

**TRANSPARENCY AND ACCOUNTABILITY IN HIGHER EDUCATION FINANCING:
INDONESIA AND UZBEKISTAN**

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ABSTRACT

This study examines transparency and accountability in higher education financing through a comparative analysis of Indonesia and Uzbekistan. Using a qualitative documentary approach, the research draws on audited government financial reports, official ministerial accountability documents, and sustainability performance indicators to evaluate financing governance structures and institutional outcomes. The analysis focuses on observable transparency measures, including budget realization discipline, financial reporting standards, audit coverage, and corrective enforcement actions. The findings show that Indonesia demonstrates a reporting-centered accountability model characterized by standardized audited statements and structured disclosure practices, while Uzbekistan reflects an enforcement-centered model with intensive audit controls and corrective financial interventions. Comparative results indicate that stronger reporting transparency and integrated accountability mechanisms are associated with higher institutional sustainability performance and better international ranking positions, as reflected in UI GreenMetric indicators. The study concludes that accountability architecture — rather than funding volume alone — plays a decisive role in translating public financing into measurable institutional performance and global competitiveness in higher education.

Keyword:

Higher education financing, Financial transparency, Accountability mechanisms, Audited financial reports, Education governance, Comparative analysis, Indonesia, Uzbekistan, UI GreenMetric.

INTRODUCTION

Transparency and accountability in higher education financing have become central themes in global education policy debates, particularly in developing and emerging economies. As public investment in higher education increases, governments are under growing pressure to ensure that financial resources are allocated, managed, and monitored in an efficient and transparent manner. International experience demonstrates that well-designed accountability mechanisms not only enhance financial integrity but also contribute to improved institutional performance, sustainability outcomes, and global competitiveness of universities (OECD, 2020).

Indonesia and Uzbekistan represent two relevant and comparable cases in this context. Both countries allocate a substantial share of their national budgets to education and have introduced reforms aimed at strengthening governance in higher education financing. Indonesia has institutionalized transparent budgeting practices, regular external audits, and performance-based indicators within its higher education system (British Council, 2025). Uzbekistan, meanwhile, has recently intensified public financing of higher education and initiated reforms to improve financial oversight and institutional accountability through national budget legislation and sectoral strategies (Government of Uzbekistan, 2024). Recent ministerial and audited financial reports further underline why transparency and accountability in higher education financing require closer comparative examination. Evidence from audited education sector financial statements shows that budget realization rates, audit coverage, and

corrective financial controls vary not only across countries but also across governance models. For example, audited reports from the Indonesian education sector demonstrate high budget realization discipline and standardized multi-statement financial disclosure structures, while sectoral oversight reports from Uzbekistan reveal intensive audit activity, large-scale financial control procedures, and measurable recovery of misused funds through corrective enforcement mechanisms. These developments indicate that accountability is increasingly operationalized through both formal reporting standards and active audit intervention practices.

At the same time, international sustainability and governance rankings of universities increasingly incorporate indicators that are indirectly linked to financial governance quality, reporting transparency, and institutional accountability capacity. Performance differences observed in global sustainability assessment systems such as the UI GreenMetric ranking suggest that governance transparency and structured reporting environments may influence not only financial integrity but also institutional sustainability outcomes and international positioning. This creates a growing need for integrated analysis that connects financing transparency, audit accountability, and institutional performance indicators within a single comparative analytical framework. From a policy and research perspective, this intersection between financing governance and measurable institutional outcomes remains insufficiently explored in cross-country comparative studies focusing on emerging education systems. Many existing studies analyze funding volume or reform strategies separately, but fewer works systematically link documented financial transparency practices, audit accountability evidence, and performance indicators across national systems. Therefore, a structured comparative analysis based on documentary financial data, audited reports, and sustainability performance indicators provides both empirical and methodological value for higher education finance research. Against this background, this study aims to examine transparency and accountability in higher education financing based on the comparative experience of Indonesia and Uzbekistan. By integrating official budget documents, audited financial reports, academic literature, and international sustainability indicators such as the UI GreenMetric ranking, the article seeks to provide empirical insights into how financial governance practices influence institutional outcomes and international positioning of higher education institutions.

LITERATURE REVIEW

Existing literature widely acknowledges that higher education financing systems are increasingly shifting from input-based funding models toward frameworks emphasizing transparency, accountability, and performance measurement. According to Johnstone and Marcucci (2010), accountability mechanisms—such as public disclosure of financial information and independent audits—are essential to maintaining public trust and ensuring efficient use of educational resources. Similarly, OECD (2020) highlights that transparent budgeting and monitoring systems improve policy effectiveness and institutional responsiveness in higher education.

Studies focusing on Indonesia indicate that centralized yet transparent funding structures, combined with regular auditing and performance evaluation, have positively affected institutional governance and sustainability practices (Priyono & Ahmad, 2018). Their findings emphasize that synchronization between government policy and institutional budget management enhances accountability and contributes to quality improvement in higher education. Furthermore, policy analyses show that Indonesia's commitment to allocating approximately 20 percent of its national budget to education has strengthened financial predictability and institutional planning capacity (British Council, 2025).

In the case of Uzbekistan, recent research and policy documents suggest that while public investment in higher education has increased significantly, transparency and performance-based accountability mechanisms are still evolving. National budget legislation emphasizes centralized financial control and compliance-based oversight, with gradual movement toward outcome-oriented monitoring (Government of Uzbekistan, 2024). Comparative studies argue that without fully institutionalized transparency and public reporting standards, increased funding alone may not translate into higher institutional performance or improved international rankings (Salmi, 2017). This aligns with sustainability-focused research indicating that governance quality and accountability frameworks are critical determinants of universities' performance in global assessments such as the UI GreenMetric ranking (UI GreenMetric, 2025).

RESEARCH METHODOLOGY

This study uses a qualitative comparative design to examine transparency and accountability in higher education financing systems in Indonesia and Uzbekistan. The analysis is based on documentary and secondary data sources, including national budget documents, audited financial reports, official ministerial reports, and peer-reviewed academic studies. The focus is placed on observable financial governance evidence such as budget realization data, reporting structure, audit findings, and accountability enforcement measures.

A structured document and content analysis approach was applied to compare the two countries across key indicators of financing transparency and accountability, including financial disclosure practices, audit coverage, budget execution rates, and corrective control actions. In addition, institutional sustainability performance indicators derived from the UI GreenMetric 2025 ranking were used as external outcome measures to relate financing governance practices to institutional performance differences. This approach ensures direct alignment between the data sources, analytical indicators, and reported results.

RESULT AND DISCUSSION

The analysis reveals significant differences between Indonesia and Uzbekistan in terms of **transparency, accountability, and institutional outcomes in higher education financing**. Based on national budget laws, audited financial statements, and ministerial reports, both countries demonstrate a strong commitment to public financing of higher education; however, the **degree of transparency and performance linkage** differs substantially.

Table 1 summarizes key higher education financing and governance indicators derived from official reports.

Table 1. Comparative Overview of Higher Education Financing and Accountability

Indicator	Indonesia	Uzbekistan
Share of national budget allocated to education	20% (2024)	18–20% (2024)
Availability of audited financial reports	Fully audited and publicly disclosed	Available, limited public accessibility
Institutional financial autonomy	Moderate to high	Moderate
External audit and parliamentary oversight	Strong and regular	Present, strengthening

Indicator	Indonesia	Uzbekistan
Use of performance-based indicators	Explicit (incl. sustainability metrics)	Emerging

Source: Compiled by the author based on audited financial reports and official ministerial governance reports of Indonesia and Uzbekistan (2024)

The results indicate that Indonesia has developed a **more institutionalized system of financial disclosure and external accountability**, supported by routine audits and publicly accessible reports. In contrast, Uzbekistan’s system places stronger emphasis on **centralized budget control**, with growing but still evolving transparency mechanisms.

Documentary financial analysis based on audited ministerial reports shows that both Indonesia and Uzbekistan demonstrate formal compliance with public sector accounting standards, but differ in the depth of transparency instruments and accountability enforcement mechanisms. In Indonesia, the 2024 audited financial report of the Ministry of Education indicates a high level of structured financial reporting aligned with Government Accounting Standards. Budget realization reached 95.56% of allocated expenditure, while non-tax state revenue exceeded projections at 120.82% realization, suggesting strong revenue monitoring and expenditure control discipline (Indonesian Ministry of Education, 2024). The report includes multi-layered statements — budget realization, balance sheet, operational report, and equity change report — which supports methodological indicators of transparency completeness and reporting structure.

In Uzbekistan, ministry-level reporting shows rapid expansion of financial governance controls through digital monitoring systems, centralized billing platforms, and integrated audit tracking, but with stronger emphasis on reform progress reporting rather than standardized audited financial statement structure. The report documents 270 audit controls conducted, identification of 97.1 billion UZS in financial irregularities, and recovery or correction of significant portions of detected inefficiencies, indicating an expanding accountability enforcement mechanism.

Accountability and Audit Enforcement Indicators

According to the accountability dimension defined in the methodology, audit intensity, violation detection, and corrective action rates serve as measurable indicators. Uzbekistan’s higher education governance system shows high audit frequency and corrective intervention, with:

- 270 audited entities
- 97.1 billion UZS irregularities detected
- 20.9 billion UZS recovered to budgets
- disciplinary action against responsible officials
- preventive audit measures saving 76.1 billion UZS

This demonstrates active accountability enforcement, even if reporting formats are less standardized than Indonesia’s audited ministerial statements (Uzbekistan Ministry of Higher Education, 2024).

Indonesia’s audited reporting, by contrast, reflects strong ex-post financial accountability through standardized audited statements, categorized expenditure, and balance-sheet transparency — indicating institutionalized accounting accountability rather than enforcement-driven correction.

Table 2 — *Financial Transparency and Accountability Indicators (Documentary Analysis Based)*

Indicator	Indonesia (Audited Report)	Uzbekistan (Ministry Report)	Analytical Interpretation
Budget realization rate	95.56%	Not unified — program based	Indonesia shows structured fiscal discipline
Revenue realization	120.82%	Program revenue growth reported	Strong revenue monitoring in Indonesia
Audit structure	Standard audited statements	Expanded audit controls	Different accountability models
Audit coverage	Statement audit	270 entity audits	Uzbekistan uses operational audit model
Irregularities detected	Not emphasized	97.1 bln UZS detected	Enforcement transparency in Uzbekistan
Financial digitalization	Accounting system based	HEMIS + EduBilling + integrations	Uzbekistan stronger in digital governance
Corrective recovery	Not specified	20.9 bln UZS recovered	Active corrective accountability

Source: Compiled by the author based on audited financial reports and official ministerial governance reports of Indonesia and Uzbekistan (2024)

The indicators in Table 2 are derived from documentary analysis of audited financial statements and official ministerial reports. The comparison shows that Indonesia demonstrates stronger standardized reporting transparency, while Uzbekistan exhibits higher audit enforcement intensity and corrective accountability actions. These differences reflect two distinct operational models of financial accountability in higher education governance.

To complement the documentary financial transparency analysis, institutional sustainability performance indicators were additionally examined using UI GreenMetric 2025 ranking data. Based on the comparative indicator approach defined in the methodology, cumulative sustainability scores and corresponding global ranking positions of representative universities from Indonesia and Uzbekistan were compiled and visualized to illustrate outcome-level performance differences.

UI GreenMetric 2025 indicators.

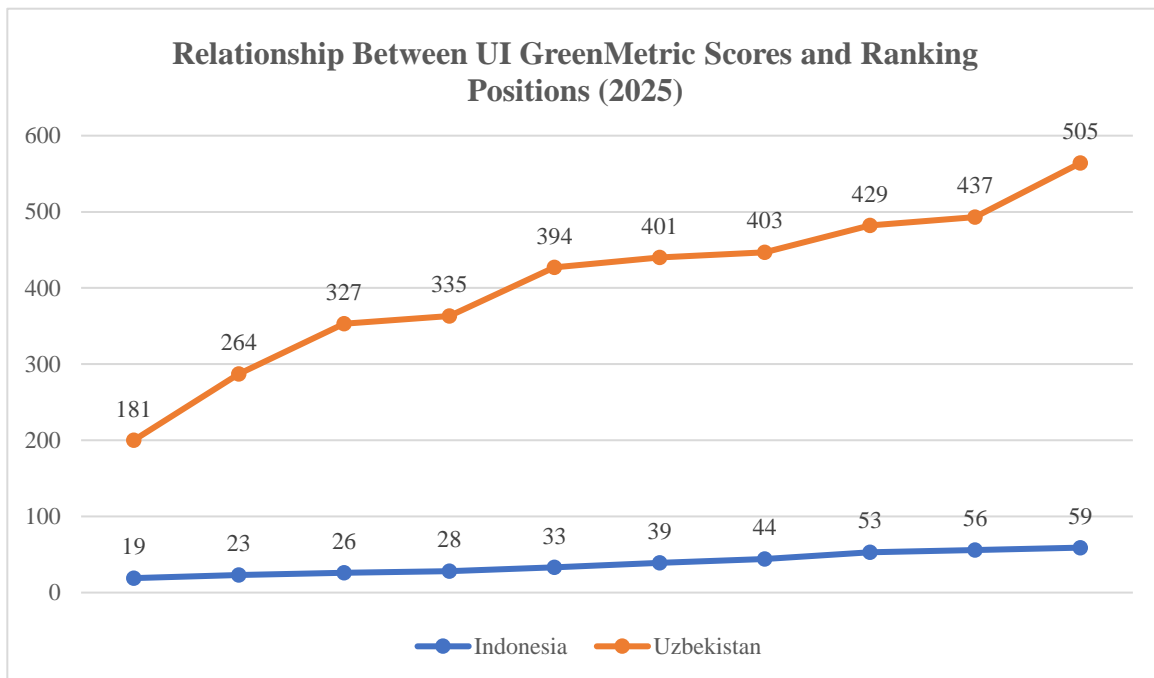


Figure 1 Compiled by the author based on UI GreenMetric Scores and Ranking Positions (2025).

Figure 1 shows a consistent positive association between sustainability scores and global ranking positions across the sampled institutions. Indonesian universities demonstrate higher score levels and correspondingly stronger ranking positions, while Uzbek universities show gradual improvement but remain in lower ranking bands. This pattern supports the results indicating that more structured transparency and accountability environments are associated with stronger institutional sustainability outcomes.

This empirical pattern confirms that **transparent reporting, sustainability investment, and accountability mechanisms** are closely associated with international visibility and ranking outcomes.

The findings suggest that **financial transparency and accountability function as critical enabling factors** for institutional performance and international recognition in higher education. Indonesia's experience demonstrates that **clear budget disclosure, audited reporting, and performance-linked financing** contribute not only to governance quality but also to measurable institutional outcomes, including sustainability rankings and global competitiveness. In Uzbekistan, recent reforms in higher education financing and governance have produced **positive upward trends**, particularly in sustainability-related indicators. However, the results indicate that **limited public disclosure and weaker integration of performance-based accountability mechanisms** constrain the full impact of increased funding. This aligns with comparative policy literature, which emphasizes that **funding volume alone is insufficient without transparent allocation, monitoring, and evaluation frameworks**.

In addition, the comparative documentary evidence suggests that transparency and accountability operate through different institutional pathways rather than a single uniform model. The Indonesian case reflects a reporting-centered accountability structure built on standardized audited financial statements and formal disclosure architecture, whereas the Uzbek case demonstrates an enforcement-centered model characterized by frequent audits, irregularity detection, and corrective financial

interventions. This distinction indicates that accountability maturity may develop either through reporting standardization or through active control enforcement, but long-term institutional performance gains are more strongly associated with systems where reporting transparency and audit accountability operate in an integrated manner rather than separately.

From a governance perspective, the results also imply that sustainability performance indicators and international ranking outcomes can serve as indirect outcome measures of financing transparency quality. When accountability mechanisms are embedded in routine reporting, audit traceability, and budget execution discipline, institutions appear better positioned to convert financial inputs into measurable performance outputs. This supports recent governance research arguing that higher education finance effectiveness depends on accountability architecture, not only on funding scale or reform intensity. Therefore, policy strategies aimed at improving higher education competitiveness should prioritize disclosure quality, audit standardization, and performance-linked reporting frameworks alongside financial expansion measures.

Overall, the comparative analysis confirms the methodological assumption that **accountability structures mediate the relationship between public financing and institutional performance**. Strengthening transparency mechanisms—such as publicly accessible audits, standardized financial reporting, and sustainability-based performance metrics—could significantly enhance the effectiveness of higher education financing reforms in Uzbekistan, drawing on lessons from the Indonesian model.

CONCLUSION

This study examined transparency and accountability in higher education financing through a comparative analysis of Indonesia and Uzbekistan, drawing on official budget documents, audited financial reports, academic literature, and international sustainability indicators. The findings demonstrate that while both countries have increased public investment in higher education, the governance quality of financing systems—particularly transparency, reporting practices, and accountability mechanisms—plays a decisive role in determining institutional outcomes. Indonesia's more institutionalized framework of financial disclosure, external audits, and performance-oriented indicators has contributed to stronger institutional performance and higher international visibility, as reflected in global sustainability rankings. In contrast, Uzbekistan's higher education financing system remains largely centralized, with transparency and performance-based accountability mechanisms still in a formative stage. Although recent reforms and increased funding have produced positive trends, especially in sustainability-related initiatives, the analysis suggests that limited public accessibility of financial information and weaker integration of outcome-based monitoring constrain the effectiveness of these investments. The disparity observed in UI GreenMetric ranking positions further reinforces the conclusion that funding levels alone are insufficient without robust accountability structures that link financial inputs to measurable institutional performance.

Overall, the comparative evidence confirms that transparency and accountability act as mediating factors between public financing and higher education performance. Strengthening open financial reporting, independent auditing, and performance-based evaluation—particularly through sustainability and governance indicators—can significantly enhance the impact of higher education financing reforms. For Uzbekistan, adopting selected elements of the Indonesian model may support more effective resource utilization and improved global competitiveness of universities, while for Indonesia, continued refinement of accountability mechanisms remains essential to sustaining long-

term institutional excellence. Beyond the country-specific implications, this study also contributes methodologically by demonstrating the analytical value of combining documentary financial reports, audited accountability evidence, and sustainability performance indicators within a unified comparative framework. The results show that measurable transparency indicators — such as budget realization discipline, audit coverage, corrective recovery actions, and reporting standardization — can be operationalized as practical governance metrics in higher education finance research. This integrated approach helps bridge the gap between financial governance analysis and institutional performance assessment.

The findings further suggest that future higher education finance research should move beyond expenditure volume comparisons toward accountability architecture analysis, where reporting systems, audit structures, and enforcement mechanisms are examined together as performance drivers. Expanding cross-country documentary and audit-based comparative studies would improve empirical understanding of how financing governance translates into institutional competitiveness and sustainability outcomes. Such an approach is particularly relevant for emerging higher education systems undergoing rapid funding expansion alongside governance reform.

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