International Labour Organization

TERMS OF REFERENCE

Legal review for actuarial studies on unemployment insurance, employment injury insurance and life insurance in Indonesia

1. Overview

Type of Contract: External collaboration contract (individual) or service contract (institute/corporation)

Organization Unit: CO-Jakarta

ILO Office: Jakarta

Contract period: 17 March to 30 June 2025

2. Background

The ILO is conducting two actuarial studies and will provide the Government of Indonesia with recommendations and reform options according to international social security standards. These actuarial studies will focus on three schemes that BPJS Employment implement including an unemployment insurance scheme (Jaminan Kehilangan Pekerjaan: JKP), an employment injury insurance scheme (Jaminan Kecelakaan Kerja: JKK), and a life insurance scheme (Jaminan Kematian: JKM). One resulting report will cover JKP, and the other report will cover JKK and JKM.

ILO Actuarial Valuation Reports include a matrix comparing the relevant system provisions against the requirements set out in the Social Security (Minimum Standards) Convention, 1952 (No. 102). As such, each report will include a dedicated section titled 'Review of the legal framework in light of international social security standards and principles.' This section will be approximately 5 pages long (possibly longer but concise), using Noto Sans font at 9-point size, and summarize the results of a detailed legal analysis assessing the existing legal provisions compliance with the relevant parameters set out in Convention No. 102 and present the prospects for ratification. The legal assessment will be carried out based on a matrix provided by the ILO.

The ILO is looking for an external collaborator or a service contractor on the abovementioned consultancy.

3. Objective and scope

This consultancy aims to produce the two separate legal sections for the actuarial studies. These sections must address at least the topics below.

a. Identify and review relevant legislative instruments for JKP, JKK and JKM under BPJS Employment.

b. Assess compliance of the above-mentioned schemes with the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102) using the matrix provided by the ILO. This includes a detailed description of the legal provisions governing the relevant branch of the social security system and an explanation of how they give application - or not- to each parameter set out in Convention No. 102 (e.g. persons covered, level and duration of benefit, qualifying period, waiting period, etc.), with detailed reference to the relevant articles (number of the article, paragraph and sub-paragraph) of the national legislation and of the Convention. Under each Part of the Convention, the report should also make, based on all relevant compiled statistical information, the relevant calculations as per the report form with a view to ascertaining whether or not the minimum benefit rate specified therein is achieved in the case of a standard beneficiary determined pursuant to Articles 65, 66 or 67 of the Convention, as the case may be. If the data is non-existent or non-available this should also be mentioned. In such a case, the consultant should liaise with the ILO field and HQ teams with a view to jointly identifying most adapted solutions for approximating the reference wage of a standard beneficiary based on extrapolated data and most relevant proxies in line with the approach followed by Convention No. 102. The analysis should formulate a clear conclusion, for each article analysed, as to whether the national law and practice, as the case may be, complies with the qualitative and quantitative requirements of the Convention.

c. Recommend possible modifications of the national legal framework or practice to improve compliance with the requirements and principles established in Convention No. 102.

It is noted that the ILO will be able to provide several knowledge products and legal documents in English upon request. The contractor can extract, add and reorganize relevant information using those existing products with proper credits, ensuring that all references to the national legislation and relevant statistics are up-to-date and verified with the relevant primary sources. For example, the ILO has a near-final draft report titled 'Assessment of the social security legislation for the ratification of the Social Security (Minimum Standards) Convention, 1952 (No. 102)' as of 2020 and will update and finalize it shortly according to new regulations as of 2025. The ILO has also completed a detailed legal and policy review against Convention No. 102 on JKP in a technical report titled 'Unemployment insurance in Indonesia: Challenges and recommendations.'

4. Outputs

Output 1: Outline, work plan and list of laws and regulations

- Discuss and agree on work plans and outlines with the ILO.
- Develop a list of laws and regulations to review. The ILO will translate and provide them in English if necessary.

Output 2: Draft report (JKP)

- Conduct desk-reviews to draft required contents.
- Submit a draft report and accompanying matrix comparing the scheme against the minimum standards of Convention No. 102 to the ILO for inputs.

Output 3: Draft report (JKK and JKM)

- Conduct desk-reviews to draft required contents.
- Submit a draft report and accompanying matrix to the ILO for inputs.

Output 4: Final report (JKP)

- Incorporate the ILO's inputs to Output 2.
- Submit a final report and accompanying matrix.

Output 5: Final report (JKK and JKM)

- Incorporate the ILO's inputs to Output 3.
- Submit a final report and accompanying matrix.

5. Timeline and payment

The ILO will pay the external collaborator up on satisfaction of delivered outputs.

PAYMENT	DELIVERABLE	AMOUNT	TIMELINE
1	Output 1	5%	23/03/2025
2	Output 2	15%	06/04/2025
3	Output 3	25%	04/05/2025
4	Output 4	25%	31/05/2025
5	Output 5	30%	15/06/2025
	GRAND TOTAL	**100%**	

6. Qualification

Requirement:

- An advanced university degree in law.
- Experience undertaking legal reviews of national social security legislation against ILO's international labour and social security standards.
- Knowledge about unemployment insurance and employment injury insurance.
- Excellent drafting skills in English.

Advantage:

- Knowledge about social security policies in Indonesia.

7. Application process

Applicants must email the following information to Mr Ippei Tsuruga (tsuruga@ilo.org) with cc Ms Temmy Tanet (tanet@ilo.org) with Subject "Application: TOR's Title, Your Full Name" by 27 February 2025:

a. Curriculum Vitae;

b. Fee per day; and

c. Fee in total.

The ILO will assess applicants' ability, experience, and proposed fee for the selection. The ILO will contact a selected or shortlisted candidate only and will not provide any clarifications to those who are not selected.