



<b>1. Project Data:</b>		<b>Date Posted :</b> 06/19/2002	
PROJ ID: P004017		<b>Appraisal</b>	<b>Actual</b>
<b>Project Name :</b> Id-univ Research For Grad Educ (urge)	<b>Project Costs (US\$M)</b>	97.6	56.7
<b>Country:</b> Indonesia	<b>Loan/Credit (US\$M)</b>	58.9	38.3
<b>Sector(s):</b> Board: ED - Tertiary education (98%), Central government administration (2%)	<b>Cofinancing (US\$M)</b>	N/A	
<b>L/C Number:</b> L3754			
	<b>Board Approval (FY)</b>		94
<b>Partners involved :</b>	<b>Closing Date</b>	02/29/2000	02/28/2001
<b>Prepared by :</b>	<b>Reviewed by :</b>	<b>Group Manager :</b>	<b>Group:</b>
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**2. Project Objectives and Components**

**a. Objectives**

The overall goal was to improve the quality of graduate education in Indonesia. Specifically, the project was to: (a) increase competitive funding for domestic graduate education and university research activities; (b) strengthen the procedures for selecting grant and fellowship proposals; (c) integrate university research with graduate training in universities; (d) strengthen research capacity and dissemination of research findings in universities; and (e) attract highly qualified candidates for domestic graduate education.

**b. Components**

(a) Improving planning and management of graduate education and university research, through the development of the University Research Council (URC) for administering competitive grant and fellowship programs and for providing policy advice to the Directorate General of Higher education (DGHE); and (b) Competitive grant and fellowship programs, including originally: (i) Center Grant Program; (ii) Research Grant Programs (team grants, young academics program); (iii) Graduate Education Programs (merit fellowships, pre-graduate training programs, sandwich program); (iv) Scientific Publication Programs (scientific journals, research publication); and added later: (v) Domestic Collaborative Research Grants Programs; and (vi) International Research Linkages.

**c. Comments on Project Cost, Financing and Dates**

The Asian financial crisis brought devaluation of the rupiah, which permitted cancellation of \$20.6m or 35% of the original loan even while adding (b) (v) and (vi) above, for which the closing date was extended by one year. GOI paid all incremental recurrent costs and project management costs.

**3. Achievement of Relevant Objectives:**

Overview: The quality of graduate education in Indonesia improved. Inputs (students, faculty, and facilities) were improved. Graduate education and university research were much better integrated. 584 students from "remedial" pre-graduate education programs gained admission to masters degree programs. 1461 masters and 90 doctoral students graduated from project centers. Most were Merit Fellows under the project (1370 masters and 88 doctoral); the master's degree Merit Fellows had better grade point averages than another sample of students. There was direct evidence of positive research outcomes. Specifically:

(a) competitive funding for domestic graduate education and university research activities probably increased, as the availability of Bank funding led to project grants and fellowships of \$52m during 1994-2000, almost all of it awarded competitively.

(b) procedures for selecting grant and fellowship proposals were strengthened through the several competitive processes for selecting both centers and people (teams and individual faculty and students),

using peer review panels and transparent procedures and selection criteria.

(c) university research was integrated with graduate training in universities, through 2816 graduate students included in center research activities, and 1389 graduate students included in 201 team research grants.

(d) research capacity increased and dissemination of research findings in universities was strengthened. Project grants, despite some shaving of amounts, both strengthened research centers and paid for additional project-specific equipment. Research at project centers resulted in 890 national and 408 international publications, 1237 national and 685 international presentations, and 33 patents. Team research grants produced a further 333 national and 128 international publications, and 375 national and 204 international seminar participations. The scientific publication component supported 26 journals and 358 first-time international publications of research. And:

(e) highly qualified candidates for domestic graduate education were attracted: 1370 Merit Fellowships were awarded for master's degrees (S2) vs. a target of 800, and 88 for doctoral degrees (S3) vs. a target of 130. Women's shares were 56% of S2 and 28% of S3, thought to be much higher than for traditional overseas programs. The grade point average of Merit Fellowship students was 3.58, while that of "Other students in some universities" was 3.39, with some Merit Fellows making particular contributions in the classroom.

Each sub-component had satisfactory qualitative results. All quantitative targets were met and many exceeded; most of those available are discussed above by project objective.

#### 4. Significant Outcomes/Impacts:

Movement away from central planning of priorities and funding to institutional (center grants) and individual researcher level, as part of a paradigm shift.

Improved planning and management of graduate education and university research.

Improved graduate education: expanded pool and improved quality of entering students, research experience integrated into a large number of graduate students' experience, faculty upgraded and returning (younger) faculty integrated into universities.

University research upgraded and disseminated more.

More participation of women in graduate education and university research

#### 5. Significant Shortcomings (including non-compliance with safeguard policies):

URC failed to gain administrative control over all DGHE's existing and new programs in graduate education and university research as intended. It also did not monitor many detailed indicators in the SAR. The "remedial" pre-graduate education programs were somewhat disappointing, in that only 584 out of 963 students were accepted in masters degree programs, and insufficient fellowships were available for them. There was no economic analysis, even savings from domestic graduate education vs. overseas fellowships.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
<b>Outcome:</b>	Satisfactory	Satisfactory	
<b>Institutional Dev.:</b>	Substantial	Substantial	
<b>Sustainability:</b>	Likely	Unlikely	The ICR text says "The prospects for overall Project sustainability are mixed." The problem, which is already evident, is that it will be difficult to sustain the research funding provided by the project. The continuing pressures on all tertiary education spending, and the high (74%) Bank financing of the grant and fellowship programs under the project, mean that sustainability of these programs post-project is unlikely. The ICR calls for DGHE to prepare a strategy for optimum use of available research funding, but it does not state that either this or any other transition arrangements to regular operations is planned or in place.
<b>Bank Performance:</b>	Satisfactory	Satisfactory	
<b>Borrower Perf.:</b>	Satisfactory	Satisfactory	

Quality of ICR :

Satisfactory

NOTE: ICR rating values flagged with '\*' don't comply with OP/BP 13.55, but are listed for completeness.

### 7. Lessons of Broad Applicability:

This ICR's lessons are specific to higher education, rather than general implementation lessons of broad intersectoral application. This is in contrast to the ICRs for most higher education projects completed in the last decade, and is welcome as a substantive contribution to work in the sub-sector.

Key lessons were:

- transparent merit-based peer review processes for decisions and fund allocation are accepted
- they expand opportunities for women
- domestic capacity for training doctoral students is more sustainable than overseas fellowships
- seed money can retain returning fellows in university teaching and research
- giving funds to directors of research units promotes quality and efficiency
- small incentives can promote research collaboration, publication, and journals

The project design included a competitive approach and many imaginative components (2 (b) above), both of which should be of interest to other countries trying to expand and improve graduate training and research.

8. Assessment Recommended?  Yes  No

### 9. Comments on Quality of ICR:

The ICR was satisfactory overall.

It was particularly good in its discussion of experience with each competitive program. The "lessons learned" were specific to higher education, a welcome contribution to work in the sub-sector.

The ICR was less satisfactory in its discussion of the URC component, where it stated the objectives incompletely and incorrectly, although it discussed the experience more fully. It was somewhat optimistic about the bureaucratic outcome for URC and its future. Its perspective that the project initiated decentralization did not match the SAR's description of mostly centralizing arrangements and decision-making. There was no economic analysis, not even of savings from domestic graduate education vs. overseas fellowships.

Monitoring and evaluation: The arrangements were extensive (SAR Annex 7) but the ICR did not assess the experience. A large number of input, process, and outcome indicators was identified (SAR Annex 8). Most project activities were new, so there was no directly relevant baseline data. Few of the indicators had quantitative targets ex ante. The ICR did not specifically report on achievement of the 3 aggregate targets mentioned in the SAR benefits summary section. It reported results only for a portion of the elaborate indicator set in the SAR, but did report some education outcomes and a wide range of research outcomes, as well as many project outputs. The very useful indicators in Annex 1 should have been divided into separate tables on outputs and on outcomes/impact, not all placed with the latter.

Finally, Annex 4 on Bank inputs was garbled in giving performance ratings from the pre-identification stage, and seemed incomplete - while supervision was interrupted in light of the Asian financial crisis, was there no mission between May 1995 and the ICR mission in March 2001 and yet 135.5 SW were used for supervision?