
Indonesia Education Budget 2025

Indonesia's recently announced National Indicative Budget 2025 sees an 8 percent increase in 2025's indicative budget for education amounting to IDR 722 trillion (GBP 36 billion), up from IDR 660 trillion (GBP 33 billion) in 2024. This accounts for 20 percent of the total 2025 National Indicative Budget of IDR 3.613 trillion (GBP 180 billion) which will be directed towards widening access to education (compulsory schooling), improving access and quality of early childhood education, improving education facility and infrastructure in less developed regions, improving teachers' quality, raising the quality of higher education institutions and strengthening research and innovation, and free lunch for school children.ⁱ

What does this mean for the UK?

Indonesia's National Indicative Budget 2025 with the theme "Accelerating Inclusive and Sustainable Economic Growth" reflects an ongoing commitment to balancing economic development with sustainability and social equity. It signals a desire to ensure stability and some form of policy continuity, even with a change in administration on the horizon. Policy continuity in the following key areas will be a positive boost for UK HEIs looking to strengthen their footprint in Indonesia:ⁱⁱ

1. **20 percent National Budget for Education.** The Government of Indonesia remains committed to earmark 20 percent of its National Budget for education in 2025. The National Government is expected to spend IDR 295.9 trillion (GBP 14.7 billion) to fund cash transfers for 20 million students (PIP Programme) and 1 million university students ("*KIP Kuliah*" Programme), as well as professional allowances for 477 thousand teachers (non civil servant). Provincial/regional governments are expected to spend IDR 346.7 trillion (GBP 17.3 billion) to fund the BOS or Bantuan Operasional Sekolah (Operational School Fund) for 6 million kindergarten and pre-school students as well as 43 million primary to high school students, construction or refurbishment of over 10 thousand schools, and professional allowances for 1.5 million teachers (civil servant).

Figure 1: Indonesia Education Budget 2025 - 2021

	2025		2024		2023		2022		2021	
	Total (IDR Trillion)	%*	Total (IDR Trillion)	%	Total (IDR Trillion)	%	Total (IDR Trillion)	%	Total (IDR Trillion)	%
Spending by Provincial / Regional Government	346.7	49	346.6	52	305.6	49	290.5	47	299.1	54
Spending by National Government	295.9	41	241.5	36	249.2	40	213.4	34	184.5	34
Spending through financing (scholarship and research grant)	80.0	11	77	12	69.5	11	117.4	19	66.4	12
Total	722.6	100	665.1	100	624.3	100	621.3	100	550.0	100

Note: * percent of education budget

2. **Funding for scholarship and research.** The Government of Indonesia’s commitment to providing funding for scholarship and research is a positive sign. About 11 percent of the 2025 education budget (IDR 80 trillion or GBP 4 billion) is earmarked for scholarships for 50 thousand students to study at domestic and overseas universities, and for developing research partnerships.

Recommendations

1. **Target PG students.** There has been an increase in scholarships for PhD programmes over the past two years including a recent [call for expressions of interest to host doctoral training students from Indonesia](#) (as published on our Opportunities and Insight portal). We recommend that UK HEIs continue to invest in marketing and outreach programmes targeting PG students as Indonesia is still a PG market with a significant proportion of PG students being funded by government scholarships.
2. **Invest and expand the UG market.** At the same time, UK HEIs should also invest more in attracting UG students given that the UG market has grown significantly over the past few years. We recommend that UK HEIs take advantage of the growth momentum in the UG market and seek to partner with school counsellors and education agents with access to international schools in Greater Jakarta as well as other key cities in Java such as Surabaya and Bandung.
3. **Engage alumni.** ‘Word of mouth’ is a powerful tool to maintain UK HEIs visibility in Indonesia. We recommend that when visiting Indonesia, UK HEIs should use the opportunity to reconnect and engage with fellow alumni.

British Council Contact Details

Muhaimin Syamsuddin

Head of Education, Indonesia

muhaimin.syamsuddin@britishcouncil.org

ⁱ Ministry of Finance: <https://anggaran.kemenkeu.go.id/in/post/rapbn-tahun-anggaran-2025>

ⁱⁱ Ministry of Finance: <https://anggaran.kemenkeu.go.id/api/Medias/4290e300-f343-4e50-9144-ae736258ebee>