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Volunteers for Economic Growth Alliance

VEGA Indonesia Long Term Business Advisors

Quarterly Report (October - December 2006)

**LEADER WITH ASSOCIATE AGREEMENT (LWA)
EEM-A-00-04-00002-00**

**Associate Cooperative Agreement
497-A-00-05-00042-00**

**Prepared for the United States Agency for
International Development (USAID)**

Implementing Organizations:

INSTITUTE OF
INTERNATIONAL
EDUCATION



Subject: USAID/Indonesia Long Term Business Volunteers
Dates Covered: October 1- December 31, 2006
Reference: Associate Cooperative Agreement No. 497-A-00-05-00042-00
Under Leader-with-Associate CA No. EEM-A-00-04-00002-00

Summary:

This report covers the progress of the current 2006-07 Adviser as well as a 2005-06 Adviser whose assignment has been extended for another year.

Tasks completed this quarter:

- Facilitated the extension of Mark Smith's assignment for an additional 12 months, in lieu of a replacement for this period.
- Received and evaluated reports submitted to IIE.
- Monitored Case Study development progress.
- Disbursed funds to both Advisers.
- Site visit to Jakarta planned for January 2007.

During this period, both Advisers received the necessary work permits to continue their assignments. However, in both cases this could be accomplished only by leaving the country before their current visas expired.

Volunteers and Assignments:

1. Payton Deeks, Global Development Alliance and Public-Private Partnership Specialist, USAID/Indonesia

Contact e-mail: pdeeks@usaid.gov

Assignment Period: 10 months: September 27, 2006-July 27, 2007

Payton's work plan goals are:

- Assist Mission with GDA (Global Development Alliance) implementation and monitoring
- Lead GDA communications and public outreach efforts

To position herself to achieve these goals, Payton is also focusing on gaining additional understanding of the development environment in Indonesia as well as familiarity with USAID processes.



Volunteers for Economic Growth Alliance

Payton has begun working with five partnerships which promise to impact a wide range of people in different sectors. These include environmental projects (Bird’s Head Development Initiative, Cinta Air “Love Water”), a competitiveness project, and a health services program focused on maternal and child health. Payton’s role on these projects has been to coordinate among the different players at USAID and the stakeholder businesses, serve as liaison with AmCham members, and facilitate administrative arrangements such as a Memoranda of Understanding to bring partnerships to fruition.

2. Mark Smith, Economic Policy Advisor, AmCham Indonesia

Contact e-mail: mail1marksmith@yahoo.com

Assignment Period: 12 months: October 16, 2005-October 15, 2006, extended through September 15, 2007

Going into his second, Mark will pick up on initiatives started earlier in 2006, as follows:

- Work on tax policy in Indonesia, proposed tax changes and their likely ramifications, and comparisons of the policies with those of some other nations with similar size, levels of development, and/or geographical location
- Web page development, preparation of a magazine and an annual directory, and support for many office functions and meetings
- Coordinate upcoming annual Door Knock visit to Washington, DC for AmCham members

Looking forward, Mark comments: “I will continue to work on our organization’s communications, and I will look for ways to support our committees. The immediate emphasis is on improving the magazine and on getting the Directory published and distributed. Concurrently, I will be doing groundwork for the Door Knock which we hope will be more effective and productive this time because of better preparation on our part.”



**Public Private Partnerships
USAID/Indonesia
Chevron/USAID Vocational Education Alliance**

Implementing Organization(s): USAID, Chevron

Project Information:

| Name(s) | Location(s) | Dates |
|---|--|---------------------|
| Chevron/USAID Vocational Education Alliance | Banda Aceh, Nanggroe Aceh Darussalam- NAD (North Sumatra); Riau (Central Sumatra) | May 2005 to present |

Funding Organization/Cognizant Officer:
USAID/Indonesia CTO- Elizabeth Sunindyo (esunindyo@usaid.gov);
Director- Polytechnic Caltex Riau- Syafuddin Abdullah (fuddin@chevron.com)

Problem Statement: The goal of this project is to address short-term (post-tsunami) and long-term vocational education needs in Aceh province.

Project Focus: The short term focus of the project is to provide vocational education opportunities to youth from tsunami-impacted and post GAM conflict areas of NAD, as well as to a smaller number of students from Nias, an island off of the West Coast of Sumatra. This phase of the project entailed sending 350 youth, ranging in age from 18-22 for three month vocational education courses at the Polytechnic Caltex Riau (PCR) facility located in Riau, Central Sumatra. The students were sent to the polytechnic in four separate groups, undertaking vocational training courses in key skill areas needed for post-tsunami, post conflict, and post earthquake reconstruction. Specific training courses included welding, masonry, electrical installation, carpentry, computer applications, bookkeeping, and for the last group, automotive repair. The second part of the project entails building upon the experience of the vocational training undertaken by these students at PCR, follow up tracking studies done on the employment track taken by PCR graduates, and an additional study prepared regarding the feasibility of developing a polytechnic education institution in Banda Aceh. This information will then be used to decide whether a polytechnic institution will be built in Banda Aceh by Chevron/USAID, and how that will happen.

Key Technical Highlights:

- Build upon the vocational education experience developed at PCR since its establishment in 2001;
- Study and track the career path of graduates finishing the USAID/Chevron PCR sponsored vocational education courses (based on Universitas Syiah Kuala tracking studies)
- Build on the advice taken from the Aceh Polytechnic feasibility study (undertaken from January-March 2006)



Project Methodology:

Builds upon the following:

- Polytechnic feasibility study team provides input, based on intensive study of similar institutions within Indonesia, the Aceh business climate, etc. regarding the viability of a polytechnic educational institution in Aceh and what type of vocational education the institute should cater to.
- Chevron project experience (both educational and general) within Indonesia, as well as in other countries of operation such as Angola and Kazakhstan, building upon the technical expertise of Chevron staff in these areas.
- USAID project experience in technical education (building upon the organization's core education experience through its Decentralized Basic Education Program (DBE) as well as the Managing Basic Education Program (MBE).
- Universitas Unsyiah Kuala tracking study and the information obtained on the status of PCR graduates from the Chevron/USAID Vocational education alliance.
- USAID Decentralized Basic Education (DBE) and Managing Basic Education (MBE) contractor Research Triangle Institute expertise in developing education programs within Indonesia.

Components of Sustainability:

- Providing adequate levels of funding and training of staff upfront;
- Working with the local government and business community within Aceh to determine long term needs; linking up with the private sector with the goal of the private sector eventually taking on some of the cost share;
- Designing the actual institute so that the buildings and technology used maximize local resources and keep costs to a minimum;
- Promoting international accreditation and development of ties with other vocational education institutions

Use of Best Practices:

- Working with the local government and business communities in NAD to determine long-term vocational education needs, matching those of local government and the private sector.
- Building off of the experience of PCR and other technical training schools within Indonesia.

Results and Impacts:

- Increasing the marketability of youth in NAD
- Contributing to short-term and long-term provincial reconstruction
- Improving long-term ties with the local government and business community
- Promoting long-term economic sustainability in NAD