System Capacity Grant Annual Progress Report Template

Status: Accepted

Country	Grant ID	Grant Agent	Grant Effectiveness/Start Date
Indonesia	GPE0016556	SCG	02/17/2025

Grant Amount	Timeframe Examined in this Report		Date of Report Submission
4,000,000 (USD)	From Date	To Date	05/12/2026
	02/16/2025	02/15/2026	

Area(s) and activity group(s) covered by grant

Window 1: Strengthen gender-responsive planning and policy development for system-wide impact

- System diagnostics, compact development and education sector analyses
- Gender-responsive sector planning, including operational planning and budgeting
- Supporting policies and plans to identify and address multiple forms of exclusion (planning for children with disabilities, system resilience and inclusion of displaced children)
- Strengthening evidence-based diagnosis of critical implementation bottlenecks and identifying potentially scalable, transformative solutions

Window 2: Mobilize coordinated action and financing to enable transformative change

- Strengthening sector coordination, including local education groups, joint sector reviews and monitoring the effectiveness of the country-level partnership
- Strengthening budget processes and ministry of finance engagement; identifying opportunities to improve the equity and efficiency of education expenditure, including processes toward gender equality
- Cross-sectoral convening

Window 3: Strengthen capacity, adapt, and learn, to implement and drive results at scale

- Strengthening data systems, including on improving the availability and use of sex-disaggregated data, and data on children with disabilities
- Training and support for government staff and central and decentralized levels, including on the uptake and use of data and evidence
- Support for implementation capacity, including sector plan implementation monitoring, gender responsiveness of the sector and evaluation of sector plans and policies/programs in priority areas; assess monitoring, evaluation and learning capacity, including use of evidence in policy process

Implementation Progress

Overall Project Progress this Reporting Period

Overall progress this reporting period [1]	Previous Rating
Satisfactory (S)	NA

Detailed Description including factors that lead to an upgrade/downgrade in the rating

Overall grant progress is satisfactory, with all major outputs achieved efficiently with only minor delays. Refinements were made to the 2025 work plan in response to advice and direction from the Mitra Pendidikan Indonesia/Local Education Group (MPI/LEG) co-chairs and group members, which resulted in some activities being prioritized to start in 2025 (brought forward); while the scheduling of other activities was pushed back to start later than planned.

[Key Accomplishments]

1. Partnership Compact Mid-Term Review and strong stakeholder collaboration

The Mid-Term Review (MTR) of Indonesia's Partnership Compact was initiated and advanced significantly in 2025, driven by strong stakeholder collaboration at multiple levels. (Attachment 1. MTR Concept Note) The MTR Core Task Team (CTT), comprising representatives from five directorates across MoPSE (Centre for Education Standards and Policy, Centre for Educational Assessment, and Planning and Cooperation Bureau) and MoRA (Directorate of Curriculum, Facilities, Institutional Affairs, and Student Affairs, and Planning Bureau) and 10 MPI/LEG member organizations, provided strategic guidance and steered the review process throughout the year. High-level consultations were also conducted with newly appointed officials from MoPSE, MoRA, and Bappenas, ensuring the MTR was grounded in the priorities of the new administration.

A total of 18 consultation sessions were held in September and October 2025, engaging approximately 160 participants across national and subnational levels. National stakeholders from MoPSE and MoRA participated alongside subnational representatives from East Java, West Kalimantan, East Nusa Tenggara, and Papua. Teachers, principals, school supervisors, parents/caregivers, and adolescents were consulted, providing valuable perspectives on progress in achieving the Partnership Compact's priority reform of 'quality learning'. (Attachment 2. MTR Consultations Programme) These consultations generated rich data and evidence that were consolidated into the Preparatory Monitoring Questionnaire (PMQ), which was reviewed by MPI/LEG members at a workshop held on 20 November 2025 (Attachment 3. PMQ Workshop Programme), and subsequently submitted to GPE on 16 January 2026. (Attachment 4. Preparatory Monitoring Questionnaire)

The forward-looking phase of the MTR began with a two-day "Forward-looking Dialogue on Quality Learning" held between 11 and 12 February 2026, bringing together 58 participants representing national and subnational governments, MPI/LEG members, philanthropic organizations, and teacher associations. (Attachment 5. MTR Meeting Concept Note & Programme, Attachment 6. MTR meeting participants list). The event featured strong government leadership, with MoPSE presenting research evidence on quality learning and Bappenas presenting on the national mid-term development agenda, with a focus on education and human resource development priorities. The MTR dialogue generated substantive discussions on the Partnership Compact's Theory of Change, Results Framework, as well as critical actions – a newly introduced element by GPE. This dialogue was widely recognized by participants as a valuable opportunity for stakeholders across multiple levels to come together, exchange perspectives, and reaffirm their collective commitment to improving education quality in Indonesia.

2. Research activities: studies initiated

In the first year of the System Capacity Grant (SCG) Part 2, among the planned activities under each component below, four research studies were initiated in support of the education system transformation efforts being led by government, including:

- A.1 Analysis of barriers and interventions for female candidates for promotion and undertaking school leadership positions.
- B.2 Analysing National Assessment (Assessmen Nasional – AN), Rapor Pendidikan and other key data sources to evaluate elements of the learning environment that affect student and teacher wellbeing.
- C.1 Harmonization and trialling of disability screening tools and associated teacher training tools.
- C.2 Out-of-school children (OOSC) multi-factored situational analysis, Analysis of Non-Formal Education (NFE) policies and curriculum, and OOSC dashboard data verification for planning and budgeting purposes.

Discussion papers were developed by UNICEF to confirm the scope of the research and circulated amongst MPI-LEG members for input. Detailed Terms of Reference were subsequently developed by UNICEF, drawing from finalized discussions papers, upon which contracting was initiated. Research Advisory Groups (RAG) were established for each research activity, through self-nomination by MPI/LEG members, ensuring government ownership, technical rigor, collaboration and participation throughout the research process. Subject matter research specialists and/or institutions were contracted through competitive selection processes.

For A.1, a national and an international consultant were recruited. For B.2, Article 33 (an MPI/LEG member) was competitively selected. For C.1, the Nossal Institute for Global Health in collaboration with

Universitas Gadjah Mada was competitively selected; and for C.2, the ToRs for a national and international consultant are being prepared for the analysis of NFE policies and curriculum in the second semester of 2026.

For the most part, these studies are progressing as planned, with findings expected to generate actionable evidence to inform national education policies, and transformation efforts relating to learning quality, across gender-responsive school leadership, teacher and student wellbeing, inclusive education, and access to quality learning for out-of-school children. Further details on each study are provided under Grant Implementation Progress by Window.

3. Ten capacity building activities led by and participated by MPI/LEG members
Ten capacity building activities were implemented in 2025. Topics spanned a broad range of education priorities selected through discussions with the co-chairs, with notable sessions on child protection in digital spaces, addressing an increasingly important area given the government's emphasis on AI and technology integration; gender equality in education, which strengthened shared understanding of gender equality, disability and social inclusion (GEDSI) across member organisations. Other sessions covered climate-responsive education; deep learning; the love-based curriculum; inclusive pathways for disadvantaged learners, and innovative financing. Collectively, these activities deepened knowledge exchange and reinforced collaborative ownership of Indonesia's education reform agenda.

[Implementation challenges or delays]
A key development in 2025 was the appointment of new MPI/LEG co-chairs by the new government, which necessitated additional time to brief incoming officials and secure their commitments to SCG activities and approaches. To address this, UNICEF undertook intensive consultations with both high-level and technical-level officials across the two ministries to ensure full alignment of SCG activities with new government priorities. While this process required additional time, it ultimately resulted in stronger government engagements and ownership, closer alignment with the government’s education reform agenda, and more active engagement from both ministries throughout the year.

The implementation of the MTR is one activity that experienced changes in its timeline as activities progressed. Although the MTR was planned to be completed in 2025, following discussions with MPI/LEG co-chairs and members, consultations became more extensive than initially planned. Informed by guidance from the GPE Board of Directors (Meeting of the Board of Directors Final Decisions document, 3–5 June 2025), which emphasised the importance of teacher participation and the engagement of students, children and young people in grant mechanism processes, the decision was made to broaden MTR consultation beyond government stakeholders. MPI/LEG members also recommended that a thorough subnational consultation should be conducted to reflect Indonesia's geographical diversity and varied local contexts, resulting in consultations across districts in five provinces. In addition, drawing on lessons learned from other countries' MTR experiences shared by GPE, UNICEF recognised the value of holding a dedicated PMQ review workshop in November 2025, enabling MPI/LEG members to examine findings in depth, provide substantive input, and build shared ownership of the process. These factors resulted in a more extensive and participatory consultation than originally planned, engaging approximately 160 national and subnational stakeholders, including government officials, teachers, principals, school supervisors, caregivers, and adolescents, and requiring additional time to complete.

Updates by GPE to the MTR guideline also introduced new templates for the PMQ and the MTR Progress Memo. These new requirements necessitated multiple rounds of GPE feedback beyond what was originally planned, requiring additional time for consultation preparation, data collection and analysis. For these reasons, completion of the MTR is now expected in the second quarter of 2026. Additionally, the timing of the finalization of the PMQ and the start of the ‘forward-looking’ phase overlapped with the ministries’ busy end-of-year period and holidays, and coordination and communication with the co-chairs required additional time to accommodate their schedules.

Quarterly MPI/LEG meetings were originally planned, with the fourth meeting – typically the Annual Joint Sector Review – to be replaced by the MTR dialogue meeting. The MTR meeting was, however, rescheduled to February 2026 due to the reasons outlined above.

Three research activities have had their timelines adjusted from 2025 to 2026: (i) B.1 Development of wellbeing and protection policies to support teachers, including those with permanent or temporary

additional needs; (ii) C.3 A deep-dive analysis of learning outcome data (Rapor Pendidikan) through a gender lens to identify measures for additional support; and (iii) C.4 Coordination with MPI/LEG to review funding implications (BOS/BOP) for schools and madrasah based on improved identification of disabilities and other key issues. This adjustment was made to allow sufficient time to better understand and align with the education priorities of the new government, with the aim of ensuring that the research responds effectively to Indonesia's evolving education policy needs.

Grant Implementation Progress, by Grant Window

Grant Window	Level of Progress this Reporting Period [2]	Previous Rating
Window 1: Strengthen gender-responsive planning and policy development for system-wide impact	Satisfactory (S)	NA

Detailed Description:

Activities under Window 1 are progressing well, with key research studies underway and foundational groundwork completed during the reporting period.

Under Capacity Area Window 1, there are two Focus Area A research studies: (A.1) Analysis of barriers and interventions for female candidates for promotion and undertaking school leadership positions; and (A.3) Analysis of teacher and principal competencies to utilize Rapor Pendidikan and other key data sources to improve learning quality. Research A.1 started in 2025 as planned, while research A.3 will start in 2026.

There are two research studies under Focus Area B: (B.1) Development of wellbeing and protection policies to support teachers, including those with permanent or temporary additional needs; and (B.2) Analysing Asesmen Nasional, Rapor Pendidikan and other key data sources to evaluate elements of the learning environment that affect student and teacher wellbeing. (B.1) is planned to start in 2026, while B.2 started in 2025 as planned.

There are three research studies under Focus Area C: (C.2) Out-of-school children (OOSC) multi-factored situational analysis, analysis of Non-Formal Education (NFE) policies and curriculum, and OOSC dashboard data verification for planning and budgeting purposes, including trialling and piloting. The preparation stage of the analysis of NFE policies and curriculum and the improvement of the OOSC dashboard data verification to support planning and budgeting on OOSC interventions started in 2025 as planned. The OOSC multi-factored situational analysis will be conducted in Q3 2026. The other two research studies, (C.3) A deep-dive analysis of learning outcome data (Rapor Pendidikan) through a gender lens to identify measures for additional support; and (C.4) Coordination with MPI/LEG to review funding implications (BOS/BOP) for schools and madrasahs based on improved identification of disabilities and other key issues, are planned to start in 2026.

A.1 Research on female school leadership.
The purpose of A.1 is to generate actionable evidence to inform policies and programmes that foster inclusive, equitable and gender-responsive school leadership. Specifically, the study seeks to analyse the barriers, advancements and opportunities for female recruitment, including promotion to, and successful undertaking of, leadership positions in schools and madrasah across both MoPSE and MoRA schooling systems.

To achieve this, the study will map the existing policy landscape and identify what supports and hinders effective and equitable school leadership across recruitment, accountability, professional development and working conditions. It will draw on promising practices from Indonesia and globally to understand how women can be better supported in preparing for and succeeding in school leadership roles. The research will explore opportunities to expand school/madrasah leadership programmes towards more holistic, inclusive and participatory models, while assessing gender norms and biases among educators, communities and policymakers, and identifying ways to address barriers.

A discussion paper outlining the rationale, objectives, key activities and timeline was developed and circulated to MPI/LEG members in June 2025 to gather input and feedback and ensure their involvement from the outset (Attachment 8). An in-person meeting was held with the MoPSE and MoRA co-chairs on 24 June 2025 where key input and feedback were received. Two research consultants were selected through a competitive selection process. The national consultant was onboarded in August 2025 to lead the initial desk review, consultations and development of the research design. The international consultant joined in October 2025 to provide technical guidance informed by global experience and trends.

The RAG was established in October 2025, comprising representatives from MoPSE's Directorate of School Principals, School Supervisors, and Education Personnel; and from the Directorate General of Teachers and Education Personnel; from MoRA's Directorate of Madrasah Teachers and Education Personnel; and Directorate General of Islamic Education; and also from Ikatan Guru Indonesia (IGI); UNESCO Indonesia; Pusat Studi Pendidikan dan Kebijakan (PSPK); PLAN Indonesia; Save the Children/Kolaborasi untuk Edukasi Anak Indonesia (KREASI); and Australia's Department of Foreign Affairs and Trade (DFAT)/Innovation for Indonesia's School Children (INOVASI) partnership.

The research consultants work closely with the RAG, which provides technical advice and guidance throughout the research process. Two RAG meetings were held in 2025 to discuss the research design, inception report outline and work plan. The Inception Report was completed in January 2026 comprising a desk review of Indonesia-specific and global literature and studies, a rapid gender review of school leadership policies in Indonesia, and a research design with data collection and analysis methods. UNICEF's gender specialist was also engaged throughout the process, providing technical insights and contributing to a deeper understanding of the study's gender dimensions.

B.2 Research on teachers' wellbeing and protection.
The purpose of this research is to better understand and improve school and madrasah learning environments, with a focus on student and teachers' wellbeing. The research aims to identify how local governments, teachers and school principals use data from MoPSE's Learning Environment Survey, which is part of Rapor Pendidikan, and other key education data to foster positive learning environments. It also aims to provide practical guidance and recommendations on using and interpreting data effectively to improve the quality of teaching and learning and implement national priorities such as deep learning and the love-based curriculum.

In addition, following a request from MoPSE, and in line with the shift to 13 years compulsory education, which includes pre-primary education, this pre-primary education sub-sector is integrated into this research as a dedicated focus area. This component will examine learning environment indicators, data use, and key gaps and challenges specific to the pre-primary (early childhood education – ECE) context, with findings aimed at informing both policymakers and practitioners.

The research discussion paper was shared with MPI/LEG for review and feedback in June 2025 (Attachment 9. B.2 Discussion Paper). An in-person meeting was also held with the MoPSE and MoRA co-chairs shortly after, on 24 June, where they suggested the development of an inclusivity climate index to enable a more systematic and consistent assessment of the school learning environment from an inclusivity perspective. This research is guided by a RAG and involves representatives of the MPI/LEG co-chairs and other group members to help ensure alignment with national policy directions, quality analysis and utilization of findings. The RAG comprises representatives from two centres under MoPSE's Agency for Education Standards, Curriculum and Assessment -including the Centre for Education Standards and Policy, and the Centre for Educational Assessment; and two MoRA directorates -the Directorate of Curriculum, Facilities, Institutional Affairs and Student Affairs for Madrasah and the Directorate of Madrasah Teachers and Education Personnel; as well as IGI, Save the Children/KREASI, DFAT/INOVASI, PSPK, PLAN Indonesia, and UNESCO.

Through an open selection process, Article 33 was selected as the institution to conduct the research. The inception report for this research has recently been completed (in Q1 2026), upon receiving feedback from UNICEF and the RAG. Field data collection is scheduled for mid-May 2026, and it is expected all stages of the research will be completed in September 2026.

C.2 Research on OOSC and NFE policy.
The purpose of this research is to identify ways to improve access to quality and relevant learning opportunities for OOSC, including through NFE as an alternative flexible learning pathway for these children. One of the research activities under C.2 is the analysis of NFE policies and curriculum to identify ways forward to improve access to quality and relevant NFE services. The analysis will map existing NFE

regulations and policies on teachers and strategies across governance, human resources, curriculum, monitoring, and GEDSI dimensions, identifying gaps in implementation at both national and sub-national levels. It will also review curriculum gaps within NFE under both MoPSE and MoRA, assessing their relevance for OOSC skills development and alignment with 21st-century labour market demands.

Drawing on global and regional good practices, the research will also look at other existing alternative learning pathways for OOSC, including pathways that could be applied in Indonesia by taking into account GEDSI dimensions and the diverse characteristics and needs of this population. The research will culminate in a comprehensive research report and tailored policy brief with actionable recommendations for both MoPSE and MoRA on NFE regulation, policy, strategy and curriculum, and on other relevant alternative learning models for OOSC. Its key findings will be disseminated through publications and workshops at national and sub-national levels. Technical support will be provided to MoPSE and MoRA as well to identify and design practical actions that address the research recommendations.

The NFE research discussion paper was circulated to MPI/LEG members in October 2025 for review and feedback. The RAG was established in November 2025, and will provide technical advice throughout the research process, including on the selection and recruitment of national and international consultants in 2026. The RAG comprises representatives from two centres under MoPSE – the Centre for Education Standard and Policy and the Centre of Curriculum; two directorates under MoRA – the Directorate of Pesantren and the Directorate of Curriculum, Facilities, Institutional Affairs and Student Affairs for Madrasah; as well as IGI, DFAT/INOVASI, SMERU Research Institute, PSPK, and PLAN Indonesia. The research is expected to start in July 2026.

The second research initiative under C.2 is the multi-factored situation (meta) analysis of OOSC that will examine the root causes of children being out of school and good practice responses in tackling the out-of-school issues by schools, madrasah and local government. The research will use mixed methods (quantitative and qualitative) and will include a review of key policies to identify their effectiveness in increasing access to secondary education. The research will be conducted in collaboration with the National Development Planning Agency (Bappenas) and will start in Q3 2026.

Another component under C.2 is trialing and piloting of national policy implementation on OOSC through data verification approaches and multi-sectoral budgeting and planning to tackle OOSC issues at sub-national level. In collaboration with MoPSE's Center for Data and Information Technology, the improvement of the OOSC data verification dashboard has been finalized, and its updated version was socialized to all provinces and districts on 3rd February 2026. The OOSC data verification dashboard was established by the Center for Data and Information Technology in MoPSE to identify OOSC and those at risk of dropping out of school based on the triangulation of EMIS data from MoPSE and MoRA and the population data from MoHA. Along with the completion of the dashboard, a guideline for its use has also been finalized, to guide village governments to assist the data verification process.

Through a collaboration with the Ministry of Home Affairs, UNICEF provided technical assistance to provincial governments in 3 areas (Central Java, East Java, and NTT) to develop multi-sectoral action plans on OOSC to facilitate the establishment of relevant interventions by local governments in these areas to prevent and address OOSC issues. The action plans development started with GEDSI analysis relating to OOSC in each area and the results of the analysis were used to guide identification of relevant interventions that address GEDSI issues linked to OOSC. Trialing on the implementation of the action plans will start in June 2026.

Grant Window	**Level of Progress this Reporting Period** [2]	**Previous Rating**
Window 2: Mobilize coordinated action and financing to enable transformative change	Satisfactory (S)	NA

Detailed Description:
Activities under Window 2 are progressing as planned, with significant milestones achieved in education sector coordination and the MTR of Indonesia's Partnership Compact.

Under Capacity Area Window 2, there are 3 activities planned. Research study (D.1) Analysis of efforts by sub-national governments to improve learning quality, including in connecting planning and budgeting for achievement of MSS/SPM indicators, as part of national quality assurance is planned to start in 2027. (D.3) Analysis of progress made against Partnership Compact indicators and associated analysis linked

to MoPSE and MoRA 2025-29 Renstras and the RPJMN and (D.4) Continued support to sector coordination functions and mechanisms, including Co-Coordinating Agency support, MPI meetings, MPI capacity building and Annual Joint Education Sector Reviews/MTRs both started as planned in 2025.

D.3 Partnership Compact Mid-Term Review
The MTR process of Indonesia's Partnership Compact commenced in March 2025. Although the Compact was finalized in July 2024, the MTR started in 2025 to ensure alignment with the new government's priorities, including the RPJMN 2025–2029 and the updated Strategic Plans of MoPSE and MoRA, as advised by MoPSE and MoRA co-chairs.

The MTR comprises three phases. Phase 1 (Country Self-Assessment) focused on compiling and analysing existing data and evidence to assess progress against the Partnership Compact's Theory of Change, results indicators, enabling factors, and GEDSI commitments. Consultations were held in September and October 2025, and participants included national-level stakeholders from MoPSE and MoRA, as well as subnational stakeholders from East Java, West Kalimantan, East Nusa Tenggara, and Papua. Teachers, principals, school supervisors, parents/caregivers, and adolescents were also consulted. Stakeholders shared reflections on key achievements, challenges, plans, emerging opportunities, and GEDSI issues based on the four focus areas and the enabling factors. The data, evidence and reflections generated through these consultations were consolidated into a Preparatory Monitoring Questionnaire (PMQ), reviewed at a workshop on 20 November 2025, approved by MoPSE and MoRA co-chairs, and submitted to the GPE Secretariat on 16 January 2026.

Phases 2 and 3 focus on forward-looking dialogue and finalization of the MTR Progress Memo, respectively. As the main forum for ‘forward-looking’ discussion, a two-day MTR meeting “Forward-looking Dialogue on Quality Learning” was held on 11–12 February 2026. The meeting featured dialogues and group work focusing on topics such as the priority reform, Theory of Change, Results Framework, Critical Actions, and future GPE financing. Enabling factors and GEDSI perspectives were woven throughout the discussions. There was strong government engagement throughout the event, including MoPSE presenting recent research evidence on Quality Learning based on implementation of the government’s priority initiatives, and Bappenas presenting on the education sector’s mid-term strategy. Sessions were moderated and facilitated by MoPSE, MoRA, and MPI/LEG members. The dialogues were widely recognized as a valuable opportunity for stakeholders and partners who, despite working toward the shared goal of quality education in Indonesia, rarely have the chance to connect, exchange perspectives, and reaffirm their collective commitment to improving education quality across the country.

Following this meeting, a series of follow-up meetings are planned for March 2026, including CTT meetings and bilateral discussions with MoPSE and MoRA technical teams, to finalize the Theory of Change, Results Framework, and Critical Actions. The Progress Memo will subsequently be endorsed by co-chairs and all MPI/LEG members. Completion of the MTR is expected in the second quarter of 2026.

D.4 Continued support to education sector coordination functions and mechanisms
This activity includes: (i) quarterly MPI/LEG meetings to strengthen education sector coordination; and (ii) capacity building activities by and for MPI/LEG members linked to the agreed priority of ‘quality learning’. Progress is as follows:

(i) MPI/LEG meetings to strengthen education sector coordination.
Three MPI/LEG meetings were held during the reporting period in March, July and October 2025, each attended by the MPI/LEG co-chairs and members, and the GPE Country Engagement Lead for Southeast Asia. The meetings served as a platform for sharing grant progress, aligning with government education priorities under the new administration, and facilitating cross-partner dialogue on quality learning.

The first MPI/LEG meeting for the year, held on 13 March 2025, marked the first participation of the new co-chairs from MoPSE’s Agency for Education Standards, Curriculum and Assessment (BSKAP) and MoRA’s Directorate of Curriculum, Facilities, Institutions and Student Affairs for Madrasahs. During the meeting, MoPSE highlighted new government priorities on Deep Learning, AI and coding, the Academic Ability Test (TKA), and STEM subjects. MoRA emphasized madrasah quality improvement, the Love-Based Curriculum, digitalization, and promotion of safe and green madrasahs. The second MPI/LEG meeting on 3 July 2025 highlighted updates across Indonesia’s education reform agenda, including MoPSE’s National Assessment and the new TKA, MoRA’s ‘ecotheology’ approach and Love-Based Curriculum, and GPE updates from the Board meeting. The third MPI/LEG meeting on 29 October 2025 covered MoRA’s dissemination of the Love-Based Curriculum, school revitalization and digitalization priorities, TKA assessment updates, and full completion of System Capacity Grant Part 1 alongside progress in Part 2.

(ii) Capacity building activities by and for MPI/LEG members.
Ten capacity building activities proposed and led by MPI/LEG members were approved and implemented in 2025, covering topics including child protection in digital spaces, climate-responsive education, 13 years Compulsory Education, AI and technology integration, gender equality in education, the Love-Based Curriculum, innovative financing, and inclusive pathways for disadvantaged learners. These activities contributed to strengthening knowledge exchange and collaboration within the MPI/LEG as an education sector coordination forum. Details of the capacity workshop are shared in Attachment 10.

Grant Window	Level of Progress this Reporting Period [2]	Previous Rating
Window 3: Strengthen capacity, adapt, and learn, to implement and drive results at scale	Satisfactory (S)	NA

Detailed Description:
Activities under Window 3 are progressing as planned.

Under Capacity Area Window 3, there are 3 research studies planned: (A.2) Action research, trialling and piloting of coaching, mentoring and peer support practices for collaborative learning; (C.1) Facilitate harmonization and trialling of disability screening tools and associated teacher training tools; and (D.2) A needs analysis for the implementation and improvement of support structures for education personnel in schools and madrasahs, aimed at enabling more efficient management and administrative processes. Research studies A.2 and D.2 are both planned to start in 2027. Research C.1 research on disability screening tools started in 2025 as planned.

The purpose of research study C.1 is to strengthen diagnostic processes and assessments tailored for students with functional difficulties, including those from disadvantaged backgrounds. The study will harmonize existing disability screening tools to be utilized effectively at scale within the education system, and test and trial different tools across varying resource settings, including low- and high-resource schools and madrasahs. The study will also link different education sub-sectors, spanning infant, pre-primary and early schooling screening and assessment, to identify available cross-sectoral support for inclusive education by leveraging existing structures for integrated service delivery. The development of practical tools for building the capacity of teachers and school leaders to identify and support children with functional difficulties, including those with disabilities, is another key component.

The research discussion paper was circulated to MPI/LEG members for review and feedback in June 2025. (Attachment 11. C.1 Discussion Paper) A competitive selection process of an institution to undertake the research was completed, resulting in the Nossal Institute for Global Health (in collaboration with the Centre for Life-Span Development, Universitas Gajah Mada) being selected in November 2025. The Nossal Institute for Global Health will collaborate closely with MPI/LEG, including MoPSE and MoRA, throughout the research process, with the research being guided by the RAG.

The RAG comprises two directorates under MoPSE - Directorate of Special Education and Special Services Education and Directorate of Teachers for Secondary Education and Special Education; one directorate under MoRA - Directorate of Curriculum, Facilities, Institutional Affairs and Student Affairs for Madrasah; as well as IGI, UNESCO Indonesia, DFAT/INOVASI, Save the Children/KREASI, PSPK, PLAN Indonesia and SMERU Research Institute. The RAG met in January 2026 to discuss the research design.

Lessons, innovative/promising practices

1. Strengthening the leadership roles of the co-chairs
The change in government administration in 2025 brought new leadership to the MPI/LEG, with newly appointed officials representing MoPSE and MoRA. As Grant Agent, UNICEF invested significant effort in orienting, briefing, and discussing with the new co-chairs, building their familiarity with the SCG Part 2's objectives, activities, and governance structures, enabling their active and informed participation from the outset. A key lesson is the value of holding face-to-face meetings with co-chairs at the start of any new activity or process, as these early alignment meetings ensure that grant activities remain responsive to the

government's most current priorities, including promoting a balanced coverage of issues relating to different school/institution types - schools under MoPSE and Islamic schools under MoRA – which have their own unique characteristics. UNICEF also maintained proactive engagement outside of formal MPI/LEG meetings, including bilateral updates and monthly email communications to all MPI/LEG members, which helped sustain consistent communication and shared ownership of SCG Part 2 activities throughout the year.

2. Promoting strong MPI/LEG engagement through the Core Task Team and Research Advisory Groups
The establishment of the MTR CTT, self-nominated from MPI/LEG members, created a focused and accountable structure for steering the MTR process, providing technical guidance, and facilitating broader stakeholder engagement. Similarly, RAGs were established for all four research studies initiated in 2025, drawing on MPI/LEG members' technical expertise to guide research design, ensure quality, and strengthen alignment with national policy priorities. These mechanisms have deepened MPI/LEG members' sense of ownership and investment in SCG2 outcomes and represent a promising model for continuous meaningful sector coordination.

3. Investing time upfront in developing discussion papers for research
Circulating discussion papers on proposed research have proven to be an effective approach for large and diverse multi-stakeholder groups such as the MPI/LEG. This practice creates a shared baseline of understanding, reduces the risk of misalignment, and enables more substantive dialogue and technical input during in-person or hybrid engagements. This approach was applied consistently across all four research areas and throughout the MTR process. Combined with focused bilateral consultations with co-chairs, promoting this consultative approach to confirming the scope of research has helped ensure that activities remain grounded in and aligned with government priorities.

4. When consultations involve a broad and diverse group of education stakeholders, sufficient time must be built into the planning process.
The MTR Phase 1 consultations, which reached approximately 160 participants across 13 sessions at both national and subnational levels, demonstrated the richness that emerges when a wide range of voices is included. Inviting subnational government representatives from provinces and districts in East Java, West Kalimantan, East Nusa Tenggara, and Papua brought critical ground-level insights that would not have emerged from national-level consultations alone. Similarly, the inclusion of teachers, principals, school supervisors, parents and young people enriched the process considerably, reflecting diverse experiences and needs that are essential for a meaningful review of education quality. A clear lesson is that inclusive consultation processes require proportionally more time and coordination, but yield rich perspectives important for assessing progressing and prioritizing future actions.

5. The MPI/LEG is evolving toward a more meaningful space for policy dialogue.
During the third MPI/LEG meeting of the reporting period, held on 29th October 2026, members proposed shifting the meeting’s focus by reducing time spent on grant programme updates and creating more space for substantive policy dialogue. This signals growing MPI/LEG member ownership and ambition for the forum to serve as a genuine platform for education sector dialogue beyond grant administration/specific programme implementation. Discussions are ongoing on how best to structure future meetings to realize this potential. This emerging practice reflects an important shift in how sector coordination can be leveraged and aligns with the longer-term goal of the MPI/LEG functioning as a sustainable knowledge-sharing and policy dialogue platform.

6. Taking global experience and applying to local contexts promotes effectiveness
UNICEF, as SCG Part 2 Grant Agent and facilitator of the MTR, drew on regional and global networks to seek lessons from MTRs conducted in other countries to inform the MTR process in Indonesia. As very few countries had undertaken their Partnership Compact MTRs prior to Indonesia starting to shape its MTR, there was a certain degree of ‘feeling our way’ with confirming how to approach the exercise. To assist in articulating the MTR in Indonesia, UNICEF Indonesia contacted other UNICEF country offices also facilitating MTRs, and was able to draw lessons from these processes to make the Indonesia MTR more thorough and impactful.

7. Strengthening the impact of capacity building through structured feedback mechanisms
The ten capacity building activities implemented in 2025 highlighted the importance of building mechanisms to assess effectiveness and translate learning into concrete action. A key lesson is that without structured assessment tools, it is difficult to measure the extent to which workshop content connects to and informs participants' subsequent practice. In Year 2, consideration will be given to introduce a more

formalised approach to monitoring and evaluating these activities, such as including pre- and post-tests to capture changes in knowledge and skills, alongside a structured feedback mechanism to assess impact. This will strengthen the evidence for understanding what works and to support continuous improvement in the delivery of future capacity building workshops.

Impact stories

1. Publication from UNESCO Indonesia which conducted capacity building on strengthening quality learning and gender equality in education: https://www.unesco.org/en/articles/policy-practice-insights-capacity-building-strengthening-quality-learning-and-gender-equality?hub=66941
2. Publication from Majelis Dikdasmen PNF PP Muhammadiyah which conducted capacity building on Sharing Best Practice for Green Schools/Madrasahs and Climate-Responsive Education for Climate Change Mitigation: https://tagar.co/muhammadiyah-dorong-sekolah-ramah-lingkungan-untuk-hadapi-krisis-iklim/

Tangible Outputs, Knowledge Products, Results Framework and other Supporting Documentation

#	File Name	Document Type	Description
1	Attachment 1. MTR Concept Note.pdf	Knowledge Product	MTR Concept Note
2	Attachment 2. MTR National & Subnational Consultation Programme.pdf	Knowledge Product	MTR National & Subnational Consultation Programme
2	Attachment 3. PMQ Workshop Programme (2026Nov20).pdf	Knowledge Product	PMQ Workshop Programme (2026Nov20)
2	Attachment 4. Preparatory Monitoring Questionnaire Final.docx	Knowledge Product	Preparatory Monitoring Questionnaire
2	Attachment 5. MTR meeting Concept Note & Programme (Feb 11-12).pdf	Knowledge Product	MTR meeting Concept Note Programme (Feb 11-12)
2	Attachment 7. Photos and Video for GPE SCG 2 Report.docx	Knowledge Product	Photos and Video for GPE SCG 2 Report
2	Attachment 8. A.1 Discussion Paper.pdf	Knowledge Product	A.1 Discussion Paper
2	Attachment 9. B.2 Discussion Paper.pdf	Knowledge Product	B.2 Discussion Paper
2	Attachment 10. List of Capacity Building Workshops 2025.pdf	Knowledge Product	List of Capacity Building Workshops 2025
2	Attachment 11. C.1 Discussion Paper.pdf	Knowledge Product	C.1 Discussion Paper
2	Attachment 12. Uncertified financial report - SCG 2 Annual Report 2025.pdf	Knowledge Product	Uncertified financial statement

The documents listed were submitted with the progress report. If you'd like access to them, please contact the grant operations officer for your country.

Financial Reporting & Grant Management

Financial Reporting on GPE Grant

Cumulative Financial Absorption Rate

Approved Budget to Date	Cumulative Expenditure	Cumulative Financial Absorption Rate	Level of Financial Absorption
1,477,399	998,191	67.56	Off Track

Since the financial absorption is not rated as 'on track', please provide an explanation that identifies the main activities that have been delayed and their corresponding unspent amounts, as well as reasons for the delay and steps taken to ensure that expenditure absorption gets on track in the next reporting period.

The expenditure of US$998,191 for Year 1 against a planned amount of US$1,477,399 (68% absorption rate) is mostly on track. As explained under "Implementation challenges or delays," the timeline of three research studies was adjusted from 2025 to 2026, in order to allow sufficient time to better understand and align with the education priorities of the new government, with the aim to effectively respond to Indonesia's evolving education policy needs.

Budget Variance Analysis for the Current Reporting Period

Total Approved Budget for the Current Reporting Period

1,477,399

Total Expenditure for the Current Reporting Period

998,191

Explanation for underspending or overspending in excess of 10%

Management Performance

Level of management performance

Satisfactory (S)

Detailed Description

Overall, grant management performance was highly satisfactory, with UNICEF applying its rigorous global standards for financial management, procurement, implementation and other fiduciary and compliance duties throughout the reporting period.

As this is the first year of implementation of the SCG Part 2, UNICEF as Grant Agent played a leading role in closely engaging the MPI/LEG co-chairs and members through the preparation and delivery of research activities as well as the Partnership Compact MTR. UNICEF led the MTR by navigating new and emerging GPE guidelines and requirements, including updated templates for the PMQ and the MTR Progress Memo, introduced during the reporting period; and within this, the introduction of critical actions to form the basis for Indonesia reporting its progress under the Partnership Compact on a 12-monthly basis.

UNICEF worked closely with the GPE Secretariat to interpret and apply these new requirements, ensuring the MTR and the broader SCG Part 2 implementation remained compliant and responsive to evolving guidance. This proactive engagement with GPE enabled the team to adapt the MTR process in a timely and structured manner.

Throughout the reporting period, UNICEF placed particular emphasis on ensuring MPI/LEG co-chairs were meaningfully involved at every stage of implementation. Co-chairs were consulted and their inputs

sought prior to the finalization of all major decisions, including the selection of research topics for MPI/LEG capacity building activities and the Terms of Reference for each research study, the composition of RAGs and key MTR milestones. Regular progress meetings were held with MoPSE and MoRA, as MPI/LEG co-chairs, as well as with PSPK and Plan Indonesia as co-coordinating agencies, to maintain alignment with government priorities and ensure that grant activities continued to reflect the direction of the new government administration. The SCG Part 2 work plan was presented and discussed with MPI/LEG co-chairs and members at the MPI/LEG meeting on 13 March 2025, with endorsement from the group to move ahead with implementation.

Financial management and procurement processes were implemented in accordance with UNICEF's established financial and procurement control systems. Open and competitive selection processes were conducted for all consultants and research organizations engaged under the grant. UNICEF evaluated all proposals received, both technically and financially, against MPI/LEG-agreed Terms of Reference and Expression of Interest documents, with value for money considered throughout. UNICEF undertook regular monitoring of activities to track progress against the work plan.

To support effective overall management of the grant, UNICEF maintained open and regular communication with MPI/LEG co-chairs and members through multiple channels: (i) all major Terms of Reference and Expression of Interest documents for strategically important procurements and activities were shared with MPI/LEG members for input prior to finalization; (ii) a WhatsApp group among MPI/LEG members was maintained to facilitate timely information exchange between formal meetings; and (iii) monthly email updates were sent to all MPI/LEG members to provide progress updates on SCG Part 2 activities.

One area requiring additional management attention was the coordination of timelines across two ministries with distinct institutional calendars and priorities. Securing timely decisions and approvals from both MoPSE and MoRA co-chairs sometimes required additional rounds of communication and scheduling flexibility, which contributed to some delays in activity timelines. UNICEF addressed this by strengthening bilateral engagement with each ministry and holding targeted meetings outside formal MPI/LEG sessions to resolve outstanding issues and maintain implementation momentum. Looking ahead, UNICEF will continue to build on these coordination practices to further strengthen responsiveness.

Revisions to the grant

This period, have there been any revisions to the grant other than those submitted to the Secretariat for their approval?
No

How likely is that the grant agent will submit a request for revision to the Secretariat in the next 12 months for their approval?
Moderately Likely

Detailed Description
As the programme enters its second year, the MTR process conducted in 2025-26 provided valuable clarity on the priorities, initiatives, and needs of MoPSE and MoRA, as well as the areas where MPI/LEG support is most needed. This presents a timely opportunity to engage MPI/LEG in deeper discussions on how programme activities can be better aligned with government priorities, maximising impact and advancing key education reform agendas.

Current activities under SCG2 are already grounded in requests from the government and MPI/LEG members. Building on this, UNICEF, as Grant Agent, will review ongoing research progress, workplans, and expenditure, and will initiate discussions with the co-chairs this year to confirm the scope of existing SCG2 activities, and to assess whether any new activities should be prioritized over existing activities. These discussions will also take into account new/emerging GPE strategic priorities for SCG financing.

These discussions may result in a request for revision to the GPE Board or Secretariat. Throughout this process, the MPI/LEG will be actively engaged, and the GPE Secretariat will be kept closely informed.

Annexes

Annex 1: List of Acronyms

Acronym	Description
AI	Artificial Intelligence
AN	Assessmen Nasional / National Assessment
BOS	Bantuan Operasional Sekolah / School Operational Assistance
BOP	Bantuan Operasional Penyelenggaraan / Operational Assistance for Education Provision
CTT	Core Task Team
DFAT	Department of Foreign Affairs and Trade (Australia)
ECE	Early Childhood Education
GEDSI	Gender Equality, Disability and Social Inclusion
INOVASI	Inovasi untuk anak sekolah Indonesia / Innovation for Indonesia's School Children
KREASI	Kolaborasi untuk edukasi anak Indonesia/ Collaboration for Education of Indonesian Children
LP Ma'arif NU	Lembaga Pendidikan Ma'arif Nahdatul Ulama / Ma'arif Education Institution of Nahdatul Ulama
MoPSE	Ministry of Primary and Secondary Education
MoRA	Ministry of Religious Affairs
MPI/LEG	Mitra Pendidikan Indonesia / Local Education Group
MTR	Mid-Term Review
NFE	Non-Formal Education
OOSC	Out-of-School Children
PMQ	Preparatory Monitoring Questionnaire
PSPK	Pusat Studi Pendidikan dan Kebijakan / Centre for Education Standard and Policy
RAG	Research Advisory Group
SDGs	Sustainable Development Goals
STEM	Science, Technology, Engineering and Mathematics

TKA	Tes Kemampuan Akademik / Academic Competency Test
UNICEF	United Nations Children’s Fund
UNESCO	United Nations Educational, Scientific and Cultural Organization

[1] Highly Unsatisfactory- The grant has major shortcomings or delays that limit or jeopardize the achievement of one or more outputs and a resolution is unlikely. Unsatisfactory - The grant has significant shortcomings or delays that limit or jeopardize the achievement of one or more outputs and a resolution is uncertain. Moderately Unsatisfactory - The grant has moderate shortcomings or delays that limit or jeopardize the achievement of one or more outputs but a resolution is likely. Moderately Satisfactory - The grant is expected to achieve most of its major outputs efficiently with moderate shortcomings or delays. Satisfactory – The grant is expected to achieve almost all of its major outputs efficiently with only minor shortcomings or delays. Highly Satisfactory - The grant is expected to achieve or exceed all of the major outputs efficiently without significant shortcomings or delays.

[2] Highly Unsatisfactory – The window has major shortcomings or delays that limit or jeopardize the achievement of one or more outputs and a resolution is unlikely. Unsatisfactory – The window has significant shortcomings or delays that limit or jeopardize the achievement of one or more outputs and a resolution is uncertain. Moderately Unsatisfactory – The window has moderate shortcomings or delays that limit or jeopardize the achievement of one or more outputs but a resolution is likely. Moderately Satisfactory – The window is expected to achieve most of its major outputs efficiently with moderate shortcomings. Satisfactory – The window is expected to achieve almost all of its major outputs efficiently with only minor shortcomings or delays. Highly Satisfactory – The window is expected to achieve or exceed all of the major outputs efficiently without significant shortcomings or delays.

[3] tooltip