assist the rural poor, it is necessary to upgrade the competence of the government apparatus and personnel, so that the GOI can conceptualize and implement relevant development projects. If this is not done then the practice of hiring foreign advisors to do the job for the government must be perpetuated. This latter choice is recognized by the GOI and USAID as politically, economically, and socially not viable. Hence the FY 1977 Professional Resources Development Project and this FY 1978 Professional Resources for Development Project II.

In this latter project, officers from the DOA and DOE will be trained overseas or in-country to secure administrative expertise, including the kinds of expertise described above. A deliberate effort will be made in all training supported under this project to promulgate the concept that administration is the creative formulation

of policy, along with the imaginative, human and fair execution of social policies and projects. The selection process described in Part V will identify candidates filling or scheduled to fill government positions of relevance to project objectives and who possess aptitudes for project conceptualization and project management. Their training will help them to play a variety of management and administrative roles in the DOA and DOE national development programs, and to supplement the very capable, highly qualified Indonesian government leaders who at present are too few for their arduous responsibilities and thus are spread thin and are increasingly overworked.

3. Obstacles

There are no significant social, political, bureaucratic or other obstacles to project development. Both the DOA and DOE have key roles in the Second Five Year Plan (Repelita II) and according to all indications will have at least as high a priority in the Third Five Year Plan (Repelita III).

They each possess an education and training unit which will play a major role in training implementation both in-country and overseas. The DOA and DOE will also need strong support from the National Institute of Administration (LAN), the Department of Finance and the National Planning Agency (BAPPENAS) and these three agencies are to begin receiving administrative and management upgrading starting in the Fall of 1978 through Professional Resources Development I. As a result LAN, BAPPENAS and Finance will be able to supply better support in the implementation of this loan, in addition to having a greater appreciation of its objectives.

4. Spread Effect

Important development projects depend on a complexity of elements but certainly having qualified, motivated and innovative management personnel is a basic

element. The GOI has shown a readiness to make necessary bureaucratic changes in the structural and legal apparatus, but these changes will only be effective to the extent that they are implemented effectively. For example, it appears that a major step forward has been taken in the centralizing of all training, educational, and extension services of the DOA under one office, but these functions will only be improved if that office has sufficient, highly qualified and creative personnel to administer its programs. The DOE in order to make primary education available to the poorest of the poor is eliminating school fees, but if the schools are to continue to operate at least as well as they did formerly, they must now receive funds from the government that are equivalent to those school fees, and they must receive the funds in a timely fashion. This has greatly increased the administrative burden of the DOE, and it must quickly improve its administrative capacity or what was intended to be a major step forward, may cause chaos in the schools.

A major obstacle to development is the nation's absorptive capacity, and this capacity is limited in large part by the administrative and management skills of the GOI departments. Large amounts of assistance resources available for development are now stalled in the pipeline. An improved GOI management capability to move pipeline money into the implementing of project activities will have a dramatic impact on the proposed beneficiaries. Disbursement rates now are at only about 15 percent of the funds committed by IGGI donors over the last three years. If that rate can be increased to 25 or 30 percent through management training, the effect of the GOI's many projects to improve social equity will have dramatic effects on the lives of the people.

5. The Role of Women

There is a growing awareness in Indonesia that women can play a very important role in the development process. This project, as other current USAID projects,

will seek to further that recognition. More and more Indonesian women are being trained to assume leadership roles. From 1970 to 1976 only 8 percent of USAID participants were women; then in 1976 this percentage increased to 11.3 percent; and in 1977 to 17 percent. In this project we expect at least 20 percent of those trained overseas will be women, and there will be an even higher percentage of women as participants in in-country programs. Due to their family responsibilities, Indonesian women often find it more difficult than men to accept long-term training overseas, but it is possible for them to take advantage of similar in-country programs and they express an eagerness to do so.

The women who have been trained overseas in the past have received important assignments on their return. Forty-five women have received graduate degrees under USAID programs and they now occupy important government positions. One is Director of the Institute of Health Research and Development, Department of Health; another is Secretary General of the Department of Social Affairs; another is Secretary General in the Directorate General of Fisheries (DOA), and many are leading professors at the nation's universities.

Both departments involved in this project can be helpful in enhancing the role of Indonesian women, and both have programs incorporating this objective. Improving the departmental administrative and leadership capabilities so that such programs can be implemented more effectively can have a very significant impact on the role of women in Indonesia's development. For example, women have had to take those jobs in agriculture which are the least remunerative; such as weeding rice paddies, but through agricultural extension and non-formal education programs, women are now learning new and more highly-paid skills which allow them to make greater contributions to national development and increase their own or family's income.

The increase in the number of schools in Indonesia has a proportionately greater effect on girls than on boys

because in the past scarce school facilities have been largely reserved for boys, so, that illiteracy is a greater burden on Indonesian women than on the men.

The DOA and DOE are seeking ways to help solve social problems such as this, but the effectiveness of their solutions will be determined in large part by how well their programs are implemented, hence the vital importance of this management training project.

6. Benefit Incidence

The primary beneficiaries of the PRD II project will be the people of Indonesia, particularly the rural poor who are the targets of most of the GOI's agricultural and educational projects in Indonesia's Second and Third Five Year Plans (REPELITAS II and III). In his speech at the University of Georgia on April 30, 1977, Secretary of State Cyrus Vance, outlined three different categories of human rights, one of which is directly related to the social/economic development process that USAID is seeking to support in Indonesia: all people have a right to adequate standards of living, including adequate food, education opportunities, health and medical treatment services, employment and adequate income, and to government protection of political rights.

The Government of Indonesia is similarly concerned about its capacity to respond to the privations of its society, and in many respects the country's national development goals represent a human needs approach to development -- transfer of resources; creation of employment opportunities, increased agricultural production, assignment of high priorities to health and education in the rural areas. The greatest obstacle to achievement of its objectives in all of these areas, however, is the cumbersome government apparatus itself. Training can provide many of the management skills and knowledge needed to bring about change and at the same time stimulate creativity and innovation and reinforce in the mid-career government

staff member a capacity for empathy. Certainly Indonesian trainees will come to better understand U.S. perceptions as to what constitutes those basic human rights that should be sought by all governments.

The better management obtained through the overseas and in-country training opportunities that this project provides staff members of the DOA and DOE should result in increased agricultural production, more equal income distribution, greater access to education, and generally improved social and economic conditions.

C. Technical

This loan project involves three types or forms of training: academic training in the U.S.; specialized non-academic short courses, mostly in the U.S. but, when suitable, in third countries; and substantial in-country courses developed and initially conducted by U.S. technical assistance. In each instance training is directed at strengthening the institutional capability of a key cooperating government agency to enable it to provide leadership, expertise and direction to the implementation of the National Development Plan. Through prior human resources development projects, the U.S. has made it possible for a growing number of Indonesians to obtain the benefits of training in U.S. institutions as well as those of other Southeast Asian countries. Among these now returned trainees are many of those Indonesians who today are focussing the National Plan on programs designed to be of direct benefit to the rural poor.

The magnitude of the current problem of skills shortages is detailed elsewhere in this paper; however, it should be noted that among all of the employees of the DOA and DOE only 20 percent have the advantage of a college education. Of this percentage, the majority have the equivalent of only a junior college education. Of the remaining 80 percent few have received the kind and quality of training that permits them to carry out their assigned

responsibilities with any considerable measure of effectiveness or enlightened social awareness.

The Department of Agriculture (DOA) with its large and diverse staff has an immediate need for more well trained central department and project managerial staff, who are better equipped to carry out their responsibility for creating the sound policies and programs needed for the generation of natural resource flows and the successful implementation of agricultural development projects.

The Department of Education & Culture (DOE) has the responsibility for the education process in Indonesia, thus affecting all levels of government and industry, and the quality of workers. DOE also needs to substantially augment its leadership with managers and administrators who can help to bring to this department a degree of excellence commensurate with national needs for human resource talent.

Both departments have a need for the type of problem-specific short courses that have been established by AID/W and a number of U.S. universities for the developing countries. Previous experience with such courses more than justifies the application of the adjective "excellent" in describing their worth to the architects and builders of development projects.

As the types of national and regional projects now undertaken by the GOI are more complex than in the past and of a social impact nature, there is a need for the attainment of different and frequently highly complex skills not currently available among GOI personnel. This includes a need for long-term academic and non-academic training to prepare departmental personnel to better manage the sophisticated development projects necessary to implement goals of Repelitas II & III.

To meet the training needs of the participating departments, AID/W, U.S. training institutions and universities have over the years developed a variety of

specialized long and short-term courses. The GOI has had sufficient experience with these courses to make a realistic appraisal of their worth, and the consensus among Indonesian decision-makers is that carefully selected training in the U.S. is of greater value and relevance than that which is offered by other donor nations. U.S. education is directed toward problem solving in contrast to the more academic "learning by rote" education found in other countries.

In-country training to be given by the education and training units of the DOA and DOE and assisted either directly or indirectly by U.S. experts, will affect the greatest number of people approximately 8000, in this project, and this method of training will receive preference whenever possible. In support of this substantial in-country training effort both departments will utilize the services of returned participants trained under PRD II to provide instruction during portions of in Indonesia training programs. In those cases where similar in-service training needs are required by several Indonesian agencies, a U.S. expert will be provided to prepare local training programs and to develop an ongoing capacity to replicate such programs.

The crucial factor in any training project is the quality of the students. The GOI has in the past done a commendable job in selecting participants under prior projects, as evidenced by their academic achievements and by the relevant application of their skills and knowledge to ongoing GOI development programs. For this project, the GOI's efficient selection processes will be maintained, and there is common expectation that the USAID's present returnee/placement record of 99.5 percent will be equalled, if not surpassed.

D. Administrative Feasibility

Although this project will be administered with the assistance of a U.S. institution, the Mission is prepared to provide technical support as required to maximize the project's effectiveness. The Chief of the Education and Human Resources Division, in addition to many years of experience working at several levels of education and training

in the U.S., has been in charge of the training programs in four large AID Missions. The Chief of the Training Branch is a qualified and experienced development training officer who is supported by a well-trained, experienced, smoothly functioning team of nine Indonesian employees consisting of an administrative training specialist, a specialist on follow-up activities, four counselors, two administrative assistants, and a secretary. A.I.D. Handbook #10, Participant Training procedures and regulations will be followed in administering this loan.

An analysis of project costs is relatively easy, as training cost estimates generally have though AID experience been standardized. The current cost estimates provided by the International Training Office of AID/W have been used to compute costs of academic and non-academic training under this project. The funding estimates for long-term and short-term consultants are based on the average outlay for current costs for such services in other USAID/Jakarta projects. All cost estimates are reasonably firm and reflect past experience and detailed planning.

The need for the project is reflected in the statement of its objective, as that objective, in turn, relates to Indonesian national development goals. Further, the DOA and DOE have given ample assurances during the design phase of this loan project that they can find qualified personnel, both at the central and lower levels, to participate fully in the various training programs planned in this paper and that every effort will be made to ensure that those individuals selected for overseas training are qualified in the English language. We can define GOI development oriented needs and GOI inputs and the experience and successes of AID-sponsored training withstand scrutiny. Indonesia's return/placement record is perhaps the best among all of the developing countries, with 99.5 percent of those trained abroad now returned and, if not retired or deceased, professionally engaged in a work activity for which they were trained. The project fully meets the requirements of FAA Section 611(a) and (b).

E. Environmental Concerns

As this project is solely for the training of Indonesia's human resources, there is no negative impact on the environment. Refer to Annex 10 to this Project Paper which provides an Initial Environmental Examination.

PART IV - FINANCIAL PLAN

The training requirements of DOA and DOE far exceed the amount of the U.S. Loan being proposed; both agencies, therefore, are also negotiating with other donors for supplemental human resources development assistance, and it appears that such aid will be available. The U.S. contribution through PRD II therefore will be an integral part of a much larger GOI planned management development program.

The table that follows presents a summary of the estimated costs associated with the PRD II project. Its total cost over five years is \$8,627,600 of which \$5,000,000 represents the U.S. foreign exchange costs financed under this loan.

The foreign exchange funding of U.S. technical advisors, including their salaries, international air fares, and support costs, will be financed under this loan, as will be all foreign exchange costs for participant in long and short-term training, including their international travel. The GOI will pay the full salaries of participants when in training, where ever its location; domestic (in Indonesia) travel costs; support costs in Indonesia for U.S. advisors, such as domestic travel and per diem; office space and clerical personnel for technical advisors; and the local costs of the in-country training to be conducted under this loan. These and other local costs will be provided in full from clearly cited GOI budgetary sources. In special instances, mutually agreed upon by AID and the GOI, some local costs may be charged to the U.S. portion of the loan. It is recommended that AID contribute \$5,000,000 or 58 percent of the total project cost.

Summary Opinion

Based on the conditions set forth above, it has been concluded that the financial plan for the project is fully adequate and that the project is financially sound.

Summary Cost Estimates (1)

<u>PROJECT ELEMENT</u>	<u>AID</u>	<u>GOI</u>	<u>TOTAL</u>
Academic Training (203 years)	\$2,639,000	\$ -	\$2,639,000
Short-Term Training (156 months)	\$ 326,000	\$ -	\$ 326,000
Expert Consultants (160 months)	\$ 950,000	\$ -	\$ 950,000
Local Travel	\$ -	\$ 270,600	\$ 270,600
Salaries, Counterparts and Participants	\$ -	\$1,397,000	\$1,397,000
In-Country Training	\$ -	\$1,170,000	\$1,170,000
Instructional Material, Equipment and Facilities	\$ 283,800	\$ 485,000	\$ 768,800
U.S. Office Support	\$ 150,000	\$ -	\$ 150,000
Indirect Costs (2)	\$ 408,400	\$ 55,000	\$ 463,400
Contingencies	\$ 242,800	\$ 250,000	\$ 492,800
TOTAL	\$5,000,000 (58%)	\$3,627,600 (42%)	\$8,627,600 (100%)

(1) Refer to Part II, Sections C&D and Annexes 5 & 6.

(2) Includes international travel costs.

PART V - IMPLEMENTATION PLAN

A. Administrative Arrangements

This loan project will be under the overall administration of the Minister of State for Administrative Reform (MENPAN). His designated representative will chair a Project Steering Committee with its members drawn from the two GOI agencies participating in the project. A representative of the Minister/Secretary for State (SEKKAB), which must approve all civil service employees for overseas study, will serve as a participating member of the steering committee, as well as a special advisor regarding the coordination of the overall training programs of the cooperating country's implementing agencies.

During the preparation of this Project Paper, a U.S. consultancy team (Public Administration Service) assisted the USAID and Departments of Agriculture and Education & Culture in the identification of their training needs; in the establishment of training priorities; and in the development of discrete departmental training plans. Refer to Part II, Sections C and D and Annexes 5 and 6.

All PRD II training activities will be implemented through a contract with a U.S. institution which will handle the making of arrangements for overseas training and technical assistance. The contracted institution selected to handle project administration should meet the following qualifications :

- Previous substantial experience in developing and administering U.S. and other country training, both within academic institutions and through workshops/seminars, for mid-career government professionals from Southeast Asia and preferably Indonesia;
- Previous experience in assisting cooperating countries to develop in-service and in-country training programs for mid-career government professionals;
- Particular expertise in education and training directed toward those special management or development problems which confront Indonesia, i.e. the rapid upgrading of departmental capabilities to deal with economic and social growth in a society that is comprised of varied racial groups, cultures and religions;

- Access to strong academic and non-academic programs in the various subject fields required in this project, such as national education planning, agricultural economics, public administration, project planning and management, material management, evaluation and project monitoring and social science research, and
- Access to facilities adequate to support the project; particularly library and documentation resources to support Indonesian agriculture and education management studies and research programs.

The contractor will be responsible for:

- Advising the two GOI agencies with regard to identifying, developing and refining their continuing long-range personnel upgrading programs;
- Analyzing in-country training facilities, specifically the Agency for Agricultural Education, Training and Extension (DOA) and the Education and Training Center (DOE), and advising as to their adequacy for meeting the management and specialist training needs of the participating agencies;
- Coordinating with the participating agencies of the GOI, including the Lembaga Administrasi Negara (National Institute of Administration) in the designing and pilot operation of short-term in-country training programs; and
- Coordinating with the participating agencies in selecting and placing long and short-term trainees in the U.S. and third countries.

The USAID Project Manager will be the principal U.S. Advisor to the MENPAN conducted Project Steering Committee, as well as to the individual departmental steering committees charged with actual implementation. As the project involves two GOI agencies, he will assist the cooperating government with the development of contract specifications and be an active participant in the contract negotiations.

The USAID has been asked to contract directly with a U.S. institution and to act as the GOI's agent in finalizing the contract, as MENPAN has limited experience in contract negotiations and the project deals with two discrete GOI agencies. See Annex 9.

Selection Process

With the assistance of the U.S. consulting team (Public Administration Service) both GOI departments have during the preparation of this project paper spent considerable time and effort in specifying to the maximum extent possible, those out-of-country and in-country training needs that must be fulfilled under PRD II in order to achieve project goals. It is to be expected, however, that as the project evolves through its five-year life of implementation, there will be some shifting in emphasis accorded specific types of training and education. This may be particularly true in the case of the project's substantial in-country short-term programs.

Additionally, the training plans developed for DOA and DOE are by intent dynamic and flexible. (See Part II, E and Annexes 5 & 6). As all parties involved in implementing this project gain more department-specific experience, it will be possible to further refine the present training plans in order to make them even more sharply defined and effective in upgrading the two participating departments, so that these agencies will be successful in serving the needs of Indonesia's inhabitants, specifically the poor.

The selection of government personnel for training, as with the identification of training sites and training programs, must be carefully made if this project is to be of maximum effectiveness. Therefore DOA and DOE will establish a Project Steering Committee composed of a Chairman, a representative of their education & training units, each participating Directorate General, the U.S. contractor and the USAID Project Manager. The committees will screen and select the training programs best suiting their management, administrative and technical expertise requirements and then

Identify those departmental personnel who require and meet the qualifications for overseas or in-country training. A "Functional Program Matrix" to be used as a guideline in selection is attached as Annex 8 of this Project Paper. Personnel chosen for overseas study will be reviewed by SEKKAB which must grant final approval.

The USAID Training Branch (EHR) will ensure that all overseas training provided by the U.S. contractor is in conformance with standard A.I.D. regulations (Handbook # 10, Participant Training) and that each participant meets established selection criteria; performs satisfactorily and expeditiously while in training, and on return to Indonesia is utilized by his department and utilizes the knowledge and skills gained from participation in this loan project. Each individual chosen for overseas training will be processed by the U.S. contractor and USAID with all standard documentation but as a non-obligation PIO/P.

The U.S. contractor will be solely responsible for the placement of participants sent abroad to appropriate training institutions. The contractor will also have major responsibility for ensuring to the maximum extent possible that training programs and academic research are appropriate for Indonesian problems.

USAID has substantial experience in managing major human resource development projects. Both the Agriculture Education For Development (0260) and the Higher Education Development (0248) loan projects are managed by a GOI Steering Committee, a U.S. contractor and a U.S. Project Manager in accordance with standard A.I.D. regulations and procedures.

As adequacy in the English language is a fundamental requirement for training abroad, the USAID Training Branch will assist the GOI and the U.S. contractor in evaluating candidate language proficiency and in providing programs to upgrade English language skills. Candidates for academic training will be required to obtain a minimum "Test of English as Foreign Language" (TOEFL) score of 500, which is

accepted by most U.S. universities. Exceptions will be made only when participants are sent to certain third countries. Special English training will be arranged at the Lembaga Indonesia-Amerika (Bi-National Center) and at special intensive English centers to be established by the DOA and DOE for the upgrading of candidates to all English-speaking countries. Additionally, the Training Branch will administer the "American Language Institute of Georgetown University" (ALIGU) series of English language tests to candidates for non-academic training programs, as a means of certifying their capability and as a pre-TOEFL screening device for academic candidates.

Candidates for in-country training will be selected by the appropriate department's steering committee, the U.S. contractor and in cases, where long-term academic in-country training is to be given, by the USAID Training Branch.

B. Implementation Schedule

- | | |
|-----------------------|--|
| 1. June 30, 1978 | - Project Authorization |
| 2. August 30, 1978 | - Project Agreement will be signed by GOI |
| 3. October 6, 1978 | - Request for Proposals sent to respective contractors |
| 4. November 17, 1978 | - Conditions precedent to disbursement met |
| 5. January 5, 1979 | - Contracts signed |
| 6. January 5, 1979 | - Letter of Commitment issued |
| 7. February 2, 1979 | - Letter of Credit opened |
| 8. August 22, 1983 | - Terminal dates for requesting disbursements |
| 9. September 22, 1983 | - Final disbursement date |

PART VI - EVALUATION PLAN

A. Focus

Evaluation of this project will focus on (1) the quality of training provided at U.S. and foreign universities and training institutions; (2) the relevance and scope of curricula and courses in achieving project objectives in the Indonesian departments involved; (3) the monitoring of individuals in academic and long term non-academic programs; (4) the effectiveness of in-country training supported by the project; (5) the extent to which overseas and in-country trainees utilize their training and are utilized by their departments; (6) the relevance and quality of projects planned, programmed and implemented by individuals trained; and (7) the quality of project technical assistance and co-ordination provided by the U.S. Contractor in conjunction with the involved GOI departments and USAID.

B. Methodology

Project evaluation will consist of three integrated elements: an annual review; departmental steering committee sessions held at regular intervals; and the continuous monitoring of trainees and training programs. This tripartite evaluation process will provide for comprehensive project review and ensure the relevance and effectiveness of the loan.

In detail the elements of the evaluation are :

- An annual project review to be prepared and conducted by the MENPAN Project Steering Committee, the USAID and the U.S. Contractor. The USAID Project Evaluation Summary (PES) will be used to assess institutional development with DOA and DOE and to measure the development of an improved project planning, management programming and implementation capacity. The evaluation will utilize project, departmental and USAID records and will involve overall evaluations of in-country training programs conducted and overseas training programs completed as well as analyses of those policies, plans or projects developed by the departments assisted by this project.

The PES as revised by this Mission appears to provide a fully adequate and analytical framework for evaluation. It is intended, nevertheless, in the interest of ensuring greater objectivity, to seek the services of one consultant for one month for the mid-term and one consultant for two months for the final evaluation of this project. Questionnaires and interviews will be prepared for use during the mid-term and final evaluations.

-- The DOA and DOE will hold regular departmental Steering Committee meetings which will include the U.S. Contractor and the USAID Project Manager. During these sessions progress in implementing project activities will be evaluated; overseas and in-country training programs will be reviewed; selection of individuals for training will be made; and a check will be made on the progress of individuals in training. These will be working sessions directed toward project implementation with particular concern for the early identification and overcoming of obstacles.

-- The continuous monitoring of trainees and training programs will be handled by the individual DOA and DOE Steering Committee Chairman, the U.S. Contractor and USAID Project Manager. As this is a training project, administrative procedures are clearly established (Handbook # 10, Participant Training) and will be followed to ensure that the training provided under this project is in conformance with standard A.I.D. regulations and follows accepted USAID processing modes.

Follow-up activities will be conducted by USAID, the U.S. Contractor and the individual departments and can very well be integrated with the evaluation process. Each participant on completing overseas or long-term in-country training will be required to complete a training evaluation questionnaire and will be interviewed by a USAID Training Branch (EHR) staff member. The former trainee will then be contacted at least once each six months during the life of the project to determine what position he is occupying, how his training may be helping him in the performance of his job, and what additional assistance might be required that could be provided under the project.

The USAID Training Branch has many years of experience in the conduct of follow-up and the evaluation of training programs. It maintains records on more than 6,000 returned participants and routinely debriefs returning trainees and uses a series of questionnaires for evaluating both training programs and participant utilization. In April, 1978 the Branch hired a fulltime local employee to assist the Development Training Officer and his Deputy in the Mission-wide follow-up program.

The information gained from project follow-up and evaluation activities will be applied to the subsequent redesign of the PRD II training programs, its other project activities and to the refining of project aims and objectives so that these become, where necessary, more realistic and more relevant to Indonesia's development needs.

It is further planned that 2 - 3 field evaluations will be made within a reasonable period after project implementation to identify what plans and projects are an outgrowth of this loan and to determine what their direct impact is on the rural population. Such field surveys will be necessary to demonstrate the validity of the linkages that are said to exist in this project between an effective project planning capacity at central and provincial levels and an improved well-being for the multitudes of rural poor, who are the project's intended beneficiaries. While it is too early to determine the modalities for such a field survey, it is estimated that an expenditure of \$30,000 within the loan will be necessary for such evaluations. This amount is in addition to any other funds assigned to follow-up activities by the Mission. To the extent that foreign consultants may be required for assistance in planning and implementing field evaluations, and at the same time creating an Indonesian capacity to carry out future such evaluations, the Mission intends to request grant funds (PDSF) to support the consultancies.

C. Responsibilities

These are :

- 1) The USAID, U.S. Contractor and MENPAN Project Steering Committee, which is primarily responsible for overall administration and evaluation, will

cooperate in preparing the PES on a yearly basis and the management of other types of evaluation decided upon during the course of this project;

- 2) The individual chairmen of the departmental Steering Committees. The U.S. Contractor and the USAID Project Manager will be responsible for the holding of regular implementation and review meetings; and
- 3) The USAID Training Branch (EHR) the U.S. Contractor and the departmental Steering Committees will cooperate to ensure each overseas and in-country long term trainee is debriefed on completion of training and accorded follow-up services and that training programs are evaluated for relevance to Indonesian problems.

PART VII - SPECIAL CONDITIONS AND COVENANTS

A. Conditions Precedent to Initial Disbursement

Prior to the first disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

- (1) An opinion of the Minister of Justice of the Borrower that the Loan Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms ;
- (2) A statement of the name of the Person holding or acting in the office of the Borrower and of any additional representatives, together with a specimen signature of each person specified in such statement;
- (3) Evidence that the Project Steering Committee as described in Part V has been formally established and is prepared to assist in guiding and evaluating the Project; and
- (4) A schedule for the evaluative program referred to in Part VI.

B. Conditions Precedent to Commencement of Training of Borrower's Government Agencies

Prior to disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, for any training within any agencies of the Borrower, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

- (1) Evidence that DCA and DOE each have accepted the discrete training plan that was jointly developed for their agency with the assistance of the Public Administration Service, appended

as Annexes 5 and 6, and which indicates the types and amounts of training to be included for each agency together with a justification as to how the training will strengthen that agency's institutional capacity to contribute to the achievement of Indonesian development objectives;

- (2) Evidence that satisfactory criteria have been established to be used in selecting candidates for training under the Loan; and
- (3) Evidence that a contract previously approved by A.I.D. has been executed with a United States firm or organization to provide the technical services required for the project.

C. Borrower Covenants

- (1) The Borrower shall agree to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner.
- (2) The Borrower shall ensure that each participant, upon satisfactory completion of training, will be guaranteed an appropriate position commensurate with his educational achievement and prior experience in the agency that nominates him for training.
- (3) The Borrower agrees to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter:
 - (a) evaluation of progress toward attainment of the objectives of the Project;
 - (b) identification and evaluation of problem areas or constraints which may inhibit such attainment;
 - (c) assessment of how such information may be used to help overcome such problems; and
 - (d) evaluation, to the degree feasible, of the overall development impact of the Project.

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ANNEXES

PROJECT PAPER

PROFESSIONAL RESOURCES DEVELOPMENT II

PROJECT NO. 497-0275

UNCLASSIFIED

Project Title & Number: Professional Resources for Development II - Project No. 497-0275

NARRATIVE SUMMARY	OBJECTIVELY MEASURABLE INDICATOR															
<p>Program or Sector Goal: The broader objective to which this project contributes:</p> <p>Self-sustained Indonesian economic and social growth through the development of indigenous planning, managerial and technical capability, directed at poverty, unemployment, health, education services, income stability in rural areas, and general improvement in the quality of life.</p>	<p>Measures of Goal Achievement:</p> <ol style="list-style-type: none"> Unemployment decreases while employment increases in rural areas. Education and health services of high quality are available to all Indonesians even at the village level. Agricultural production increases at sufficient constant level resulting in reduction of basic food import requirements. Rural income increases more rapidly than inflation. 															
<p>Project Purpose:</p> <p>Provide or significantly improve a core of skilled and motivated personnel in the Ministries of Agriculture and Education who will enable the government bureaucracy to plan, manage, implement and evaluate development projects particularly related to the rural poor.</p>	<p>Conditions that will indicate purpose has been achieved: End of project status.</p> <ul style="list-style-type: none"> - Core of development planners, trainers, and managers in DOA and DOE actively engaged in project planning, implementation and professional development. - Identifiable projects underway or completed and evaluated and the number of staff trained in the above. - Efficient utilization of natural and human resources allotted by GOI or obtained from foreign donors for development programs, particularly in agriculture and education sectors. 															
<p>Outputs:</p> <ol style="list-style-type: none"> A cadre of trained Indonesians effectively utilizing their training in contributing to the management and problem solving activities associated with the Nation's developmental projects. Stronger institutional administrative capability within the GOI to define needed positions within ministries to select personnel, and establish in-service training programs. 	<p>Magnitude of Outputs:</p> <table border="1"> <thead> <tr> <th>Training :</th> <th>No. & Type :</th> <th>Approx. Total</th> </tr> </thead> <tbody> <tr> <td rowspan="2"><u>Overseas</u></td> <td>Masters D. & Ph.D.</td> <td>2436 P/No.</td> </tr> <tr> <td>Short term</td> <td>156 P/No.</td> </tr> <tr> <td rowspan="3"><u>In-Country</u></td> <td>Courses</td> <td>30 P/No.</td> </tr> <tr> <td>People</td> <td>8000</td> </tr> <tr> <td>Consultative Assistance</td> <td>160 P/No.</td> </tr> </tbody> </table>	Training :	No. & Type :	Approx. Total	<u>Overseas</u>	Masters D. & Ph.D.	2436 P/No.	Short term	156 P/No.	<u>In-Country</u>	Courses	30 P/No.	People	8000	Consultative Assistance	160 P/No.
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<u>Overseas</u>	Masters D. & Ph.D.	2436 P/No.														
	Short term	156 P/No.														
<u>In-Country</u>	Courses	30 P/No.														
	People	8000														
	Consultative Assistance	160 P/No.														
<p>Inputs:</p> <p><u>USAID</u> : - Dollar Loan; - Assistance for Direct Training Costs; - Advisory/Consultancy; - Assistance in conducting US/TCT training programs; - In-Country training.</p> <p><u>GOI</u> : - Local Currency & Travel facilities; - Training selection, Training placement, and follow-up and evaluation; - Activities after training and after reassignment.</p>	<p>Implementation Target (Type and Quantity)</p> <p><u>USAID</u> : \$ 5,000,000 Loan for finance of training costs.</p> <p><u>GOI</u> : \$ 3,627,600 equivalent local costs financing for support costs, trainee salary costs, plus active local currency expenditures.</p>															

**SUMMARY
FRAMEWORK**

Life of Project:
From FY 78 to FY 83
Total US Funding \$ 5,000,000
Date Prepared: April 1978

MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>REPELITA II Records & Reports</p> <p>ANNUAL GOI ECONOMIC DATA AND STATISTICAL Records of Departments of Finance, BAPPENAS, Agriculture, Education.</p>	<p>Assumptions for achieving goal targets:</p> <ul style="list-style-type: none"> - Problem-solving within overall national Economic and Social Development will improve with increased managerial and technical capabilities. - Increased training of human resources will help to solve current technical and managerial staff shortages and as a result additional development projects in both the public and private sectors will be undertaken.
<p>GOI Manpower Statistics.</p> <p>GOI & USAID joint evaluations relying on</p> <ol style="list-style-type: none"> (1) GOI, USAID, and Private Institution records and reports; (2) Budgetary obligations; and (3) Field observations of programs in operation. 	<p>Assumptions for achieving purposes:</p> <ul style="list-style-type: none"> - Overseas and in-country training can provide relevant skills and assist in developing high levels of motivation necessary for filling current staff shortcomings and lead to development and creation of additional self-sustaining Indonesian skills and human resources training institutions and facilities focused on National Priorities. - In-country training can be readily applied and adapted to the needs and requirements of Indonesian development. - GOI Departments are committed to utilizing developmental resources to reach the rural poor with relevant and effective development programs.
<p>GOI Manpower Statistics, Training Records & Reports</p> <p>GOI Personnel Statistics.</p> <p>GOI Records.</p>	<p>Assumptions for achieving outputs:</p> <ul style="list-style-type: none"> - Candidates will return from training to be placed in responsible positions requiring the acquired skills; and - Will attend follow-up workshops and seminars to ensure effective utilization of those skills.
<p>USAID Records and Reports.</p> <p>GOI Records and Reports.</p>	<p>Assumptions for providing inputs:</p> <p>USAID funding and consultancy/advisory assistance is available on a timely basis.</p> <p>GOI funding provided for an appropriate portion of local cost requirements.</p> <p>Qualified candidates are available for training.</p>

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TAGS:

SUBJECT: PROFESSIONAL RESOURCES DEVELOPMENT PROJECTS PROPOSED FOR FY 78 AND FY 79

REFS: (A) PETREQUIN-NIELOCK TELECON OF 8/30/77, (B) LITTLEFIELD-PETREQUIN LETTER OF 8/16/77, (C) JAKARTA 9389, (D) STATE 60874

1. APAC WILL CONVENE EARLY OCTOBER 1977, TO REAPPRAISE PROFESSIONAL RESOURCE DEVELOPMENT (PRD) PROJECTS PROPOSED BY USAID FOR FY 78 AND FY 79, AND TO DISCUSS GENERAL STRATEGY FOR ADDRESSING CRITICAL HIGH-LEVEL HUMAN RESOURCES NEEDS IN INDONESIA IN FUTURE. CURRENT STATUS OF AID/W ACTION ON THESE PROJECTS IS SUMMARIZED AS FOLLOWS:

(A) APAC APPROVED DEVELOPMENT OF PP FOR D.Q.S. FIVE MILLION LOAN IN FY 78 STRUCTURED ALONG LINES OF RECENTLY APPROVED PRD I;

(B) NO ADDITIONAL GRANT FINANCING WILL BE MADE AVAILABLE FOR PRD PROJECTS, IN ORDER TO BE CONSISTENT WITH PREVIOUS AID COMMUNICATIONS ON THIS SUBJECT TO CONGRESS AND RESPONSIVE TO CRITICISM CONTAINED IN SAC REPORT ON FY 78 APPROPRIATIONS BILL;

(C) COMPLETION OF TRAINING OF PARTICIPANTS CURRENTLY ENROLLED IN DEGREE STUDY PROGRAMS UNDER GRANT-GPT ARRANGEMENTS WILL BE FINANCED BY PRD II LOAN, PRESUMABLY THROUGH FUNDS ADMINISTERED DIRECTLY BY GOI CABINET SECRETARIAT; AND

(D) APPROVAL OF PRD III (FY 79) STILL WITHHELD PENDING OCTOBER APAC MEETING AND DISCUSSION OF LONG-RANGE STRATEGY.

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2. REQUEST USAID SUPPLY ANY ADDITIONAL INFORMATION IT BELIEVES WILL FACILITATE AID/W REVIEW. IN PARTICULAR, REQUEST MISSION ADVISE ON (A) MANNER IN WHICH GOI WOULD ADMINISTER LOAN FUNDS FOR COMPLETION OF STUDY PROGRAMS INITIATED UNDER GPT, AND (B) GOI DEPARTMENTS/AGENCIES SLATED TO PARTICIPATE IN PRD II AND III. VANCE
 BT

LOAN AUTHORIZATION

Provided under: Section 105: Education and Human Resources Development
(Indonesia: Professional Resources Development Project II)

Pursuant to the authority vested in me as Assistant Administrator, Bureau for Asia, Agency for International Development ("A.I.D."), by the Foreign Assistance Act of 1961, as amended, (the "Act") and the delegations of authority issued thereunder, I hereby authorize the establishment of a Loan pursuant to Part I, Chapter 1, Section 105 and Chapter 2, Title I, the Development Loan Fund, of said Act, to the Government of the Republic of Indonesia ("Borrower") of not to exceed Five Million United States Dollars (\$5,000,000) to assist in financing the United States dollar and local currency costs of advanced training (United States, third country, and in-country) for the personnel of two central GOI agencies, the Loan to be subject to the following terms and conditions:

1. Terms of Repayment and Interest Rate

Borrower shall repay the Loan to A.I.D. in United States dollars within forty (40) years from the date of the first disbursement under the Loan including a grace period of not to exceed ten (10) years. Borrower shall pay to A.I.D. in United States dollars interest at the rate of two percent (2%) per annum during the grace period and three percent (3%) per annum thereafter on the outstanding disbursed balance of the Loan and on any due and unpaid interest accrued thereon.

2. Other Terms and Conditions

Except as A.I.D. may otherwise agree in writing:

- a) Except for ocean shipping, goods and services financed under the Loan shall have their source and origin in countries included in A.I.D. Geographic Code 941 and Indonesia. Ocean shipping financed under the Loan shall be procured in any eligible source country except Indonesia.
- b) Appropriate provision has been made to the effect that the use of loan funds for training programs to upgrade the participating agencies, the Departments of Agriculture and Education & Culture, the Borrower has submitted detailed training plans indicating the types and amounts of training included together with justification as to how the training will help the agency to carry out the GOI's development plans.
- c) The Loan shall be subject to such other terms and conditions as A.I.D. may deem advisable.

Assistant Administrator
Bureau for Asia

Date

DEVELOPING A TRAINING PLAN FOR
THE DEPARTMENT OF AGRICULTURE (DOA)

A. Introduction, Methodology, and Approach

1. Introduction

In the preparation of this training plan, it was recognized that the principal objective of the Professional Resources Development II (PRD II) project is the development of administrative and management skills within governmental organizations which would enhance the effectiveness with which Indonesian society is served by GOI governmental programs. Agriculture is now an important sector of activity within Indonesia, and national plans are being implemented which will increase this importance significantly. Thus a large segment of Indonesia's population, especially the rural poor, will ultimately receive benefits from the improvement of management and project implementation skills within the DOA.

2. Study Methodology

A systematic method of analysis was used in determining the resource development needs of the DOA. This method included the following determinations :

- Authority under which the DOA operates.
- Goals and objectives.
- Organizational arrangement to achieve goals.
- Present staffing of organizations including identification of academic achievement and skills acquired through training.
- Personnel and skills needed to achieve DOA goals.
- Identification of deficiencies in administrative and management skills.
- Potential for improvements through on-going training programs provided by the GOI or through bi- or multi-lateral agencies.

Following these determinations, the training program set forth in this Project Paper was developed to serve the highest priority of need within resource limits.

3. Study Approach

The governments of Indonesia and the United States recently entered into a loan agreement for Professional Resources Development I (PRD I). Thus the GOI agencies having responsibilities related to this initial project (MENPAN, SEKKAB, BAPPENAS) were fully knowledgeable of PRD II goals and program requirements.

AID staff and a two-man consulting team (Public Administration Service) hired to assist in the preparation of this training plan visited the several Directorates General and Agencies of the DOA, described the goals of the program, and solicited data for use in project design. Although each participating Directorate General or Agency was contacted, the primary source of guidance was the Agency for Agriculture, Education and Extension (AETE). This Agency is responsible for training activities within the DOA and, further, is to have central responsibility for PRD II project implementation within the DOA.

Following preparation of the draft of this Annex, a copy of the paper was furnished to the AETE for DOA review and comment. It suggested the inclusion of minor revisions and endorsed the paper.

B. Development of the DOA and its Training Needs

1. Background

Agriculture presently accounts for about 40% of Indonesia's Gross Domestic Product, provides two-thirds of the employment, and 80% of its non-oil exports.

ago of Indonesia, with its 3,000 islands stretching along the equator, has a land area of 200 million ha. 60 million ha. are potentially suitable for development. This 60 million ha. can be further subdivided as follows:

Land already cultivated	16 million ha.
Land available for forestry concessions	12 million ha.
Land available for protective forest reserves	12 million ha.
Land available for agricultural development	20 million ha.
Total	60 million ha.

Large areas of undeveloped land resources exist in the Outer Islands, particularly in southern Sumatra, south-eastern Kalimantan, and

the islands of Java, Bali, Madura, and Lombok are of recent volcanic origin and considered to be unusually fertile in comparison with other areas of Indonesia. This, plus the comparatively dry climate, must be significant in explaining the relative overcrowding of the islands which have been preferentially settled throughout the archipelago. Farms throughout Indonesia average about one hectare in size, while in Java the average farm is about 0.6 ha. The population density in Java is 560 persons per square kilometer, ten times that of Indonesia as a whole.

The large land areas with agricultural development potential are located on other islands which are characterized by less favorable soil and different climatic conditions. Thus agricultural technology utilized in intensely developed areas cannot be automatically

transferred. The still unused agricultural resources offer a challenge to the agricultural community as does the potential for more efficient farming practices in densely populated areas. In the short term, constraints to increased productivity in outlying areas are inadequate infrastructure and capital and supporting services. In the longer term, the development of improved farm technology and its dissemination through well managed extension services will aid expansion of farmers absorptive capacity and thereby likely lead to larger and more efficient farm sizes. This is consistent with experiences in other developing countries.

There now are about 16 million farms in Indonesia. The 1973 census of Agriculture indicated that 70% of all farms had less than one hectare of land. These facts, plus the planned program of developing expansive new areas for agricultural purposes, offer a formidable challenge to the DOA. To succeed, the DOA must be staffed with a sufficient number of techniques of public administration and management. The Professional Resources Development II project focuses on the improvement of these administrative and management skills.

2. Development of Present Organization

In the mid-1960's the DOA was formed by combining five former Ministries each of whom retained status as a Directorate General within the new Department. For some years each Directorate General continued its vertical line of service, so that at the local farmer level several agents were responsible for data collection and advisory services.

This system was widely regarded as duplicative leading to poorly coordinated efforts at the local level.

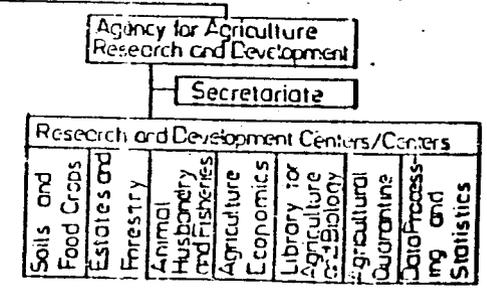
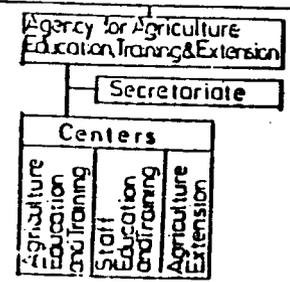
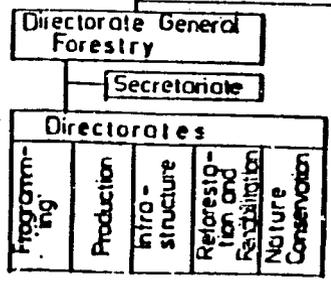
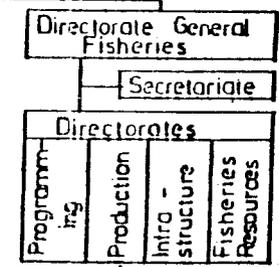
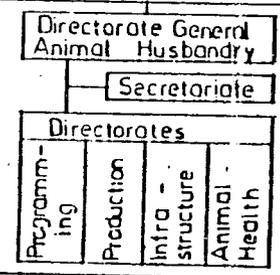
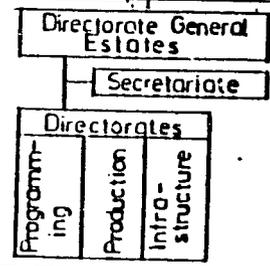
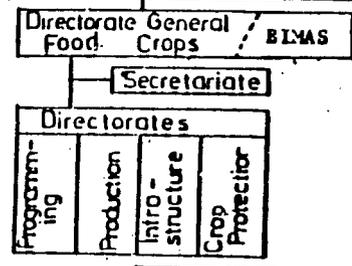
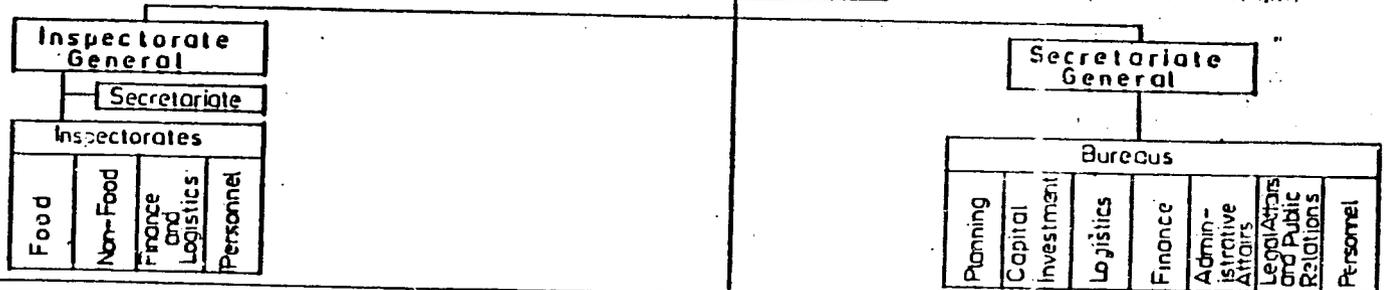
In 1974, Presidential Decrees 44 and 45 were issued reorganizing the DQA as shown in the chart on the following page. Responsibilities for education, training, extension services, research and development were removed from the Directorates General and given to two new agencies, AETE and ARD. According to some observers the implementation of this institutional change has proceeded slowly. For example, some training programs are still conducted by individual Directorates General.

Rural extension services to farmers in Indonesia are provided by employees of Provinces and lower units of government but with training and advisory assistance from the DQA. The lowest level in the governmental hierarchy is the Village Unit ideally composed of a BRI credit office, a farmer's cooperative supply office, and at least one field extension agent (PPL). The Village Unit is organized to serve the needs of about 1,600 farmers. The PPL normally selects about 16 "Key" or progressive farmer for training who, in turn, each train or advise 20 additional farmers. Each of the 320 farmers are then responsible for providing assistance to five farmers, thus total of 1,600.

A rural extension center, headed by a PPL, consists of 10 Village Units. Several Subject Matter Specialists (PPS's), who have technical competencies in specific fields of agriculture, are available for the giving of advice to the rural extension centers, the PPLs, or to farmers. All of the above employees are directed or advised by the

ORGANIZATION CHART
DEPARTMENT (MINISTRY) of AGRICULTURE

MINISTER



Provincial heads of agricultural offices.

The BIMAS (Bimbingan Massa, literally translated as "Mass Guidance") program is a national program to raise food crop production and farm income by supplying credit and cash inputs at subsidized prices. The Paddy Center Program started as a pilot credit program in 1953/1954 and through gradual adjustments became the BIMAS program in 1965/1966. The BIMAS program, as now constituted, provides fertilizer and insecticides plus cash for seeds, spraying costs and living allowances for creditworthy farmers. Initially BIMAS was largely restricted to paddy areas with good water control. More recently the program has been expanded to include cash and credit for at least six other crops.

In 1967/1968 the INMAS (Mass Intensification) program was initiated in the belief that after a few years under BIMAS the farmers' requirements for credit would be reduced. All farmers not eligible for BIMAS due to credit default, or who do not wish to take credit, can obtain subsidized inputs for cash under the INMAS program.

The following data indicate the number of hectares included in the two programs during the 1976/1977 wet season :

- 8 -

	<u>Rice</u>	<u>Secondary Crops</u>	<u>Total</u>
BIMAS	1,828,000	159,000	1,997,000
INMAS	1,737,000	606,000	2,343,000
Total	3,565,000	775,000	4,340,000

The BIMAS, and companion INMAS, programs are administered by the DOA with the Director General of Food Crops now acting as the BIMAS Secretariate. Although BIMAS personnel are considered to be a part of the DOA, funds to pay for BIMAS services are provided by sections of the national budget other than from the DOA.

3. Size and Training of Staff

The number of persons employed by the DOA is shown in the following table. It is interesting to note that for the next fiscal year the Department feels that more than 13,000 people should be added to the staff. At least one of the divisions within the Department fully expects to meet its expansion goal.

Data relative to numbers of staff members with college degrees were not available from all divisions, which may be one indicator of the state of management in the Department. Such data as are thought to be reliable are shown in the following table. After extrapolating this available data, it is believed that 20% of the present staff of 16,235 have an educational attainment of Sarjana Muda (3 years) or higher degree from an Indonesian university. Of those with degrees, perhaps 3 - 5 % have received degrees from abroad.

DEPARTMENT OF AGRICULTURE

PERSONNEL INFORMATION

No.	Organizational Unit	Levels				Total 1977	Additional Staff Needs 1978	College Degrees* (B.S., Ir., Ph.D.)
		IV	III	II	I			
1	Secretary General	43	208	389	405	1,045	1,160	NA
2	Inspectorate General	13	40	62	23	138	138	NA
3	Directorate General of Food Crops	31	236	357	326	950	950	181
4	Directorate General of Estates	22	231	301	122	676	682	NA
5	Directorate General of Animal Husbandry	26	225	319	112	682	689	274
6	Directorate General of Fisheries	23	276	260	96	655	714	94
7	Directorate General of Forestry	47	437	720	579	1,783	2,318	478
8	Agency of Agriculture Research & Development	51	655	1,451	2,059	4,216	4,836	NA
9	Agency of Agric. Educ. Training & Extension	26	170	358	645	1,199	1,215	256
10	BIMAS	8	260	(1) 4,601	22	4,891	905	711
Total						16,235	13,607	1,994
Provincial and Local Employees Advised by DOA:								
1.	Food Crops Services (26 Provinces)					(2) 19,614		
2.	Estate Services (26 Provinces)					3,044		
3.	Animal Husbandry Services (26 Provinces)					(3) 6,450		
4.	Fisheries Services (26 Provinces)					5,854		
5.	Forestry Services (26 Provinces)	18	170	1,839	4,186	6,212		
Total						41,174		

* B.S. (Sarjana Muda) - three year program
Ir. (Sarjana) - five year program

(1) Including field extension workers in provinces.

(2) Including field extension workers but not including DIY (Special District of Yogyakarta).

(3) Not including Special District of Yogyakarta (DIY).

The Department of Agriculture does not maintain data relative to numbers of female employees, however it is estimated that less than two percent of the employees are women.

The 1977/1978 budget of the AETE provided Rp. 3.3 billion for the training of Department staff. This represents 5.8 percent of the total Department budget of Rp. 57.4 billion. Most of the training budget was for short courses (1 - 4 months) for the lower echelon staff. This program includes the following numbers of personnel :

<u>Directorate General</u>	<u>Trainees</u>
Fisheries	1,840
Estates	787
Forestry	1,810
Animal Husbandry	570
Food Crops	1,383
Special Courses	1,551
	<hr/>
	7,941
Training paid by other government budgets :	
Forestry	600
Food Crops	1,273
	<hr/>
Total DOA staff to be trained 1977/1978 :	9,814

Of the Rp. 3.3 billion training budget, Rp. 88.0 million is to be devoted to the training of middle management staff. In addition, four staff members are to attend a four month management course offered by LAN at no charge to the DOA budget. Thus the total cost of middle management training of DOA personnel is approximately

0.2 percent of the 1977/1978 DOA budget.

Training programs at the AETE are conducted at 23 training centers located throughout Indonesia. About 100 permanent instructors are utilized, approximately five to each center. Temporary instructors are also used for short courses being assigned from IAN, Bogor Agriculture University (IPB) and the various Directorates General. Few texts are available. The 23 centers are established for specialty training as follows :

1 National Training Center (Bogor)

Top and middle management personnel have trained 813 during past eight years in management aspects of agriculture.

13 Multi-purpose training centers for personnel from Food Crops/BIMAS, Animal Husbandry, Fisheries (inland), and Estates.

6 Forestry training centers solely for Forestry personnel.

3 Marine Training Centers for training in ocean fishing.

Curricula for all training centers are developed by the AETE as well as curricula and instructor qualifications for courses conducted within Directorates General. Only the National Training Center provides management training. Other centers are for lower level employees, 950 PPL's being trained in 1977/1978.

4. Training Needs

The training program of the Department of Agriculture gives particular emphasis to management training in the Directorates General of Food Crops/BIMAS, Animal Husbandry, Fisheries, and Forestry and to the Agency for Agriculture Education, Training & Extension.

Each of these Directorates General, as well as the AETE, recognized training needs in excess of the resources available under the proposed loan so that priorities will have to determine which activities are to be selected. A synopsis of needs documented by each Directorate General and the AETE follows :

Directorate General Food Crops/BIMAS - About 300 academic person/years of training were identified as being needed for Food Crops personnel. Needs included both management and technical training in such fields as plant protection, seed technology, water management, soil conservation, agronomy, production management, development planning, agricultural business, agricultural extension, agricultural education, and others. In addition, a need was described for short-course training for 250 people abroad and more than 900 in-country.

For the BIMAS program the Directorate General requested 190

person/years of academic training abroad including such subject areas as agronomy, agricultural economics, and social science. Further, a well prepared program of short course training was presented showing a need for the training abroad of 145 BIMAS personnel in 13 management areas.

Directorate General Animal Husbandry - More than 60 person/years of academic training were requested. These included such subject matters as beef, dairy and fodder production; genetics; agricultural economics; poultry production; animal nutrition; and artificial breeding. Additionally short course training abroad was requested for 30 people and in-country for 250.

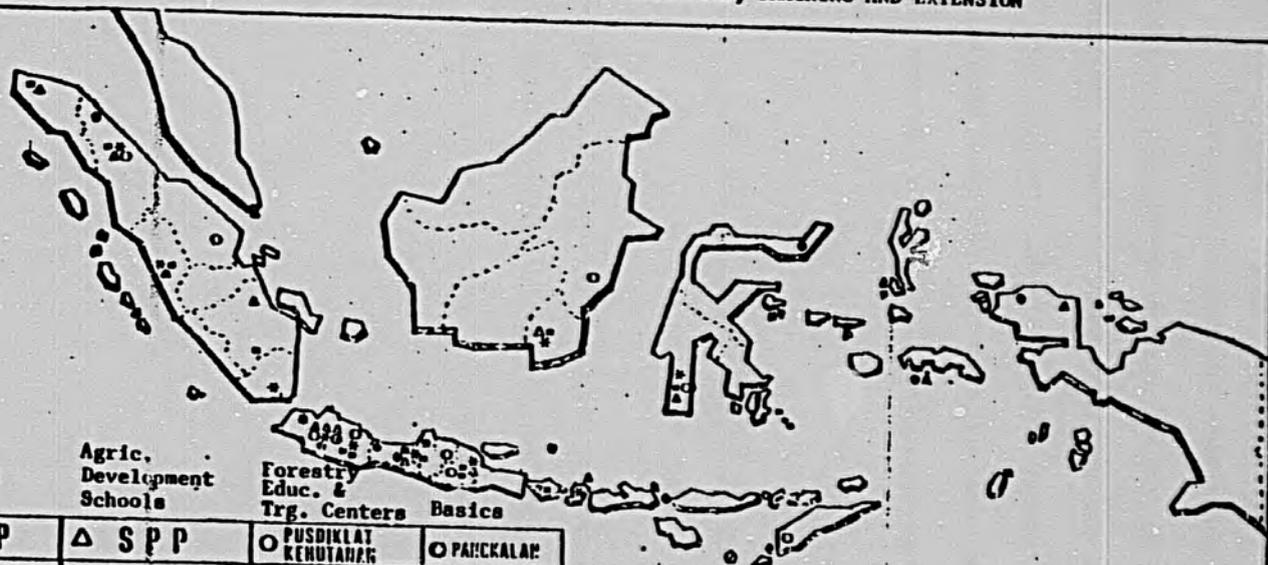
Directorate General Fisheries - A total of 136 person/years of academic training abroad were requested. Subject matters included economics, agriculture, human nutrition, biology, resource management, rural/regional development, statistics, and others. Short term training needs were identified and a request was included for the training of 361 people.

Directorate General Forestry - A request was made for 24 person/years of U.S. academic training in Forestry Planning, Inventory, Economics and Management and in Public Administration. In addition there is an unspecified request for in-country training.

Agency for Agriculture Education, Training & Extension - This is the Agency within the Department which has central responsibility for training. It will eventually play a lead role in the management of loan-related activities, and, with assistance from others, in the identification of training priorities and the selection of candidates. Thus the Agency did not separately identify its own total management training needs but incorporated these within the training plan presented subsequently. For its own staff it plans to emphasize academic training abroad for those who will plan, manage, and conduct training programs for lower level DOA personnel at its various training centers throughout Indonesia (see map on the following page). Actual training needs within the AETE were shown to be far in excess of those included in the program design.

In addition to academic and short term training needs which were identified by the DOA, the several Directorates General and the AETE recognized the need for expatriate expert guidance. Included among the expert assistance needs which were described by the Directorates General were assistance in financial, office, and supply management; project planning and implementation; social science research; agriculture training methods; and determination of training priorities.

TRAINING CENTERS OF THE AGENCY FOR AGRICULTURE EDUCATION, TRAINING AND EXTENSION



Agric. Info. Centers

Agric. Training Centers

Agric. Development Schools

Forestry Educ. & Trg. Centers Basics

* PIP	□ PLP	△ SPP	○ PUSDIKLAT KENUTANAN	○ PANCKALAM
TANJUNG MORAWA MUKIT TINGGI TANJUNG KARANG LEMBANG CIAMI JERAMBA KORONG MARDI BARJAN BARU PENIRAJAN	SREE ACEH TALUNG MORAWA MARTAPURA CINEA KAYU AYOON UNGARAN SOROPADAN KETINDAN BEDALI DENPASAR BIRUANE BATANG KALUKU BANDAR SEIAT	SAREE ACEH MEDAN PADANG PALDIHANG SOGOR - SRMA - SUPA YCCYAKARTA PALANG - SPMA - SHAKMA MATAH BARJAN BARU UJUNG PANDANG AYON MALUMU	PERANG PURATANG 3. BOGOR KADIPATEN CEPU MADUN SAPIRADA UJUNG PANDANG KUPANG	BELAWAN JUKABUMI TEGAL NGRAJOK JEPARA SINGARAJA MENADO AYON SORONG

- PIP : Pusat Informasi Pertanian
- PLP : Pusat Latihan Pertanian
- SPP : Sekolah Pertanian Pembangunan
- IPLPP : Induk Pendidikan, Latihan dan Penyuluhan Pertanian
- AUP : Akademi Usaha Perikanan

● IPLPP - Agricultural Extension Education and Training Center
 ● AUP - Fisheries Academy

The AETE looks to the PRD II program to not only provide badly needed academic and short term training within the Directorates General, but to provide its own Agency with resources which can be used to plan, prepare and conduct a viable Department program of personnel development training. Additionally, the AETE would plan to use employees from the Directorates General who receive graduate degrees from abroad as part-time training instructors.

C. Training Needs of DOA to be Met by PRD II

1. U.S. Academic Training or Equivalent

The DOA requests 130 person/years of U.S. academic training for Department personnel. This would provide graduate level training for 60 people. These have been tentatively allocated as follows :

- Directorate General Food Crops/BIMAS	..	..	..	..	..	..	..	..	..	10
- Directorate General Animal Husbandry	..	..	..	..	..	..	..	..	..	10
- Directorate General Fisheries	..	..	..	..	..	..	..	..	..	10
- Directorate General Forestry	..	..	..	..	..	..	..	..	..	10
- Agency for Agricultural Education, Training & Extension	..	..	..	..	..	..	..	..	..	20
<hr/>										
Total	..	..	..	..	..	..	..	..	..	60

The AETE emphasizes, however, that during the five year life of the project the personnel needs of other divisions within the DOA may have to be considered for management training. In the event academic training is requested for personnel in other divisions, and approved by USAID, the above tentative assignments would be adjusted.

Specific subject matter areas for the academic training programs have not now been identified. This will be done by the Department steering committee, in consultation with USAID and the Project Manager, during the course of the project.

The AETE understands and fully agrees with project goals and intends to select middle management personnel for academic training in fields of study which will improve their own skills of management in the rapidly expanding agricultural sector. Such fields

of study will include the following :

- Public Administration, including Management Science
- Agricultural Management
- Economics
- Social Science Research
- Agricultural Planning including its multiple sub-divisions
- Development Planning
- Water Management
- Soil Conservation
- Agricultural Education
- Agronomy
- Agricultural Economics
- Project Evaluation and Monitoring

The scheduling of assignments for foreign academic training would be influenced by the need for local training in English language competency and the Department's ability to provide replacements during long absences. It is also recognized by the AETE that those who may be chosen to continue academic training beyond the Master's degree level must be sent abroad early in the five-year loan period.

With these factors in mind, the Agency has tentatively scheduled the following assignments for academic training abroad :

Year of Loan	1st	2nd	3rd	4th	5th
Number of Students	20	15	15	10	--

2. Short Term Training Abroad (U.S. or equivalent)

During the past several years the DOA, through its own budget and with loan funds, has sent employees abroad for training in short-term specialty courses. Employees have been sent to the U.S.A., Australia, Bangladesh, Egypt, France, India, Japan, Malaysia, Philippines, and others. While these courses have provided some skill improvement in management techniques, the primary focus has been on the improvement of technical competencies.

Thus as an adjunct to the PRD II academic program, the AETE intends to assign middle management personnel to a wide variety of short term courses abroad. These courses, averaging about three months in length, now include the following subject matters :

- Agriculture Administration
- Agricultural Economics
- Agricultural Marketing
- Agricultural Development
- Manpower Management
- Fiscal Management
- Budgeting
- Project Monitoring
- Project Evaluation

The specific needs and priorities are to be identified and the PRD II contract Project Manager, with assistance from USAID,

the contractor's home office staff, and the U.S. Department of Agriculture, will select the U.S. and other training courses which most fully match needs. Academic training will be emphasized during the early portions of the loan period and the emphasis in short term training will evolve during the second and third years of the loan period. The AETE has requested that two of their staff members be allowed to spend approximately two months each in the U.S. to evaluate university programs and Indonesian students accomplishments. These visits would be regarded by the AETE as similar to short course training and would be financed accordingly. There will be thirty-eight other short programs.

3. Short Term Training In-Country

The DOA recognizes the need and value of short term in-country training and expects to upgrade considerably the AETE's training capabilities through staff training abroad and through the provision of additional instructional materials and equipment. Moreover the AETE expects that its status as the central training agency within the DOA will be enhanced through these improvements. The contract Project Manager of the PRD II program will be needed by the DOA to guide them in training center/development. The AETE expects that he will be available to provide assistance to them in developing improvements to their on-going training program, which will provide the Directorate Generals with training for approximately 3,000 person during the life of this project.

4. Instructional Equipment

The lack of instructional equipment and materials is a severe constraint to the effectiveness of AETE's present training capabilities. Such materials are needed at the headquarters office and at the 23 training centers located throughout Indonesia. The DOA expects to contribute a large portion of its own project funds for such materials and plans to use a portion of the loan funds to purchase instructional aids not available in Indonesia. These would include texts and reference materials, audio-visual aids, and equipment necessary for a new central language training center.

5. Expatriate Assistance

The DOA section of the PRD II project will require a half-time expatriate contract Project Manager to manage in-country activities and to provide guidance in the development of improved training programs.

D. The DOA Program Budget

The proposed budget for the DOA portion of the PRD II loan is
as follows : (in US 1,000 dollars)

AID

1. Academic Training		
130 person years at \$13,000	:	1,690
2. Short Term Training		
120 person months at \$ 2,100	:	250
3. Project Manager ($\frac{1}{2}$ time)	:	180
4. Instructional Materials	:	175
5. U.S. Office Support	:	75
6. Indirect Costs	:	255
7. Contingencies	:	118
		<hr/>
Sub-Total	:	\$2,743

GOI

1. Local Travel	:	145.6
2. Salaries of Counterparts and Participants	:	750
3. In-Country Training	:	570
4. Institutional Materials	:	235
5. Indirect Costs	:	25
6. Contingencies	:	100
		<hr/>
Sub-Total	:	\$1,825.6
Total	:	\$4,568.6

This budget has been prepared with the assumption that most academic and short course training will be in the United States. However, the DOA expects that, following specific determination of training needs, some training would be sought in equivalent institutions in nearby Southeast Asia, for example the Philippines. To the extent this is possible, the budget could be revised and the numbers of years/months of training abroad increased through a reduction in training costs and international air travel. The DOA will provide for the costs of the substantial in-country training to be provided under this project to benefit approximately 3,000 persons.

E. Organization Arrangement and Project Administration

Within the DOA, the Agency for Agricultural Education, Training, & Extension will be assigned on-going duties of project coordination. Agency personnel, however, will work at the direction of the Department steering committee composed of the following individuals or their designees :

Chairman : Chief of Agency for Agricultural Education, Training, and Extension

Members : Director Generals of Food Crops, Estates, Animal Husbandry, Fisheries, and Forestry

Secretary General

Additionally, the DOA will be represented on the PRD II Steering Committee.

The Department Steering Committee would be responsible for :

- determining the priorities of training needs ;
- selecting candidates for academic and short term training to be approved by SEKKAB;

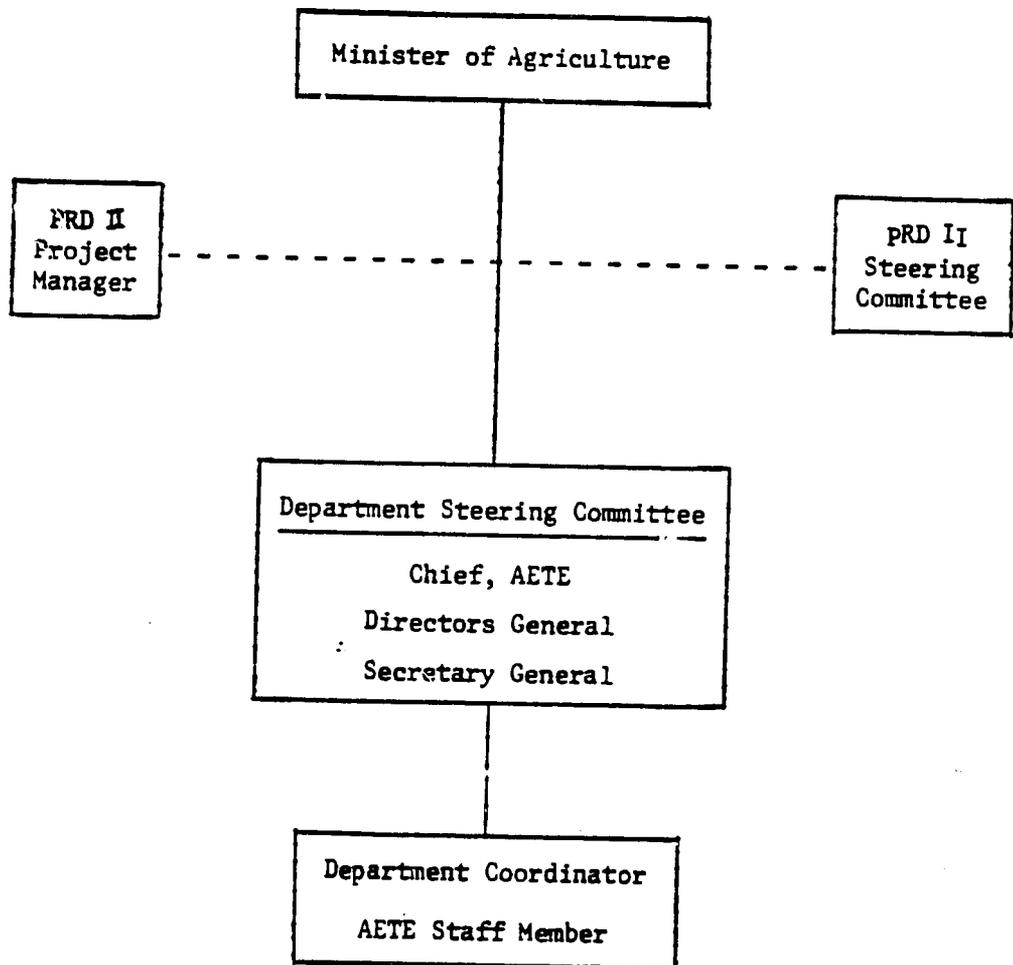
- assignment of returning staff members to management positions best suited to their newly acquired skills ;
- program evaluation ; and
- overall Department coordination.

A chart showing the Department's organization for project administration is shown on the following page.

In choosing candidates for training abroad, the Department Steering Committee will use the following selection criteria :

1. Minimum educational attainment - Sarjana
2. Minimum work experience in DOA - 2 years
3. Proficiency in English language adequate to meet training requirements
4. Candidates will be from areas of the directorate judged in greatest need of management training. Promotion potential will be determined through systematic performance evaluations.

DQA Organization for Project Management



DOA Exhibits

AID/Jakarta

1. Presidential Decrees, establishing the Current Department of Agriculture
2. Decree of Minister of Agriculture No.190, 1975, establishing the current D.O.A. organizational arrangements.
3. Organizational charts, staffing levels, educational attainments, and training program needs as reported by four Directorates General and the AETE.
4. Agricultural Sector Report, Indonesia, The World Bank, Volumes I - IV, 1974.
5. Education and Training for Public Management in Developing Countries - Rockefeller Foundation, 1977.
6. Appraisal of the National Food Crops Extension Project - Indonesia, The World Bank, 1978

DEVELOPING A TRAINING PLAN FOR
THE DEPARTMENT OF EDUCATION AND CULTURE (DOE)

A. Methodology

Initial discussions were held with the USAID/Jakarta staff and files of project materials on the Department of Education, and Culture (DOE) were reviewed early in the preparation of the initial phase of this training plan. This was followed by meetings with the Coordinating Team for Foreign Aid of DOE and meetings with various concerned Department representatives. It was early determined that the DOE's portion of Professional Resources Development II (PRD II) would be administered and coordinated by the Program Development Unit of the Secretary General's office. Representatives responsible for future project activities are :

- Drs. Jusuf Enoch, Chairman, Coordinating Team for Foreign Aid
- Mr. Hardy Hendjan, Secretary, Coordinating Team
- Mr. A. Sitepu, Staff Planning
- Drs. Singgih Yuhadi, Bureau of Personnel
- Drs. Wahjosumidjo, Education and Training Center
- Dr. Ward Henneveld, Ford Foundation Consultant to DOE

B. Background of the DOE

The Department of Education and Culture as structured today was established by Presidential Decree No. 44, dated 1974. The organization and divisions of the Department were established on the same date by Presidential Decree No.45 (Annex No. 1 on file in

USAID/Jakarta). In addition, by Presidential Decree No. 34 of 1972, DOE was given overall authority for education in public and private schools.

DOE establishes educational objectives, policies, and standards; prepares curricula; prescribes methods of teaching; inspects schools; and budgets or subsidizes their operation. To carry out these functions DOE primarily has non-teaching employees and is divided into five major divisions. The Secretary General's office deals primarily with administration; the Directorate General for Basic and Secondary Education is charged with carrying out the technical functions of curriculum development, teacher training, establishing and maintaining standards, etc. Two other Directorates General deal with Culture and Non-Formal Education. One Directorate General is charged with responsibilities for Higher Education; another for Research and Development by collecting statistical data on the system, conducting long-term planning and carrying out research, development, and evaluation. The Inspectorate General audits the accounts and performance of the rest of the Department by confirming that the instructions of the Minister are implemented.

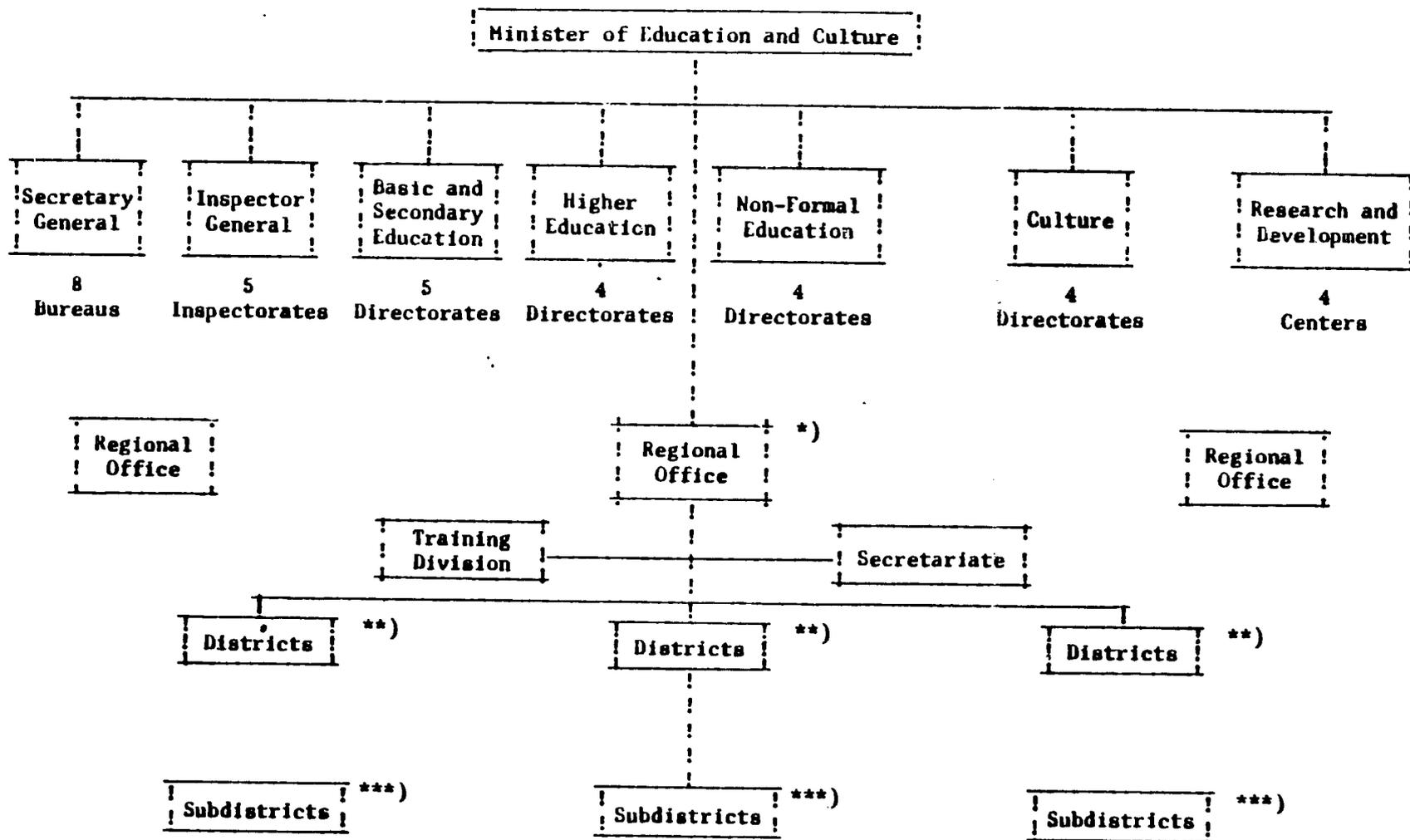
In 1969 the Government, in cooperation with the Ford Foundation, conducted a major evaluation of the educational system. This study revealed serious over-crowding, inadequate facilities, and untrained or undertrained teaching personnel. At least 15% of primary education teachers were found to have no professional training; another 60% had received their teacher training upon completion of the

Sixth Grade. The Ford Foundation recommended major changes including reorganization of the educational structure itself. This restructuring was completed in 1974.

The results of GOI's efforts have been encouraging. Between 1965 and 1972 enrollment increased 85% at the primary level while the number of schools increased 170% (Source: United Nations Educational Scientific and Cultural Organization).

The numbers of trained teachers is now increasing and efforts are being made to provide educational opportunities and in-service programs to teachers already working in schools. Intensive efforts are being made to provide educational materials to classrooms, and teaching aids for faculty members. The government's prime educational goal is universal education through the primary level. An organizational chart of the DOE is shown on the following page.

ORGANIZATION OF DEPARTMENT OF EDUCATION AND CULTURE



- *) 26 Regions
- **) 328 Districts
- ***) 3,544 Subdistricts

During Repelitas I and II, DOE planned to develop education by four means :

1. To widen the education opportunity for school age children;
2. To construct and equip schools and to widen the availability of educational materials;
3. To improve the educational system to achieve more effectiveness, efficiency and relevance of education; and
4. To improve the apparatus in the Department of Education and Culture for administration and management.

The capital investment to accomplish these four means was quite large; however, DOE now realizes that this plan, to be successful, must be supported by a balance of preparatory and administrative systems. This handicap is felt in the implementation stages of project development, particularly where there is an activity which requires administrative coordination between units centrally and in the regions and districts. Anticipated obstacles to progress are as follows :

- The rapid increase in number of pupils makes for a continuing and very serious shortage of trained teachers. Even more acute, however, is the lack of sufficient competent and well-trained administrative and management personnel. In addition, an improved administrative system is required to meet the needs of creative management.

The estimated growth in numbers of pupils and teachers at the formal education level is shown in the tables on the following pages :

Number of Schools, Pupils, Teachers, and Classes

by Level 1976/1977

Type of School	Schools		Pupils		Teachers		Classes	
	1976	1977	1976	1977	1976	1977	1976	1977
Primary Schools	80,261	83,539	15,550,124	17,265,291	514,912	551,927	510,303	552,650
Junior High Schools	8,265	9,395	2,136,067	2,339,835	123,555	134,012	53,130	59,414
Senior High Schools	3,141	3,360	933,633	1,108,079	68,038	75,772	26,025	30,591

Student Statistics

Type of School	Repeaters		Graduates		Drop-Outs		Percent Drop-Outs	
	1976	1977	1976	1977	1976	1977	1976	1977
Primary Schools	1,562,897	1,896,250	1,242,761	1,358,262	123,527	84,421	9 %	6 %
Junior High Schools	57,893	55,536	451,426	526,070	52,406	54,558	10.4 %	9.4 %
Senior High Schools	24,755	28,779	189,740	221,791	22,720	20,836	10.7 %	8.6 %

Department of Education and Culture

Expected Growth of Students and Teachers

Type of School	1 9 7 7		1 9 7 8		Percentage Increase	
	Pupil	Teacher	Pupil	Teacher	Pupil	Teacher
Primary Schools	17,300,000	507,000	22,400,000	673,000	4.9 %	5.4 %
Junior High Schools	2,343,000	137,000	3,314,000	210,000	6.9 %	8.8 %
Senior High Schools	1,126,000	66,000	1,644,000	97,000	7.3 %	7.8 %
Higher Education	231,400	--	294,000	--	4.5 %	--

- Present administrative staff both quantitatively and qualitatively is still lacking in skills necessary for the technical field of operations of the Department of Education and Culture. 79.3 percent of the employees have an education level of high school or less. Only 6.2 percent have completed Indonesian university training. Additional data descriptive of DOE staff are shown in tables on pages 9, 10, and 11.
- Shortages of trained staff resources nationally also affect the DOE in the area of employment of personnel. Most often they do not have managerial capabilities on entry to the service. In general technical teachers are used as management and administrative staff, and they do not have adequate knowledge or skill in management.

The problems enumerated above, have forced the DOE to plan for upgrading management through training activities. Implementation of this training is being carried out in all the development programs, but has not yet resulted in overall systems and program improvement. During the first four years of Repelita II, funds allocated to the DOE have more than tripled as can be seen in the following tabulation:

Year 1974/1975	Rp. 24,036,302,500.-
Year 1975/1976	Rp. 50,668,935,400.-
Year 1976/1977	Rp. 69,858,604,100.-
Year 1977/1978	Rp. 90,565,449,000.-

Department of Education and Culture

Staffing
by
Location and Education

Unit	1974	1977 Education Background of Staff					Total
		Elementary School	Junior High School	Senior High School	3 Yr. Trg. Sarjana Muda	5 Yr. Trg. Sarjana	
Secretariate General	1,164	415	209	435	109	144	1,312
Basic Education)	1,729	604	116	127	74	106	2,046
Higher Education)		577	100	143	112	87	
Out of School Youth and Sports	844	305	115	263	64	130	867
Culture	724	370	154	181	95	82	882
Inspector General	156	45	29	73	25	24	196
Planning and Research	134	37	10	29	40	50	166
Centers	--	20	13	29	51	55	168
CENTRAL UNIT	4,756	2,534	776	1,287	686	657	5,930
Regional Offices	--	3,094	1,280	4,161	1,707	427	10,669
T o t a l		5,628 =====	2,046 =====	5,448 =====	2,393 =====	1,084 =====	16,599 =====
Comparison		34 %	12.3 %	33 %	14.5 %	6.2 %	100 %

79.3 %

6.2 %

Estimated Distribution of Professional and Sub-Professional Staff

According to Sex

1977

Unit	Name	Sarjana Muda/Academy Sub-Professional			Sarjana Professional		
		Male	Female	Total	Male	Female	Total
1. <u>Secretary General</u>							
Bu. of Administration		10	6	16	14	5	19
Bu. of Organization		8	4	12	11	3	14
Bu. of Planning		11	4	15	17	1	18
Bu. of Purchasing		3	1	4	12	3	15
Bu. of Legal & Public Relations		7	3	10	11	8	19
Bu. of Foreign Cooperation		12	4	16	11	5	16
Bu. of Personnel		14	7	21	30	7	37
Bu. of Finance		11	4	15	6	-	6
		<u>76</u>	<u>33</u>	<u>109</u>	<u>112</u>	<u>32</u>	<u>144</u>
2. <u>Inspector General</u>							
Secretariate		4	1	5	6	1	7
Insp. of Development Projects		4	-	4	5	-	5
Insp. of Personnel		3	-	3	3	-	3
Insp. of General Adm.		3	1	4	3	-	3
Insp. of Purchasing		2	1	3	2	-	2
Insp. of Finance		2	1	3	2	-	2
Insp. of Other Activities		1	2	2	1	1	2
		<u>19</u>	<u>6</u>	<u>25</u>	<u>22</u>	<u>2</u>	<u>24</u>

Estimated Distribution of Professional and Sub-Professional Staff

According to Sex

1977

(Cont.)

U n i t	N a m e	Sarjana Muda/Academy Sub-Professional			Sarjana Professional		
		Male	Female	Total	Male	Female	Total
3. Basic and Secondary Education							
	Secretariate	7	4	11	16	4	20
	Dir. PMK	5	3	8	18	4	22
	Dir. PGTT	14	5	19	6	3	9
	BPG Bandung	3	1	4	5	-	5
	PKM Madiun	4	1	5	10	2	12
	Litbang Bandung	1	-	1	7	1	8
	DIT PMW	5	2	7	10	2	12
	DIT Sarana	4	3	7	4	2	6
	DIT Basic Education	6	4	10	9	3	12
	Others	2	-	2	-	-	-
		<u>51</u>	<u>23</u>	<u>24</u>	<u>85</u>	<u>21</u>	<u>106</u>
4. Non-Formal Education							
	Secretariate	16	6	22	24	17	41
	Community Education	8	4	12	31	9	40
	Sports	6	5	11	11	4	15
	DT PGM	4	1	5	10	6	16
	DT PTT	11	3	14	13	5	18
		<u>45</u>	<u>19</u>	<u>64</u>	<u>89</u>	<u>41</u>	<u>130</u>
5. Higher Education							
		91	21	112	68	19	87
6. Culture							
		68	17	95	64	18	82
7. Research and Development							
		31	9	40	41	9	50
8. Printing and Reproduction							
		2	1	3	5	1	6

Although total allocations for DOE activities have increased significantly, the funds provided for training purposes, and especially administrative training, have remained woefully inadequate. The following table shows this inadequacy :

Allocation of DOE Funds

1974/78 to 1977/78

(in million Rupiah)

DOE Total	Total Other than for Higher Education	Bugeted for All Training		Bugeted for Training of Administrators	
		Amount	Percent of Column (2)	Amount	Percent of Column (2)
Column (1)	Column (2)	Column (3)	Column (4)	Column (5)	Column (6)
235,129	185,798	12,980	7 %	781	0.04

C. Existing Personnel Development

In Repelita I and II, DOE made a concerned effort to upgrade the capabilities of its management staff through in-country and foreign training. However, this effort has not reached the expected level of attainment because of financial and instructoral shortages. Training plans carried out to date are as follows :

1. TRAINING ABROAD

Employees sent abroad follow both non-degree and degree programs. Generally this plan was implemented based on joint cooperation with the countries concerned, and foreign aid such as UNECSO, Colombo Plan, Ford Foundation etc. The following are examples of training taken abroad during Repelita II (1974 - 1978) :

<u>Field of Study:</u>	<u>Location:</u>
(a) Educational Planning	- Paris (France) *) - Bangkok (Thailand) - Sydney (Australia) - England
(b) Innovative Technology	- Manila (Philippines) - Saigon (Vietnam) - Singapore
(c) Systems Analysis	- U. S. A.
(d) Evaluation	- U. S. A.
(e) Training for Administration	- U. S. A. - Australia
(f) Accounting	- Bangkok (Thailand) - Netherlands
(g) Planning and Project Evaluation ...	- Paris (France)
(h) Planning and Education Management ...	- New Delhi (India)

*) Numbers attending unavailable.

2. IN-COUNTRY TRAINING

During the Repelita II to date 4, 679 DOE employees have received training in the following administrative areas :

- | | |
|-----------------------------|-----------------------------|
| - administrative management | - education planning |
| - personnel administration | - school mapping |
| - finance administration | - planning |
| - office administration | - techniques of supervision |
| - organization and methods | - plan implementation |
| - filing administration | - education techniques |
| - public relations | - reporting |
| | - project monitoring |

This training was given in the DOE in ten courses of 15 to 90 days per course.

Training outside the DOE was given to 126 employees in the following areas :

- administrative management
- upgrading management
- training capability
- administration
- personnel
- legal management
- material management
- financial management
- organization and methods
- group dynamics
- decision making
- management games
- curriculum development
- statistics
- planning
- project monitoring
- library management

These also were short courses scheduled for 15 to 90 days per course, trained at LAN and DOE in Jakarta.

In the area of technical training for teachers and headmasters, 510, 053 employees were trained in the following subjects :

- basic education
- kindergarten subjects
- exceptional children
- high school management education
- education technology
- economics and vocational education
- general teacher training
- sports
- the youth generation
- culture

There were short courses given within the DOE, and at local institutes and universities.

D. Training Development Program for Repelita III

1. PURPOSE

The development of education and culture has to be supported by efficient and effective management systems in the fields of planning, personnel, finance administration, foreign cooperation, purchasing and implementation. Therefore it requires administrators who are capable of making changes in order that proper steps are taken and the right decisions are made at the right time and with the right approach.

The peak of development growth requires such leaders in every Directorate and Regional Office of the DOE. Training in management as well as in technical study fields is one of the tools required to manage government affairs, especially in the development of manpower to fulfill the needs of the Department in quantities required.

2. SKILL DEFICIENCIES

The following skill areas are recognized by the DOE as being needed at this time :

- (a) Practical management analysis and the ability to utilize available resources;
- (b) Interpretation of management policy to others in a way that is understandable;
- (c) Capability to utilize selectively information as an in-put to staff work;
- (d) Ability to communicate internally throughout the Department and to those outside as well;
- (e) Leadership capability;
- (f) Personnel management; and
- (g) Teaching and training.

Based on experience in Repelita II, training to upgrade staff skills should accelerate in Repelita III, and the DOE has so indicated.

3. PROBLEM AREAS

In recognition of the skill deficiencies listed above, the DOE will address the following needs during Repelita III.

-(a) Development of Institutional Training Capability

-(1)- A Department-wide design of a training program in the field of administration and management systems must be developed.

-(2)- The Training and Education Center as a training institution in the field of administration is new, and has the following shortages which must be given attention:

- . capabilities
- . personnel
- . facilities and equipment

-(b) Development of Management Capability: There are no permanent instructors available to the training center or the regions.

-(c) Improvement in implementation practices to cover operational techniques and supportive means.

4. MANPOWER DEVELOPMENT PLAN FOR REPELITA III

-(a) During Repelita III, the DOE faces the task of developing manpower in two major areas :

-(1)- Technical fields - Training of teachers, lecturers, instructors, and supervisors effecting several thousands of students. This activity will require many skilled experts and heavy financing.

-(2)- Management fields - Experts in these fields are limited, particularly in the DOE. Based upon this shortage and lack of funds, the DOE has requested USAID to assist in the management development program by providing education and training in the following fields of study :

- Education Planning and Administration
- General Management
- Organization
- Personnel Management
- Material Management
- Cost and Financing in Education
- Evaluation and Project Monitoring
- Controlling
- Curriculum Development
- General Office Management
- Training Programming
- Innovative Technology
- Management Information Systems (MIS)
- Computer Programming and Analysis

(a.) In Repelita III, special courses will be given to 20 percent of the current administrators and managers in general management and school administration.

(b.) Identification of the need for training to develop management systems in DOE to hit the right targets has been started, i.e. identification of the training required by working units to support their work. A pilot project in BP3K has started this work. A table showing the type of training needs and the unit follows :

Preliminary Inventory of the Training Needs of DOE by Directorate

PRIN Type of Training Needed	(1) SGN	(2) IRG	(3) DBE	(4) DHE	(5) DOY	(6) DGC	(7) DPE	(8) DSF
(1) Planning								
1. Method of Locating Schools	X	-	X	-	-	-	X	X
2. Population Prediction	X	-	X	X	X	-	X	X
3. Student Prediction	X	-	X	X	X	-	X	X
4. System Efficiency	X	-	X	X	-	-	X	X
5. Manpower Planning	X	X	X	X	X	X	X	X
6. Developing Projects	X	X	X	X	X	X	X	X
7. Evaluating Projects	X	X	X	X	X	X	X	X
8. Analyzing Educ. Concepts	X	-	X	X	X	X	X	X
9. Accounting Systems	X	X	X	X	X	X	X	X
10. Education Mapping	X	-	X	X	X	X	X	X
11. Education Indicators	X	-	X	X	X	X	X	X
(2) Personnel								
1. Personnel Planning	X	X	X	X	X	X	X	X
2. Selection and Testing	X	X	X	X	X	X	X	X
3. Assignment of People	X	X	X	X	X	X	X	X
4. Personnel Management	X	X	X	X	X	X	X	X
5. Appointments and Salary	X	X	X	X	X	X	X	X
6. Analyze Training Needs	X	-	-	-	-	-	-	-
7. Retirement	X	-	-	-	-	-	-	-
8. Personnel Records	X	X	X	X	X	X	X	X
(3) Organization								
1. Decision, Policy Making	X	-	-	-	-	-	-	-
2. Organization Analysis	X	-	-	-	-	-	-	-
3. Standardizing Policy	X	-	-	-	-	-	-	-
(4) Training								
1. Training Needs	X	-	-	-	-	-	-	-
2. Curriculum Building	X	-	X	X	X	X	X	X
3. Teaching Methods	X	-	X	X	X	X	X	X
4. Training Program Design	X	-	-	-	-	-	-	-
5. Training Evaluation	X	-	-	-	-	-	-	-
6. Alumni Development	X	-	-	-	-	-	-	-
7. Training Management	X	X	X	X	X	X	X	X

Legend: PRIN = Priority Number

- (1) SGN = Secretary General
- (2) IRG = Inspector General
- (3) DBE = Directorate General of Basic Education
- (4) DHE = Directorate General of Higher Education
- (5) DOY = Directorate General of Out of School, Youth and Sports
- (6) DGC = Directorate General of Culture
- (7) DPE = Directorate General of Planning and Evaluation
- (8) DSF = District Offices

PRIN Type of Training Needed	(1) SGN	(2) IRG	(3) DBE	(4) DHE	(5) DOY	(6) DGC	(7) DPE	(8) DSF
(5) Legal Requirements								
1. Legal Program Development	X	X	X	X	X	X	X	-
2. Communications	X	-	-	-	-	-	-	-
(6) Office Management								
1. General Office Skill	X	X	X	X	X	X	X	X
2. Office Management	X	-	-	-	-	-	-	-
(7) Inventory-Material								
1. Equipment Class System	X	-	-	-	-	-	-	-
2. Logistic Management	X	X	X	X	X	X	X	X
3. System Classification	X	-	-	-	-	-	-	-
4. Material Management	X	-	-	-	-	-	-	-
(8) International Cooperation								
1. Foreign Technical Assistance	X	-	-	-	-	-	-	-
2. Foreign Technical Cooperation	X	-	-	X	-	-	X	-
(9) Finance								
1. Finance and Budget	X	X	X	X	X	X	X	X
2. Financial Management	X	X	X	X	X	X	X	X
(10) Supervision								
1. General Supervision	X	X	X	X	X	X	X	X
(11) Basic and Secondary Education								
1. Curriculum Development	-	-	X	X	X	X	X	X
2. Implementation Technique	-	-	X	X	X	X	X	X
3. Development Management	-	-	X	X	X	X	-	X
4. Education Evaluation	-	-	X	X	X	X	X	X
(12) Culture								
1. Art Development	-	-	-	-	-	X	X	X
2. Archeology and History	-	-	-	-	-	X	X	X
3. Museum Development	-	-	-	-	-	X	X	X
4. Literature and Language Devlp.	-	-	-	-	-	X	X	X
5. Music Composition	-	-	-	-	-	X	X	X
6. Historical Techniques	-	-	-	-	-	X	X	X
(13) Higher Education								
1. Student Development	-	-	-	X	-	-	-	-
2. Community Serv. Management	-	-	-	X	-	-	-	-
(14) Library								
Library Management	X	-	-	X	-	-	-	-
(15) Publishing								
Printing & Marketing Techniques	X	-	-	-	-	-	-	-
(16) Graphics								
1. Graphic Techniques	X	-	-	-	-	-	-	-
2. Printing Management	X	-	-	-	-	-	-	-
(17) Research and Development								
1. Research and Evaluation	-	-	-	X	-	-	X	-
2. Experimental Techniques	-	-	-	X	-	-	X	-
3. Curriculum Development	-	-	X	X	X	X	X	X
4. Statistics	X	X	X	X	X	X	X	X
5. Communications	-	-	X	X	X	X	X	X

(c.) Estimated cost of planned training in Repelita III; the DOE cost of administration training will be as follows :

-(1.) Management development

- a. training to improve DOE personnel
- b. recruiting experts and consultants
- c. improvement of the training center
- d. evaluation

Cost estimated at Rp. 460,000,000.-

-(2.) Implementation of the training program

- a. operational techniques in the Repelita III training activity implementation is expected to cover 5,000 people from different levels at an estimated cost of 3.1 billion Rupiah.

DOE Estimated Five Year Cost of Management Training is on the following page :

DOE Estimated Five Year Cost of Management Training

No.	Program	One year number persons trained	Five years number persons trained	Estimated DOE Cost Repelita III
1.	School Staff and Administrators.....	60	300	Rp. 440,000,000.-
2.	High Level Administrative Training.....	90	450	Rp. 280,000,000.-
3.	School for Mid Level Administration.....	90	450	Rp. 320,000,000.-
4.	School Basic Level Administration.....	90	450	Rp. 250,000,000.-
5.	Provincial Administration....	280	1,400	Rp. 675,000,000.-
6.	Regional Administration.....	280	1,400	Rp. 675,000,000.-
	T o t a l	890	4,450	Rp. 2,640,000,000.-

-(3.) Estimated facilities costs for Repelita III

- a. management clearing
house Rp. 27,000,000.-
- b. mobilization of
facilities Rp.3,285,000,000.-

The total DOE budget required for the training program in Repelita III is Rp.6,385,000,000.-

5. PRD II Project Design

Basically the PRD II project is a supplement to the GOI management training program planned for DOE, which means that it is a part of an overall development program for the Department. It is planned that during the next five years, the PRD II will assist as shown below :

(A) PRD II Program Objectives in DOE

- (1) To form and assist in the development of a Program Development Unit in the DOE, and to establish an overall training design for the Department through resident and short-term expert consultants.
- (2) To assist DOE in resource development through program and curriculum design, and in training and evaluating instructors.
- (3) To assist the development program through graduate training abroad.

- (4) To assist in the procurement of training materials for education centers and books and equipment for libraries.
- (5) To assist with a planned in-country training program.

(B) Summary of Activities

- (1) The first task is the development of a Program Development Unit which is a major target area of the project. This requires the services of a resident expert for approximately five years to assist the DOE during the life of the project. Short-term subject matter experts will also be required from time to time. All of the above will work in the following areas :

- (a.) planning
- (b.) financial management
- (c.) materials management
- (d.) personnel management
- (e.) office management
- (f.) overall control and supervision

DOE will assign 15 permanent staff with specific skills to the Program Development Unit. Pending completion of their education, they will carry on the program with the assistance of the long-term expert consultant.

- (2) Masters Degree Program

DOE requests the training of 32 persons in masters degree programs abroad with the following break down :

- (a.) Eight persons who are or will be assigned as instructors in Regional Training and Education Centers.
- (b.) Six persons who will return to the Central Unit as

key employees in professional resource development planning.

- (c.) Eight persons who will be assigned as instructors in the Central Education and Training Center.
- (d.) Ten persons will be used as key personnel in all units, and as general trainers in regions.

Selection and preparation of candidates will be carried out by the Program Development Unit of DOE as follows :

No. of Candi- dates:	Unit	Assigned To :	Field of Study :
8	Regional Offices		General Admin.
1	Dir. of Basic and Second. Educ.		Adm. and Management
1	Dir. of Higher Education		Adm. and Management
1	Dir. of Non-Formal Education		Adm. and Management
1	Dir. of Culture		Adm. and Management
1	Inspector General		Control and Superv.
1	Dir. of Research & Developmnt		Resrc. & Evaluation
8	Sec. Gen. Educ. & Trg.Center		2 - Planning 1 - Finance Mgt. 1 - Material Mgt. 1 - Personnel Mgt. 1 - Office Mgt. 1 - Supervision 1 - General Adm.
10	Regions and Directorates		General Adm.
32	Candidates		

(3) Leadership Program

Candidates for the Ph.D. leadership program will be chosen from those in the masters degree program and will be utilized as follows :

- a. Leadership of the Central Education and Training Center.
- b. Leadership in the program development unit.
- c. Leadership in the Bureau of Organization in the office of the Secretariate General.

(4) The time frame for degree training is as follows :

Task	1978/79	1979/80	1980/81	1981/82	1982/83
Preparation	_____				
M.A. Group I (17)	_____	_____			
M.A. Group II (15)		_____	_____		
Ph.D. Leadership (3)			_____	_____	
Total persons: 32					

(5) Short-Term Visits Abroad

Ten visits as follows :

- a. Two visits to explore masters and leadership programs.
- b. Two visits to study techniques of design of training and evaluation programs.
- c. One visit for comparative studies.
- d. Two visits to evaluate on-going training and education abroad.
- e. Two visits to study manpower management programs.
- f. One visit to be determined later.

_____ (Total)

Conformation and arrangement of visits will be done by the Program Development Unit of DOE.

(6) Instructional equipment and supplies

- a. Equipment and supplies for the Education and Training Centers.
- b. Text books and resource material for the libraries.

(7) In-Country Training

Direct assistance is requested to train approximately 600 trainers and 4,400 middle managers with logistical support furnished by DOE.

This training will be especially for middle level management employees presently in GOI levels II and III. The training will be done primarily at DOE in Jakarta.

The DOE has prepared a schedule of implementation for the project indicating activity, time required, purpose and explanation, a copy which is in Exhibit 4, AID/Jakarta files. The training schedule of the project is approximately as follows :

1. Establish a Steering Committee : September 1, 1978 - September 14, 1978
2. Form Program Development Unit : September 15, 1978 - September 30, 1978
3. Selection and Orientation of degree candidates : January, 1979 - January, 1979
4. Masters degree program : April, 1979 - As shown in Section 4
5. Ph.D. Program : As shown in Section 4
6. Short-visits : As shown in Section 4 (Starting April, 1979)

(8) Organizational Arrangements in DOE for Implementation of PRD II project.

To implement this project, a Project Implementation Unit is being formed headed by a Project Coordinator as a

part of the Secretariate General, DOE in Jakarta. He will be assisted by a deputy project manager and an administrative unit to manage the finances and administration. Aside from that, a Program Development Unit will be for the following tasks :

1. to arrange training programs
2. to collect and prepare training materials
3. to establish criteria and select candidates for
SEKKAB approval
4. to make training evaluations
5. to set up relations with the central office, LAN and
other resources which may assist with program
development.

A chart showing the organizational arrangement is shown on the following page :

Department of Education and Culture

- 30 -

(9) Estimated Budget

(a) AID:

(in US 1,000 dollars)

1. Academic Training		
73 person years at \$13,000	:	949
2. Short-Term Training		
36 person months	:	76
3. Expert Consultants		
Long Term Consultant 5 years at \$70,000 = \$350,000		
Short Term 40 months at \$ 6,000 = \$240,000		
Project Manager (½ time) 5 years = \$180,000	:	770
4. Instructional Materials	:	108.8
5. U.S. Office Support	:	75
6. Indirect Costs	:	153.4
7. Contingencies	:	124.8
Sub-Total	:	<u>\$2,257</u>

(b) GOI:

1. Local Travel.....	:	125
2. Salaries of Counterparts and Participants	:	647
3. In-Country Training	:	600
4. Instructional Materials	:	250
5. Indirect Costs	:	30
6. Contingencies	:	150
Sub-Total	:	<u>\$1,802</u>
Total	:	\$4,059

D O E Exhibits

USAID/Jakarta

1. Presidential Decree - Establishing DOE
2. Information Check List for Data Gathering
3. Summary Chart Used for Data Gathering
4. Request Prepared by DOE and Description of Agency Program
5. Module Training Program for Professional Development in DOE,
prepared in the Research and Development Unit by
Dr. Edward H. Heneveld
6. Curriculum Development DOE
7. Indonesia Education Sector

Survey Report (IBRD) prepared by Dr. R. Johanson
Showing

- patterns and policies of development
- assessment of education and training system
- government policies and plans
- active of investment program

8. Summary of Statistics

DOE 1976

9. Summary of Statistics

DOE

(8 & 9) Indicate

- number and types of schools
- number and types of students
- number and types of teachers
- number and types of classes
- number of pupils by grade
- number of classrooms
- number of repeater students
- number of graduates
- flow of pupils

10. Organization Charts for all Directorates and Secretaries DOE

Returned Participants Holding Key Positions in
the Department of Education & Culture

Many USAID returned participants hold key positions in the Department of Education and Culture and are making contributions to the education system in Indonesia. Three of these participants are now chief assistants (Director Generals) to the Minister. Thirteen are in the next echelon down at the Director level. Another is the head of the National Language Center. Twenty-six are top educational leaders in the provincial education offices.

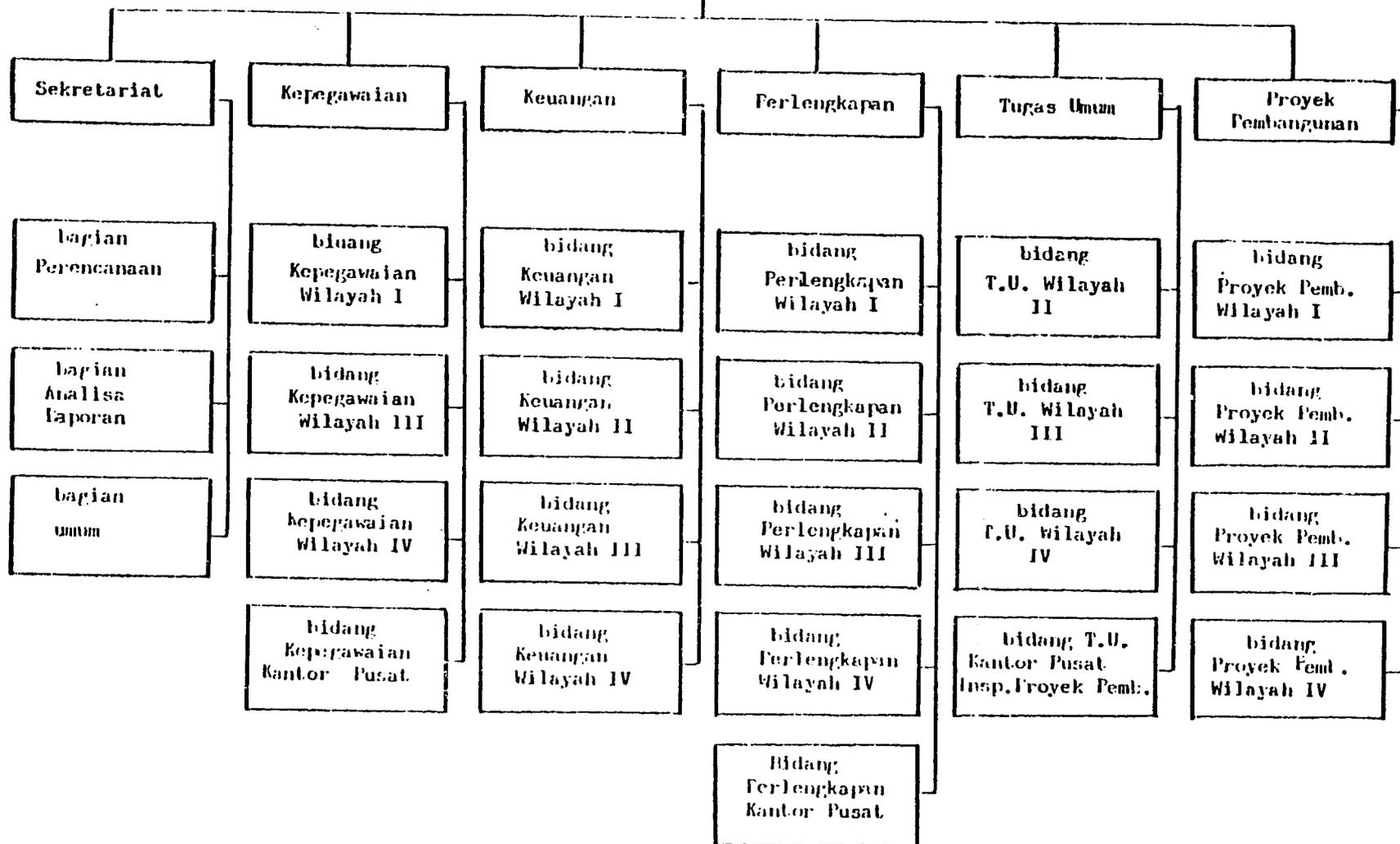
The number of well-trained leaders in the Department, however, is still very small in comparison with the number of key positions, so that it is still necessary to provide substantial additional training if the Department is to effectively meet the challenge of Repelitas II/III which is to produce an effective educational system for Indonesia. In the central (pusat) offices of the Department, there are only 28 persons who are returned USAID participants, out of 249 key positions. A small number of the other staff members have been trained abroad by other donor agencies. At least four-fifths of the personnel now need upgrading, if they are to be really effective in their assigned roles.

Following are tables showing the key positions in the central Department and the location of the USAID participants:

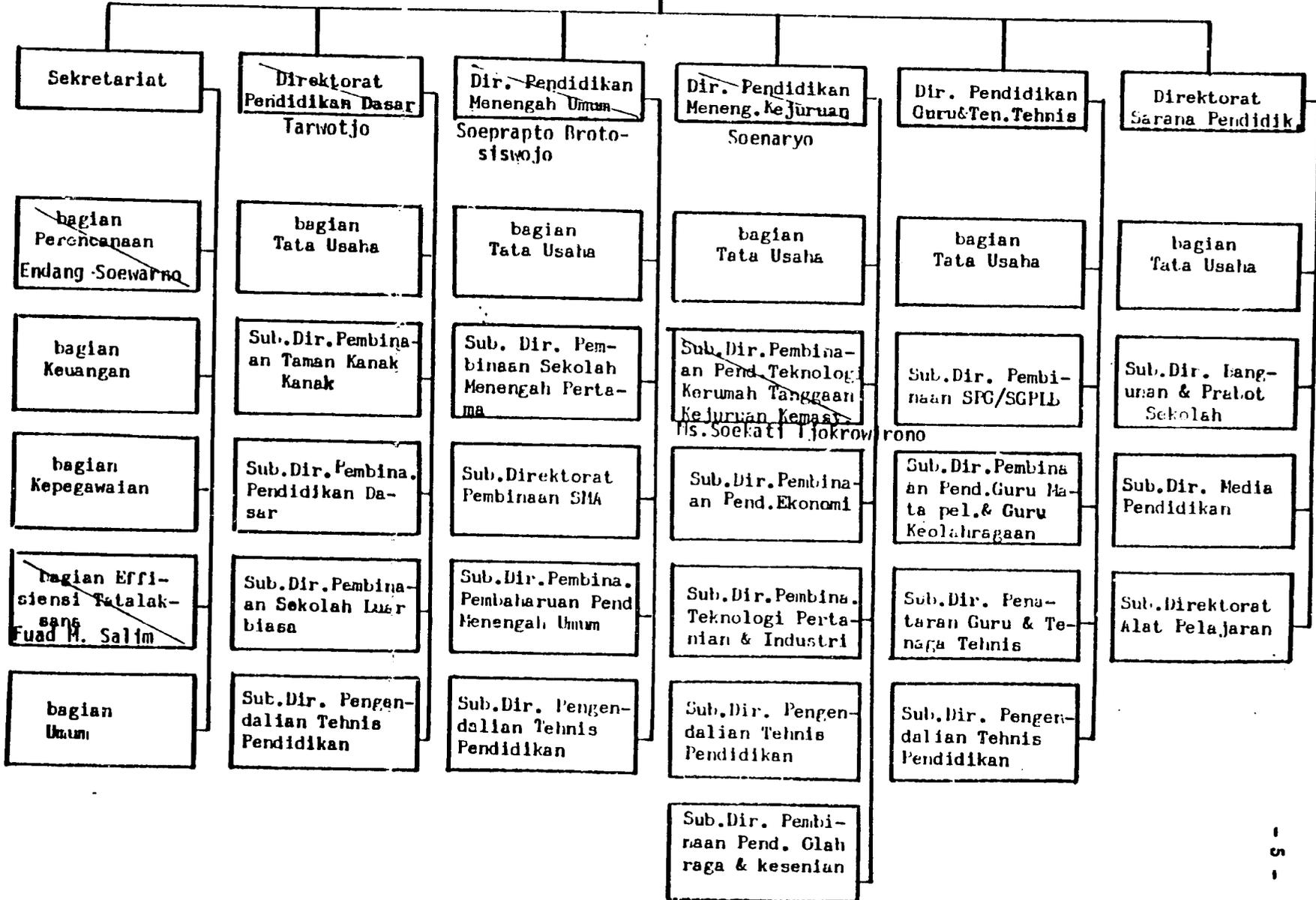
SEKRETARIAT JENDERAL

Biro Perencanaan Jusuf Tnoch	Biro Kepegawaian	Biro Keuangan	Biro Perlengkapan S.F. Widodo	Biro Organisasi	Biro Hukum & Humas Kresno	Biro Kerja- sama luar Negeri	Biro Tata Usaha
bag. Pengumpul- an & Pengolaji- an Data	bagian Umum	bagian pe- nyusunan anggaran ru- tin	bagian anali- sa kebutuhan perlengkapan	bagian Kelembagaan	bag. Penyusun- an Itancangan Per-Undang2an	bag. Iadan2 International & Regional	bag. Tata Usaha Dept. P & K
bag. Penyusun- an Rencana & Program Pemb.	bagian Mutasi Pega- wal Edukatif	bag. penyusun- an anggaran pembangunan	bagian pengadaan	bagian Ketatalaksa- naan	bag. Penelaha- an & Bantuan Hukum	bag. Sekreta- riat Komisi Nas. UNESCO	bag. Tata Usaha Pim- pinan
bag. Penyesu- an Rencana Endang Sunarya	bagian Muta- si Pegawai Administratif	bagian pelak- sanaan angga- ran	bagian penyimpanan & pemelihara.	bag. pentaku- an sarana kerja	bag. Humas & Lembaga Negara	bagian Kerja- sama Teknik	bagian Rumah Tangga
bag. Penger- dalian	bag. Mutasi Pegawai di- perbantukan/ dipekerjakan	bagian pem- bakuan & v- erifikasi	bagian penyaluran	bagian Infor- masi tatalak- sana	bagian Doku- mentasi & Perpustakaan	bagian Hu- bungan Kelu- dayaan Suardoyo	bagian Umum
bag. Penyusun- an Rencana & Program rutin	bag. Pemertan- tihan & Pemen- sionan Pega- wal Pusat	bagian perpendahara- an	bag. inven- tarisasi & perlengkapan	R.P. Ringoringo		bag. Pengirim- an & Penerima- an Tenaga	
	bag. Pember- hentian & Peme- sionan Pog. dipekerjakan						
	bag. Pengem- bangan Pega- wai						
	bag. Tata Usaha Kepe- gawaian						

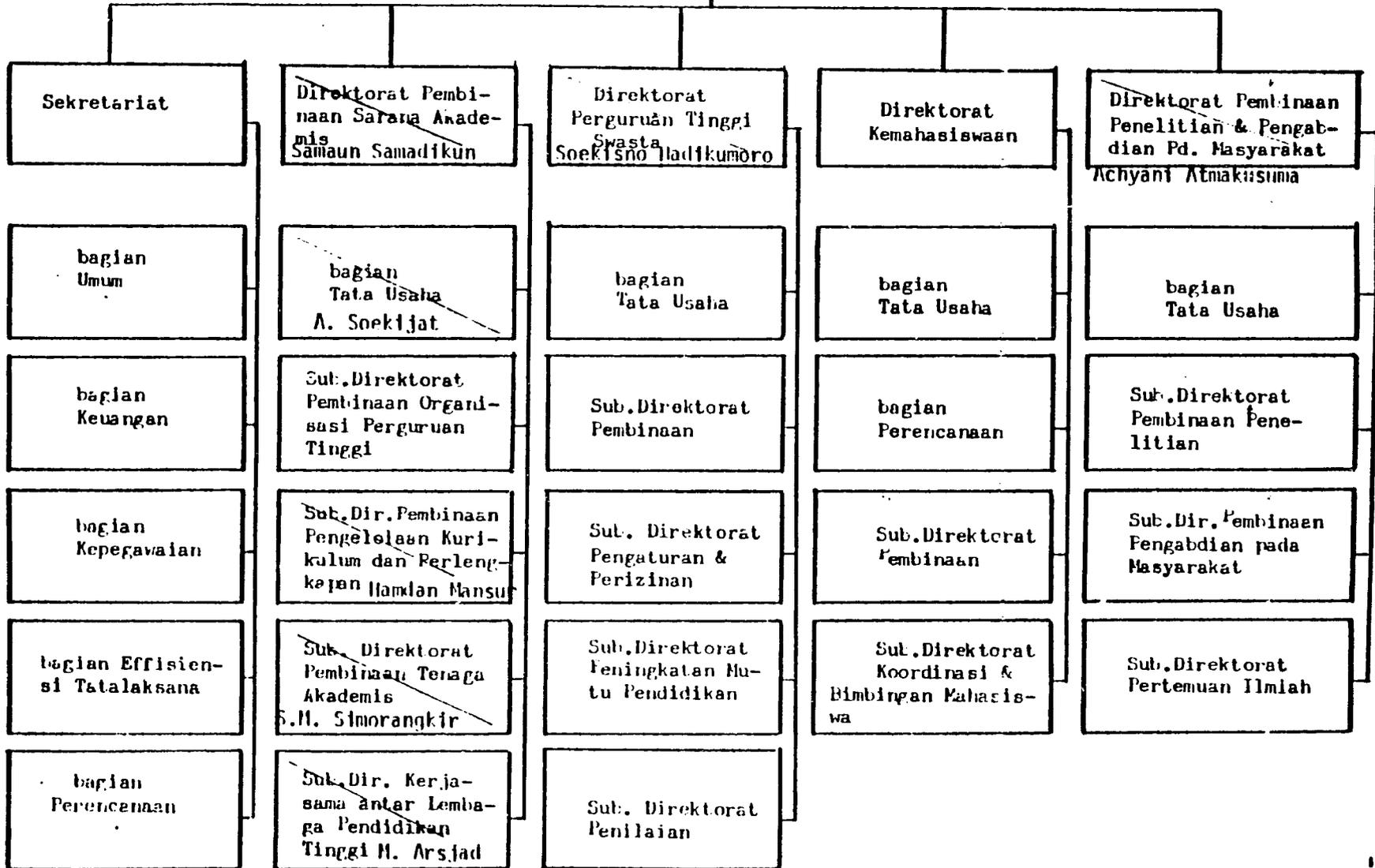
INSPEKTORAT
JENDERAL



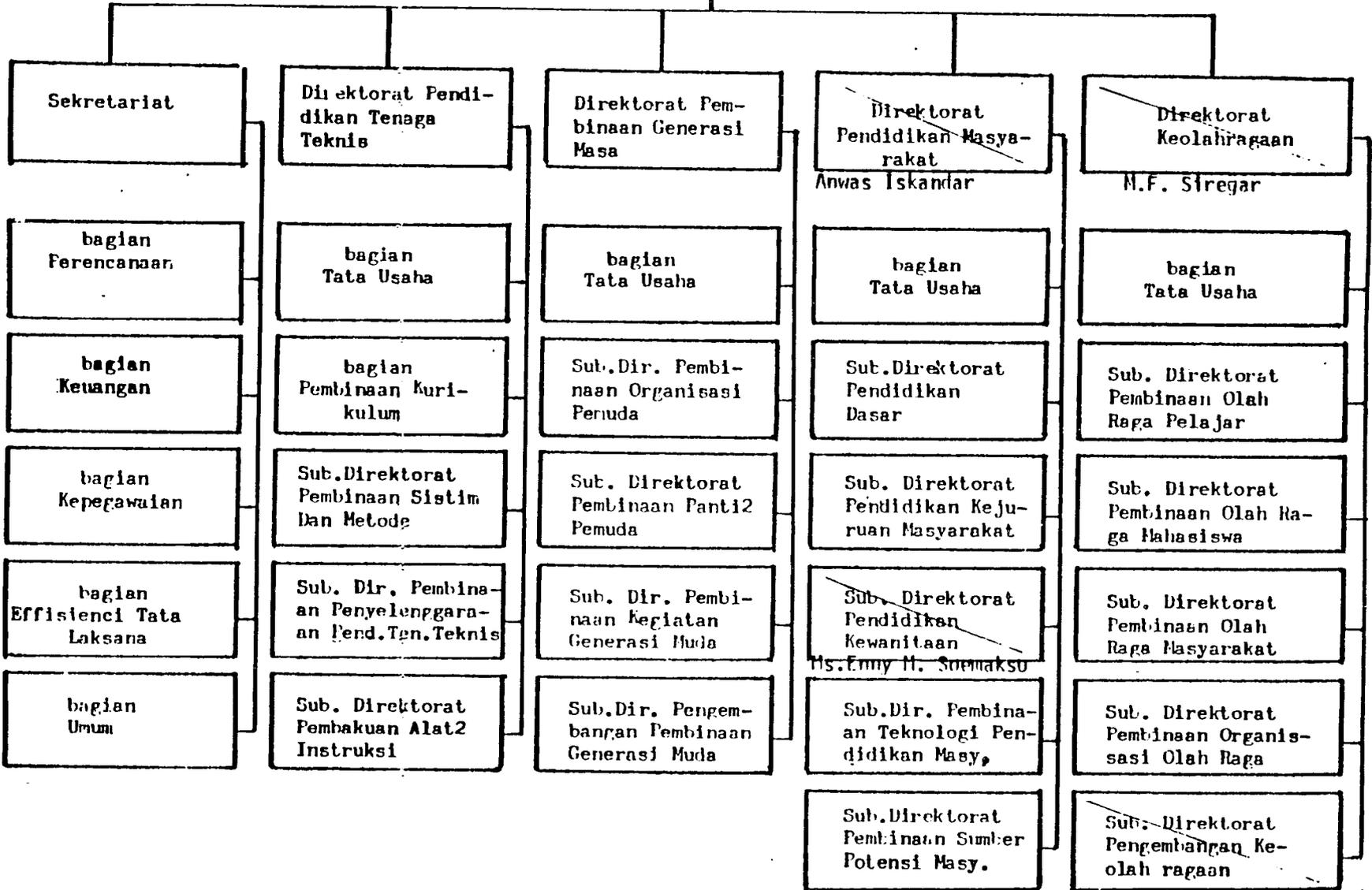
DIR. JEN.
PENDIDIKAN DASAR MENENGAH



DIR. JEN. PENDIDIKAN TINGGI
Dody Tisna Andjaja

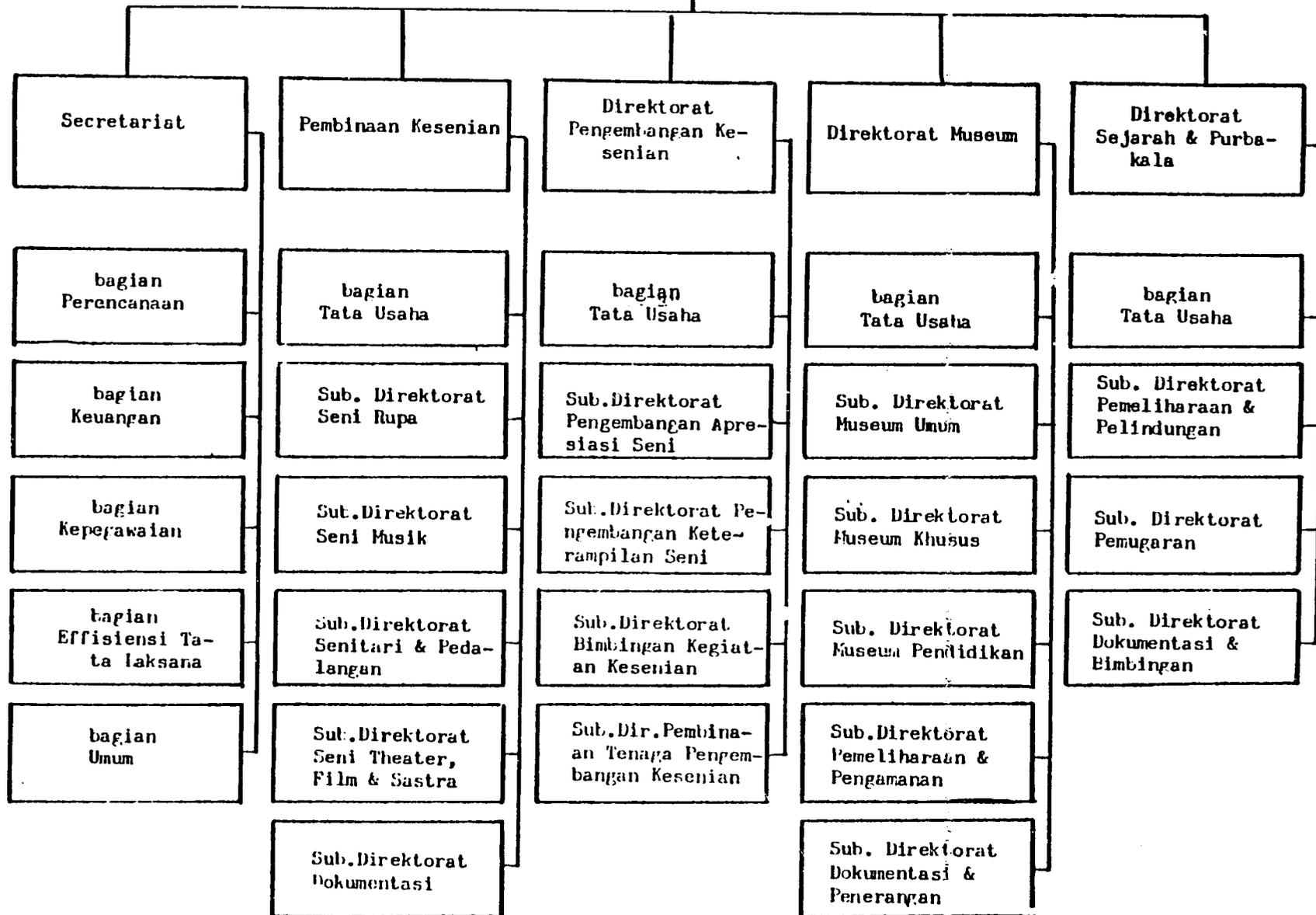


DIR. JEN.
 PENU. LUAR SEKOLAH & OLAH RAGA
 W.P. Hanjuntutu

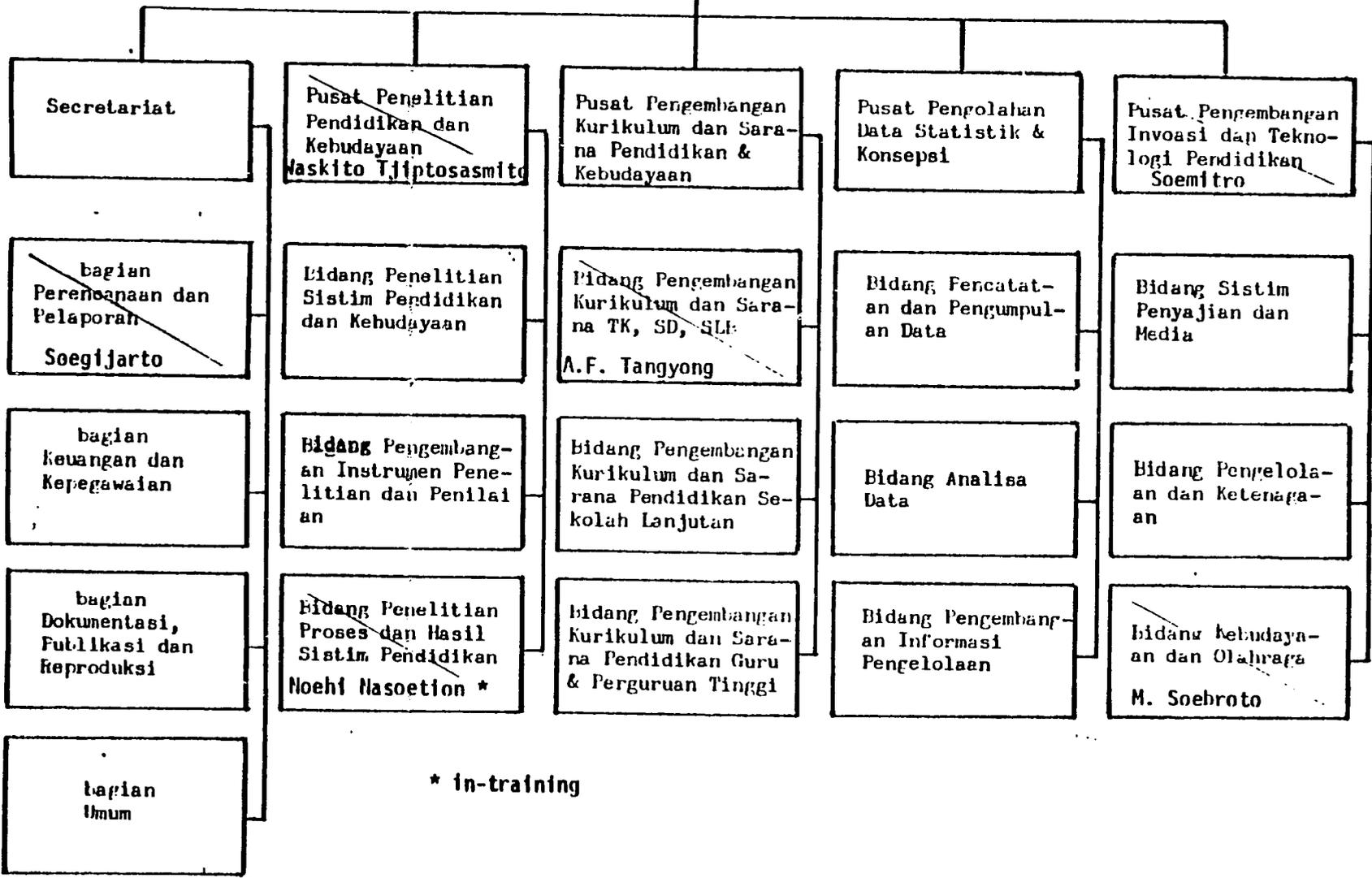


A.J.W. Lissapaly

DIR. JEN. KEBUDAYAAN



~~BADAN PENELITIAN DAN PENGEMBANGAN PENDIDIKAN DAN KEBUDAYAAN (BP3K) Setiyadi~~



* in-training

PUSAT - PUSAT

Pusat Pendidikan dan Latihan Pegawai	Pusat Pembinaan Perpustakaan	Pusat Kesehatan Jasmani & Rekreasi	Pusat Pelembagaan & Pengembangan Auran Halim	Pusat Penelitian Purbakala & Peninggalan Nasional	Pusat Penelitian Sejarah & Budaya	P.N. Balai Pustaka	Pusat Grafika Indonesia
bagian Tata Usaha	bagian Tata Usaha	bagian Tata Usaha	bagian Tata Usaha	bagian Tata Usaha	bagian Tata Usaha Djemen, H.Sc.	unit Pernaskahan	bagian Tata Usaha
Fid. Bina Program Pendidikan & latihan	bid. Perpustakaan Neg. & Perpustakaan Umum	Bidang Test dan Pengukuran H. Hoesim, H.S. Phys. Educ. Indiana (57759)	Bidang Bahasa Indonesia dan Daerah	Bidang Prasejarah	Bidang Sejarah	unit Pemasaran	Bid. Penyelenggaraan & Penerimaan Pendidikan
Fid. Penyelenggaraan & Pengendalian	bid. Perpustakaan Sekolah	bid. Laboratorium Gerak Kerja Jasmani	Bidang Sastra Indonesia dan daerah	bidang Arkeologi Klasik	bidang adat istiadat	unit Personalia & Umum	Bid. Pengolahan Masakan dan Infomasi
Bidang laporan dan Evaluasi A. Ihmir Univ. Adm. (H.A) Columbia Univ. (61/62)	bidang Bibliografi dan deposit	Bidang Rekreasi	Bidang Perkamusan dan Peristilahan	bidang Arkeologi Islam	Bidang Folklor	Bidang Keuangan dan Material	
	bidang Umum	bidang Kesehatan Sekolah	bidang Pembinaan dan Pengembangan		Bidang Geografi Budaya	Bidang Peminatan Produksi	
	Bidang Dokumentasi & Publikasi					Bidang Grafika	
						Sekretariat	

USAID RETURNED PARTICIPANTS

PROVINCIAL OFFICES of the DEPARTMENT OF EDUCATION & CULTURE

- | | |
|-------------------------------------|---|
| 1. M.Z. Abidin
Aceh | 14. Djohansjah
West Nusatenggara |
| 2. A.Z. Parady
North Sumatra | 15. M.K. Pigawahi
East Nusatenggara |
| 3. Tasim Dahlan
West Sumatra | 16. Iskandar
South Kalimantan |
| 4. Kamal Ilyas
Jambi | 17. B.H. Aden
Central Kalimantan |
| 5. Abdul D. Madjid
Riau | 18. Abdul Rasyid
West Kalimantan |
| 6. Thalid Madjid
Bengkulu | 19. M. Asri
East Kalimantan |
| 7. Soegijo
Lampung | 20. Tamin Chairan
South Sulawesi |
| 8. Azhari Inderapradja
West Java | 21. Semadi
South Sulawesi |
| 9. Saudswarman
Jakarta | 22. Nurdin
South East Sulawesi |
| 10. Soejatta
Central Java | 23. J.D.P. Takaendengan
North Sulawesi |
| 11. Soesanto
Yogjakarta | 24. Lukman Makmur
Central Sulawesi |
| 12. Soetrisno
East Java | 25. M.W. Siahaya
Maluku |
| 13. Lanang Oka
Bali | 26. Ms. Samahati
West Irian |

FUNCTIONAL PROGRAM MATRIX
(DOE)
Guide for training design

Management requirements may be distinguished by function and level. The listing of functions (logistics-finance, personnel, etc.) suggests the type of management skills for which training is required.

The generality increases at higher management levels, as does the difficulty of transferring the requisite skills. At top levels performance demands higher ratios of managerial skills which are difficult to develop by means of present Indonesian educational and training techniques. The training plan should be implemented along the lines of the matrix on the following pages:

Functional Program Matrix for Training Plan Design

Management level

IIIA	IIIB	IV
Lower Level local or field personnel whose chief concern is adequate performance of defined routine tasks.	Intermediate middle level manager whose chief concern is the functioning of their unit of the program as currently structured. This also includes supervision of lower level staff	Top level Senior administrators concerned with strategy, broad picture, overall program design and improvement as well as proper functioning of intermediate and lower level employees.

Functional Program Components

Examples of Activities at Indonesian Level

Function	Definitions	IIIA	IIIB	IV
Communication and Motivation of clients.	Importing information to and developing means to impel actions of acceptors and potential acceptors.	Effective field worker/teacher contact with clients.	Designing and implementing media campaigns.	Choosing media and broad message content
Logistics, Procurement and Distribution	Securing, handling and distributing education material, supplies and equipment for the program.	Maintaining stock of supplies at the office and school level.	Designing delivery and inventory systems.	Planning the mix of material supplies and equipment needed in the program.
Delivery of Service	Provision of professional and sub-professional services necessary to support the program.	Maintaining good interpersonal interaction between field/school staff and clients.	Planning field/school staffing by professional personnel	Matching delivery program to overall program goals.
Finance, Budgeting and Control.	Budgeting & raising funds, provide basis for their expenditure and auditing financial activities.	Maintaining up-to-date financial record forms.	Design of an operational system of accounting and auditing.	Planning fiscal controls that encourage efficiency but do not cause excessive delay

Functional Program Components

Examples of Activities at Indonesian Level

Function	Definitions	IIIA	IIIB	IV
Personnel Management	Job definition, selecting hiring, training and supervising personnel; providing for security, advancement, fringe benefits, pay, working conditions and morale	Supervising day-to-day operations.	Developing clear and concise job description.	Long-range Manpower planning.
Program Planning	Defining organizational levels, personnel needs, lines of responsibility, flow of information and materials, definition of work scope with budget estimates and forward long-term and short-terms plans.	Giving work plans to field school workers.	Preparing detailed program plan showing staffing patterns, budgets, etc.	Formulating clear long-range goals.
Research and Evaluation	Research aimed at generation of new knowledge, and evaluation measures quality of achievement. Needs must be defined by top level managers and findings must reach subordinate quickly and in convenient form.	Maintaining up-to-date service statistics.	Setting up an effective unit or office charged with developing, performing and reporting research and/or evaluation.	Setting appropriate research and evaluation levels in proportion to program budget.
External Relationships	Handling relationship of program among appropriate government bodies private organizations, professional groups, religious groups and funding agencies.	Preparing and distributing external progress reports.	Encouraging all levels to have free and cordial access to and relationships with other branches of government.	Making active efforts by top personnel to encourage establish, and maintain such relationships.

Subject: Determination that A.I.D. will Contract Directly for
 Consultant Services: Professional Resources Development II.

Summary

In accordance with the provisions of Section III of the attachment to AIDTO Circular A-564 dated 9/29/76, and on the basis of the exceptional circumstances described in the following paragraphs, it is recommended that consultant services for the Professional Resources Development II project be procured under an A.I.D. Direct Contract. The exceptional services are as follows:

1. Overall administration and management of the project will rest with the Department of State for Administrative Reform (MENPAN) and Secretariat of the Cabinet (SEKKAB), and two separate GOI agencies will participate in the project. Neither SEKKAB nor MENPAN have been involved in large-scale contracting with a foreign entity and do not have the administrative capability to manage a contract of the nature proposed for this project.
2. We propose that the contractor be selected on the basis of competitive selection criteria. Thus while we do not know who the contractor will be, it is likely that the most suitable type of an institution would be a U.S. university, probably a state university. Many U.S. universities do not have the authority to contract with foreign governments.
3. Host country contracting is usually much slower than A.I.D. direct contracting, particularly when the host country contracting entity has no experience with A.I.D.-funded contracts. In order to prepare candidates for long-term training to begin in the Spring of 1979, it is essential that the contractor be selected and on board by October 15, 1978.

Recommendation

On the basis of the foregoing, it is recommended that you determine hereby that A.I.D. will contract directly for the procurement of consultant services for subject project, and that the exceptional circumstances cited together with your determination, be incorporated in the Project Paper.

Approved: _____

Disapproved: _____

Clearances: WGBollinger, PRO W6B

ELBerratt, OMF AB

INITIAL ENVIRONMENTAL EXAMINATION

Professional Resources Development Project II

1. Examination of Nature, Scope and Magnitude of Environmental Impact

A. Project Description

This project is to support the human resources development training required to strengthen the administrative and management capabilities of the second and third echelons in two Government of Indonesia departments. These are the Departments of Agriculture and Education & Culture. The training programs funded will be both degree and short-term in the U.S. and other Southeast Asian countries. Technical consultancy assistance in project management, in-country training and selection and placement of participants will be provided.

B. Identification and Evaluation of Environmental Impacts

This project by its nature will have little or no impact on the environment since it is concerned with education and training.

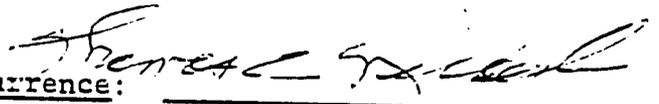
II. Recommendation for Environmental Action

For the above stated reasons, this project will have not have a significant impact on the environment. Therefore, an environmental assessment or impact statement will not be required and a Negative Determination is recommended.

INITIAL ENVIRONMENTAL EXAMINATION

Project Location: Indonesia
Project Title: Professional Resources Development II
Funding: \$5.0 million
Life of Project: 1978 - 1983
IEE Prepared by: USAID/Indonesia
Environmental Action Recommended: Negative Determination

Mission Director's Concurrence:



Thomas C. Niblock

Date

Assistant Administrator's Decision: Threshold Decision by the AA/ASIA (Approval/Disapproval of Negative Determination recommended on next page of IEE)

Approved: _____

Disapproved: _____

Date: _____

DEPARTMENT OF STATE
TELEGRAM

CONTROL: 13876

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ANNEX 11

INDICATE
COLLECT
(X) CHARGE TO USAID

USAID ROUTING	
TO	ACT
DIR	
DD	
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MGT	
PRD	
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FROM AMEMBASSY JAKARTA

CLASSIFICATION
UNCLASSIFIED

WORKING COPY

H.O. 11652:
TAGS:
SUBJECT:

N/A
Professional Resources Development Projects; FY 1978/79

ACTION: SECSTATE WASHDC

UNCLASSIFIED JAKARTA 13876

AIDAC

REF. : STATE 230236

DESIR:

AID-U
CHARGE
CHRON
ALMIN

1. USAID now beginning development FY 78 loan along lines of PRD I.
2. Mission will in FY 1978 require funding for thirty-three GPT participants. Estimated total cost at FY 1977 standard cost rates: \$ 340,000. This is minimum, however, as new FY 1978 training rates expected to be substantially above those for FY 1977.
3. Will attempt meet extension costs by following methods:
 - (A) Subject to GOI concurrence, transfer of GPT funded BAPPENAS and Finance participants (total 12) to PRD I as funds required; transfer of four Department of Agriculture participants to Agriculture Development Planning and Administration; and shift of two BP3K trainees to Educational Technology (Loan - 040). Total cost of these programs is \$ 190,000.

DRAFTED BY: EHR:DS [Signature]:ga-	DRAFTING DATE: 10/13/77	TCL. EXT. 446	CONTENTS AND CLASSIFICATION APPROVED BY: TCN:block, DIR [Signature]
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- CLEARANCES:
- SRCarbin, EHR [Signature]
 - WGBollinger, PRO (in draft)
 - WStappan, ASR [Signature]
 - SLittlefield, DD [Signature]

UNCLASSIFIED

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(B) Funding of remaining fifteen GPT participants at cost of \$ 130,000 will be funded from GPT FY 1977 funds retained specifically for this purpose.

The following is projected GPT extension funding schedule for

(A) and (B) above at FY 1977 rates:

October and November : None Anticipated

December : \$ 28,200

January : \$ 55,100

February : None Anticipated

March : \$ 11,400

April : \$ 22,300

May : \$ 51,300

June : \$ 49,400

July : \$ 24,300

August : \$ 85,600

September : \$ 11,400

Total : \$ 340,000

Note: Special SER/IT requests for unplanned short extensions will also need be met on case by case basis.

4. Methods outlined above should enable USAID to continue uninterrupted support to GPT candidates now in U.S. institutions through FY 78.

5. FY 1979 requirement to finance extensions for GPT participants still in training (estimated at FY 1977 rates) totals \$ 177,000.

Propose fund three Department of Agriculture participants from

Agriculture Development Planning and Administration project and eight RAPPENAF and Finance trainees from PRD I. Total funding requirement would then be reduced by \$ 73,500.

Mission would require approximately \$ 108,100 to support the extension of twelve additional participants. If GOI agreeable use PRD II loan funds, USAID would then transfer these cases to loan and backstopping by support services contractor. Cabinet Secretariat would not be involved as loans are not administered by SEKKAB and direct participant support not function this GOI entity.

6. In FY 1988 four GFT participants will require extension. These individuals from Public Works and LAPAN and Mission would endeavor fund from PRD II.

7. In order to more accurately communicate concept of utilizing PRD II & III loans to develop GOI management capabilities, we are proposing to GOI that projects' title be changed to "Management Resources For Development". This proposed name change in line what we believe to be preference of AA/ASIA as discussed with USAID Director in August. Assume name change agreeable with concerned Congressional staff.

As PRD II in early stage of planning with GOI, Mission not able unilaterally name specific Departments/Agencies to receive assistance.

At this time, however, GOI entities under consideration are Departments of Agriculture and Manpower & Cooperatives. Other possible GOI agencies for PRD II or III may be Public Works, Health, Education, Social Affairs, Trade and/or Communications.

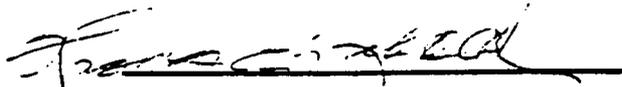
In addition Mission will explore GOI interest in reserving portion FY 78 & 79 training loans for general training programs under supervision of Cabinet Secretariat.

RIVES

PROFESSIONAL RESOURCES DEVELOPMENT II
Certification Pursuant to Section 611(e)
of the
Foreign Assistance Act of 1961, As Amended

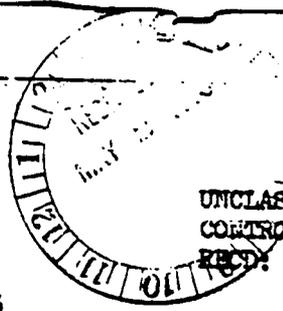
I, Thomas C. Niblock, the principal officer of the Agency for International Development in Indonesia, am acquainted with and have taken into account, among other things the performance, the development attitude and the budgetary planning of the Government of Indonesia and its implementing agencies in connection with prior AID financed projects in the human resources development sector. Based on these factors and observations, I consider that the Government of Indonesia has the capability to adequately use the AID assistance to be provided for the development of this project.

Accordingly, I do hereby certify that in my judgment the Government of Indonesia, and the Department of Agriculture and Department of Education & Culture, have the financial and human resource capability to effectively utilize and perpetuate the education and training entities developed by the Professional Resources Development II Project.



Date

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ANNEX 14

UNCLASSIFIED
CONTROL: 4915W
REC'D: MAY 02, 1978
1115

May 2 11 25 AM '78

ACT: AIDAC

AND-9 E.O. 11652: N/A

WORKING

INTG: TAGS:

AMB
DCR: SUBJECT: PROFESSIONAL RESOURCES DEVELOPMENT (PRD) -
ADM: EVALUATION CONCERNS

ECON
SUEV REFS: (A) JAKARTA 5082, (B) STATE 83839
CHRON

SWD

1. DLSC MOST CONCERNED WITH ASSURING RELEVANCE AND EFFECTIVENESS OF EDUCATION RECEIVED AT FOREIGN UNIVERSITIES BY INDONESIAN PARTICIPANTS. THEY SUGGESTED THAT AID BUILD-IN A SYSTEM OF EVALUATION ON PROJECTS SUCH AS PRD THAT ADDRESSED FOLLOWING ASPECTS OF OVERSEAS TRAINING: (A) ADEQUACY OF ENGLISH LANGUAGE CAPABILITY PRIOR TO DEPARTURE FOR TRAINING, (B) RELEVANCE OF CURRICULUM AND COURSE CONTENT AT U.S. UNIVERSITIES TO INDONESIAN PROBLEM, (C) PERIODIC VERIFICATION OF ACADEMIC PROGRESS INCLUDING MEANS OF IMPROVING PERFORMANCE WHEREVER NECESSARY, (D) WAYS OF RELATING THESIS RESEARCH TO INDONESIAN CONTEXT, (E) SUPERVISION AND COUNSELING OF PARTICIPANTS DURING OVERSEAS TRAINING, AND (F) MEANS OF ASSURING THAT TRAINING IS ACCOMPLISHED IN SHORTEST POSSIBLE TIME, WITH PRIMARY ORIENTATION TO INDONESIAN PROJECT NEEDS RATHER THAN PERSONAL DESIRES OF PARTICIPANT. DLSC

UNCLASSIFIED
OULD LIKE EVIDENCE THAT AID MONITORING AND EVALUATION OF TRAINING PROJECTS PROVIDE REASONABLE CONTROL OF FOREGOING ASPECTS.

2. DLSC ALSO CONCERNED WITH APPROPRIATE UTILIZATION OF PARTICIPANTS FOLLOWING RETURN TO INDONESIA, EVALUATING THE EFFECTIVENESS OF PERFORMANCE AND CAREER ADVANCEMENT, AND WHAT THE JOB SITUATION EXPERIENCE SUGGESTS CONCERNING RELEVANCE AND EFFECTIVENESS OF OVERSEAS TRAINING.

3. ELABORATION PROVIDED IN THIS CABLE IS IN PART AN INTERPRETATION OF COMMENTS MADE BY DLSC IN ATTEMPT TO BE RESPONSIVE TO REQUEST FOR ADDITIONAL GUIDANCE PER REF A. VANCE

BT
#1100