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# **More Effective Decentralized Education Management and Governance**

Deliverable 14  
Public-Private Alliance

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# **More Effective Decentralized Education Management and Governance**

Deliverable 14

Public-Private Alliance

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Prepared by  
RTI International<sup>1</sup>  
3040 Cornwallis Road  
Post Office Box 12194  
Research Triangle Park, NC 27709-2194

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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<sup>1</sup> RTI International is a trade name of Research Triangle Institute.

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#### **Deliverable 14: Public Private Alliances**

A summary written account of alliances identified and under development with the private sector. For each alliance, the report will include a summary of the contribution of the parties, including the amount of leverage brought by the Contractor; a description of new resources, level of innovations, and new partners; and a summary of how the interest and objectives of each partner converge.

## **I. Overview Summary of Public-Private Alliances in Year 1 of the Project: April 2005–September 2006**

PPA amount set aside in DBE1 Budget: \$677,775  
Total committed through September 2006: \$125,000  
Total leveraged through September 2006: \$250,000

PPA amount set aside in Aceh Contract Modification: \$350,000  
Total committed through September 2006: 0  
Total leveraged through September 2006: 0

Amount set aside for GDA/Chevron Alliance: \$250,000  
Amount spent through September 2006: \$95,000

## **II. Public Private Alliance Overview**

The highlights of Public-Private Alliance component during the first year of the project is the management of Chevron scholarships to the Acehnese and Nias youth to attend three-month vocational-skill building courses at Politeknik Caltex Riau in Riau province and the formalization of an alliance with BP and the DBE program that will expand the modified DBE 1 program to Irian Jaya Barat province.

DBE 1 contacted a number of prospective private-sector partners during the year. Negotiations with BP Migas took place, and there is strong possibility for collaboration on school reconstruction in the earthquake affected areas in Central Java and Yogyakarta. Negotiations took place with Intel and XL; the areas of potential collaboration will focus on facilitating information technology awareness, building technology capacity, and integrating the use of technology in education activities.

Negotiations with ConocoPhillips took place, and the DBE program presented a proposal which will extend some elements of the DBE program to South Sumatra and opportunities to work together in Central Java and Yogyakarta on school reconstruction in the earthquake affected area. Negotiations also took place with Gramedia for a possible alliance that will focus on enhancing information and communication flows within the education sector.

The process of identifying and contacting prospective alliance partners is an ongoing activity that is necessary to maintain a pipeline of opportunities. The DBE PPA Working Group was formed to avoid any redundant alliance building efforts, prevent confusion on the part of potential partners, minimize competition for alliance partners and leverage sources, and raise a general awareness of the PPA concept across the DBE program. DBE 1 developed an online database and management tool to document and monitor the individual progress for each potential alliance, as well as disseminate information across the program.

### **III. Description of Alliances in Year 1 of the Project**

#### **A. The Chevron-USAID Vocational Training Program**

USAID and Chevron signed a memorandum of understanding (MOU) in May 2005 to support vocational and polytechnic education in Aceh province. As a short-term activity to start the partnership, USAID and Chevron worked together to provide scholarships to Acehese and Nias youth aged 18-22 to attend three-month vocational skill building courses. The courses focus on vocational skills needed for reconstruction and development; the courses were offered at the Chevron-supported Politeknik Caltex Riau (PCR) in Riau province.



USAID tasked DBE 1, which had already been operating in Aceh province to design the recruitment process and to serve as a facilitator for identification of participants from July 2005 through April 2006. These activities are funded from a \$ 250,000 set aside to support tsunami related activities from the DBE1 contract modification which includes Aceh in the DBE1 Program. DBE 1 assisted the scholarship program

with selection of participants, recommendation of courses that should be offered at Politeknik Caltex Riau, an orientation program, travel arrangements, and preparation of the graduation ceremonies. A total of 346 participants (86 female and 260 male) were offered scholarships based on their interest and previous work and/or school experience from tsunami-affected communities.

The scholars were selected from tsunami-affected communities in Aceh and Nias. All trainees were selected with the approval of their families and local leaders, and in most cases were facilitated by the field staff of community-based reconstruction and development programs. They were selected from the City of Banda Aceh, Aceh Besar, Pidie, Aceh Jeumpa, Aceh Jaya, Aceh Barat, and Nias districts.

DBE 1 is also conducting several post-training follow-up activities described as follows: (i) evaluation of scholarship program: a sub-contract was awarded to Lembaga Pengabdian Kepada Masyarakat (LPM) Syiah Kuala University in Aceh,



to conduct performance monitoring and impact evaluation of the scholarship program; (ii) graduate placement: DBE 1 is promoting the availability of graduates to several private corporations and organizations including the Bureau for Reconstruction and Rehabilitation (BRR) for Aceh and Nias and the Indonesian Chamber of Commerce (KADIN); (iii) identifying microfinance support to graduates: DBE 1 is helping to facilitate business start-up and microfinance support to the graduates.

Financial Analysis: \$950,000 contribution by Chevron through the Chevron—USAID Alliance. In addition, \$ 250,000 has been set aside in the DBE 1 contract modification for work in Aceh. Through September 2006, DBE 1 has spent approximately \$95,000 for managing the alliance.

## **B. The BP-USAID Bird Head's Education Initiative**

The first official DBE 1 public-private alliance was formed between BP and USAID with a total value of \$375,000 for the first year. The financial breakdown is a contribution of \$250,000 from BP and \$125,000 from DBE 1, and results in a 2:1 match ratio.

The alliance was formed based on the shared mutual interest of BP and USAID in achieving and supporting sustainable and economically viable development of the Bird's Head region in Irian Jaya Barat province. The alliance will focus on strengthening the capacity of local government in the districts of Sorong, Sorong Selatan, and Manokwari to effectively manage basic education, and delivering high-quality education services and promoting more efficient and effective linkages between provincial and local levels on education. To achieve the alliance objectives,

collaborative and parallel activities will be carried out by BP and its appointed contractor and the DBE program.

One of the goals of the Public-Private Alliance component is to identify alliances that allow the DBE program to extend to geographic areas outside the program coverage. The Bird's Head Education Initiative in Irian Jaya Barat province would make it possible to achieve the expansion goal.

**DBE1 Bird Head's Education Program Activities.** DBE 1 will collaborate with BP's existing and planned education programs taking place in the Bird's Head region. DBE 1 will focus on developing local government's capacity to prepare and implement education development plans at the district level, financial management, asset and personnel management, and school supervision.

Taking into consideration the approach, materials, and expertise under the DBE 1 component, a hybrid approach is created for education intervention in Irian Jaya Barat province. The modified DBE 1 program will be an approach that is made up of five core activities. The activities are as follows:

- Activity one - Assess Capacity and Organization of District Education Governance Institution (District Education Boards (*Dewan Pendidikan*), District Parliaments (*Dewan Perwakilan Rakyat Daerah* [DPRD]), Civil Society Organizations (CSOs), and the Press
- Activity two - Introduction and Training on Best Practices through Apprenticeships in East Java and Jakarta
- Activity three - Conduct Capacity Assessment of Education Sector Management & Planning Office (Dinas Pendidikan)
- Activity four - Assist in Review or Development of District Strategic Plan
- Activity five - Assess District Financial Performance and Procedure

Following successful implementation of the first year's activities for the DBE 1 component, a second phase would be considered for expanding the DBE program to the school level for up to an additional two years. BP will seek additional funding from the BP Foundation to assist in implementing years two and three.

**The Bird Head's Education Alliance Challenges.** Considering the fact that the DBE 1 program does not have any representation in Irian Jaya Barat, establishing an education-focused alliance in Irian Jaya Barat province will provide unique challenges, ranging from the low population density, lack of infrastructure, travel challenges, further weakening of government officials' capacity to manage education and large geographic expanses.

To overcome the challenges, DBE 1 will establish an office and work in the same districts with USAID LGSP program. Working closely with the LGSP program will also provide a valuable support in the process of coordinating activities in the district level. Taking into consideration that the implementation of the first year's activities for DBE 1 will focus on the district level, DBE 1 will have an integrated project team consisting of a Local Coordinator and an Administration/Finance Assistant. The team will report to DBE 1 National Training Coordinator and be accountable to the DBE 1 Chief of Party.

#### **IV. Description of Alliances Likely to be Formed in Year 2 of the Project**

All the potential alliances will directly support the goal of DBE 1 to improve capacity of districts to effectively manage basic education and to increase use of information resources to enhance education management and governance. Negotiations are expected to produce PPA agreements in Year 2 of the project estimated at \$ 1,366,000 contribution from private sectors and estimated commitment from DBE 1 of \$185,000.

<b>Alliance likely to be formed in Year 2</b>	<b>Total estimated leverage</b>	<b>Total estimated commitment</b>	<b>Estimated ratio</b>
BP Migas Alliance	\$660,000	\$55,000	12:1
XL Alliance	\$36,000	\$15,000	2:1
Intel Alliance	\$90,000	\$45,000	2:1
ConocoPhillips Alliance	\$500,000	\$40,000	10:1
Gamedia Alliance	\$80,000	\$30,000	3:1
	<b>\$1,366,000</b>	<b>\$185,000</b>	<b>7:1</b>