International Labour Organization

Assessment of the Indonesian social security legislation in view of a possible ratification of the Social Security (Minimum Standards) Convention, 1952 (No. 102)

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Report to the Government

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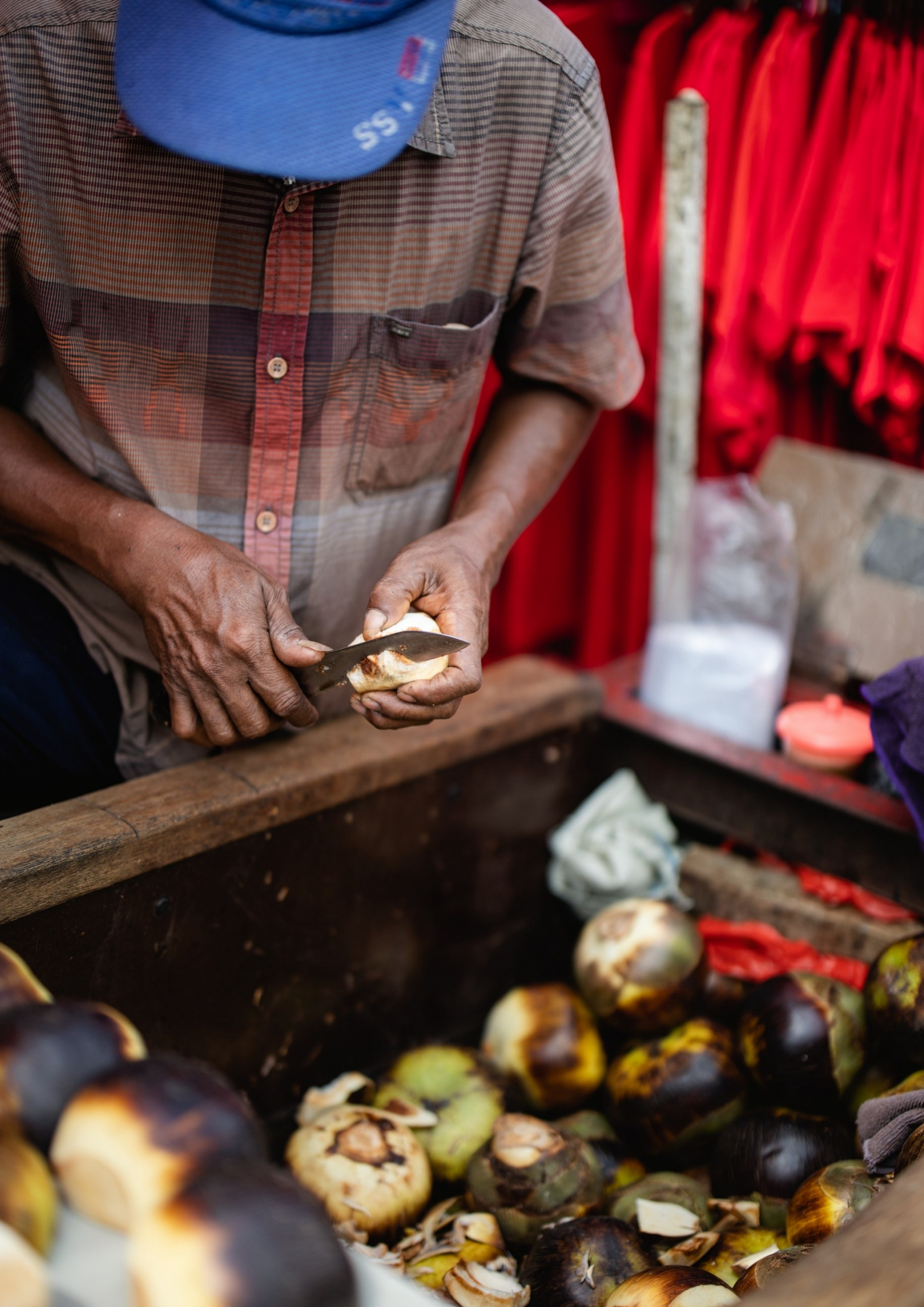

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Abbreviations and acronyms

BP	non-workers
BPJS	National Social Security Administering Body (Badan Penyelenggara Jaminan Sosial)
BPJS Employment	Social Security Agency for Employment (Badan Penyelenggara Jaminan Sosial Ketenagakerjaan)
BPJS Health	Social Security Agency for Health (Badan Pelaksana Jaminan Sosial Kesehatan)
BPS	Statistics Indonesia (Badan Pusat Statistik)
CEACR	Committee of Experts on the Application of Conventions and Recommendations
CPI	Consumer Price Index
CPNS	Candidates of civil servants (Calon Pegawai Negeri Sipil)
DJSN	National Social Security Council (Dewan Jaminan Sosial Nasional)
DTKS	Unified Database of Beneficiaries (Daftar Terpadu Kesejahteraan Sosial)
DTSEN	National Socioeconomic Single Data (Data Tunggal Sosial Ekonomi Nasional)
GDP	gross domestic product
ICESCR	International Covenant on Economic, Social and Cultural Rights
JHT	Old-age savings or provident fund scheme (Jaminan Hari Tua)
JKK	Employment Injury Insurance (Jaminan Kecelakaan Kerja)
JKK-RTW	Return-to-Work programme within the Employment Injury Insurance scheme
JKm	Death Insurance Scheme (Jaminan Kematian)
JKN	National Health Insurance (Jaminan Kesehatan Nasional)
JKP	Unemployment benefit (Jaminan Kehilangan Pekerjaan)
JP	Pension Scheme (Jaminan Pensiun)
MoH	Ministry of Health
Non-PBI	Contributory Health Insurance (Bukan Penerima Bantuan Iuran)
PBI-JKN	Non-Contributory Health Insurance (Penerima Bantuan Iuran)

PBI APBD	Contribution aid recipients, paid for by regional governments (Anggaran Pendapatan Belanja Daerah)
PBI APBN	Contribution aid recipients, paid for by the central government (Anggaran Pendapatan Belanja Negara)
PBPU	non-salaried worker (Peserta Bukan Penerima Upah)
PIP	Smart Indonesia Programme (Programme Indonesia Pintar),
PKH	Family of Hope conditional cash transfer (Program Keluarga Harapan)
PNS	civil servants (Pegawai Negeri Sipil)
PPU	salaried worker (Pekerja Penerima Upah)
PT ASABRI	Social insurance agency for Indonesia's military, police and civil service under the Ministry of Defence (Asuransi Sosial Angkatan Bersenjata Republik Indonesia)
PT TASPEN	Social insurance agency for Indonesia's civil servants (Programme Tabungan dan Asuransi Pensiun Pegawai Negeri Sipil/PNS)
SJSN	National Social Security System (Sistem Jaminan Sosial Nasional)

Executive summary

Context and background

This report is part of the ILO's efforts to systematically promote the ratification and effective implementation of up-to-date international social security standards for building and maintaining comprehensive, sustainable and rights-based social protection systems. It has been developed in the framework of the ILO's global campaign to promote the ratification of the Social Security (Minimum Standards) Convention, 1952 (No. 102), which emanates from a decision adopted by the International Labour Conference at its 109th Session in 2021 (ILO 2021b).

Within the context of the long-lasting collaboration between the Government of Indonesia and the ILO, this report has been prepared as part of the ILO–Fast Retailing project and the ILO–Japan project to assess whether Indonesia would be in a position to ratify Convention No. 102. In particular, the report examines the extent to which social security legislation and practice give effect to the parameters and principles contained in Convention No. 102 and offers guidance on how to ensure further conformity with this flagship instrument.

Convention No. 102 establishes an internationally accepted definition of social security and is a key tool used by countries to design, implement and reform their social security systems to ensure that they are comprehensive, sustainable and provide adequate benefits. The Convention defines the nine classic branches of social security – medical care, sickness benefit, unemployment benefit, old-age benefit, employment injury benefit, family benefit, maternity benefit, invalidity benefit and survivors' benefit – and sets minimum requirements for each branch. This key instrument also establishes common rules for the collective organization, financing and management of social security, as well as principles of good governance of the system under the general responsibility of the State, the right to due process and the principle of equality of treatment of non-national residents.

While Indonesia has made significant progress towards developing a comprehensive social security system, it has only ratified one ILO Convention in the field of social security, namely the Equality of Treatment (Accident Compensation) Convention, 1925 (No. 19), in 1950, which has an interim status. Indeed, over the last two decades, Indonesia has witnessed four significant legislative developments demonstrating the Government's willingness to progressively develop a comprehensive rights-based social security system that provides medical care and income security in the event that different social risks or life contingencies materialize. First, the country's Constitution was revised in 2002 and now recognizes social security as a human right. A constitutional obligation was also placed on the Indonesian State to develop a social security system for the entire population. Secondly, the adoption of Law No. 40 of 2004 provides the legal framework and organizing principles for establishing a National Social Security System (Sistem Jaminan Sosial Nasional, or SJSN). Thirdly, Law No. 24 of 2011 was enacted to establish two non-profit state-owned agencies entrusted with the administration of social security at the national level. Lastly, the adoption of Law No. 11 of 2020[1] partially amends Law No. 40 of 2004 and provides the legal framework to establish an unemployment insurance scheme.

These legislative developments have enabled the progressive extension of social protection coverage, in particular, by ensuring the whole population has access to medical care and by strengthening the provision of cash benefits in case of unemployment, old age, employment injury, invalidity and survivorship.

As such, through a combination of contributory and non-contributory programmes, Indonesia's social protection system currently covers seven out of the nine classical social risks provided for Convention No. 102, namely medical care, unemployment benefit, old-age benefit, employment injury benefit, family benefit, invalidity benefit and survivors' benefit. The social security legislation does not yet provide for sickness and maternity benefits, which are regulated by the labour legislation and provided under employer liability arrangements. Since these mechanisms are not aligned with the Convention, which requires that benefits be financed collectively through contributions, taxes or both (Article 71(1)), the report does not provide a detailed analysis of Parts III and VIII of the Convention.

It is worth noting that once a Convention is ratified, the competence to review and formulate conclusions and recommendations on the application of that international standard lies exclusively with the ILO's Committee of Experts on the Application of Conventions and Recommendations (CEACR) and the International Labour Conference. Therefore, the observations included in this report are subject to the conclusions and recommendations that these bodies may draw within the framework of the legal evaluations that they are responsible for carrying out.

[1] Law No. 11 of 2020 was subsequently amended by Law No. 6 of 2023.

Key findings

This report contains a detailed legal assessment of existing social security provisions against the requirements of Convention No. 102 and is intended to serve as a reference in view of the possible future ratification of the Convention by Indonesia. It formulates several recommendations to overcome the gaps identified in this report and to improve the system's adequacy, sustainability and coherence in line with the principles and benchmarks set out by international social security standards.

While the national social security system provides protection for seven of the nine contingencies established by Convention No. 102, a detailed analysis reveals that a number of adjustments would be necessary to bring some contingencies into full compliance with the provisions of the Convention.

More specifically, this report concludes that the national legislation and practice concerning the national healthcare scheme (Jaminan Kesehatan National, or JKN) meet the requirements of the Convention regarding the definition of the contingency, coverage, qualifying conditions and duration of benefits. As such, the Government of Indonesia would be in a position to accept **medical care (Part II of the Convention)**, on the basis of the non-PBI component, subject to confirmation that the JKN benefit package considers the need for domiciliary visiting and that medical care is provided throughout the contingency, as required by the Convention.

In order to ratify the Convention, the Government would be required to accept at least two additional branches of social security. In this regard, the analysis shows that ratification of the following Parts of Convention No. 102 would be possible subject to a number of adjustments of more substantive nature – or, as the case may be, clarifications of current legislation/practice:

- **Old-age benefits (Part V), invalidity benefits (Part IX) and survivor's benefits (Part X):** Since the level of these benefits falls below the minimum requirements of the Convention, compliance would require more substantial legal and parametric adjustments. In particular, this would entail revising the benefit accrual rate (currently set at 1 per cent for each 12 months of contributions) to ensure that protected persons receive, at a minimum, a periodical payment amounting to at least 40 per cent of previous earnings after 30 years of contributions in the case of old pensions (as opposed to the current replacement rate of 30 per cent).[2] As the same accrual rate is applied in the calculation of invalidity and survivors' pensions, legal amendments would be necessary to guarantee that after 15 years of contributions, these benefits reach, for a standard beneficiary, at least 40 per cent of previous earnings. In this regard, it is noteworthy that a recent ILO actuarial valuation has already examined the financial implications of various reform scenarios for the Jaminan Pension scheme, including an increase in the annual accrual rate.[3] In the context of ongoing discussions on social security reform, the Government and the social partners may therefore wish to consider the findings and recommendations of both this assessment and the actuarial valuation in order to ensure that old-age, invalidity and survivors' benefits provide adequate protection in line with international social security standards. The Government will have one year after depositing the instrument of ratification before the Convention comes into force, followed by an additional year before reporting is required. This two-year window provides ample opportunity for the Government to enact the necessary reforms to align with Parts V, IX and X of the Convention.

  Additionally, given that in the case of the Jaminan Pensiun scheme, effective coverage only reached 24.15 per cent of employees (below the minimum coverage rate of 50 per cent required by the Convention) it is recommended that the Government consider availing itself of the temporary exceptions provided under Articles 3 and 27(d), 55(d) and 61(d) of the Convention, which will allow the Government to temporarily limit the coverage of old-age, invalidity and survivors' benefits to prescribed classes of employees constituting not less than 50 per cent of all employees in industrial workplaces employing 20 persons or more.

[2] That is increasing the accrual rate of the Jaminan Pensiun scheme to 1.33 per cent (instead of 1.00 per cent) of earnings per year of contribution.

[3] For further information, consult Brimblecombe et al. 2023.

- **Unemployment benefits (Part IV):** The effective coverage of unemployment benefits, calculated based on the number of employees registered with the scheme in 2023 (approximately 26 per cent of all employees), falls short of the minimum requirements of the Convention (that is, at least 50 per cent of all employees). Therefore, the Government could consider accepting this branch by availing itself of the temporary exception provided for in Article 21(c) of the Convention.[4]

  With respect to the level of benefits, the replacement rate prescribed in the legislation is set at 60 per cent of the average insurable monthly earnings, which, in principle, exceeds the minimum level established by Convention No. 102, namely at least 45 per cent. However, the current ceiling on insurable earnings under the JKP scheme – 5 million rupiah per month – falls below the reference wage of the skilled worker identified for this contingency.[5] The Government may therefore wish to consider increasing the ceiling and introducing periodic revalorization mechanisms to prevent the actual replacement rate from declining over time and to ensure that benefit levels remain aligned with the requirements of Convention No. 102. Concerning the qualifying conditions for benefits, the national legislation requires five years of contributions to reclassify for unemployment benefits and imposes a maximum limit on the number of times the benefit can be paid to a protected person – a maximum of three claims during the insured's entire career. Since both of these requirements go beyond what the Convention allows, it is recommended that these conditions be revised so that the qualifying and requalifying periods for benefit entitlement are of sufficient duration to preclude abuse while not being so long as to unduly restrict access to the minimum benefits guaranteed by the Convention (that is, at least 13 weeks of benefits within a period of 12 months).

The ILO stands ready to collaborate with the Government to cost the impact of the above-mentioned parametric adjustments and to support the ratification process should the Government and social partners be interested.

Regarding the other branches of the social security system analysed in this report, specifically **employment injury benefits (Part VI)** and **family benefits (Part VII)**, the national legislation implements some of the minimum requirements outlined in the Convention. However, full compliance would require more comprehensive changes to the national law and practice. As such, the ratification of these Parts could be considered at a later stage when national circumstances allow.

Ratification also requires compliance with the provisions of Part XII and Part XIII of Convention No. 102, which apply to all schemes and benefits covered by the Convention. In general, Indonesia's social security legislation is, for the most part, in line with the provisions found therein; however, certain clarifications and potential legal reforms would be required regarding the application of the principle of equality of treatment as established by the Convention and with respect to the grounds established in the national legislation for the suspension of certain benefits.[6]

[4] Should the Government wish to avail itself of any of the temporary exceptions permitted by the Convention, it will need to specify the relevant articles in a declaration appended to its ratification.

[5] Convention No. 102 allows Member States to identify the reference wage of a skilled worker using any of the four methods set out in Article 65(6) of the Convention (see Annex 2). Two commonly applied approaches are: (1) identifying a person whose earnings are equal to 125 per cent of the average earnings of all protected persons, or (2) identifying a person whose earnings are equal to or greater than those of 75 per cent of protected persons. Based on 2024 data, the 125-per-cent benchmark corresponds to approximately 6.93 million rupiah, while the 75-per-cent benchmark is estimated at approximately 5.20 million rupiah.

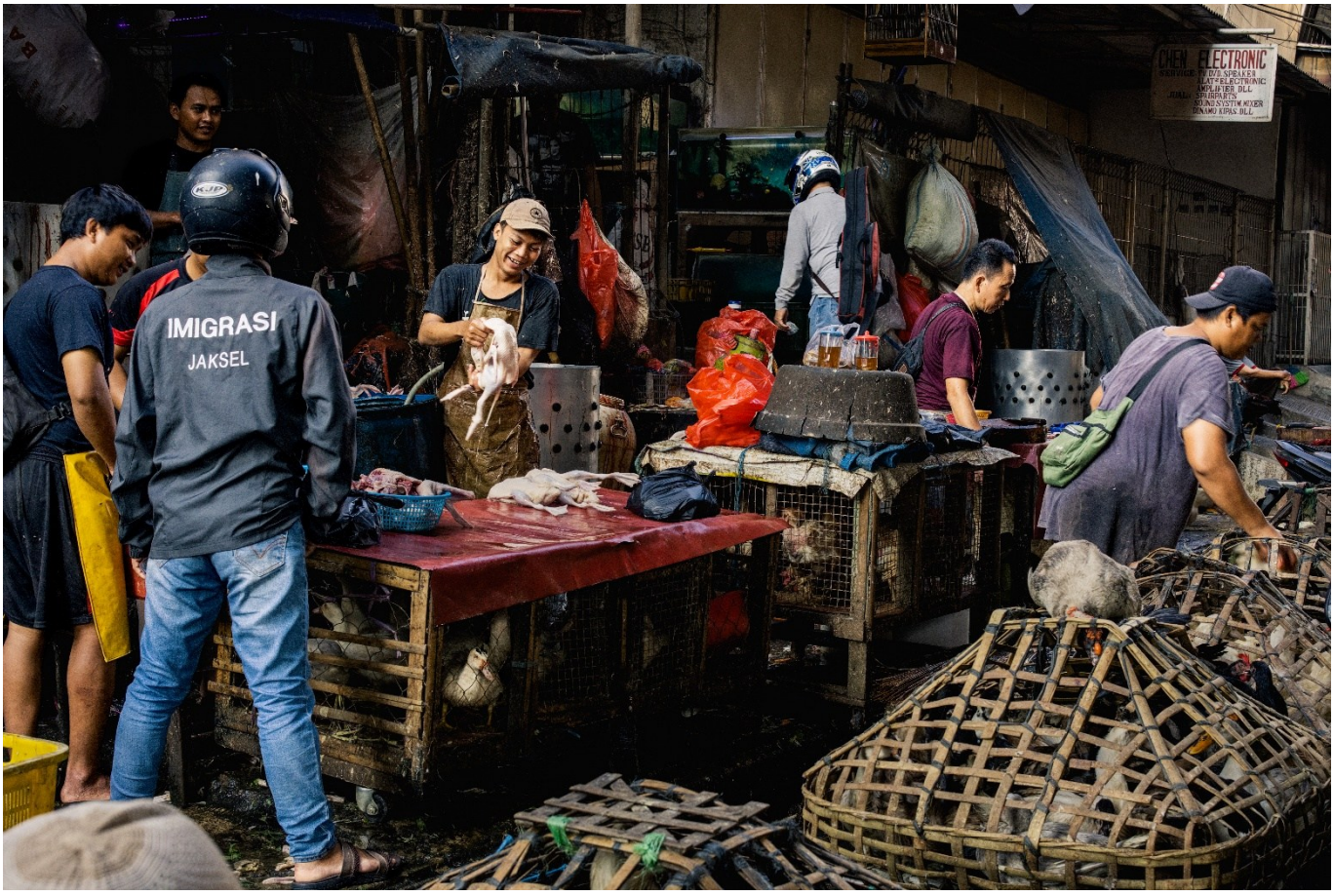
[6] For example, the national legislation prescribes the suspension of medical care, unemployment benefits and employment injury benefits in cases of non-payment of contributions by the employer, grounds that are not foreseen in the Convention.

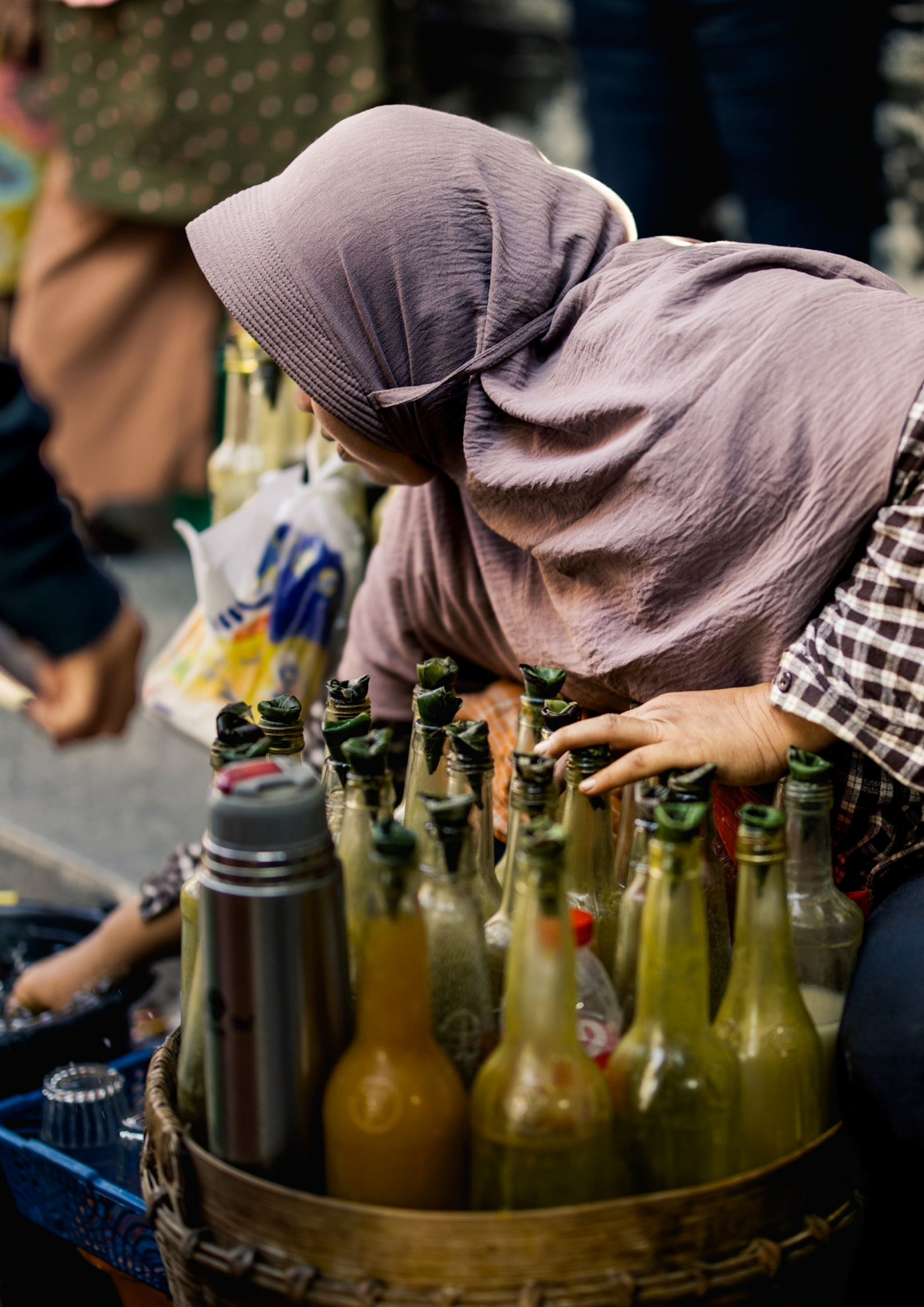
The way forward

The ILO is confident that a number of components of Indonesia's social security legislation are, for the most part, already consistent with the minimum benchmarks and core principles set out in Convention No. 102, and that ratification would provide a solid and sustainable basis for the development and progressive extension of a universal, comprehensive, adequate and sustainable social security system in the medium and long term. Convention No. 102, together with the Social Protection Floors Recommendation (No. 202), 2012, can serve as a road map to guide future social security reforms, in particular the upcoming revision and amendment of Law No. 40 of 2004. Indeed, the minimum parameters and principles set out by the ILO's up-to-date standards provide a valuable framework to overcome the gaps identified in this report and to improve the schemes' legal and effective coverage, reduce fragmentation and ensure the adequacy of benefits while securing the sustainability of the schemes.

Within the continuity of its collaboration with the Government of Indonesia, the ILO is readily available to provide the Government with the necessary technical assistance required to complete the ratification process, as well as the technical support needed to ensure greater harmonization between the national legislation and practice with the requirements of Convention No. 102, should the Government and social partners be interested.

In addition, the ILO would keenly work with the Government and social partners to support the progressive transition from employer liability arrangements to collectively financed sickness and maternity benefits, in line with the principles enshrined in international human rights instruments and social security standards.





Introduction

Intending to ensure the rights of the population to a prosperous, decent and healthy life, the Government of Indonesia has embarked on substantial social security reforms over the last 25 years. In 2002, social security was enshrined as a human right in the Fourth Amendment to Indonesia's Constitution (article 28(H)(3)). The Constitution also recognizes the right of the population to access medical care and places an overarching obligation on the State to "protect, advance, uphold and fulfil human rights". In particular, article 34(2) instructs the State to develop a social security system for all the people.

- Three crucial legislative actions reflect the political will to introduce a comprehensive social security system in Indonesia:
- First, the 2004 enactment of Law No. 40 concerning the National Social Security System (Sistem Jaminan Sosial Nasional, hereinafter referred to as SJSN);
- Second, the adoption of Law No. 24 of 2011 concerning Social Security Providers; and
- Third, the introduction of an unemployment insurance scheme in 2022, following the adoption of Law No. 11 of 2020 concerning Job Creation and its implementing regulations.

Law No. 40 of 2004, as amended by Law No. 11 of 2020, lays down the general framework for progressively establishing a comprehensive and coordinated social security system based on the principles of humanity, equality and social justice. As it is formulated in the law, the healthcare programme targets the whole population. The other four schemes introduced by the law – which provide employment injury benefits, periodic pensions, old-age savings (lump-sum benefits) and death insurance – aim to cover prescribed classes of employees, mainly workers in formal employment. The implementation of Law No. 40 has followed a progressive approach based on the economic capacity of the population, with non-contributory schemes for poor and vulnerable populations and contributory programmes for workers.

Law No. 24 of 2011, on the other hand, outlines the institutional architecture that shall be established to enable the progressive extension of coverage under the SJSN. In particular, Law No. 24 provides for the establishment of two National Social Security Administering Bodies (BPJS by its Indonesian acronym):

1. BPJS Health, responsible for managing the healthcare programme (Jaminan Kesehatan National, or JKN); and
2. BPJS Employment, entrusted with the administration of the four contributory schemes mentioned above.

More recently, following the adoption of Law No. 11 of 2020, the unemployment insurance scheme (Jaminan Kehilangan Pekerjaan, hereinafter JKP) was established to provide some income security to workers who experience a suspension of earnings due to involuntary termination of employment.

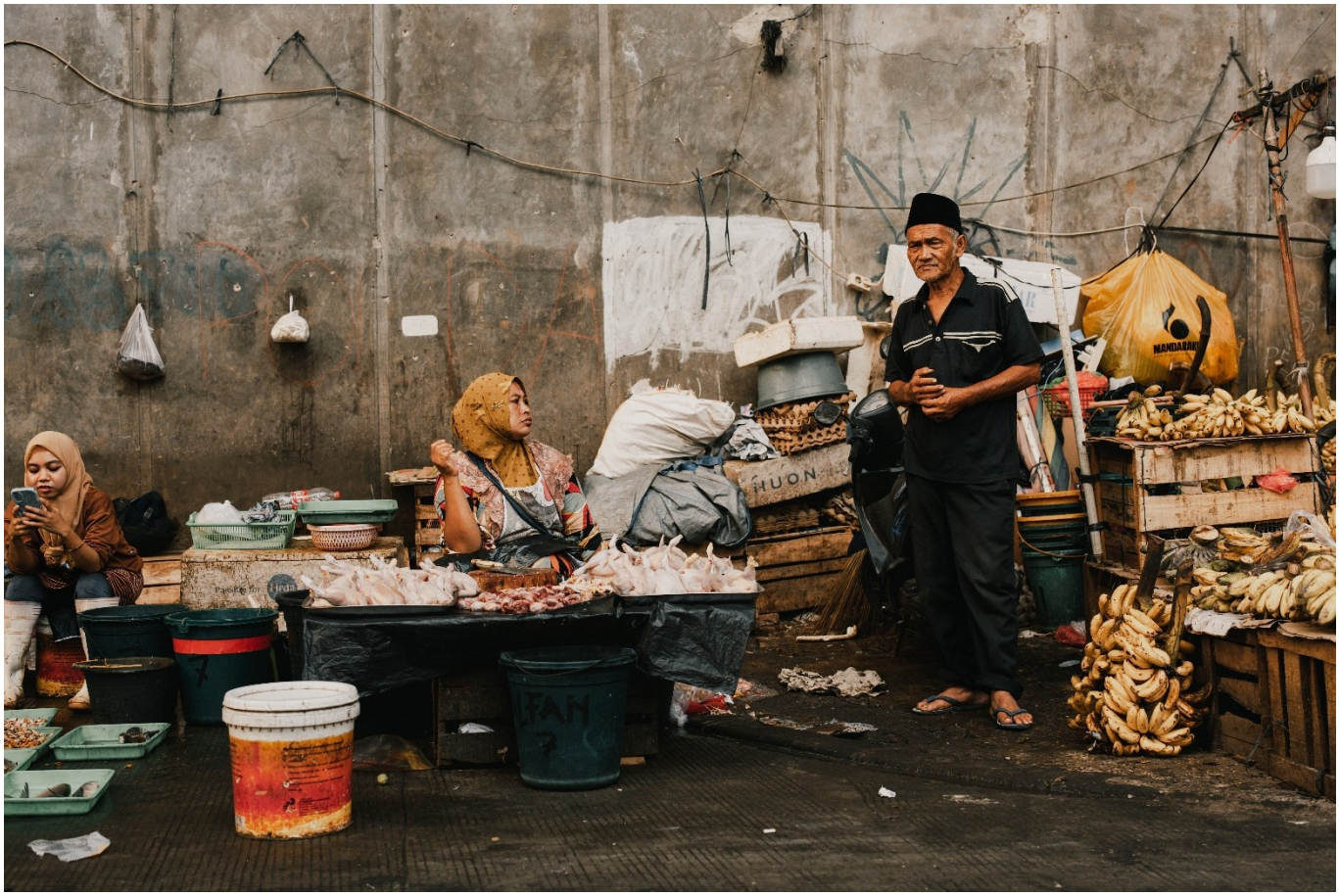
These legal developments constituted a significant step toward Indonesia's meeting the principles laid down in ILO Social Security (Minimum Standards) Convention, 1952 (No. 102), concerning the responsibility of the State, collective financing and the administration of social security systems. It should be noted that before the establishment of the non-profit state-owned companies BPJS Health and BPJS Employment, the different social security schemes in place were managed by *perseros*, which are state-owned limited liability for-profit companies. Furthermore, Indonesia's social protection system currently covers seven out of the nine classical social risks provided for in Convention No. 102, namely: medical care, unemployment benefit, old-age benefit, employment injury benefit, family benefit (through non-contributory programmes), invalidity benefit and survivors' benefit.

In this context, this report has been prepared in the framework of the ILO's global campaign to promote the ratification of Convention No. 102, which stems from the decision taken by the International Labour Conference at its 109th Session in 2021. The report is part of the ILO's efforts to systematically promote the ratification and effective implementation of updated ILO standards on social security and has been prepared as part of the ILO–Fast Retailing project to assess whether Indonesia would be in a position to ratify this landmark social security standard. The report contains a detailed legal assessment of the existing social security provisions against the requirements of Convention No. 102 and is intended to serve as a reference in view of a possible future ratification.

It is worth noting that the analysis undertaken herein is solely meant to give an indication of where Indonesia's social security system and its various branches stand in relation to the benchmarks set out in the Convention, defined with reference to the national context and applied to it. The analysis is not meant to provide an authoritative statement of the system’s compliance or non-compliance with the Convention, the competence of which lies with the ILO’s Committee of Experts on the Application of Conventions and Recommendations (CEACR), the supervisory body tasked with monitoring States’ application of ILO standards following ratification.

The report is organized as follows:

- **Chapter I** outlines the main provisions and minimum requirements of ILO social security standards and describes Indonesia's current social security system, including a succinct description of the legal provisions concerning sickness and maternity benefits, which are not part of the SNJS, but are circumscribed under labour legislation. Employer liability systems are not in conformity with the principles of the Convention; therefore, these arrangements will not be discussed beyond Chapter I. This Chapter also discusses the significance of ratifying Convention No. 102 in the context of Indonesia's unique economic, social and political landscape.
- **Chapter II** examines the compatibility of the legislation that governs the SNJS with the minimum standards required by Convention No. 102 for the following seven contingencies: medical care, unemployment, old age, employment injury, family benefits, invalidity, and survivors' benefits. This section also assesses the degree of conformity of national legislation and practice with the principles set out in the common provisions of the Convention.
- **Chapter III** presents the conclusions and recommendations based on the comparative assessment done in Chapter II. These findings are meant to provide a road map for addressing gaps in the national legislation and practice vis-à-vis the parameters and principles of Convention No. 102. Recommendations are then formulated as to the Parts of the Convention that could be accepted by the Government in the ratification and as to the way forward.



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The legal framework: international human rights instruments, ILO social security standards and Indonesia's social protection system

This chapter first sets out the international legal framework,[7] including the main human rights instruments spelling out the right to social security and, notably, the ILO Conventions and Recommendations in the field of social security. It further provides an overview of the main provisions and minimum requirements established in the Social Security (Minimum Standards) Convention, 1952 (No. 102), and discusses the importance of ratifying this flagship Convention. Finally, to better understand Indonesia's context, a general overview of the current social security legal framework is provided alongside preliminary remarks preparing the way for the legal assessment undertaken in Chapter II.

A. The International legal framework

Concern for social security at the international level first manifested itself with the creation of the ILO in 1919. Initially charged with the mandate to promote workers' social security rights, the ILO was later entrusted with a wider task in 1944, that of contributing to achieving the extension of social security to "all those in need". Some years later, social security was recognized by the world community – united in the General Assembly of the newly established United Nations (UN) – as an international human right, part of those "basic rights and freedoms to which all humans are entitled". Since then, social security has been explicitly recognized as a human right, and enshrined as such in international legal instruments and standards for its implementation that have been formulated in ILO Conventions and Recommendations.

The right to social security in international human rights instruments

From an international legal perspective, the recognition of the right to social security has been developed through universally negotiated and accepted instruments that establish social security as a basic social right to which every human being is entitled. In this way, the right to social security has been enshrined in several human rights instruments adopted by the UN and is expressly formulated as such in fundamental human rights instruments, namely the Universal Declaration of Human Rights (UDHR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR).

Specifically, Article 22 of the UDHR lays down that:

> Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international cooperation and in accordance with the organization and resources of each state, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.

And states in its Article 25, that:

> (1) Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, invalidity, widowhood, old age or other lack of livelihood in circumstances beyond his control.
>
> (2) Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.

Similarly, the ICESCR stipulates in its Article 9:

> The States Parties to the present Covenant recognize the right of everyone to social security, including social insurance.

The right to social security is also enshrined in UN legal instruments setting out the rights of specific population groups (see box 1).

[7] This section is based on ILO 2021a, 1–22.

Box 1. The right to social security of specific population groups

- The **Convention on the Elimination of All Forms of Racial Discrimination (1969)** provides that States parties shall guarantee the right of everyone, without distinction as to race, colour, or national or ethnic origin, to equality before the law, notably in the enjoyment of the right to public health, medical care, social security and social services (Article 5(iv)).
- The **Convention on the Elimination of All Forms of Discrimination Against Women (1979)** requires States parties to take all appropriate measures to eliminate discrimination against women in the enjoyment of the right to social security, particularly in cases of retirement, unemployment, sickness, invalidity and old age and other incapacity to work, as well as the right to paid leave (Article 11(1)(e)). The Convention further provides that States parties shall take appropriate measures to introduce maternity leave with pay or with comparable social benefits without loss of former employment, seniority or social allowances (Article 11(2)(b)).
- The **Convention on the Rights of the Child (1989)** provides that States parties shall recognize for every child the right to benefit from social security, including social insurance, and shall take the necessary measures to achieve the full realization of this right in accordance with their national law (Article 26(1)). Article 26(2) further provides that benefits should, where appropriate, be granted, taking into account the resources and the circumstances of the child and persons having responsibility for the maintenance of the child.
- The **International Convention on the Protection of the Rights of All Migrant Workers and Their Families (1990)** declares that with respect to social security, migrant workers and members of their families shall enjoy in the State of employment the same treatment granted to nationals in so far as they fulfil the requirements provided for by the applicable legislation of that State and the applicable bilateral and multilateral treaties (Article 27(1)).
- The **Convention on the Rights of Persons with Disabilities (2006)**, in its Article 28(2), stipulates that States parties recognize the right of persons with disabilities to social protection and to the enjoyment of that right without discrimination on the basis of disability, and shall take appropriate steps to safeguard and promote the realization of this right, including measures (paragraph b), and to ensure equal access by persons with disabilities to retirement benefits and programmes (paragraph e).

Social security for all: At the core of the ILO's mandate

The promotion of social security and the furtherance of this right has been an important part of the ILO's mandate since its foundation in 1919.[8] From then onwards, the ILO has been established as the authority in this field. To this effect, the Preamble of the ILO Constitution (ILO 1919) states that the Organization's mandate is to improve conditions of labour through, inter alia:

> the prevention of unemployment, ... the protection of the worker against sickness, disease, and injury arising out of his employment, the protection of children, young persons and women, provision for old age and injury.

The ILO's mandate was widened by the 1944 Declaration of Philadelphia, the first international legal instrument to stipulate the right to social security as a right belonging to all, and the first expression of the world community's commitment to the extension of social security to all. The Declaration of Philadelphia, which was made part of the ILO Constitution, lays down the "solemn obligation of the International Labour Organization to further among the nations of the world programmes which will achieve", among others, "the extension of social security measures to provide a basic income to all in need of such protection and comprehensive medical care", as well as "provision for child welfare and maternity protection" (ILO 1944, Articles III(f) and III(h)).

Over 50 years later, in 2001, social security was reaffirmed by the International Labour Conference (ILC) as a fundamental human right, and its extension to all in need was both restated as a fundamental part of the ILO's mandate and framed as a challenge that needed to be addressed seriously and urgently by all Member States (ILO 2001). Consequently, the ILO

[8] Constitution of the ILO (2019), Preamble and Article 1.

launched in 2003 the Global Campaign on Social Security and Coverage for All. The ILO Declaration on Social Justice for a Fair Globalization, adopted by the ILC in 2008, again reaffirmed the tripartite commitment to extend social security to all in need of such protection within the framework of the Decent Work Agenda.

In 2009, the ILC recognized the crucial role of social protection policies in crisis response, and the Global Jobs Pact called for countries to "give consideration, as appropriate, to building adequate social protection for all, drawing on a basic social protection floor".

In June 2011, the ILC adopted a Resolution and Conclusions which set out the strategy of the ILO with regard to addressing the challenge of extending coverage and further developing social security systems (ILO 2011, para. 31). Based on the premise that social security is a human right and a social and economic necessity, the ILC noted that closing coverage gaps is of highest priority for equitable economic growth, social cohesion and decent work for all women and men, and called for the extension of social security coverage through a two-dimensional approach, with a view to building comprehensive social security systems. The Social Protection Floors Recommendation, 2012 (No. 202), adopted by the ILC in June 2012, completed the ILO's social security strategy.

According to Recommendation No. 202, effective national strategies to extend social security should aim at achieving universal protection of the population by ensuring at least minimum levels of income security and access to essential healthcare (horizontal dimension), as well as progressively ensuring higher levels of protection guided by up-to-date ILO social security standards (vertical dimension). In line with national priorities, resources and circumstances, such two-dimensional strategies should aim at building and maintaining comprehensive and adequate social security systems.[9]

As the ILO reached the end of its first century, the ILC adopted the landmark Centenary Declaration in June 2019 with the purpose of providing further guidance to the ILO and its constituents in respect of the challenges and opportunities for the future of work, ranging from technology and the need for new skills to climate change and demographic shifts. Like the Declaration of Philadelphia, the new Declaration is an authoritative statement of the entire ILO membership that takes stock of the current challenges and context and reaffirms the constituents' attachment to core values and principles. As such, the Declaration will serve to guide the actions of the ILO and its constituent into the future.

The Centenary Declaration stresses the need for the ILO to carry forward "with unrelenting vigour its constitutional mandate for social justice by further developing its human-centred approach to the future of work" (ILO 2019, para. I(D)). Pointing to the role of social protection in shaping a fair, inclusive and secure future of work, the Declaration calls on the ILO to direct its efforts in particular "to developing and enhancing social protection systems, which are adequate, sustainable and adapted to developments in the world of work" (ILO 2019, para. II(A)(xv)), recognizing, as such, the organization's function for achieving a just and sustainable future. The Declaration further calls upon all Members to strengthen the capacities of all people to benefit from the opportunities of a changing world of work, inter alia, through "universal access to comprehensive and sustainable social protection" (ILO 2019, para. III(A)(iii)).

Main ILO social security standards

In the pursuit of its mandate in the field of social security, the ILO has, over the years, adopted a range of standards, namely Conventions and Recommendations, that give a concrete meaning to the human right to social security enshrined in the UDHR and in the ICESCR.

ILO standards are a unique set of legal instruments negotiated and adopted by the ILC, often referred to as the world labour parliament, in which governments, workers and employers from the ILO's 187 Member States are represented. Therefore, these standards embody internationally agreed minimum requirements that serve as a framework for the design, implementation and reform of comprehensive social protection systems.

Since its first session in 1919, the ILC has adopted 31 Conventions and 23 Recommendations on social security. Historically and conceptually, social security standards are traditionally classified into three different generations of standards, according to the social security approach that they embodied at the time of their adoption:

- The first generation standards, inspired principally by the concept of compulsory social insurance for specific branches, covered certain categories of workers.

[9] For a more detailed account see ILO 2012b.

- The second generation standards aimed at unifying and coordinating the various social protection schemes within a single social security system covering all contingencies and extending social security coverage to all workers. This approach is reflected in Convention No. 102.
- The third generation standards were drawn up on the model of Convention No. 102 and raised the level of protection in terms of the population covered and the level of benefits. These standards also broadened the concept of social security to include additional forms of social benefits, support and services.

However, recognizing that some of the social security standards adopted by the ILC were intended to address major concerns at the time of their adoption, only certain of these instruments are still considered to be up to date (see box 2).

Box 2. List of the main up-to-date ILO social security standards

Harmonization instruments

Conventions

- Workmen's Compensation (Agriculture) Convention, 1921 (No. 12)
- Social Security (Minimum Standards) Convention, 1952 (No. 102)
- Employment Injury Benefits Convention, 1964 (No. 121)
- Invalidity, Old-Age and Survivors' Benefits Convention, 1967 (No. 128)
- Medical Care and Sickness Benefits Convention, 1969 (No. 130)
- Employment Promotion and Protection against Unemployment Convention, 1988 (No. 168)
- Maternity Protection Convention, 2000 (No. 183)

Recommendations

- Income Security Recommendation, 1944 (No. 67)
- Medical Care Recommendation, 1944 (No. 69)
- Employment Injury Benefits Recommendation, 1964 (No. 121)
- Invalidity, Old-Age and Survivors' Benefits Recommendation, 1967 (No. 131)
- Medical Care and Sickness Benefits Recommendation, 1969 (No. 134)
- Employment Promotion and Protection against Unemployment Recommendation, 1988 (No. 176)
- Maternity Protection Recommendation, 2000 (No. 191)
- Social Protection Floors Recommendation, 2012 (No. 202)

Coordination instruments

- Equality of Treatment (Social Security) Convention, 1962 (No. 118)
- Maintenance of Social Security Rights Convention, 1982 (No. 157)

By establishing qualitative and quantitative benchmarks that together determine the minimum standards of social security protection to be provided by social security schemes when life risks or contingencies occur, the ILO's up-to-date social security standards provide an internationally agreed framework designed to ensure the provision of comprehensive and adequate protection. These parameters include:

- the definition of the contingency (what risks or life circumstances should be covered?);
- the personal scope of coverage (who should be protected?);
- the entitlement conditions (what should a person do to get the right to a benefit?);
- the type and level of benefits (what should the benefit be?);
- the benefit duration and waiting period (how long must the benefit be paid for?).

In addition, these standards set out common rules of collective organization, financing and management of social security, as well as principles for the good governance of national systems, including:

- the general responsibility of the State for the provision of benefits and proper administration of social security systems;
- solidarity and collective financing;
- participatory management;
- predictability of benefits;
- adjustment of pensions in payment; and
- the right to complain and appeal.

Short overview of the minimum standards and core principles laid down in Convention No. 102

Convention No. 102 is the flagship of the up-to-date ILO social security Conventions. It is the only international Convention that defines the nine classical branches of social security and sets minimum standards for each branch. Therefore, it is now widely considered as the key reference for the establishment of comprehensive social security systems. The nine branches for which Convention No. 102 make provision are: medical care, sickness benefit, unemployment benefit, old-age benefit, employment injury benefit, family benefit, maternity benefit, invalidity benefit and survivors' benefit.

The minimum standards are set for each contingency with regard to:

- minimum percentage of the population protected in case of occurrence of one of the contingencies.
- minimum level of benefits to be paid in case of occurrence of one of the contingencies, and
- conditions for and periods of entitlement to the prescribed benefits.

Table 1 displays the minimum legal requirements of Convention No. 102 in relation to cash benefits to be provided under the different social security branches.

▶ **Table 1. Minimum legal requirements of Convention No. 102**

Branch	Parameter	Minimum requirements*
Part II **Medical care**	Contingency	Any ill-health condition, whatever its cause; pregnancy, childbirth and their consequences.
	Coverage	At least: • 50 per cent of all employees, and wives and children; or • categories of the economically active population (forming at least 20 per cent of all residents, and wives and children); or • 50 per cent of all residents.
	Benefit	*In case of ill health:* general practitioner care, specialist care at hospitals, essential medications and supplies; hospitalization if necessary. *In case of pregnancy, childbirth and their consequences:* prenatal, childbirth and postnatal care by medical practitioners and qualified midwives; hospitalization if necessary.
	Benefit duration	As long as ill health, or pregnancy and childbirth and their consequences, persist. May be limited to 26 weeks in each case of sickness. Benefit should not be suspended while beneficiary receives sickness benefits or is treated for a disease recognized as requiring prolonged care.
	Qualifying period	Qualifying period may be prescribed as necessary to preclude abuse.
Part III **Sickness benefit**	Contingency	Incapacity to work resulting from illness that results in the suspension of income.
	Coverage	At least: • 50 per cent of all employees; *or* • categories of the economically active population (forming at least 20 per cent of all residents); *or*

Branch	Parameter	Minimum requirements*
		• all residents with means under a prescribed threshold.
	Benefit	*Periodic payments*: at least 45 per cent of reference wage.
	Benefit duration	As long as the person remains unable to engage in gainful employment due to illness; possible waiting period of max. three days before benefit is paid; benefit duration may be limited to 26 weeks in each case of sickness.
	Qualifying period	Qualifying period may be prescribed as necessary to prevent abuse.
Part IV **Unemployment benefit**	Contingency	Suspension of earnings due to inability to find suitable employment for capable and available person.
	Coverage	At least: • 50 per cent of all employees; or • all residents with means under prescribed threshold.
	Benefit	*Periodic payments*: at least 45 per cent of reference wage.
	Benefit duration	*For schemes covering employees:* At least 13 weeks of benefits within a period of 12 months. *For means-tested (non-contributory) schemes:* At least 26 weeks within a period of 12 months. Possible waiting period of max. seven days.
	Qualifying period	Qualifying period may be prescribed as necessary to prevent abuse.
Part V **Old-age benefit**	Contingency	Survival beyond a prescribed age (65 or higher according to working ability of older persons in country).
	Coverage	At least: • 50 per cent of all employees; or • categories of economically active population (forming at least 20 per cent of all residents); or • all residents with means under prescribed threshold.
	Benefit	*Periodic payments:* at least 40 per cent of reference wage; to be adjusted following substantial changes in general level of earnings which result from substantial changes in the cost of living.
	Benefit duration	From the prescribed age to the death of beneficiary.
	Qualifying period	30 years of contributions or employment (for contributory schemes) or 20 years of residence (for non-contributory schemes); *or*, if all economically active persons (EAPs) are covered, a prescribed qualifying period and meet the required yearly average contributory density throughout the career. Entitlement to a reduced benefit after 15 years of contributions or employment; *or*, if all EAPs are covered, a prescribed qualifying period and meet half the required yearly average contributory density throughout the career.
Part VI **Employment injury benefit**	Contingency	Ill health and/or incapacity for work due to work-related accident or disease, resulting in suspension of earnings; total loss of earning capacity or partial loss at a prescribed degree, likely to be permanent, or corresponding loss of faculty; loss of support for the family in case of death of breadwinner.
	Coverage	At least 50 per cent of all employees and their wives and children.
	Benefit	*Medical care and allied benefits:* General practitioner, specialist, dental and nursing care; hospitalization; medication, rehabilitation, prosthetics, eyeglasses, and so on, with a view to maintaining, restoring or improving health and ability to work and attend to personal needs. *Cash benefits:* Periodic payments: at least 50 per cent of reference wage in cases of

Branch	Parameter	Minimum requirements*
		incapacity to work or invalidity; at least 40 per cent of reference wage in cases of death of breadwinner. Long-term benefits to be adjusted following substantial changes in general level of earnings that result from substantial changes in the cost of living. Lump sum if incapacity is slight and competent authority is satisfied that the sum will be used properly.
	Benefit duration	As long as the person is in need of healthcare or remains incapacitated. No waiting period except for temporary incapacity to work for a maximum of three days.
	Qualifying period	No qualifying period allowed for benefits to injured persons. For dependants, benefit may be made conditional on spouse being presumed incapable of self-support and children remaining under a prescribed age.
Part VII **Family benefit**	Contingency	Responsibility for child maintenance.
	Coverage	At least: • 50 per cent of all employees; or • categories of economically active population (forming at least 20 per cent of all residents; or • all residents with means under prescribed threshold.
	Benefit	Periodic payments or provision for food, clothing, housing, holidays or domestic help; or combination of both. *Total value of benefits calculated at a global level:* • at least 3 per cent of reference wage multiplied by number of children of covered people; or • at least 1.5 per cent of reference wage multiplied by number of children of all residents.
	Benefit duration	At least from birth to 15 years of age or school-leaving age.
	Qualifying period	• Three months' contributions or employment (for contributory or employment-based schemes). • One year's residence (for non-contributory schemes).
Part VIII **Maternity benefit**	Contingency	Medical care and income security required by pregnancy, childbirth and their consequences; resulting lost wages.
	Coverage	At least: • all women in prescribed classes of employees, which classes constitute at least 50 per cent of all employees and, for maternity medical benefit, also the wives of men in these classes; or • all women in categories of the economically active population forming at least 20 per cent of all residents, including, regarding maternity medical benefit, the wives of men in these classes).
	Benefit	*Medical benefits:* At least: • prenatal, confinement and postnatal care by qualified practitioners. • hospitalization if necessary. With a view to maintaining, restoring or improving the health of the woman protected and her ability to work and to attend to her personal needs. *Cash benefits:* Periodic payment: at least 45 per cent of the reference wage.
	Benefit duration	*Medical benefits:* Throughout the contingency *Cash benefits:* At least 12 weeks for cash benefits.
	Qualifying period	As considered necessary to preclude abuse.
Part IX	Contingency	Inability to engage in any gainful activity, likely to be permanent, or that persists beyond sickness benefit (total invalidity).

Branch	Parameter	Minimum requirements*
Invalidity benefit	Coverage	At least: • 50 per cent of all employees; or • categories of the economically active population (forming at least 20 per cent of all residents); or • all residents with means under prescribed threshold.
	Benefit	*Periodic payment:* at least 40 per cent of reference wage. To be adjusted following substantial changes in general level of earnings that result from substantial changes in the cost of living.
	Benefit duration	As long as the person remains unable to engage in gainful employment or until old-age pension is paid.
	Qualifying period	15 years of contributions or employment (for contributory schemes) or 10 years of residence (for non-contributory schemes); *or if all EAPs covered:* 3 years of contributions and meet the required yearly average contributory density throughout the career. Entitlement to a reduced benefit after 5 years of contributions or employment; *or if all EAPs covered:* 3 years of contributions and meet half the required yearly average contributory density throughout the career
Part X **Survivors' benefit**	Contingency	Widow's or children's loss of support in the event of death of the breadwinner.
	Coverage	Wives and children of breadwinners in categories of employees representing at least 50 per cent of all employees; or wives and children of members of categories of economically active population representing at least 20 per cent of all residents; or all resident widows and children with means under prescribed threshold.
	Benefit	*Periodic payment*: at least 40 per cent of reference wage; to be adjusted following substantial changes in general level of earnings which result from substantial changes in the cost of living.
	Benefit duration	Until children reach 15 years of age; or school leaving age. Widows' incapable of self-support the benefit should be served throughout the contingency. Benefit may be suspended in case of remarriage or when engaged in gainful activity.
	Qualifying period	15 years of contributions or employment (for contributory schemes) or 10 years of residence (for non-contributory schemes); *or if all EAPs covered:* 3 years of contributions and meet the required yearly average contributory density throughout the career. Entitlement to a reduced benefit after five years of contributions or employment; *or if all EAPs covered:* 3 years of contributions and meet half the required yearly average contributory density throughout the career. For widows, benefits may be conditional on being presumed incapable of self-support and, in the case of a childless widow, a minimum duration of the marriage may be required.

* The minimum standards reported correspond to the general requirements of Convention No. 102. However, the Convention contains flexibility clauses that allow Member States whose economy and medical facilities are insufficiently developed to make use of temporary exceptions relating, for example, to the proportion of people covered, the type and duration of benefits. For further information, see Article 3 of Convention No. 102.

These minimum standards should be reached by the application of the following core social security principles anchored in Convention No. 102, which must be complied with irrespective of the type of scheme established:

- **General responsibility of the State for the due provision of the benefits and the proper administration of the scheme**, which requires that the social security system is based on a proper legal framework and that the sustainability of the systems is ensured, including through regular actuarial valuations.
- **Collective financing of social security schemes** in a manner that avoids hardship for people of small means, where the total of contributions paid by workers must not exceed 50 per cent of the total resources of the scheme.

- **Guarantee of defined benefits by the State.**
- **Adjustment of pensions in payment.**
- **Right of appeal in case of refusal of the benefit or complaint as to its quality or quantity.**
- **Participatory management.**

Convention No. 102 contains a number of clauses that allow Member States a high degree of flexibility in reaching its objectives. This is done first by allowing ratifying States to accept as a minimum three out of the nine branches of social security, with at least one of those three branches covering a long-term contingency (that is, old age, invalidity, loss of the family income provider or employment injury) or unemployment, and with a view to extending coverage to other contingencies at a further stage (Article 2). In addition, the scope of personal coverage under Convention No. 102 provides alternatives that take into account differences in the employment structure and in the socioeconomic situation of Member States, as well as between the different categories of residents within a State. Hence, for each branch accepted, the Convention requires Member States to cover a certain minimum proportion of their workforce or residents. Furthermore, in the implementation of social security branches it allows Member States with insufficiently developed economies and medical facilities to make use of temporary exceptions relating, for example, to the proportion of people covered (Article 3). The Convention also provides for flexibility as to the type of schemes Member States may establish for implementation of the Convention and to reach its objectives. Such objectives can be reached through universal schemes, social insurance schemes with earnings-related or flat-rate components or both, or a combination of both.

Importance of ratifying Convention No. 102

In recent years, the ratification of Convention No. 102 has proven to be of particular importance for countries undergoing political change or comprehensive labour market reforms – or those experiencing crises – by providing legal incentives to maintain some of the most crucial guarantees of the social security system.[10] In others, ratification has served as a catalyst for improvement of the social security system by guiding parametric adjustments, the extension of coverage and, in some cases, a systemic reform.

Convention No. 102 has so far been ratified by 68 countries,[11] including Angola (2025), Benin (2019), Cabo Verde (2020), Comoros (2022), Côte d'Ivoire (2023), El Salvador (2022), Iraq (2023), Morocco (2019), Paraguay (2021), Sao Tome and Principe (2024), Sierra Leone (2022) and Suriname (2024). In addition, many other countries in the South-East Asia region are studying the possibility of ratifying this landmark international standard, including Cambodia, Malaysia, Thailand, Timor-Leste and Viet Nam.

There are multiple reasons why the ratification of Convention No. 102 should be considered and placed high on Indonesia's national agenda. These can be summarized as follows:

- **A concrete and detailed guiding framework for operationalizing and promoting the human right to social security, thus demonstrating a country's commitment to meeting international and regional obligations.** Ratifying and applying ILO social security Conventions in law and practice reflects a commitment to realizing the human right to social security, as set out in the Universal Declaration of Human Rights, 1948, the International Covenant of Economic, Social and Cultural Rights, 1966, and other human rights instruments. Consequently, the ratification and implementation of Convention No. 102 represent a concrete step towards fulfilling the commitments made under international human rights instruments (CESCR 2008, para. 59(a); UN HRC 2025, para. 5). This is particularly important considering that Indonesia has been a party to the ICESCR and the International Covenant on Civil and Political Rights (ICCPR) since 23 February 2006.
- **A path to decent work and poverty reduction and other global goals.** Once ratified and applied in law and practice, Convention No. 102 can contribute to fostering decent work conditions and reducing poverty by providing for guaranteed minimum levels of benefits. In particular, the ratification and implementation of these standards also contribute to attaining the 2030 Agenda for Sustainable Development, namely Sustainable

[10] For a more detailed account of the role of the expansion of social protection coverage in crisis recovery, see ILO, *World Social Protection Report 2024-2026: Universal Social Protection for Climate Action and a Just Transition*, 2024, and ILO, *World Social Protection Report 2020–22: Social protection at the crossroads – in pursuit of a better future*, 2021.

[11] The complete list of ratifying countries can be accessed at: https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11300:0::NO::P11300_INSTRUMENT_ID:312247.

Development Goal target 1.3 on building social protection systems and measures for all, including floors, with a view to achieving universal social protection. Ratification and implementation are also instrumental in achieving other SDGs related to the eradication of poverty, good health and well-being (namely through universal health coverage), gender equality, decent work and reducing inequalities.

- **Tools for policy and legal action and a road map for strengthening national social protection systems.** Convention No. 102 envisages the progressive development of comprehensive and integrated national social protection systems that seek to ensure universal protection based on the principles of universality, social solidarity and collective financing. This normative framework can thus serve as a road map for the development and reform of social security by providing guidelines and targets for progressively building an integrated, wide-ranging and sustainable system that leaves no one behind. In the case of Indonesia, the ratification of Convention No. 102 can be a stepping stone for strengthening the current system and progressively developing a sound legal framework for the existing non-contributory social protection programmes in line with the principles enshrined in international human rights instruments and social security standards.
- **Tools for the improvement of social security governance, administration and services and increased confidence in the system.** Convention No. 102 lays down core principles for the sound governance and proper administration of social security – such as governmental responsibility in securing the necessary financing for the benefits, at least at the levels stipulated by the Convention; periodical actuarial review of contributions and benefit schedule; and tripartite representation in administration. These principles provide a solid basis for the establishment or reform of social security legal frameworks and institutions, and increase these institutions' accountability, and thus the trust of people in the social security system.
- **The ratification and implementation of ILO social security Conventions can contribute to the fulfilment of plans and policies established at the national level.** In particular, the Long-Term National Development Plan (RPJPN) 2025–2045, which emphasizes the need for a comprehensive social security system to achieve the development goals as mandated in the Preamble to the Constitution of 1945. The plan aims to ensure that all citizens have access to healthcare and social protection, with a focus on reducing poverty and improving the quality of life.[12]
- **A guarantee that minimum levels of protection will be maintained in times of crisis and beyond.** By ratifying ILO social security Conventions, a country undertakes to implement minimum social security standards through a legal framework. This requires the maintenance at all times of the minimum standards they set out, thus safeguarding the acquired standards of social protection and preventing this level from sliding backwards.
- **An international legal framework for fair and stable globalization and for ensuring a level playing field.** Experience shows that ILO social security Conventions, once ratified, can serve as a means of preventing the levelling down of national social security systems. The minimum requirements and benchmarks they set out contribute to the creation of an equitable global level playing field for social protection.
- From the perspective of the protected individuals, the ratification of Convention No. 102 would **demonstrate the Government's commitment to observing the norms and fundamental principles enshrined in this emblematic international standard**, including the general responsibility of the State, the solidarity and collective financing of benefits, participatory management, and good governance of social security institutions.

Global Ratification Campaign

The COVID-19 pandemic exposed the deep-seated inequalities and significant gaps in social protection coverage, comprehensiveness and adequacy across the world. It also reinforced the consensus on the key role of social protection in addressing poverty and inequalities and securing sustainable development. Social security systems underpinned by sound and coherent legal frameworks and grounded in internationally defined core principles have demonstrated their ability to offer comprehensive and adequate protection against health and income-related risks throughout the life cycle.

In this context, in the Resolution concerning the second recurrent discussion on social protection (social security) (2021), the International Labour Conference invited governments, employers and workers to progressively invest additional efforts to extend social protection coverage and realize universal social protection pursuant to the vision and principles expressed in ILO's up-to-date social security standards, including the Social Security (Minimum Standards) Convention, 1952 (No. 102), and the Social Protection Floors Recommendation, 2012 (No. 202) (ILO 2021b). The Conclusions further underlined a set of measures that the ILO should actively and urgently take to implement universal social protection,

[12] For further information, consult the Law of the Republic of Indonesia No. 59 of 2024 on Long-Term National Development Plan of 2025-2045.

including through standards-related action and in particular, by launching a global campaign to promote the ratification and implementation of the Convention No. 102 and to systematically promote the ratification and effective implementation of other up-to-date ILO social security standards.

The Global Ratification Campaign aims to support countries in building rights-based and universal social protection systems, including social protection floors, based on the core principles and minimum benchmarks provided by international social security standards. The Global Ratification Campaign has two main objectives:

- Promote the ratification and effective implementation of Convention No. 102 and other up-to-date ILO social security standards by carrying out comparative assessments between national social protection legislation and practice and the minimum benchmarks and key good governance and financing principles established by Convention No. 102; and
- Raise awareness and build the capacities of national stakeholders to design and implement sound national social protection policies and rights-based social protection systems that are sustainable, comprehensive and adequate for all, and anchored in ILO social security standards.

In particular, the Campaign has the ambition of bringing the number of ratifications of Convention No. 102 to 70 by 2026 (ILO 2021b) by partnering with interested ILO constituents with a view to highlighting the merits of ratification and implementation of this Convention as a means of extending coverage and guaranteeing universal access to comprehensive, adequate and sustainable social protection for all through a holistic and rights-based approach. While the focus is on Convention No. 102, the campaign also emphasizes the importance of ratifying and implementing the other up-to-date international social security standards to build robust social protection systems.

B. National social security system

Indonesia's social security system is comprised of several contributory schemes, non-contributory schemes financed by the state budget, and a mixed programme, which, through a combination of social insurance contributions and direct transfers from the Government, provides medical care access to the Indonesian population.

This subsection presents a general overview of the different components of the social protection system, which comprises several contributory schemes and a number of non-contributory benefits. While part 1 briefly describes the contributory schemes prior to the implementation of Law No. 40 of 2004, part 2 presents the current contributory schemes, including sections devoted to the health insurance programme, the employment insurance scheme, the pension scheme, the old-age savings scheme, the death insurance scheme, and the institutional framework. Subsequently, part 3 describes some of the non-contributory schemes that are in place.

Indonesia's legal framework establishing the National Social Security System (Sistem Jaminan Sosial Nasional, or SJSN) does not encompass sickness and maternity benefits. Instead, protection against these contingencies is provided under direct employer liability arrangements regulated by the labour legislation. Even though employer liability systems do not comply with the requirements of Convention No. 102, part 4 of this subsection briefly describes the main features of these benefits.

Finally, part 5 presents an inventory of the legal provisions applicable to the various social security schemes implemented under the umbrella of the SJSN.

1. Contributory schemes before the implementation of Law No. 40

a. Social insurance scheme for public sector workers managed by PT Taspen and PT Asabri

Before the implementation of Law No. 40 and Law No 24, civil servants, members of the military and the police were the only groups entitled to periodic benefits in the form of old-age, disability and survivors' pensions. Although Law No. 40 foresees the incorporation of these special schemes into the SJSN, the defined benefit schemes for civil servants and for police/military are still managed by PT Taspen and PT Asabri, respectively.[13] PT Askes administered the national medical care programme for active and retired civil servants, members of the army and police forces, veterans, national patriots,

[13] PT Taspen still manages a separate pension scheme for civil servants and government employees who are not civil servants. Members of the national police, armed forces and employees of the Minister of Defence are covered by a special system administered by PT Asabri.

public sector employees and their families until 2014, when the National Health Insurance Programme (JKN) was implemented.

Private sector workers were covered by a social insurance healthcare programme and fully funded schemes that provided mostly lump-sum benefits in the event of old age, disability and survivorship. PT Jamsostek managed the schemes available for private sector employees from 1992 to 2015.

b. Social insurance scheme for private sector workers managed by Jamsostek

As briefly mentioned above, before the implementation of Law No. 40, PT Jamsostek managed the social security programme available for private sector employees and, to a lesser extent, workers in informal employment. Jamsostek's programme was composed of four schemes: medical care services, old-age savings, employment injury insurance and death benefits.

Registration in the Jamsostek programme was mandatory for companies employing ten persons or more or whose monthly total payroll was at least 1 million Indonesian rupiah. However, employers with private healthcare plans could opt out of the health insurance component if their private plan provided equal or superior benefits than Jamsostek's Basic Health Care Package.[14] Self-employed persons could join voluntarily.

Since the introduction of Jamsostek's programme in 1992, the provision of social security benefits for private sector employees and informal workers was mostly limited to lump-sum benefits and a few periodic benefits in case of permanent disability or death of the family income provider, which were payable for up to 24 months.

Although most of the features of the old-age savings plan and death insurance schemes have not changed significantly over the last two decades, the administration of these social security programmes was substantially transformed with the implementation of Law No. 24. The state-owned insurance company PT Jamsostek was transformed into a non-profit public entity in 2015 – BPJS Employment.

2. Contributory schemes after the implementation of Law No. 40

Law No. 40 on the SJSN aims to ensure the right to social protection for the whole population through the progressive extension of coverage of its five schemes. These include the provision of medical care and the guarantee of income security in case of employment injury, old age, invalidity, death of the breadwinner and, since 2022, unemployment benefits (following the implementation of an amendment introduced by Law No. 11 of 2020). One of the main breakthroughs of this law is the introduction of a pension system for salaried workers in the formal economy.

With the implementation of Law No. 40 and Law No. 24 on social security providers, the following contributory schemes were introduced:

a. The health insurance scheme (JKN)

Indonesia's Constitution places an obligation on the State to provide sufficient medical and public service facilities to the population. Accordingly, Law No. 17 of 2023 concerning health stipulates the right of everyone to health and access to medical care. However, before the introduction of the National Health Insurance Programme (JKN), the provision of medical care in Indonesia was highly fragmented, as national and regional governments had introduced various schemes as responses to the high levels of out-of-pocket expenditure and its impact on access to health services by vulnerable population groups (WHO 2017). In particular, a non-contributory scheme targeting the poor and near-poor was rolled out in 2005. The Jamkesmas programme provided a reduced benefit package at public primary healthcare facilities at the national level and paved the way for the provision of medical care by the Government (Pisani, Kok and Nugroho 2017). Inspired by the Jamkesmas programme, over 300 autonomous healthcare schemes (Jamkesda) financed by regional governments were implemented at the district level (Prabhakaran et al. 2019).

The entry into force of Laws Nos 40 and 24 enabled the consolidation of the abovementioned contributory and non-contributory schemes under a single-payer system based on the principles of social insurance and equity – the JKN scheme. At its inception in 2014, the JKN scheme covered 117 million people, most of whom were transferred from the previous social health insurance and medical care schemes (Dartanto et al. 2016).

[14] Article 2(4) of Government Regulation No. 14 of 1993.

JKN offers a comprehensive basic benefit package covering health promotion, preventive and curative treatment, rehabilitation, pharmaceuticals and medical devices.[15] The scheme has two components, a contributory one funded under social insurance principles (non-PBI scheme) and a non-contributory one (PBI scheme).

The **non-PBI scheme** mandatorily covers public and private sector employees, including civil servants and members of the armed forces and the police; non-salaried workers or self-employed persons; and non-workers with contributory capacity. The non-PBI scheme is financed through contributions paid by workers, employers and the self-employed in the manner prescribed by the implementing regulations. Registration is mandatory for salaried employees in the private and public sector (PPU); non-salaried workers (PBPU), including foreign nationals who have worked in Indonesia for at least six months; and non-employees with contributory capacity (BP), which includes investors, employers and pensioners.

For its part, the **PBI scheme** covers poor and near-poor persons, persons with disabilities and unemployed persons, whose contributions are entirely subsidized by the Government. The scheme is further divided into PBI APBN, the segment of the population whose contribution is paid by the central government budget (Anggaran Pendapatan Belanja Negara, or APBN), and PBI APBD, whose contribution to JKN is paid by the local government budget (Anggaran Pendapatan Belanja Daerah, or APBD) (Prabhakaran et al. 2019).

Until 2025, eligibility for the PBI APBN was based on the unified national database (Data Terpadu Kesejahteraan Sosial, or DTKS),[16] which will be replaced by a National Socioeconomic Single Data (Data Tunggal Sosial Ekonomi Nasional, or DTSEN)[17] administered by Statistics Indonesia (BPS) in coordination with the Minister of Social Affairs. The DTSEN is a master database that contains data on individuals requiring social welfare services, recipients of social assistance and empowerment, as well as the potential and resources for social welfare.[18] In February 2025, the DTSEN included information on 285 million individuals (Ministry of Social Affairs 2025).

Ten years after its implementation, the JKN has materialized the right to access medical care to 279,471,679 persons (Indonesia, BPJS Health 2025), which corresponds to approximately 98 per cent of the Indonesian population. Although there are persistent challenges – such as the extension of coverage to persons working in the informal economy – having a single implementing agency has helped to reduce fragmentation and harmonize, to some extent, previous disparities on the provision of medical benefits available to different segments of the population.

b. Employment injury insurance scheme (JKK)

The employment injury insurance scheme (JKK) provides in-kind (medical care) and cash benefits in case of temporary incapacity to work, permanent disability and death as a result of a work-related injury or recognized occupational disease. This scheme was introduced in 2015 and covers salaried workers in the private sector,[19] including foreign nationals who have worked in Indonesia for at least six months and non-salaried workers (self-employed and other non-wage earners).

c. Pension scheme (Jaminan Pensiun)

Among the significant changes brought about by Law No. 40 of 2004 is the introduction of a pension insurance scheme, which was implemented in 2015 to provide periodic benefits in case of old age, permanent total disability, and survivorship to formal sector workers.[20] The Jaminan Pensiun (JP) programme is organized under defined benefit principles and is financed through contributions paid jointly by workers and employers. Law No. 40 prescribes that employers shall gradually register their employees in the new scheme in accordance with the implementing regulations. In this regard, Presidential Regulation No. 109 of 2013 scheduled the registration of salaried workers employed in large- and medium-

[15] Article 22 of Law No. 40 of 2004.

[16] Law Number 13 of 2011 mandates the Ministry of Social Affairs to formulate policies on data verification and validation, as well as data management with information technology, and to increase the capacity of regional officials in conducting data verification and validation. As per this Law, the DTKS shall be updated twice a year.

[17] Presidential Instruction No. 4 of 2025 on National Socioeconomic Single Data.

[18] Article 1(1) of Minister of Social Affairs Regulation No. 3 of 2021.

[19] Civil servants and members of the armed forces are covered by Employment Injury Insurance (JKK) managed by PT Taspen and PT Asabri. Since these separate schemes were partially reformed based on Law No. 40 of 2004, their type and level of benefits are similar to those of the general programme administered by BPJS Employment.

[20] Articles 39 and 41 of Law No. 40 of 2004.

sized enterprises for July 2015. The timeframes for extending coverage to workers in small- and micro-sized enterprises are not outlined in this regulation.

d. Old-age savings (Jaminan Hari Tua, lump-sum benefits)

Law No. 40 kept the old-age savings programme Jaminan Hari Tua (hereinafter referred to as the JHT scheme) as a mandatory, fully funded savings mechanism providing some income protection in the event of old age, invalidity and survivorship.

Participation in the JHT scheme is mandatory for wage earners working for non-state enterprises and for non-wage earners (self-employed), including foreign nationals who have worked in Indonesia for at least six months.[21] Registration of salaried employees working in large-, medium- and small-sized enterprises started in July 2015, as stipulated by Presidential Regulation No. 109 (article 6(3)(a–b)). Enrolment of non-salaried workers, including non-contractual workers and self-employed persons, was also scheduled for 2015.

Public sector employees also participate in a provident fund administered by PT Taspen and PT Asabri. Therefore, the parameters applicable to these schemes, including contribution rates, qualifying conditions and benefits, are outlined by separate regulations.

Considering that the JHT scheme has been part of Indonesia's social security landscape since 1992 and that the scheme's legal coverage is broader than that of the pension scheme (JP), it is logical that its effective coverage is slightly higher. Based on the administrative data published by BPJS Employment, as of December 2024, the JHT scheme had 19,100,050 registered members (including 18,425,867 are wage earners and 674,183 non-wage earners) compared to 14,959,033 members (all of which are wage earners) in the Jaminan Pensiun scheme (Indonesia, BPJS Employment 2026).

The JHT scheme provides lump-sum benefits corresponding to the total contributions made to the provident fund plus accrued interest in the event that programme participants reach retirement age, are diagnosed with a permanent total disability or die. If a fund member dies before receiving the JHT benefit, the account balance is paid to his or her eligible inheritors, including a widow, widower or the deceased's children.[22] In the absence of a spouse or children, the benefit is payable in order of priority to blood-related grandparents and grandchildren, birth siblings, parents-in-law or anyone appointed as legal heir in the deceased's will.

Although the JHT scheme is meant to provide some income support in the event of old age, disability and death of the breadwinner, the implementing regulations of the scheme allow for partial withdrawals before these risks materialize. In particular, fund members who have participated in the programme for at least ten years can withdraw up to 30 per cent of their account balance for purchasing housing and up to 10 per cent for miscellaneous expenses.[23] Fund members can make use of each of these partial withdrawals only once during their participation in the scheme.[24]

Government Regulation No. 60 of 2015, stipulates that JHT benefits must be paid to participants upon reaching the retirement age (article 1(1)). However, a subsequent revision of the programme rules made by Minister of Manpower Regulation No. 19 of 2015 expanded the definition of "reaching the retirement age" to include ceasing employment as a reason for entitlement.[25] Article 3(3) of this regulation specifies that fund members can also access their accumulated savings in the event of termination of employment, resignation or permanently leaving the country.

The amendments mentioned above might result in a significant number of programme participants accessing their old-age savings before they reach retirement age, especially because under the current rules, up to 100 per cent of the account balance can be withdrawn after one month of unemployment. The increasing flexibility regarding partial and early withdrawals may further limit the JHT scheme's potential to provide some income support in the vent of old age, permanent disability or death of the family income earner.

Identifying the limitations of the JHT programme is crucial for ensuring that protected persons will have sufficient financial resources at their disposal once the relevant social risks materialize. This is of particular importance for guaranteeing the right to social protection in old age, disability and survivorship to persons who are only covered by the JHT plan. In this

[21] Article 4 of Government Regulation No. 46 of 2015.

[22] Article 23(1) of Government Regulation No. 46 of 2015.

[23] Article 22(4–5) of Government Regulation No. 46 of 2015.

[24] Article 22(6) of Government Regulation No. 46 of 2015.

[25] Article 3(2) of Minister of Manpower Regulation No. 19 of 2015.

regard, it is necessary to mention that salaried workers employed in small-sized enterprises and non-salaried workers (self-employed) are covered by the JHT scheme but excluded from the pension insurance programme (Jaminan Pensiun) introduced in 2015. Currently, both schemes (JHT and JP) exclude daily, occasional and temporary workers in construction services.

Considering that provident funds do not comply with the provisions of Convention No. 102, the features of the JHT scheme will not be further discussed in this assessment. Specifically, this type of scheme neither provides periodical benefits throughout the contingency nor does it replace, to the prescribed extent, the loss of income caused by the occurrence of the relevant social risks (old age, disability and death of the family income earner).

e. Death insurance (JKm scheme)

Law No. 40 also kept a life insurance scheme previously managed by PT Jamsostek. Before the implementation of Law No. 40 and Law No. 24, this scheme covered wage earners working for companies with ten or more employees, or with a total monthly payroll of 1 million rupiah. This plan provided a lump-sum benefit, a funeral grant and a monthly benefit payable for up to 24 months to the survivors of programme participants who died of non-work-related causes.

As previously mentioned, Law No. 24 entrusted the administration of the new social security system (SJSN) to state-owned non-profit social security institutions. Therefore, the administration of the death insurance scheme (Jaminan Kematian, or JKm) was transferred from PT Jamsostek to BPJS Employment in 2015. The JKm scheme has undergone other relevant modifications:

- The scope of application of the scheme was modified to include all salaried employees and non-salaried workers, including foreign nationals who have worked in Indonesia for at least six months. Public sector employees and members of the armed forces are covered through separate death insurance programmes administered by PT Taspen and PT Asabri.[26]
- The contribution rate for salaried workers in the formal economy remained unchanged at 0.3 per cent of the employee's monthly salary, borne solely by the employers. Non-wage earner participants pay a monthly flat-rate premium of 6,800 rupiah.[27]
- The benefit amounts payable to the participant's survivors under the JKm scheme were increased by Government Regulation No. 82 of 2019. These include: a lump-sum compensation of 20 million rupiah (article 34(1)(a)); a periodical benefit of 500,000 rupiah payable for 24 months, or as a lump sum of 12 million rupiah; and a funeral grant of 10 million rupiah (article 34(1)(c)).
- The reformed JKm scheme included a children's scholarship as of 2015. Programme participants must have contributed to the JKm programme for at least three years to receive the entitlement. This benefit is provided to a maximum of two of the deceased's children until they reach age 23, get married or start working. Section B(4)(a)(1–4) of Schedule III of Government Regulation No. 44 of 2015, as amended in 2019, sets the following flat rate amounts for the yearly scholarships:
    - kindergarten to elementary school: 1.5 million rupiah per year per child (for a maximum education period of eight years);
    - middle school or equivalent level: 2 million rupiah per year per child (for a maximum education period of three years);
    - high school or equivalent level: 3 million rupiah per year per child (for a maximum education period of three years);
    - higher education or training: 12 million rupiah per year per child (for a maximum education period of five years).

[26] The implementing regulations of the JKm scheme for civil servants, which is administered by PT Taspen, are provided by Government Regulation No. 70 of 2015, as amended by Government Regulation No. 66 of 2017. The implementing framework for the programme covering members of the armed forces is laid down by Government Regulation No. 102 of 2015.

[27] Article 20(3) of Government Regulation No. 44 of 2015.

Under the current rules, an eligible child can receive the scholarship for a maximum of 19 years. Although this benefit aims to provide some financial support for education, it does not constitute a periodical survivors' benefit as per the terms of Convention No. 102.

Enrolment in the JKm scheme administered by BPJS Employment started in 2015, upon the adoption of Government Regulation No. 44. According to Presidential Regulation No. 109, all employed persons, including public sector employees (article 5(3)), wage earners in large-, medium-, small- and micro-sized enterprises (article 6(2)), seasonal and daily workers in the construction sector (article 6(4)), and non-salaried workers (article 8(1)) are mandatorily covered by this scheme.

Among the different social security schemes administered by BPJS Employment, the JKm and the employment injury insurance scheme (JKK) had the highest number of active contributors in December 2024 – 45,224,676, of which 29,308,491 were wage recipients, 6,016,847 construction workers[28] and 9,899,338 non-wage earners (Indonesia, BPJS Employment 2026). Therefore, it is estimated that in 2024 the JKm scheme covered 47.33 per cent of Indonesia's employees (wage earners) and approximately 15.86 per cent of the total population, where the total number of residents was 284,973,643.

f. Unemployment insurance (JKP)

In the context of the COVID-19 pandemic, the Government of Indonesia introduced an unemployment insurance scheme (Jaminan Kehilangan Pekerjaan, or JKP) to provide income security to private sector employees (wage earners) working in large-, medium- and small-sized enterprises. The scheme was established by Law No. 11 of 2020 concerning Job Creation, and its implementation began following the adoption of the implementing regulations Government Regulation No. 37 of 2021 and Minister of Manpower Regulation No. 7 of 2021.

In addition to periodic cash benefits, unemployed persons who fulfil the prescribed qualifying conditions are entitled to public employment services, notably, access to labour market information and job vacancies, support for self-assessment and career counselling, and vocational training.[29]

g. Institutional framework

While Law No. 40 of 2004 outlines the underlying principals and general characteristics of the new SJSN, Law No. 24 of 2011 provides the institutional framework for the implementation of the system. This law mandated the creation of two non-profit social security administering bodies to manage the SJNS at the national level:

- **BPJS Health** has administered the National Health Insurance Programme (JKN) since it started operations in 2014; and
- **BPJS Employment** has administered the employment injury scheme (JKK); pension insurance (JP); old-age savings (lump-sum benefits) (JHT); and death insurance (JKm) schemes since 2015 and the unemployment insurance (JKP) scheme since 2021.

Law No. 40 prescribes that participation in the SJSN shall be progressive, taking into consideration the economic capacity of the population. Presidential Regulation No. 109 of 2013 sets the schedule for the gradual registration in the different social security schemes administered by BPJS Employment. In particular, this regulation stipulates two phases for the incorporation of civil servants into the SJSN. The initial stage was scheduled for 2015 and encompassed the enrolment of public sector employees into the work injury, old-age savings (lump-sum benefits), and death insurance benefits. The second stage shall take place in 2029 and includes the registration of these categories of workers into the pension insurance scheme. In the meantime, coverage is still provided under separate programmes managed by PT Taspen and PT Asabri.

[28] This figure includes daily, occasional and temporary workers in the construction sector covered by these two schemes through their employers' contributions to the Jasa Konstruksi plan. In accordance with article 53 of Government Regulation No. 44 of 2015, large-, medium-, small- and micro-sized enterprises in the private sector and contractors employing casual daily and part-time workers in construction services must register their workers in the JKM and JKK schemes. The contribution rate is 0.03 per cent of the employees' monthly wage and is borne solely by the employer. If the employees' salary components are unknown, contributions are calculated based on the value of the construction contract, ranging from 0.04 per cent (contracts up to 100 million rupiah) to 0.01 per cent (contracts above 5 billion rupiah).

[29] Law No. 40 of 2004, article 46D(1), as amended by article 82 of Law No. 06 of 2023.

Considering that the national legislation envisages the inclusion of public sector workers into the SJSN, this report will focus on assessing the compatibility of the SJSN with Convention No. 102. Therefore, the legal provisions that govern special schemes will not be discussed further.

3. Non-contributory schemes

Law No. 11 of 2009 concerning Social Welfare regulates the provision of social assistance in Indonesia. This law stipulates that "the State is responsible for social welfare provision. Priority should be given to people who are unable to attain a decent living and have social issues characterized as poverty, abandonment, disability, exclusion, deviance, victims of disaster or violence, exploitation, and discrimination" (articles 4–5). Therefore, the law aims to protect the most vulnerable populations, such as the poor, the abandoned or the orphan children, persons with disabilities, older persons and victims of violence or natural disasters. The notion of social welfare includes the provision of social rehabilitation services, social security, social protection and social empowerment (article 6).

Over the last 25 years, social welfare in Indonesia has slowly shifted away from the provision of food and fuel subsidies to cash transfers, both conditional and unconditional. This shift is in line with the widely recognized importance of non-contributory social transfers in poverty reduction and income redistribution.

One of the priorities identified in the National Long-Term Development Plan (RPJPN) 2025–2045 is to establish a robust social protection system that guarantees at least a basic level of social security and ensures access to healthcare for all, with efforts to improve health infrastructure and services across the country. Within this framework, the National Medium-Term Development Plan (RPJMN) 2025–2029 aims to improve the quality of life of the Indonesian people by reducing poverty, vulnerability and inequality. In particular, two targets focus on reducing the national poverty rate to 4.5–5 per cent and the extreme poverty rate to less than 0.5 per cent by 2026, lower than the target set in the Sustainable Development Goals.

At present, Indonesia's poverty reduction strategy includes several non-contributory means-tested programmes, including:

- **Sembako Programme:**[30] A scheme that provides electronic food vouchers to help vulnerable households to cover the cost of foodstuffs. In 2025, eligible households receive a monthly voucher amounting to 200,000 rupiah per month, which can be used to buy nutritious products in commercial establishments in cooperation with the programme.
- **Smart Indonesia Programme (Programme Indonesia Pintar or PIP):** A complementary social transfer designed for students from low-income households. Its primary objectives are to prevent school dropouts, ensure continued access to compulsory education, and reduce educational disparities among students from vulnerable or financially disadvantaged families who benefit from other social assistance programmes.
- **Family Hope Programme (Program Keluarga Harapan, or PKH):** A nationwide conditional cash transfer that aims to reduce poverty and encourage participation in education and health interventions. Eligible low-income households must have at least one of the following: a pregnant or lactating woman; one or more children below 6 years of age; children aged 7–21 attending primary or secondary school; youth aged 16–21 years who have not yet completed compulsory education; persons with severe disabilities or older persons.

Aiming at improving coordination in programme implementation and targeting, the Government of Indonesia launched in 2025 the unified National Socioeconomic Single Data (DTSEN) database, which serves as the main data source for planning, implementing and evaluating social and economic policies, including social welfare services and social assistance programmes. The DTSEN is an electronic dataset that will contain the socio-economic information and demographics of all Indonesian residents. It integrates data from three key sources: the DTKS, the Socioeconomic Registration (Regsosek), and the Targeting for Extreme Poverty Eradication Acceleration database (Indonesia, BPS 2025a).

The use of proxy means tests and social registries for targeting recipients of social assistance can leave a significant number of persons in need without benefits. In this regard, despite substantial efforts over the last years to improve targeting, none of Indonesia's main social assistance programmes covers more than 60 per cent of the poorest 10 per

[30] The Sembako Programme replaced the Basic Food Card Programme (Bantuan Pangan Non Tunai, or BPNT, which was launched by the Indonesian Government in 2017. This transition aimed to shift from the in-kind distribution of food to vulnerable households, previously managed under the Rice for the Prosperous Population (RASTRA) programme, to electronic vouchers for purchasing rice and eggs at registered retailers.

cent of the eligible population (Holmemo et al. 2020). In fact, in 2022, only 30.7 per cent of the bottom quintile of households received benefits from the Family Hope Programme (PKH) and only and 27.6 per cent of the bottom quintile of households received benefits from the Smart Indonesia Programme (PIP), indicating a misallocation of resources that needs to be addressed through enhancing the selection system (UNICEF 2024a).

4. Employer liability arrangements

As previously mentioned, Law No. 40 of 2004 on National Social Security System does not provide for sickness and maternity benefits. These contingencies are regulated by the labour legislation under employer liability arrangements.

a. Sickness benefit

In accordance with Law No. 13 of 2003 concerning Manpower Affairs (hereinafter referred to as "Law No. 13"), employers are liable for the payment of their employees' wages in case of sickness for up to 12 months. This law further prohibits dismissals during sick leave, as long as the incapacity for work does not exceed 12 months.

Convention No. 102 defines the contingency of sickness as "incapacity for work resulting from a morbid condition and involving the suspension of earnings, as defined by national laws or Regulation" (Article 14). The payment of sickness benefits can be limited to 26 weeks in each case of illness (13 weeks in case of a declaration made in virtue of Article 3) (Article 18).

The question arises as to whether the employer liability scheme through which sickness benefits are currently paid in Indonesia is compatible with Part III of Convention No. 102. Considering that employers continue to pay an employee's salaries in case of sickness, there is no suspension of earnings, as such, there is no occurrence of the contingency as defined by the Convention. According to Law No. 13, employers must pay the employee's full salary during the first four months of sickness; 75 per cent of the employee's salary for the fifth through the eighth month; 50 per cent for the ninth through the twelfth month; and 25 per cent thereafter.

Even so, it should be noted that systems under which employers bear the direct responsibility for the payment of benefits – as opposed to a social security programme – are not in line with the general principles established in the Convention. In particular, these schemes do not comply with either the collective nature of financing or with the participatory character of social security management required by Articles 71 and 72 of the Convention. Furthermore, this type of scheme does not ensure the protection of vulnerable groups of persons against discrimination. The cost for employers to hire employees who are not in good health or who are susceptible to getting sick could potentially be high. As a result, jobseekers with medical conditions may be discarded.

Moreover, by definition, employer liability schemes exclude the self-employed and might leave certain other categories of persons without coverage, such as persons in nonstandard forms of employment, and workers in occupations that are excepted from the scope of application of the labour legislation.

Given the above, the national legislation is not in conformity with Part III of Convention No. 102.

b. Maternity benefit

Healthcare during maternity and delivery is provided under the JKN scheme described above. However, cash maternity benefits are not included in the scope of application of Law No. 40 on the National Social Security System (SJNS). As such, this benefit is not provided through a contributory or tax-financed social security scheme, but in the framework of an employer liability system.

The legal framework concerning maternity leave is also laid down by Law No. 13 of 2003, which requires employers to pay the employee's monthly salary for three months – 1.5 months before giving birth and 1.5 months afterward.[31] In 2024, Law No. 4 of 2024 on the Welfare of Mothers and Children in the First Thousand Days strengthened the protection afforded to working mothers by introducing up to three additional months of paid leave when the mother or newborn experiences medical complications. The labour legislation does not stipulate a minimum period of employment required for entitlement to maternity leave.

[31] Article 82(1) of Law No. 13 of 2003.

There are several limitations related to relying on employer liability systems for the provision of social security. As previously mentioned, systems where employers are individually liable for covering the direct costs of benefits might result in discriminatory practices against certain groups. In particular, the cost of maternity leave might affect the employment prospects of female workers, as employers might be discouraged from recruiting, retaining and promoting women with family responsibilities (or who may have such responsibilities in the future) (ILO 2014). Likewise, compliance with individual employer liability schemes is often problematic, particularly in developing countries, where employers often do not pay the wage replacement and legislation is not enforced (Setyonaluri et al. 2023; ILO 2012a).

Finally, international social security standards mandate that maternity benefits should be financed by insurance or taxation. As such, employer liability schemes are not in conformity with Convention No. 102. Specifically, Article 71(1) requires that the cost of the benefits and the cost of the administration of such benefits shall be borne collectively by way of insurance contributions or taxation or both.

Consequently, the provision of cash maternity benefit in Indonesia is not in line with the principles of Convention No. 102.

In this context, this report will limit itself to the following schemes and branches:

- JKN scheme (medical care);
- Jaminan Pensiun (old age, invalidity and survivors' benefits);
- JKK scheme (employment injury benefits);
- JKP scheme (unemployment benefits); and
- family benefits (PKH programme).

5. Inventory of Indonesia's social security framework

The national legislation analysed in respect of each branch of social security is as follows:

Medical care

- Law No. 40 of 2004 concerning the National Social Security System (hereafter referred to as “Law No. 40 of 2004”), as amended in 2020.
- Law No. 24 of 2011 concerning Social Security Providers (hereafter referred to as “Law No. 24 of 2011”).
- Law No. 17 of 2023 concerning Health.
- Government Regulation No. 2 of 2018 concerning Minimum Service Standards, dated 04 January 2018.
- Presidential Regulation No. 82 concerning Health Insurance.
- Presidential Regulation No. 75 of 2019 concerning Amendments to Presidential Regulation No. 82 of 2018 concerning Health Insurance.
- Presidential Regulation No. 64 of 2020 concerning Amendments to Presidential Regulation No. 82 of 2018 concerning Health Insurance.
- Presidential Regulation No. 59 of 2024 concerning the Third Amendment to Presidential Regulation No. 82 of 2018 concerning Health Insurance.
- Ministry of Health (MoH) Regulation No. 71 of 2013 concerning Health Services in the National Health Insurance, as amended.
- MoH Regulation No. 28 dated 25 June 2014 concerning guidelines for the Implementation of the National Health Insurance Programme.
- MoH Regulation No. 99 of 2015 concerning Amendments to the Regulation of the Minister of Health No. 71 of 2013 concerning Health Services in the National Health Insurance.
- MoH Regulation No. 23 of 2017 concerning the Second Amendment to the Regulation of the Minister of Health Number 71 of 2013 concerning Health Services in the National Health Insurance.

- MoH Regulation No. 5 of 2018 concerning the Third Amendment to the Regulation of the Minister of Health No. 71 of 2013 concerning Health Services in the National Health Insurance
- MoH Regulation No. 51 dated 17 December 2018, as amended.
- Minister of Social Affairs Regulation No. 21 of 2019 concerning Requirements and Procedures for Changing Data on Health Insurance Contribution Assistance Recipients.
- MoH Regulation No. 7 of 2021 concerning the Fourth Amendment to the Regulation of the Minister of Health No. 71 of 2013 concerning Health Services in the National Health Insurance.
- MoH Regulation No. 2 of 2025 concerning the Implementation of Reproductive Health Efforts.
- Decree of the Minister of Social Affairs No. 11/HUK/2024 concerning the Determination of Recipients of Health Insurance Contribution Assistance in January 2024.
- Regulation of the National Social Security Administering Body (BPJS Health) No. 2 dated 26 June 2018.
- Regulation of the National Social Security Administering Body (BPJS Health) No. 6 of 2018, as amended in 2019 and 2020.

Unemployment benefit

- Law No. 40 of 2004, as amended in 2020.
- Law No. 24 of 2011.
- Law No. 11 of 2020 concerning Job Creation.
- Law No. 6 of 2023 concerning the Stipulation of Government Regulations in Lieu of Law No. 2 of 2022 concerning Job Creation into Law.
- Government Regulation No. 37 of 2021 concerning the Implementation of Unemployment Benefit Programme, as amended in 2025.
- Government Regulation No. 6 of 2025 concerning Amendments to Government Regulation No. 37 of 2021 concerning the Implementation of Job Loss Guarantee Programme
- Minister of Manpower Regulation No. 7 of 2021 concerning Procedures for Participation, Registration and Implementation of Contribution Recomposition in the Job Loss Guarantee Programme, as amended in 2025.
- Minister of Manpower Regulation No. 15 of 2021 concerning the Procedure for Granting Job Loss Guarantee Programme
- Minister of Manpower Regulation No. 148 of 2021 concerning the Procedures for Provision, Disbursement, Use and Liability of Initial Funds and Accumulated Contributions of Job Loss Benefit Programme
- Minister of Manpower Regulation No. 3 of 2025 concerning Amendments to Minister of Manpower Regulation No. 7 of 2021 concerning Procedures for Participation, Registration and Implementation of Contribution Recomposition in the Loss Guarantee Programme Work.

Old-age, invalidity and survivors' benefits

- Law No. 40 of 2004, as amended in 2020.
- Law No. 24 of 2011.
- Government Regulation No. 45 of 2015.
- Presidential Regulation No. 109 of 2013.
- Regulation of the National Social Security Administering Body (BPJS Employment) No. 2 dated 26 June 2018.

Employment injury benefit

- Law No. 40 of 2004, as amended in 2020.
- Law No. 24 of 2011.
- Government Regulation No. 44 dated 30 June 2015 concerning the Implementation of the Work Accident Insurance and Death Insurance Programme (as amended in 2019 and 2023).
- Government Regulation No. 82 of 2019.
- Government Regulation No. 49 of 2023.
- Government Regulation No. 7 of 2025.
- Government Regulation No. 36 of 2025.
- Presidential Regulation No. 109 of 2013.
- Minister of Manpower Regulation No. 5 of 2021 concerning Procedures for the Implementation of Work Accident Insurance, Death Insurance and Old Age Insurance Programmes.
- Minister of Manpower Regulation No. 1 of 2025
- Regulation of the National Social Security Administering Body (BPJS Employment) No. 2 dated 26 June 2018.

Family benefit

- Law No. 11 of 2009 concerning Social Welfare, as amended.
- Law No. 13 of 2011 concerning Handling the Poor.
- Presidential Regulation No. 162 of 2024 concerning the Ministry of Social Affairs.
- Minister of Social Affairs Regulation No. 1 of 2018 concerning the Family Hope Programme.
- Ministry of Social Affairs Regulation No. 2 of 2025 concerning the Organization and Governance of Ministry of Social Affairs.
- Decree of the Director-General of Social Protection and Security No. 02/3/BS.02.01/01/2020 on Index and Social Assistance Balance Factor of the Family Hope Programme 2020.
- Presidential Instruction No. 4 of 2025 concerning National Social and Economic Single Data.

2

Assessing the compatibility of the social security legislation of Indonesia with Convention No. 102

This chapter analyses Indonesia's national legislation and practices vis-à-vis the legal and parametric requirements of the Social Security (Minimum Standards) Convention, 1952 (No. 102), in relation to seven of the nine social security branches set out by the Convention, as follows:

- Medical care (Part II of Convention No. 102)
- Unemployment benefit (Part IV)
- Old-age benefit (Part V)
- Employment injury benefit (Part VI)
- Family benefit (Part VII)
- Invalidity benefit (Part IX)
- Survivors' benefit (Part X)

As such, although Indonesia's national social security system is composed of several contributory schemes and non-contributory tax-financed programmes, the assessment undertaken in this report focuses on the protection provided to employees under the existing contributory social security schemes administered by BPJS Employment, as well as the health insurance scheme (JKN) managed by BPJS Health and the Family Hope Programme (Program Keluarga Harapan, or PKH), which is a non-contributory social transfer targeting, among others, vulnerable families with children.

It should be noted that this report does not provide a detailed analysis of the following Parts of the Convention: Sickness benefits (Part III) and Maternity benefits (Part VIII). This is because, as noted above, in Indonesia these benefits are provided under employer liability schemes, which are not permitted by the Convention, which requires that benefits be financed collectively through contributions, taxes or both (Article 71(1)).

A State that wishes to ratify Convention No. 102 must accept obligations under the Convention in respect of at least three of its nine branches, and one of those three branches must cover a long-term contingency or unemployment. It is worth noting that, even in the absence of a formal ratification, the internationally agreed principles and parameters set out in this landmark international standard constitute a primary source guiding the development of effective rights-based social protection systems. These principles include:

- the general responsibility of the State for the due provision of benefits;
- equality of treatment between nationals and non-nationals;
- collective financing of benefits;
- the sufficient level of benefits in terms of income replacement or to secure basic needs;
- the provision of benefits for a sufficient period to serve their purpose; and
- the right to appeal in case of refusal of the benefit or complaint as to its quality or quantity.

It is important to note that Convention No. 102 has been conceived with flexibility in mind, and therefore, it offers Member States the possibility of choosing between different alternatives to demonstrate compliance with the minimum requirements regarding the scope of application (coverage) and the level of cash benefits (adequacy) provided by the various components of social security systems.

Regarding coverage, the Convention offers several options – with corresponding minimum benchmarks – so that each country can assess the effective coverage of the benefits it provides. These options are based on the personal scope of the social security scheme analysed (for instance, contributory regimes covering employees or prescribed classes of the economically active population or social assistance schemes covering all persons with incomes below a prescribed threshold). For example, in the case of contributory systems, a country may choose to demonstrate compliance with the Convention's requirements by providing statistical information to determine if the effective coverage of benefits reaches at least 50 per cent of all employees (Option A) or at least 20 per cent of all residents (Option B).[32] However, non-contributory schemes and programmes covering vulnerable persons should at least cover all residents whose means

[32] See paragraphs (a) and (b) of Articles 9, 15, 27, 41, 48, 55 and 61 of Convention No. 102.

during the contingency do not exceed the limits prescribed (as per paragraphs (c) of Articles 15, 27, 41, 55 and 61 of Convention No. 102).

In this report, compliance with the coverage requirements is assessed with regard to paragraphs (a) of Articles 21, 27, 33, 55 and 61 of Convention No. 102, which require that where specific categories of employees are covered, at least 50 per cent of all employees are protected for the contingency in question.[33] Therefore, the assessment undertaken in this chapter and the statistical data considered for determining compliance with the coverage requirements of the Convention focus on the protection available to prescribed classes of employees. As such, based on the guidance provided in the Report Form for the Social Security (Minimum Standards) Convention, 1952 (No. 102),[34] throughout this chapter, the calculation of the effective coverage compares the number of wage earners or salaried workers (PPU) registered with the relevant BPJS Employment scheme (such as JKK, JKP or Jaminan Pensiun) to the total number of dependent employees in the country (denominator).

Regarding the adequacy of benefits, Convention No. 102 offers three alternatives among which each country can choose to demonstrate that the level of cash benefit meets the minimum rates established by this international standard. These options correspond to the three main types of income security benefits, which are:

1. **Benefit calculated from previous earnings** (typically provided through social insurance schemes): This refers to benefits that represent a certain percentage of the previous earnings of the protected person. The adequacy of these benefits is assessed according to the earnings of a person representative of a skilled worker in the country, which can be identified based on the guidance provided by Article 65 of the Convention. Skilled workers and workers with lower earnings should receive a replacement rate at least at the levels set out by the Convention. A maximum limit can be imposed on the contribution or benefit rate, but it should not be lower than the earnings of a skilled worker as defined in the Convention.
2. **Flat-rate benefits provided by tax or mixed-financing schemes irrespective of the level of the beneficiary's previous earnings:** Convention No. 102 assesses the level of flat-rate benefits in relation to the level of earnings of a person representative of an unskilled worker in each country (Article 66). This method can also be applied to assess the level of the minimum benefits provided by social insurance schemes.
3. **Means-tested benefits** (such as benefits typically provided by social assistance schemes): The adequacy of benefits provided by means-tested schemes is assessed based on the provisions of Article 67 of the Convention, which requires that the level of the benefit must be at least sufficient to maintain the family of the beneficiary in health and decency. The benefit, together with the family's other means, should at least reach the level set for flat-rate benefits (Article 67). The Convention does not consider the use of means-tested schemes in the case of employment injury, maternity and medical care.

Considering the design features of Indonesia's contributory social security system and the information at our disposal, Annex 2 of this report includes a summary table of the provisions of Articles 65(6) and 66(4–5), which provide further guidance on how to identify the reference wage of the standard beneficiary according to the different options offered by the Convention.

This chapter is structured in accordance with the Report Form for the Social Security (Minimum Standards) Convention, 1952 (No. 102).

A. Medical care benefit (Part II)

Since 2015, medical care in Indonesia is provided under the National Health Insurance Programme (Jaminan Kesehatan Nasional, or JKN) administered by BPJS Health in accordance with Law No. 24 of 2011, as amended. The legal framework of this unified social insurance programme is set out by Law No. 40 of 2004, which provides for the progressive extension

[33] However, each Member State can choose the option it wishes to use to demonstrate compliance with the quantitative requirements of the Convention. As such, should the Government of Indonesia so desire, in addition to the coverage of employees, it could consider the protection available to other categories of the economically active population, such as the self-employed, to demonstrate compliance with the requirements set by paragraphs (b) of Articles 27, 55 and 61 of Convention No. 102. Should this be the case, the effective coverage of benefits should reach at least 20 per cent of all residents.

[34] Available on the ILO's NORMLEX database at: http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:51:0::NO:51:P51_CONTENT_REPOSITORY_ID:2543094:NO.

of coverage to poor and vulnerable persons through subsidized contributions financed by the state budget and regional governments.

Contingency (Article 8)

Article 8 of Convention No. 102 provides that the contingencies covered shall include any morbid condition, whatever its cause, and pregnancy and confinement and their consequences.

It is worth noting that Law No. 40 of 2004 does not include a definition of the contingency or social risk covered by the Health Insurance Scheme (hereinafter "JKN scheme"). However, as detailed below, this contingency seems to be addressed as the JKN scheme, which provides primary and emergency medical care, pre-natal, childbirth and post-natal care. These benefits are part of the minimum service standards (SPM by its Indonesian abbreviation) set by Government Regulation No. 2 of 2018 concerning Minimum Service Standards and Minister of Health Regulation No. 6 of 2024 concerning Technical Standards for Fulfilling Minimum Health Service Standards, and that are guaranteed to Indonesia's entire population. Programme participants are also entitled to specialist care, curative care, rehabilitation services, in-patient services and pharmaceuticals.

It can be further noted that article 52 of Presidential Regulation No. 82 of 2018 specifies 21 health services not covered by the JKN scheme. These include: healthcare services due to disasters during an emergency response period, extraordinary events or unexpected outbreaks (article 52(o)), as well as healthcare services caused by criminal offences, sexual assault, terrorism or criminal acts of human trafficking (article 52(r)). The Government may wish to clarify whether, in the case of the events mentioned above, the necessary medical care would be provided under different programmes.

The medical care provided in Indonesia appears to comply with the requirements of Article 8 of Convention No. 102, as the JKN scheme seems to cover both: (i) any morbid condition, whatever its cause; and (ii) pregnancy and confinement and their consequences. Nonetheless, clarification would be necessary as to whether, in practice, victims of criminal offences, sexual assault, terrorism and criminal acts of human trafficking are entitled to medical care benefits, including under other programmes.

Coverage (Article 9)

Article 9 of the Convention provides as follows:

> The persons protected shall comprise—
>
> 1) prescribed classes of employees, constituting not less than 50 per cent of all employees, and also their wives and children; or
>
> 2) prescribed classes of the economically active population, constituting not less than 20 per cent of all residents, and also their wives and children; or
>
> 3) prescribed classes of residents, constituting not less than 50 per cent of all residents; or
>
> 4) where a declaration made in virtue of Article 3 is in force, prescribed classes of employees constituting not less than 50 per cent of all employees in industrial workplaces employing 20 persons or more, and also their wives and children.

Thus, the Convention provides different options for assessing if the legal and effective coverage of benefits reaches the minimum quantitative parameters established therein, allowing each country to choose the option that better reflects their scheme design and the population they aimed to cover. Concretely, the Convention sets minimum thresholds for persons covered by:

- schemes that protect employees (option a), which requires that at least 50 per cent of all employees be covered;
- schemes that protect the economically active population (option b), according to which at least 20 per cent of all residents should be covered); and
- schemes that protect vulnerable groups of the population (option c), which applies to non-contributory schemes.

Legal coverage

Law No. 40 of 2004 envisages a progressive extension of coverage of medical care services to all residents of Indonesia, either because they contribute directly to the JKN programme, or because the Government contributes on their behalf, as is the case for vulnerable residents who are registered as recipients of contribution assistance or subsidies. Recourse will thus be had to paragraph (c) of Article 9, meaning that compliance with the Convention would require that the healthcare system in Indonesia covers at least 50 per cent of all residents. As such, information in the form set out in Title III under Article 76 will be furnished.

The JKN has two schemes:

1. A non-contributory scheme (PBI scheme) covering vulnerable population groups, referred to in the English translation of the Law as “poor and near-poor persons”, whose contributions are subsidized by the state budget and regional governments; and
2. A social insurance scheme that covers participants who have paid contributions (non-PBI scheme).

Registration in the non-PBI scheme is mandatory for employed persons, including foreign nationals who have worked in Indonesia for at least six months.

Law No. 40 of 2004 recognizes the State's responsibility for the gradual registration of poor and vulnerable persons into the medical care scheme (article 1(5)). It requires government regulations to determine the necessary provisions for the implementation of the national health insurance programme.

According to Government Regulation No. 101 of 2012 concerning Recipients of Health Insurance Contribution Assistance, as amended by Government Regulation No. 76 of 2015, recipients of contribution assistance are “poor and near-poor persons”. The “poor” are defined as individuals without any source of livelihood or those who, despite having a subsistence livelihood, cannot cover their basic needs and those of their family (article 1(4–5)). The “near poor” are defined as persons who have sources of livelihood, salary or wages and who can fulfil their basic needs, but cannot pay contributions on behalf of themselves and their family (article 1(6).

In this regard, Presidential Regulation No. 82 of 2018, as amended by Presidential Regulations Nos 75 of 2019, 64 of 2020 and 59 of 2024, reiterates that only those who cannot afford the payment of social insurance contributions are eligible for the PBI scheme. Article 4(1) enumerates the different types of participants that shall be registered within the non-PBI component, and therefore are not subject to subsidized contributions:

a) PPU [wage workers] and their family members;

b) BPU [non-wage workers] and their family members; and

c) BP [non-workers] and their family members.

According to article 3 of Presidential Regulation No. 82 of 2018, private and public sector employees, including members of the national police, the military, state officials, members of the Regional House of Representatives and government employees who are not civil servants fall within the category of salaried workers (PPU). Independent workers and self-employed persons, including foreign nationals working in Indonesia for at least six months, are included within the non-salaried workers category (PBPU).[35] Article 5(2) prescribes that investors, employers, pension recipients, veterans and pioneers of Independence and their survivors are part of the non-employees category (BP).

Based on the above, the personal scope of the JKN scheme seems to include all residents of Indonesia. The non-PBI scheme covers salaried workers, non-salaried workers (including foreign nationals who have worked in Indonesia for at least six months) and non-employees with contributory capacity. On the other hand, the PBI scheme covers poor and near-poor persons whose contributions are subsidized by the state budget (Anggaran Pendapatan Belanja Negara or APBN), and to a lesser extent by regional governments (Anggaran Pendapatan Belanja Daerah or APBD).

It should be noted that the scope of application of the PBI scheme, which is entirely financed through public funds, appears to be limited to Indonesian citizens. According to article 5 of the Minister of Social Affairs Regulation No. 21 of 2019, PBI members must meet the following requirements:

[35] Article 5(1) of Presidential Regulation No. 82 of 2018.

a) Be an Indonesian citizen;

b) Have a population identification number (NIK) registered at the Directorate General of the Department of Population and Civil Registration; and

c) Be included in the integrated social welfare database.

Effective coverage

Recourse in this analysis will be had to Article 9(c) of the Convention, which prescribes that the coverage of medical care benefits should comprise "prescribed classes of residents, constituting not less than 50 per cent of all residents". To determine whether the effective coverage of medical care reaches the minimum requirements established under Article 9(c) of Convention No. 102, it is necessary to furnish the statistical data in the form set out in Title III under Article 76 of the report form for this Convention.

▶ **Table 2. Calculation of the coverage of Indonesia's medical care benefits – Contributory and subsidized components (2024)**

A. Number of residents protected[1]	222 667 588
B. Total number of residents[2]	284 973 643
C. Number of residents protected as percentage of total number of residents	78.1%

[1] Number of active JKN members. Source: Indonesia, Ministry of Health 2025, 417.
[2] Data retrieved from Statistics Indonesia (BPS).

Based on data published by the Ministry of Health (MoH), there were 222,667,588 people covered by medical care services in 2024, which corresponds to approximately 78.1 per cent of Indonesia's total population. The JKN-PBI scheme – a contribution subsidy scheme – accounts for the largest share of protected persons, as it covered 144,110,918 residents (approximately 65 per cent of protected residents). Participants contributing to the health insurance programme (non-PBI) account for the remaining 35 per cent.

The contributions of JKN-PBI participants are financed either by the central Government (PBI ABPN members) or by regional governments (PBI ABPD). Out of the 144,110,918 beneficiaries of non-contributory medical care benefits in 2024, 67.1 per cent were PBI ABPN members, and 32.9 per cent were PBI ABPD.

The non-PBI participants (78,556,670) can be further disaggregated into wage workers (PPU), who represent 71.78 per cent of persons contributing to this programme, non-salaried workers (PBPU) (21.91 per cent) and non-employees (BP) (0.63 per cent).

It is worth noting that each country may choose which paragraph of Article 9 of Convention No. 102 it wishes to use to demonstrate compliance with the quantitative requirements, and should provide the specific statistical information specified for each item according to the indications contained in the Report Form of this international standard. Therefore, the Government of Indonesia could assess the effective coverage of medical care against the requirements of paragraphs (a) or (b) of Article 9 of the Convention based on the protection available under the contributory component of the JKN scheme.

Based on the information available to the ILO, in 2024, the contributory component of the JKN scheme covered 56,386,672 employees, which corresponds to approximately 91 per cent of all employees (the total number of employees is estimated at 61,915,923 in 2024)[36]. In this sense, if the country were to consider demonstrating compliance with the requirements of Part II of the Convention based on the protection available to employees only, the effective coverage of medical care in Indonesia would be above the minimum requirements of Article 9(a), which requires that where schemes protect prescribed classes of employees, coverage should reach at least 50 per cent of all employees.

[36] This number is composed of the total number of employees in February and August 2024 (average of data from two Labour Force Surveys) plus the total number of unemployed persons in the same period.

▶ **Table 3. Calculation of the coverage of Indonesia's medical care benefits – Contributory component (2024)**

A. Number of employees protected[1]	56 386 672
B. Total number of employees[2]	61 915 923
C. Number of employees protected (A) as percentage of total number of employees (B)	91.06%

[1] Salaried workers (PPU) contributing to BPJS Health in 2024. Source: Indonesia, Ministry of Health 2025.
[2] This number is composed of the total number of employees in February and August 2024 (average of data from two SAKERNAS surveys) plus the total number of unemployed persons in the same period.

Finally, given the personal scope of application of the JKN scheme, the Government of Indonesia also has the possibility of demonstrating compliance with paragraph (b) of Article 9 of the Convention. Should the Government wish to do that, it will be necessary to calculate the effective coverage of the contributory component of the JKN scheme considering the total number of "economically active persons", that is, wage workers (PPU), non-wage workers (PBPU) and non-employees (BP), who contributed to the JKN scheme in a given year (numerator), compared to the total number of residents (denominator). Based on the information available at the time of writing this report, it would appear that in 2024, approximately 27.57 per cent of residents were covered, exceeding the minimum requirement set by Article 9(b) of the Convention, which requires that at least 20 per cent of residents be covered.

Coverage of dependents

In accordance with article 20(2) of Law No. 40, family members of participants shall be entitled to receive medical care benefits. The lists of eligible dependents vary according to the type of programme participant (salaried workers, non-salaried workers, non-employees and PBI members) and are prescribed under separate implementing regulations.

For salaried workers, Presidential Regulation No. 82 of 2018 establishes that up to four family members, including a spouse and biological, adopted and stepchildren are covered. Eligibility of children is subject to them being unmarried, without any income and younger than age 21 (or younger than age 25 if studying) (article 4(2)). The insured employee can include other family members (such as siblings and in-laws) by paying additional contributions.

For non-salaried workers and non-employees, eligible dependents include a legitimate spouse, biological children, stepchildren and legitimate adopted children, and all other family members who are registered within the same family card.[37] The insured pays an additional contribution for each family dependent registered within the scheme.

Through a combination of contributory and non-contributory mechanisms, the JKN scheme seeks to progressively ensure access to medical care for all residents of Indonesia; therefore, the legal coverage of the scheme aligns with the minimum requirements of the Convention. Concerning the effective coverage, based on the information available, in 2024, the JKN programme (including the subsidized scheme for poor and vulnerable population groups) covered approximately 78.1 per cent of the population. Therefore, it is concluded that Indonesia complies with the minimum requirements of Article 9(c) of the Convention, which is to cover at least 50 per cent of all residents.

Furthermore, the Government has the option to demonstrate compliance with the requirements of Part II of the Convention on the basis of the contributory component of the JKM scheme covering employees, which would seemingly correspond to Indonesia's wage workers (PBPU). Based on the information available, it is estimated that in 2024, approximately 91 per cent of employees were effectively covered by this component, which, from a formal point of view, would give effect to the requirements of Article 9(a) of the Convention, which requires that at least 50 per cent of all employees, and also their wives and children, be covered. Nonetheless, regarding the coverage of dependents, it is worth noting that the national legislation limits the number of children that can be covered through the primary insured person (that is, three children). Therefore, an insured person with four or more children would be required to pay additional contributions on their behalf. Full compliance with the Convention would be achieved by ensuring that these provisions do not impose hardship on persons of small means.

[37] Article 16(2) of BPJS Health Regulation No. 6 of 2018, as amended by BPJS Health Regulation No. 5 of 2020.

Type of benefits (Article 10)

Article 10(1) provides that the benefit shall – in the case of a morbid condition – include at least:

(i) general practitioner care, including domiciliary visiting;

(ii) specialist care at hospitals for in-patients and out-patients, and such specialist care as may be available outside hospitals;

(iii) the essential pharmaceutical supplies as prescribed by medical or other qualified practitioners; and

(iv) hospitalization where necessary.

Article 10(1) further requires that, in case of pregnancy and confinement and their consequences, the medical care includes:

(i) pre-natal, confinement and post-natal care either by medical practitioners or by qualified midwives; and

(ii) hospitalization where necessary.

Article 19(1) of Law No. 40 of 2004 stipulates that medical care shall be administered nationally based on social insurance and the principle of solidarity, which entails the redistribution of risks between the rich and the poor, ill and healthy, and those deemed to be "low and high risk" participants. According to article 22, the healthcare programme shall provide promotional, preventive, curative and rehabilitative care, including pharmaceuticals and medical consumables. Since Law No. 40 is a framework law, it defers to government regulations to provide for specific parameters concerning the quality, type and duration of the benefits that are to be provided under the new health insurance programme.

Having a unified national health insurance programme that covers both individuals with contributory capacity – including salaried workers, non-salaried workers and non-employees – and those covered through subsidized contributions (financed by the State Budget and regional governments) has reduced fragmentation and might result in reducing inequalities in service provision. Implementing regulations have provided for the establishment of a uniform benefit package and standardized provision of medical care services. In this regard, article 3(2) of Minister of Health Regulation No. 71 of 2013, as amended by MoH Regulation No. 99 of 2015, establishes that participants have the right to access comprehensive health services in the form of promotional, preventive, curative and rehabilitative health services, obstetric services, and emergency medical health services, including supporting services, which include primary-level laboratory diagnostics, support examinations and pharmaceutical services in accordance with the legislation and regulations.

Moreover, Government Regulation No. 2 of 2018 establishes that local governments are responsible for guaranteeing that a minimum benefit basic services package (SPM) is provided to the Indonesian population. As follows the standard of services related to maternity and childbirth provided in the MoH Regulation No. 04 of 2019:

- standard antenatal services for every pregnant woman;
- standard maternal health services;
- standard health services for every new-born baby.

According to article 47(1)(a) of Presidential Regulation No. 82 of 2018 concerning Health Insurance, as amended by Presidential Regulation No. 59 of 2024, the following are guaranteed health services that shall be provided at primary healthcare facilities, including non-specialist health services:

- service administration;
- individual promotional and preventive services;
- examination and treatment;
- medical examinations, treatment and consultations;
- non-specialist medical actions, both surgical and non-surgical;
- medicines, medical devices, and medical consumables;
- primary diagnostic support examination; and
- first-level hospitalization according to medical indications.

Presidential Regulation No. 82 of 2018, as amended by Presidential Regulation No. 59 of 2024, also stipulates which benefits are to be provided upon referral. These include:

- specialized care;
- specialist examination, treatment and consultations;
- pharmaceuticals and consumable medical materials;
- specialist medical procedures, both surgical and non-surgical;
- medical consultations with specialists and subspecialists;
- advanced diagnostic support services according to medical indications;
- medical rehabilitation;
- blood services;
- family planning services;
- non-intensive in-patient care; and
- intensive care in an intensive room (article 47(1)(b)).

Medical care in case of a morbid condition comprises primary and specialist healthcare services, provided in the form of emergency medical services, a basic package of services and treatments, specialist care, hospitalization and pharmaceuticals.

Given that the national legislation does not specify if domiciliary visiting is covered, the Government is invited to confirm under what circumstances the JKN's benefit package could cover such services.

Cost sharing of medical care

Article 10(2) of the Convention provides that where the beneficiary or his breadwinner may be required to share in the cost of the medical care the beneficiary receives in respect of a morbid condition, the rules concerning such cost-sharing shall be so designed as to avoid hardship.

Although Law No. 40 of 2004 foresees that certain services, which are susceptible to participant's "misuse" are subject to cost-sharing (article 22(2)), it was only in 2018 that the regulations on this matter were promulgated. Minister of Health Regulation No. 51 of 2018 frames “health services leading to abuse” as those that are influenced by patient preference and participant behaviour (article 3(1–2)). This Regulation circumscribes that the MoH shall stipulate which services within the Guaranteed Health Services are prone to misuse. The determination of said services for the broader range of benefits provided by the national health programme shall be based on proposals made by a committee. This committee shall be composed of representatives of the MoH and BPJS Health, professional organizations, health facility associations, academia and other stakeholders.

MoH Regulation No. 51 of 2018 sets a 10 per cent or higher user fee up to a certain nominal amount for hospitalization services. It indicates that co-payments for out-patient services may be determined as a nominal value or a certain percentage of the services' costs. The fee structure delineated under article 9 of MoH Regulation No. 51 of 2018 is set out below:

1) Types of fees-for-services concerning services that can lead to abuse as referred to in article 3 paragraph (1), namely in the amount of:
    a. certain nominal value for each out-patient visit or the maximum nominal value of the cost of health services for a certain period of time; and
    b. 10 per cent or the maximum nominal amount for hospitalization of fees service,
2) The amount of the fee as referred to in paragraph (1) letter (a) provided:
    a. 20,000 rupiah for each out-patient visit to class A hospitals and class B hospitals;
    b. 10,000 rupiah for each out-patient visit to class C hospitals, class D hospitals and main clinics; or

c. the maximum nominal value that can be charged to programme participants is 350,000 rupiah (three hundred and five tens of thousands of rupiah) for a maximum of twenty visits over a three-months period.

3) The amount of the fee as referred to in paragraph (1) letter (b) with the following provisions:

a. 10 per cent of the service fee calculated from the total INA-CBG Tariff each time in-patient care is provided; or

b. the maximum nominal amount that can be charged to programme participants is 30 million rupiah.

4) In the case of hospitalization above grade 1, the Order Fee as referred to in paragraph (3) letter (a) of 10 per cent is calculated from the total INA-CBG Tariff.

MoH Regulation No. 51 also stipulates that participants covered through subsidized contributions (PBI members) are exempted from the payment of user fees (article 3(3)). Therefore, upon implementation of this regulation, only contributing participants (non-PBI members) will be requested to participate in the cost of prescribed services.

It is worth noting that at the time this analysis was carried out, a lack of consensus among committee members as regards to which benefits should be classified as subject to abuse has deferred the implementation of the provisions mentioned above. It can be further noted that the legislation provides for a ceiling or a maximum amount payable per consultation and in the event of hospitalization, which would limit the insured person's participation in the costs of medical care and services. However, further clarification could be provided regarding the ceiling on in-patient consultations and hospital care. Should this policy and regulations be implemented, the Government is invited to consider that compliance with the Convention would require that the nominal amount and percentages set by article 9(3)(b) of MoH Regulation No. 51 of 2018 do not impose hardship to persons of small means who require long-term or extensive care.

In view of the above, it appears that, in practice, all medical services – including prenatal consultations, delivery and postnatal services – are currently provided free of charge, both to contributing members (non-PBI) and to participants covered through the subsidized scheme (PBI). However, it can be noted that the practice is not aligned with the law concerning the cost-sharing rules for accessing medical care and hospital care outlined by MoH Regulation No. 51 of 2018. If these regulations are implemented, the costs of some treatments and services, such as in-patient and hospital care, may be significant for certain categories of persons and result in hardship. It should be noted that the Convention does not allow cost sharing in the provision of medical maternity care in relation to pregnancy and confinement and their consequences.

Objective of medical care

According to Article 10(3) of the Convention, the medical care provided shall be the benefit provided in accordance with this Article shall be afforded with a view to maintaining, restoring or improving the health of the person protected and his ability to work and to attend to his personal needs.

Article 19(2) of Law No. 40 stipulates that the health insurance programme shall be administered to guarantee that the participants obtain the benefits of healthcare and protection in fulfilling basic health needs. According to article 22(1) medical care benefits encompass promotional, preventive, curative and rehabilitative care, including pharmaceuticals and medical consumables.

The national legislation complies with the requirements of the Convention No. 102 concerning the provision of medical care aimed at maintaining, restoring and improving the health of protected persons.

Promotion of available services

Article 10(4) further requires that the institutions or government departments administering the benefit shall, by such means as may be deemed appropriate, encourage the persons protected to avail themselves of the general health services placed at their disposal by the public authorities or by other bodies recognized by the public authorities. Article 15(2) of Law No. 40 placed a duty on the institutions administering social security benefits in ensuring the right of participants to be informed of their rights and obligations so that they can follow the relevant provisions.

It can be noted that since 2017, BPJS Health has rolled out the “Kader JKN Programme”, which recruits community agents to bring some of these institutions' functions closer to protected persons, especially to those living in remote areas. Although the programme was introduced as a strategy to improve contribution collection from non-salaried workers and protected persons working in the informal sector, currently, Kader agents play an important role in information dissemination and awareness-raising with a view to supporting JKN's members to understand the regulations, the advantages of the programme and the relevant procedures to access benefits (ISSA, 2018).

The national legislation and practice appear to comply with the requirements of Article 10(4) of Convention No. 102, since there are mechanisms to inform and encourage protected persons to avail themselves of the general health services placed at their disposal.

Qualifying period (Article 11)

Article 11 of Convention No. 102 specifies that the benefit shall, in a contingency covered, be secured at least to a person protected who has completed, or whose breadwinner has completed, such qualifying period as may be considered necessary to preclude abuse.

The national legislation examined does not specify a minimum qualifying period for entitlement to the benefit package covered by the NHIS. However, the information published by BPJS Health suggests that, in practice, there is no qualifying period required by law for entitlement to medical care benefits in Indonesia.

Indonesia is in compliance with Article 11 of Convention No. 102, as the national legislation does not provide for a qualifying period for accessing medical care benefits, including in case of pregnancy, confinement and their consequences.

Duration of benefits (Article 12)

Article 12 of Convention No. 102 stipulates that the medical care benefit shall be granted throughout the contingency covered, except that, in case of a morbid condition, its duration may be limited to 26 weeks in each case, but benefit shall not be suspended while a sickness benefit continues to be paid, and provision shall be made to enable the limit to be extended for prescribed diseases recognized as entailing prolonged care.

The national legislation examined does not seem to establish a limit on the duration of medical care provided under the subsidized component (PBI members) nor the social insurance component (non-PBI). As such, it appears that medical care benefits are provided throughout the contingency, both in the event of a morbid condition and in the event of maternity, childbirth and its consequences.

Law No. 40 of 2004 does not appear to provide limitations to the duration of medical care, including in the case of pregnancy, childbirth and their consequences, for which we understand that medical care, and maternity medical care, is provided throughout the contingency in line with Convention No. 102, subject to confirmation by the Government. It is noted, however, that Law No. 40 of 2004 (article 21(1)) establishes a limitation as regards members whose employment is terminated, in which case the Health Insurance Scheme (JKN) provides medical care benefits for up to a maximum of six months.

B. Unemployment benefit (Part IV)

Contingency (Article 20)

Article 20 of Convention No. 102 provides that the contingency covered shall include suspension of earnings due to inability to obtain suitable employment in the case of a protected person who is capable of, and available for, work.

Under Government Regulation No. 37 of 2021, an unemployment benefit is payable to an employee whose employment is terminated (article 1(1)). Article 1(5) of this regulation defines termination as the termination of an employment relationship due to certain matters resulting in the termination of rights and obligations between workers and their employers. According to articles 19(1) and 20(2) of Government Regulation No. 37 of 2021, as amended by article 3 of Government Regulation No. 6 of 2025, JKP benefits are provided in case of termination of a without-limitation contract or the ending of a fixed-term contract before the expiration of the contractual period by the employer.

Article 20(1) of Government Regulation No. 37 of 2021, as amended by article 4 of Government Regulation No. 6 of 2025, specifies that the unemployment benefit is not provided in cases where the employment relationship ends due to the insured's resignation, permanent total disability, retirement or death.

It can be noted that article 19(2) of Government Regulation No. 37 of 2021, as amended by article 3 of Government Regulation No. 6 of 2025, further stipulates that, in addition to meeting the prescribed conditions, eligibility for benefits is contingent upon the protected person being willing for re-employment. However, the existing legal framework does not provide further information in this regard.[38] Therefore, from the current provisions is unclear whether "willingness for re-employment" refers to beneficiaries' readiness to take up any job or whether the "suitability" of employment is taken into account, as required by international standards.

Given the centrality of the concept of "suitable employment" in determining protected persons' entitlement to unemployment benefits, it is recommended that the JKP's implementing regulations be revised to include a definition of suitable employment, which should consider the guidance provided by international standards.

Based on the above, Indonesia's JKP scheme covers the contingency of unemployment due to the termination of a without-limitation contract or the ending of the employment relationship by the employer before the expiration of a fixed-term contract. **It is worth noting that the contingency covered by Article 20 of Convention No. 102 is a suspension of earnings, as defined by national laws, due to an inability to obtain suitable employment in the case of a person protected who is capable of, and available for, work. Therefore, this could encompass cases such as the expiration of a fixed-term contract. Accordingly, in the context of the examination of the application of the Convention by other countries, the ILO's Committee of Experts on the Application of Conventions and Recommendations (CEACR) has underlined that the notion of involuntary unemployment includes persons whose fixed-term contract has expired and those dismissed for economic reasons.[1] Therefore, to secure full compliance with the Convention, a parametric change should be considered to include the suspension of earnings resulting from the expiration of a fixed-term contract as a valid reason for entitlement to unemployment benefits.**

It can be further noted that unemployment benefits can be suspended when a person has left employment "voluntarily without just cause" (Article 69 of the Convention). In the comparative practice, however, voluntary resignation is covered if it is related to harassment or forced relocation. As such, the Government may wish to provide further information on the specific cases in which resignation results in the refusal of or suspension of unemployment benefits.

[1] CEACR, Direct Request – Social Security Minimum Standards Convention, 1953 (No. 104), and Employment Injury Benefits Convention 1964 [Schedule I amended in 1980] (No. 121) – Bosnia and Herzegovina, adopted 2019.

[38] The national legislation does not specify measures to assess protected persons' willingness to work. However, according to information published by BPJS Employment, when submitting a JKP benefit claim, JKP beneficiaries need to fill in a Job Search Activity Commitment for six months, report their job search activities, and participation in online and face-to-face training (BPJS Employment, n.d.).

Coverage (Article 21)

Article 21 of Convention No. 102, requires that the persons protected under the unemployment insurance scheme should comprise:

a) prescribed classes of employees, constituting not less than 50 per cent of all employees; or

b) all residents whose means during the contingency do not exceed limits prescribed in such a manner as to comply with the requirements of Article 67; or

c) where a declaration made in virtue of Article 3 is in force, prescribed classes of employees, constituting not less than 50 per cent. of all employees in industrial workplaces employing 20 persons or more.

Legal coverage

The scope of application of the unemployment insurance scheme (JKP) is defined under several provisions of Government Regulation No. 37 of 2021 and Government Regulation No. 6 of 2025.

Under article 4(1) of Government Regulation No. 37 of 2021, as amended by Government Regulation No. 6 of 2025, the following persons are mandatorily covered by the JKP scheme:

- workers/labourers who have been enrolled by their employers in the social security programmes; and
- workers/labourers who are newly registered by their employers in the social security programmes.

According to article 1(2) of this regulation, a worker shall be any person who receives wages or any other form of remuneration in return for work completed. Per the same regulation, the definition of employer includes:

a. an individual, association, or legal entity operating their own company

b. an individual, association, or legal entity that are independently operating a company that does not belong to them.

c. an individual, association, or legal entity located in Indonesia that represents a company as referred to in letters (a) and (b) which is domiciled outside the territory of Indonesia.[39]

Article 4(2) of Government Regulation No. 37 of 2021, as amended by Government Regulation No. 6 of 2025, includes additional requirements for registration within the JKP scheme. These are:

- being an Indonesian citizen;
- being younger than 54 years old at the time of registration; and
- having an employment relationship with an employer.

It is worth noting that article 4(3–4) of Government Regulation No. 37 of 2021, as amended by Government Regulation No. 6 of 2025, further stipulates that JKP members shall be registered with the existing social security schemes, as follows:

a. Workers/Labourers who work for large and medium enterprises shall be enrolled in the following schemes: JKN [national health insurance, as contributing wage earners], JKK [employment injury benefits], JHT [Old-age provident fund], JP [pension insurance], and JKM [death insurance]; and

b. Workers/labourers who work for small and micro enterprises shall be enrolled at least in the JKN [as contributing wage earners], JKK, JHT, and JKM programmes.

According to article 5(1) of Government Regulation No. 37 of 2021, workers who, at the time of promulgation of the regulation – 2 February 2021 – were enrolled in the existing social security programmes referred to in article 4 of that regulation shall be automatically enrolled with the JKP scheme.

It is also worth noting that workers in the construction sector, including daily workers, temporary contractual workers, and casual and part-time workers in this economic sector, are only covered by the employment injury insurance (JKK) and the death insurance scheme (JKm) (Presidential Regulation No. 109 of 2013, article 6(4)).

[39] Government Regulation No. 37 of 2021, article 1(2).

Article 37(2) of Government Regulation No. 37 of 2021 specifies that micro enterprises are exempted from the obligation to register their employees with the JKP scheme. Therefore, the scheme mandatorily covers employees (wage earners) in large-, medium- and small-sized enterprises.

In summary, as per the current rules, the JKP scheme covers employees (wage earners with an employment relationship with an employer) who are Indonesian citizens, are younger than age 54 at the time of registration and are registered with the relevant social security schemes, with enrolment obligations depending on the employer's business scale.[40] Given that public sector workers and civil servants have limited coverage under the social security schemes listed under article 4(3) of Government Regulation No. 37 of 2021, as amended in 2025, the JKP scheme is de facto limited to private sector workers employed in large-, medium- and small-sized enterprises, provided that they fulfil the requirements mentioned above.

Given that Indonesia's unemployment benefits focus on wage earners with an employment relationship, to determine if the scheme reaches the level of coverage required by the Convention, recourse will be had to Article 21(a) of Convention No. 102, which prescribes that coverage of the unemployment benefits should comprise "prescribed classes of employees, constituting not less than 50 per cent of all employees".

Effective coverage

Based on the available statistical information, the effective coverage of unemployment benefits in Indonesia, determined based on the number of employees contributing to the JKP scheme in 2024, is estimated at 26.46 per cent of all employees, as shown in table 4.

▶ **Table 4. Calculation of coverage of Indonesia's unemployment benefits (JKP scheme) (2024)**

A. Number of employees protected[1]	14 440 828
B. Total number of employees[2]	54 585 692
C. Number of employees protected (A) as percentage of total number of employees (B)	26.46%

[1] Number of employees contributing to the JKP scheme as of 31 December 2024. Source: Indonesia, BPJS Employment 2025.
[2] Total number of employees (wage earners) in Indonesia, average from Labour Force Surveys in February and August 2024.

It is worth noting that Convention No. 102 includes flexibility clauses that allow countries whose economy and medical facilities are insufficiently developed to avail themselves, by a declaration appended to its ratification, of the temporary exceptions found under specific Articles of the Convention relating, for example, to the proportion of people covered.[41] In the case of unemployment benefits, Article 21(c) of the Convention permits limiting the coverage of unemployment benefits, for so long as the competent authority considers it necessary, to prescribed classes of employees constituting not less than 50 per cent of all employees in industrial workplaces employing 20 persons or more. Should the Government of Indonesia wish to determine if the coverage of the JKP scheme attains the minimum requirement prescribed by Article 21(c) of the Convention, it would be necessary to provide data regarding: (a) the number of workers in industrial workplaces employing 20 persons or more who are registered with the scheme; and (b) the total number of workers in industrial workplaces employing 20 persons or more.

[40] Presidential Regulation No. 109 of 2013 provides for a phased-in registration to the pension scheme (Jaminan Pensiun, or "JP"), which seeks to cover all employed persons in the formal sector. The initial phase started in July 2015 and comprised the enrolment of private sector employees working for large- and medium-sized enterprises (Presidential Regulation No. 109 of 2013, article 6(1) and (3)). However, the timeframes for the second phase, concerning the participation of employees working for small- and micro-sized enterprises in this scheme, have not been established. For further information regarding the definition of large-, medium-, small- and micro-sized enterprises, see article 1 of Presidential Regulation No. 109 of 2013.

[41] Recognizing that some national economies and medical facilities are still developing, Convention No. 102 contains flexibility clauses that allow countries to demonstrate compliance with lower benchmarks for so long as the competent authority considers this necessary. Ratifying States that wish to avail themselves of any of the temporary exceptions provided for in Articles 9(d), 12(2), 15(d), 18(2), 21(c), 27(d), 33(b), 34(3), 41(d), 48(c), 55(d), and 61(d) of Convention No. 102 shall specify the relevant temporary exceptions in a declaration appended to its ratification. For further information, consult Convention No. 102, Article 3.

Based on the above, Indonesia's unemployment insurance scheme (JKP) mandatorily covers private sector employees who are Indonesian citizens younger than age 54 and who work in small-, medium- and large-sized enterprises.

Convention No. 102 permits the scope of application of contributory schemes to be limited to prescribed classes of employees insofar as, at a minimum, the effective coverage attains 50 per cent of all employees (Article 21(a)). Based on the available data, in 2024, there were 14,440,828 active contributors in the JKP, representing approximately 26.46 per cent of all wage earners in Indonesia. As such, the effective coverage of the scheme falls below what is required by the Convention (that is, at least 50 per cent of all employees).

International standards aim to achieve universal coverage and, therefore, are based on the principle of compulsory affiliation of the persons protected, which has been a constant feature of international social security standards, as it allows pooling the risks throughout the largest possible number of affiliates (ILO 2011). Therefore, the Government may wish to consider the possibility of extending the scope of application of the JKP scheme to all persons in an employment relationship, regardless of their nationality, age and the size of the employer's business scale.

Concerning the age requirements, per the current rules, private sector employees can only be registered if they are younger than age 54, which is five years earlier than the current retirement age under the Jaminan Pensiun scheme (gradually increasing to 65 by 2043). The Government is invited to clarify the discrepancy between these provisions, and in particular, the reasons why wage earners who remain in gainful employment between the ages of 54 and the normal retirement age are excluded from participating in the JKP scheme.

In the interim, the Government could also choose to demonstrate compliance with the requirements of Article 21(c), which allows countries that make a declaration under Article 3 to temporarily limit the scope of application to 50 per cent of all employees in industrial workplaces employing 20 persons or more. Should the Government consider using this temporary exception, it would be required to furnish the statistical information in the form set out in Title V under Article 76 of the report form for this Convention as part of Indonesia’s first report on the application of the Convention.

Level of benefits (Article 22)

Article 22 of Convention No. 102 states that the amount of the unemployment benefit must be calculated in conformity with the rules established in Article 65, 66 or 67 of the Convention and should be a periodical payment attaining, for a standard beneficiary indicated in the Schedule appended to Part XI, at least 45 per cent of the reference wage determined in accordance with these provisions.

Additionally, for social security systems providing benefits representing a portion of previous earnings, Article 65 of the Convention allows for the establishment of an upper limit on the amount of wages or earnings which may be considered when calculating the benefit. However, this ceiling should be set in such a way that a skilled manual male employee determined in accordance with the provisions of the Convention would still receive a benefit equal to at least 45 per cent of previous earnings.

For earnings-related benefits, the Convention offers Member States the flexibility of choosing a standard beneficiary (that is, a skilled manual male employee) according to four different methods laid down in Article 65(6). This reference skilled manual male employee can be identified either by determining the earnings of:

a) a fitter or turner in the manufacture of machinery other than electrical machinery;

b) a person deemed typical of skilled labour selected in accordance with the provisions of the following paragraph;

c) a person whose earnings are such as to be equal to or greater than the earnings of 75 per cent. of all the persons protected, such earnings to be determined on the basis of annual or shorter periods as may be prescribed; or

d) a person whose earnings are equal to 125 per cent. of the average earnings of all the persons protected.

For the purposes of this analysis, and based on the available information, in this report recourse will be had to Article 66(6)(d) to determine the wage of a skilled manual employee, which establishes that a skilled manual male employee shall be "a person whose earnings are equal to 125 per cent of the average earnings of all the persons protected”. Based on

the information available to the ILO, in 2024, the average monthly uncapped earnings of insured persons covered by the JKP scheme were 5.54 million rupiah. Accordingly, the monthly earnings of a standard beneficiary under Article 65(6)(d) would amount to 6,925,000 rupiah (5,540,000 x 125 per cent).

As per the current rules, unemployment benefits corresponding to 60 per cent of the insured's reference wage shall be paid monthly for up to six months.[42] The reference wage is the last wage reported to the social security administrative body, that is, BPJS Employment, up to the "maximum wage" or ceiling applicable to contributions under the JKP scheme, set at 5 million rupiah per month.[43]

Since the national legislation establishes a ceiling for the monthly earnings considered for contribution purposes, which in turn affects the calculation of benefits, it is necessary to assess if the current ceiling aligns with the requirements of the Convention, which permits the establishment of an upper limit on the amount of wages that may be considered when calculating the benefit insofar as a skilled manual male employee determined in accordance with the provisions of the Convention would still receive a benefit equal to at least 45 per cent of previous earnings. As calculated above, the monthly wage of the skilled manual male employee identified according to Article 65(6)(d) corresponds to 6,925,000 rupiah. Therefore, the ceiling on insurable earnings (5 million rupiah per month) is below the earnings of a standard beneficiary as calculated according to the provisions of the Convention.

Applying the 60 per cent replacement rate to the maximum insurable monthly earnings under the JKP scheme (5 million rupiah) results in a maximum benefit of 3 million rupiah per month. When compared to the average earnings of a skilled worker determined by Article 65(6)(d), this corresponds to an effective replacement rate of approximately 43 per cent (that is, 3,000,000/6,925,000), which falls below the minimum replacement rate required by the Convention, namely a periodical benefit amounting to at least 45 per cent of previous earnings.

However, if the standard beneficiary is identified according to Article 65(6)(c), which is based on the 75th percentile of the monthly earnings of all the persons protected by the JKP scheme, the reference wage would be approximately 5.20 million rupiah (Landry, Brimblecombe and Tsuruga 2026). In this configuration, the actual replacement rate of unemployment benefits in Indonesia would amount to 57.7 per cent of former earnings (that is, (60% x 5,000,000) / 5,200,000), which is above the minimum requirements of the Convention.

While the Government has the option to choose among the four options provided by Article 65(6) of Convention No. 102 to demonstrate compliance, the fact that the current ceiling on earnings under the JKP scheme (that is, 5 million rupiah) is below both reference earnings identified above, illustrates the importance of revising the ceiling.

In this regard, it is worth noting that the maximum insurable earnings ceiling of 5 million rupiah has been applied since the introduction of the JKP scheme in 2021. As noted by the ILO report (Landry, Brimblecombe and Tsuruga 2026), the ceiling has remained unchanged while the average monthly earnings have continued to increase – from 4.98 million rupiah in 2021 to 5.54 million rupiah in 2024. As a result, the share of contributors earning above the ceiling increased from 21.7 per cent in 2021 to 33.2 per cent in 2024. In the absence of regular and appropriate adjustments to the maximum insurable earnings, the calculation of contributions and benefits would become increasingly disconnected from actual earnings, and will not allow for guaranteeing that the unemployment benefit attains, at a minimum, the replacement rate required by the Convention (that is, 45 per cent of former earnings).

It can be further noted that while Government Regulation No. 37 of 2021 allows the Government to reassess and adjust the ceiling every two years, based on economic conditions and actuarial considerations (articles 12 and 22), the current provisions do not specify the criteria for such adjustments, creating uncertainty and contributing to the situation observed in recent years, where the ceiling has failed to keep pace with wage growth and now covers a progressively smaller share of total earnings (Landry, Brimblecombe and Tsuruga 2026).

[42] Article 21 of Government Regulation No. 37 of 2021, as amended by article 5 of Government Regulation No. 6 of 2025.

[43] Articles 11(7) and 21(3) of Government Regulation No. 37 of 2021, as amended by Government Regulation No. 6 of 2025.

The national legislation provides unemployment benefits equal to 60 per cent of the insurable wage, which, in principle, is more favourable than the minimum requirement set by Convention No. 102 (that is, at least 45 per cent of former earnings).

Concerning the maximum ceiling on earnings for contribution and benefit calculation purposes prescribed in the national legislation for the JKP scheme (5 million rupiah a month), its adequacy depends on the reference wage used to identify the earnings of the skilled worker. If such earnings are determined in accordance with Article 65(6)(d) of the Convention, the monthly earnings of the standard beneficiary in 2024 would amount to approximately 6.93 million rupiah (that is, 125 per cent of the average earnings of protected persons). If option 65(6)(c) is used, the corresponding amount would be approximately 5.20 million rupiah (that is, the 75th percentile of average earnings of protected persons).

Since the current ceiling (5 million rupiah) falls below both of these reference wages, the effective replacement rate for the standard beneficiary drops below the 45 per cent minimum when applying the 125 per cent method and would require regular revalorization of the ceiling to ensure continued compliance when using the 75th percentile benchmark.

Therefore, it is recommended that the maximum ceiling on earnings set for the JKP scheme be revised so it is above the wage of a skilled manual labourer, as required by the Convention. In addition, to ensure that protected persons will receive an unemployment benefit that is meaningful, it is recommended that the upper limit on earnings be revised periodically so that the unemployment benefit of a beneficiary with earnings less than or equal to those of a skilled manual employee – as defined in Convention No. 102 and determined accordingly – will not correspond to less than 45 per cent of his previous earnings.

It is worth noting that the national legislation establishes a different ceiling on the insurable earnings subject to contributions under the pension insurance scheme (JP) – 10,547,400 rupiah as of March 2025. Given that international standards seek to ensure that contributions are set at a sufficiently high level to guarantee the minimum level of benefit for protected persons whose earnings do not exceed the ceiling, the Government should consider the possibility of raising and harmonizing the existing ceilings on monthly earnings considered for paying contributions under the different social security schemes administered by BPJS Employment.

Qualifying period (Article 23)

Convention No. 102 allows for a qualifying period only insofar as it is necessary to preclude abuse. In this respect, the ILO supervisory bodies have indicated that a qualifying period that does not exceed one year of employment for entitlement to the minimum 13-week benefit guaranteed by the Convention is usually considered sufficient to meet that objective.

As per the current rules, entitlement to unemployment benefits under the JKP scheme is contingent upon meeting a minimum qualifying period of 12 months in the 24 months before employment termination.[44] According to comparative practice, a qualifying period of 12 months is typical for entitlement to unemployment benefits and has not been considered abusive by the CEACR. Thus, the qualifying period for first-time entitlement to benefits under the JKP scheme (that is, 12 months of contributions in the last 24 months) would be in conformity with the Convention.

It is worth noting that article 35 of Government Regulation No. 37 of 2021 specifies that the unemployment benefits shall be claimed for a maximum of three times during the insured's career, as per the following conditions:

a. the first JKP benefit shall be claimed by the participants no earlier than the completion of the contribution and participation period as referred to in Article 19 paragraph (3);

b. the second JKP benefit shall be claimed by the participants no earlier than the completion of contribution period of five years after the receipt of the first JKP benefit; and

c. the third JKP benefit shall be claimed by the participants no earlier than the completion of the contribution period of five years after receiving the second JKP benefit.

[44] Article 46D(3) of Law No. 40 of 2004, as amended by article 82 of Law No. 06 of 2023; article 19(3) of Government Regulation No. 37 of 2021, as amended by article 3 of Government Regulation No. 6 of 2025.

The required contribution periods to requalify for unemployment benefits – five years for the second and third claims – are atypical compared to what is observed in the comparative practice for this contingency and can be considered excessively long vis-à-vis what is permitted by the Convention.

The length of the qualifying period for entitlement to benefits under Indonesia's JKP scheme – that is, 12 months of contributions in the last 24 months – can be considered as a reasonable period for entitlement to unemployment benefits. It is worth noting that in its examination of the application of the Convention by other countries, the CEACR has considered that a qualifying period of one year is sufficient to preclude abuse.[1]

However, the national legislation provides for additional requirements to requalify for unemployment benefits, notably, a contribution period of five years after having received the benefit for the first and second time, which are not in line with the Convention and seem excessive in light of comparative practice for this contingency.

Furthermore, the fact that unemployed workers can only requalify for unemployment benefits three times during their entire careers results in the imposition of an additional qualifying condition that goes beyond what is deemed necessary to avoid abuses, as required by the Convention. In this regard, it is worth noting that in the examination of the application of Part IV of the Convention by ratifying States, the CEACR has considered that a qualifying period which does not exceed one year of employment or residence for entitlement to the minimum 13-week benefit guaranteed by the Convention is usually regarded as sufficient to meet that objective. The Committee has further asserted that a qualifying period of two to five years is too long, as it limits access to the minimum benefit that must be provided to protected persons in the application of Article 24(1)(a) of the Convention.[1]

In this light, the Government may wish to consider modifying the length of the qualifying period prescribed to reclassify for unemployment benefits so that it would be long enough to preclude abuse while remaining sufficiently short enough to not impede access to the minimum benefits guaranteed by the Convention (that is, at least 13 weeks of benefits within a period of 12 months).

[1] CEACR, Direct Request – Social Security Minimum Standards Convention, 1953 (No. 104), and Employment Injury Benefits Convention 1964 [Schedule I amended in 1980] (No. 121) – Bosnia and Herzegovina, adopted 2019.

Duration of benefits (Article 24)

Article 24 of Convention No. 102 provides that the duration of the benefit may be limited to 13 weeks within a period of 12 months in cases where classes of employees (rather than all residents) are protected, such as in Indonesia. In addition, Article 24(2) stipulates that in cases where the duration of the benefit varies with the length of the contribution period and/or the benefit previously received within a prescribed period, the average duration of benefits must be at least 13 weeks within a period of 12 months.

As per the current rules,[45] the JKP scheme provides monthly benefits for up to six months, which corresponds to approximately 24 weeks.

As noted above, article 35 of Government Regulation No. 37 of 2021 further stipulates that unemployment benefits can be paid for up to three unemployment periods during an insured person's career. Furthermore, per this provision, to requalify for benefits, insured persons must complete a qualifying period of five years of contributions after receiving unemployment benefits from the JKP scheme for the first and second time. In contrast, the relevant provisions of Convention No. 102 require that unemployment benefits be provided for a minimum of 13 weeks within any 12-month period. This implies that, over a four-year period, for example, a person should be entitled to receive an unemployment benefit for up to 52 weeks (equivalent to 364 days). However, given the current rules for benefit requalification, this minimum duration cannot be guaranteed under Indonesia's JKP scheme. Consequently, the benefit duration is not in conformity with Convention No. 102, since protected persons would need to contribute for five years to requalify for a maximum of six months of benefits for both the second and third claims.

[45] Article 46D(2) of Law No. 40 of 2004, as amended by article 83 of Law No. 06 of 2023; article 21 of Government Regulation No. 37 of 2021, as amended by article 5 of Government Regulation No. 6 of 2025.

In addition, limiting benefit entitlement to a maximum of three unemployment periods is not in line with international standards, which aim to ensure that protected persons receive income replacement benefits when the covered contingency materializes – that is, when there is suspension of earnings due to inability to obtain suitable employment in the case of a protected person who is capable of, and available for, work.

Under the current rules, the unemployment benefit is paid for up to six months, which is, in principle, in conformity with the Convention. **However, the national legislation imposes a qualifying period for the requalification of benefits (that is, five years after receiving benefits from the JKP scheme) that does not allow for attaining the minimum requirements of the Convention, in that it is not possible to guarantee that the average duration of benefits is at least 13 weeks within a period of 12 months, as required by Article 24(2) of Convention No. 102. In addition, limiting unemployment benefits to a certain number of instances is not in line with international standards.**

Compliance with the Convention would require that the relevant provisions be revised to ensure that the average duration of unemployment benefits is at least 13 weeks within a period of 12 months. This would imply reducing the length of the qualifying period prescribed for the requalification of benefits and removing the limitation of entitlement to three times during the insured person's career. In this regard, the Government may wish to consider that international standards permit establishing a qualifying period insofar as it is considered necessary to preclude abuse.

In this regard, it should be recalled that the ILO has previously recommended that the Government consider relaxing the qualifying conditions by requiring 12 months of contributions within the 24-month period preceding termination of employment, both for the initial claim and for subsequent claims. The ILO has also recommended removing the limit of three claims over a worker's career, the five-year waiting period for subsequent claims and the requirement related to consecutive months of employment. Under the proposed reform, insured workers should be able to submit subsequent claims once they have accumulated 12 months of contributions within the 24 months preceding termination (Tsuruga, Brimblecombe and Landry 2023). The ILO stands ready to provide the necessary technical assistance to the Government in assessing the impact of these parametric adjustments.

Waiting period (Article 24(3))

Article 24(3) of Convention No. 102 allows for a maximum waiting period of seven days before benefits are payable.

Regarding the possibility of establishing a waiting period before benefits become payable, the national legislation applicable to the JKP scheme does not include a waiting period. As such, it is understood that unemployment benefits are due from the first day of the contingency, that is, the day on which the employment relationship ceases.

The unemployment benefit provided under the JKP scheme is not subject to a waiting period; therefore, the national legislation complies with Article 24(3) of the Convention, which allows for a maximum waiting period of seven days before benefits are payable.

C. Old-age benefit (Part V)

Law No. 40 on the National Social Security System makes provision for a pension security scheme built on either the social insurance or compulsory savings model. Since this is a framework law, the retirement age, contribution rates and other scheme parameters are not stipulated therein. Government Regulation No. 45 of 2015 concerning the implementation of the Pension Security Programme establishes the relevant parameters for implementing the Jaminan Pensiun (JP) scheme.

Law No. 24 on Social Security Providers, as amended by Law No. 11 of 2020, introduces two social security institutions, and specifies that BPJS Employment is responsible for administering the employment injury scheme, old-age savings (lump-sum benefits), pension insurance, death insurance and unemployment insurance.

Contingency (Article 26)

Article 26 of Convention No. 102 provides that:

1. The contingency covered shall be survival beyond a prescribed age.
2. The prescribed age shall be not more than 65 years or such higher age as may be fixed by the competent authority with due regard to the working ability of elderly persons in the country concerned.
3. National laws or Regulations may provide that the benefit of a person otherwise entitled to it may be suspended if such person is engaged in any prescribed gainful activity or that the benefit, if contributory, may be reduced where the earnings of the beneficiary exceed a prescribed amount and, if non-contributory, may be reduced where the earnings of the beneficiary or his other means or the two taken together exceed a prescribed amount.

In accordance with article 15 of Government Regulation No. 45 of 2015, entitlement to the old-age pension began at age 56, with this being increased to age 57 as of 1 January 2019. The regulation also provides for a gradual increase of the retirement age by one year every three years until it reaches a maximum of 65 years (article 15(3)). Consequently, the retirement age under the Jaminan Pensiun scheme administered by BPJS Employment increased to age 59 in January 2025.

It is worth noting that article 15(4) of Government Regulation No. 45 of 2015 specifies that participants who reach the retirement age but remain employed may choose to receive pension benefits when they reach the retirement age or upon ceasing employment, provided that this occurs no more than three years after reaching the retirement age. Since the Jaminan Pensiun scheme was implemented in 2015, the first old-age pensions will begin to be paid in 2030. Therefore, further clarification is needed concerning the application of this provision, specifically whether the old-age pension is suspended in case a person entitled to the old-age pension reaches the retirement age but chooses to remain in gainful activity.

The provisions regarding the contingency covered by the Jaminan Pensiun scheme – which provides entitlement to an old-age pension as of age 59 (gradually increasing to 65 by 2043) – are in compliance with the requirements of Article 26 of Convention No. 102, which states that the prescribed age shall be not more than 65 years.

Coverage (Article 27)

Article 27 of Convention No. 102 provides:

The persons protected shall comprise—

a. prescribed classes of employees, constituting not less than 50 per cent. of all employees; or
b. prescribed classes of the economically active population, constituting not less than 20 percent. of all residents; or
c. all residents whose means during the contingency do not exceed limits prescribed in such a manner as to comply with the requirements of Article 67; or
d. where a declaration made in virtue of Article 3 is in force, prescribed classes of employees, constituting not less than 50 per cent. of all employees in industrial workplaces employing 20 persons or more.

Legal coverage

Since the Jaminan Pensiun scheme (hereinafter referred to as JP scheme) seeks to cover wage workers (PPU), in this report, regard will be had to Article 27(a), which requires that at least 50 per cent of all employees be covered.

The scope of application of the JP scheme is workers who work for employers in state agencies and non-state agencies; however, Presidential Regulation No. 109 of 2013 provides for a phased-in registration, taking into account the economic capacity of the population. The initial phase, which started in July 2015 as stipulated in the regulation, comprised the enrolment of employees working for large and medium-sized private and state-owned enterprises.[46]

It is worth noting that the timeframes for the second phase, concerning the participation of employees working for small- and micro-sized enterprises in the JP scheme are not specified in the implementing regulations examined. As such, at the time of writing this report, only employees of large and medium-sized enterprises were subject to compulsory registration within the JP scheme. In practice, small- and micro-sized enterprises were allowed to register employees on a voluntary basis, according to BPJS Employment.

Concerning the definition of large, medium, small and micro enterprises, article 1 of Presidential Regulation No. 109 of 2013 provides:

- Large enterprise is a productive undertaking operated by a legal entity in which the total net asset or annual sales value exceeds the medium enterprise. It includes state-owned or privately owned, joint venture, and foreign enterprises operating in Indonesia, as stipulated in the prevailing legislation.
- Medium enterprise is a productive undertaking owned privately by the individual, operated by individual or business entity that is not a subsidiary or branch of small or large enterprises with the total amount of net asset or annual sales value as stipulated in the prevailing legislation.
- Small enterprise is a productive undertaking owned privately by the individual, operated by individual or business entity that is not a subsidiary or branch of medium or large enterprises that is directly owned, under management, or directly or indirectly part of as stipulated in the prevailing legislation.
- Micro enterprise is a productive undertaking owned by individual and/or business entity meeting micro enterprise criteria as stipulated in the Law on Micro, Small and Medium Enterprises.

Government Regulation No. 7 of 2021 concerning the Facilitation, Protection and Empowerment of Cooperatives and Micro, Small, and Medium Enterprises specifies the quantitative parameters regarding capital and annual assets for each of the above-mentioned business scale categories, as summarized in table 5.

▶ **Table 5. Definitions of enterprise size**

Category	Parameter	Government Regulation No. 7 of 2021
Micro	a. Capital	Less than 1 billion rupiah (article 35(3)(a))
Small		At least 1 billion rupiah, but less than 5 billion rupiah (article 35(3)(b))
Medium		At least 5 billion rupiah, but less than 10 billion rupiah (article 35(3)(c))
Large		10 billion rupiah or more
Micro	b. Annual sales	Less than 2 billion rupiah (article 35(5)(a))
Small		At least 2 billion rupiah, but less than 15 billion rupiah (article 35(5)(b))
Medium		At least 15 billion, but less than 50 billion rupiah (article 35(5)(c))
Large		50 billion rupiah or more

Note: Net assets do not include land and buildings for business premises. Depending on the purpose, different criteria are used to determine categories of enterprises: (1) for the establishment or registration of business activities, enterprises must meet the capital criteria (article 35(2)); and (2) for the provision of facilities, protection and empowerment of enterprises, enterprises must meet both the capital and annual sales criteria (article 35(4)),

It is important to note that currently, there are two separate social security schemes for civil servants and members of the police and armed forces managed by PT Taspen and Asabri, respectively, which, according to article 65(1–2) of Law No. 24, shall be transferred to BPJS Employment by 2029. Presidential Regulation No. 109 of 2013 stipulates the initial stage

[46] Article 6(1) and (3), Presidential Regulation No. 109 of 2013.

for the inclusion of state agencies' workers in the employment injury (JKK) and death insurance (JKm) schemes by 1 July 2015; however, there is not a specific timeline for the incorporation of all government employees into the JP scheme and the provident fund (JHT scheme) administered by BPJS Employment. According to article 5(1) of Presidential Regulation No. 109 of 2013, workers who work for state agencies include:

a. Candidates of civil servants (Calon Pegawai Negeri Sipil: CPNS);
b. Civil servants (Pegawai Negeri Sipil: PNS);
c. Military personnel (Anggota TNI);
d. Police officers (Anggota POLRI);
e. State officials (Pejabat Negara);
f. non-civil servants' government employees (Pegawai Pemerintah Non Pegawai Negeri: PPNPN);
g. Military cadets (Prajurit Siswa TNI); and
h. Police cadets (Peserta Didik POLRI).

Article 5(4) of Presidential Regulation No. 109 of 2013 establishes that the commencement of registration for workers working for state agencies as referred to in subsection (1) points (a) and (f), should start at the latest in 2029; however, this article does not specify to which scheme(s) it is refereeing to. **Furthermore, clarification should be sought concerning the schedule for the inclusion of the remaining six categories of state agencies' workers listed under article 5(1) into the pension scheme managed by BPJS Employment.** It is worth noting that, until the relevant provisions are implemented state agencies' workers will continue to be covered by separate pension and old-age savings (provident fund) programmes administered by PT Taspen and PT Asabri.

It can be further noted that article 8(1–2), in conjunction with article 7, of Presidential Regulation No. 109 suggest that voluntary membership within the pension insurance scheme will be available for certain non-wage earners, including employers, self-employed persons and workers who are not self-employed and do not receive wages. However, at the time this analysis was carried out, implementing regulations on the matter had not been promulgated.

Effective coverage

Based on the available statistical information, the effective coverage of old-age benefits in Indonesia, determined based on the number of employees contributing to the JP scheme in 2024, is estimated at 24.16 per cent of all employees, as shown in table 6.

▶ **Table 6. Calculation of the coverage of Indonesia's old-age pension (JP scheme) (2024)**

A. Number of employees protected[1]	14 959 033
B. Total number of employees[2]	61 915 923
C. Number of employees protected (A) as percentage of total number of employees (B)	24.16%

[1] Active contributors to the JP scheme in 2024. Retrieved from Indonesia, BPJS Employment 2025.
[2] This number is composed of the total number of employees in February and August 2024 (average of data from two Labour Force Surveys) plus the total number of unemployed persons in the same period.

It is worth noting that Article 3 of Convention No. 102 permits Member States whose economy and medical facilities are still developing to make use of temporary exceptions contained in the Convention, including, for example, to the personal scope of coverage, for so long as the competent authority considers necessary. In particular, article 27(d) allows countries that avail themselves of the temporary exception under Article 3 of the Convention to demonstrate compliance with the coverage requirements by ensuring that prescribed classes of employees, constituting not less than 50 per cent of all employees in industrial workplaces employing 20 persons or more are covered. Should the Government consider using this temporary exception, it would be required to furnish the statistical information in the form set out in Title V under Article 76 of the report form for this Convention as part of Indonesia’s first report on the application of the Convention.

The data publicly available at the time of writing this report is not sufficiently disaggregated and, therefore, does not allow for estimating the effective coverage of the JP scheme according to the guidance provided by Article 27(d) of the Convention and the report Form. However, it can be noted that in 2020 there were 17,524,626 wage workers in large- and medium-sized enterprises, 6,440,453 employed in small enterprises and 20,560,502 in micro enterprises (Brimblecombe

et al. 2023). Therefore, it is estimated that wage workers in small and micro enterprises accounted for approximately 13 and 41 per cent of salaried employment in the country, respectively.

It can be further noted that, according to the statistical information published by BPS, in 2023 there were 7,064,783 workers employed in large- and medium-sized manufacturing companies (Indonesia, BPS, n.d.), as defined by the survey methodology.[47] While this figure is provided for reference – since it offers an indication of the proportion of wage workers employed in large- and medium-sized manufacturing enterprises – it is important to emphasise that, should the Government avail itself of the temporary exception under Article 27(d), it would be necessary to report the number of employees in industrial workplaces employing 20 persons or more who are effectively covered by the Jaminan Pensiun scheme.

As per the current rules, the personal scope of the Jaminan Pensiun scheme is limited to wage earners in large- and medium-sized enterprises (defined in the national legislation in relation to the enterprise's net assets or annual sales value). Based on the statistical information available, it is estimated that the scheme covered 24.16 per cent of all employees in 2024, which falls short of the minimum requirements of Article 27(a) of the Convention (that is, at least 50 per cent of all employees).

Given the characteristics of Indonesia's labour market, where a significant share of employees work for small- and micro-sized enterprises, the Government should consider extending the scope of application of the Jaminan Pensiun to all employees (wage earners), irrespective of the enterprise's size.

In parallel, should the Government be interested in ratifying Part V of the Convention, it could consider availing itself of the temporary exception provided for in Article 27(d) of the Convention, which allows countries that make a declaration under Article 3 to limit the scope of application to 50 per cent of all employees in industrial workplaces employing 20 persons or more. This must be done at the time of ratification through a declaration appended to the instrument of ratification, which specifies the temporary exceptions the Government will use. Should the Government consider using this temporary exception, it would be required to furnish the statistical information in the form set out in Title V under Article 76 of the report form for this Convention as part of Indonesia's first report on the application of the Convention.

Level of benefits (Article 28)

Article 28 of the Convention states that the amount of the old age benefit must be calculated in conformity with the rules established in Article 65, 66 or 67 of Convention No. 102 and should be a periodical payment attaining, for a standard beneficiary indicated in the Schedule appended to Part XI, at least 40 per cent of the reference wage determined in accordance with these provisions.

Additionally, for social security systems providing benefits representing a portion of previous earnings, Article 65 of the Convention allows for the establishment of an upper limit on the amount of wages or earnings which may be considered when calculating the benefit. However, this ceiling should be set in such a way that a skilled manual male employee, determined in accordance with the provisions of the Convention, would still receive a benefit equal to at least 40 per cent of previous earnings.

For earnings-related benefits, the Convention offers Member States the flexibility of choosing a standard beneficiary (that is, a skilled employee) according to four different methods laid down in Article 65(6). Based on the information available to the ILO, in this report, recourse will be had to Article 66(6)(d) to determine the wage of a skilled manual employee, that is, that of "a person whose earnings are equal to 125 per cent of the average earnings of all the persons protected". Based on the latest information available to the ILO, in 2020 the average monthly earnings of insured persons contributing to the JP scheme was 4,192,594 rupiah (men) and 3,918,746 rupiah (women) (Brimblecombe et al. 2023). A simple average of such amounts results in a monthly insurable earnings of 4,055,670 rupiah; as such, the monthly earnings of a standard beneficiary in 2020 would amount to 5,069,587 rupiah (4,055,670 x 125 per cent).

[47] "Medium Industries is a manufacturing company that employs less than 99 workers or has an investment accumulation/ fixed capital since its establishment until 31 December 2023 more than 5 billion rupiah and less than 10 billion rupiah or its sales in 2023 are greater than 10 billion rupiah and less than 50 billion rupiah. Large Industries is a manufacturing company that employs more than 99 workers or has an accumulated investment/fixed capital since its establishment until 31 December 2023, greater than 10 billion rupiah, or its sales in 2023 are greater than 50 billion rupiah." For further information, consult Indonesia, BPS 2025d.

According to article 17(2) of Government Regulation No. 45 of 2015, the old-age benefit provided under the JP scheme is 1 per cent of the insured's average indexed annual earnings during the total contribution period divided by 12 and multiplied by the number of years of contributions. The insured's average yearly earnings are adjusted based on the general inflation rate, which shall be set by the national government institution on statistics (article 17(5)).

Given the benefit formula, a person of pensionable age who has paid contributions during the qualifying period established by the Convention (that is, 30 years or 360 months of contributions) will receive a monthly benefit equivalent to 30 per cent of his or her previous earnings.

Minimum and maximum benefits

The national legislation establishes a maximum limit on the employee's monthly earnings (base salary and fixed allowances) taken into account for contribution purposes. Article 29 of Government Regulation No. 45 of 2015 sets a fixed amount of 7 million rupiah as the maximum monthly earnings for which contributions are to be paid. It also stipulates that this ceiling shall be adjusted annually using a multiplying factor of 1 (one) plus the previous year's gross domestic product (GDP) annual growth rate (article 29(3)).

Table 7 presents the evolution of the minimum and maximum pensions payable by BPJS Employment under the JP scheme, as well as the maximum earnings considered for calculating contributions, which reflect the changes in Indonesia's GDP. For example, based on the information published by BPS, Indonesia's GDP grew by 5.03 per cent in 2024 (Indonesia, BPS 2025b); consequently, since March 2025, the ceiling on earnings is 10,547,400 rupiah.

▶ **Table 7. Evolution of the minimum and maximum pension payable by BPJS Employment**

Year	Period	Ceiling on insurable earnings (in rupiah)	Pension benefit (in rupiah)	
			Minimum	Maximum
2015	January – June	n/a	n/a	n/a
	July – December	7 000 000	300 000	3 600 000
2016	January – February	7 000 000	300 000	3 600 000
	March – December	7 335 300	310 050	3 720 600
2017	January – February	7 335 300	310 050	3 720 600
	March – December	7 703 500	319 450	3 833 000
2018	January – February	7 703 500	319 450	3 833 000
	March – December	8 094 000	331 000	3 971 400
2019	January – February	8 094 000	331 000	3 971 400
	March – December	8 512 400	341 400	4 095 750
2020	January – February	8 512 400	341 400	4 095 750
	March – December	8 939 700	n/a	n/a
2021	January – February	8 939 700	350 700	4 207 200
	March – December	8 754 600	356 600	4 277 900
2022	January – February	8 754 600	356 600	4 277 900
	March – December	9 077 600	363 300	4 357 900
2023	January – February	9 077 600	363 300	4 357 900
	March – December	9 559 600	n/a	n/a
2024	January – February	9 559 600	n/a	n/a
	March – December	10 042 300	393 500	4 718 110
2025	January – February	10 042 300	393 500	4 718 110
	March – December	10 547 400	399 700	4 792 300

n/a = not applicable. Source: BPJS Employment's circulars in respective years

To determine whether the maximum ceiling on monthly insurable earnings complies with the requirements of Convention No. 102, it is necessary to compare it with the average monthly earnings of a skilled manual male employee, identified according to the guidance provided by the Convention. Based on the information available to the ILO at the time of writing this report, such earnings amounted to 5,069,587 rupiah per month in 2020. Accordingly, the ceiling on insurable earnings

applicable during that period – 8,939,700 rupiah per month from March to December 2020 – exceeded the earnings of a standard beneficiary calculated in accordance with the Convention's provisions.

While the ceiling does not affect the replacement rate of the benefit that a standard beneficiary would receive – since the ceiling on insurable earnings remains above the earnings of a standard beneficiary as calculated according to the provisions of the Convention – there is a potential risk if GDP growth slows relative to average wage growth in the country. In such a scenario, the ceiling on contributions might result in a decrease in the replacement rate of benefits over time. Indeed, as previously noted by the ILO, the fact that the earnings ceiling is indexed with the annual increase in real GDP, results in the ceiling increase lagging behind general (nominal) wage increases. This misalignment will eventually deprive the scheme of important contribution income and limit the level of pensions (Brimblecombe et al. 2023). In this regard, the Government may wish to consider indexing the maximum insurable earnings under the JP scheme in line with the average wage increase.

It can be further noted that the limit on the monthly earnings taken into account for contribution (and benefit) calculation purposes that was applicable when the JP scheme started in 2015 (that is, 7 million rupiah) was equivalent to 3.9 times the average monthly minimum wage[48] for the same year. Although this ceiling has been adjusted annually based on the GDP growth in the previous year, as stipulated in the regulation, it can be observed that in real terms, the ceiling has not been increased in the same proportion as the average monthly minimum wage. For example, the ceiling applicable from March 2018 to February 2019 (8,094,000 rupiah) corresponds to 3.57 times the average monthly minimum wage for 2018. Likewise, the ceiling applicable from March 2025 and onward (10,547,400 rupiah) corresponds to 3.18 times the average monthly minimum wage in 2025.[49]

It can also be noted that article 18 of Government Regulation No. 45 of 2015 sets a flat amount of 300,000 rupiah as the minimum monthly pension to be paid by BPJS Employment and also sets a maximum monthly pension of 3.6 million rupiah. These amounts are to be adjusted annually based on the general inflation rate of the previous year (article 18(3)). Since the Jaminan Pensiun scheme was implemented in 2015, the first old-age pensions will begin to be paid in 2030.

Nonetheless, considering that the national legislation mandates a minimum pension, it is pertinent to evaluate its alignment with Article 66 of Convention No. 102. Specifically, this involves assessing whether the minimum pension is at least equal to 40 per cent of the previous earnings of the ordinary adult male labourer, calculated in accordance with the Convention. In this report, regard will be had to Article 66(5) to determine the reference wage in terms of Article 66, that is that of "a person employed in the major group of economic activities with the largest number of economically active male persons protected in the contingency in question".[50]

Indonesian Labour Force Survey data collected in the ILOSTAT database indicate that in 2023 the two major groups of economic activity employing the largest number of economically active men were:

- **agriculture, forestry and fishing** (Section A, ISIC Rev. 4), with 25,475,808 men (30.1 per cent of male employees); and
- **wholesale and retail trade; repair of motor vehicles and motorcycles** (Section G, ISIC Rev. 4), with 13,673,804 men (16.1 per cent of male employees).

Given that workers in agriculture typically have very low levels of social security coverage, the second-largest group – wholesale and retail trade; repair of motor vehicles and motorcycles – should be used as the reference sector. To identify the wage of an ordinary adult male labourer under the Convention, it would be necessary to determine the average wage of elementary workers (ISCO-08)[51] employed in this sector. However, as this information was not available at the time of writing, this report uses the average wage of all workers in elementary occupations across all economic activities as a working hypothesis.

In 2023, 21.5 per cent of male workers in Indonesia (approximately 18.2 million) were employed in elementary occupations (ISCO-08). The average monthly wage for men in these occupations was **2,120,588 rupiah in 2023** (ILO. n.d.). This figure

[48] Indonesia does not have a national monthly minimum wage, but rather has provincial minimum wages. However, according to data published by the BPS, the average monthly minimum wage in 2015 was 1,790,342 rupiah.

[49] In 2025, the average minimum wage was 3,315,762 rupiah.

[50] The Government also has the option of identifying the reference wage of an ordinary adult male labourer based on Article 66(4)(a), that is "a person deemed typical of unskilled labour in the manufacture of machinery other than electrical machinery". Annex 2 provides further guidance on how to identify the reference wage of the skilled and unskilled worker in accordance with Articles 65 and 66 of Convention No. 102.

[51] ISCO-08 refers to the International Standard Classification of Occupations 2008.

will serve as the benchmark for the subsequent analysis. Nevertheless, the Government is advised to review this reference wage and provide the necessary data to calculate the figure in accordance with Article 66(4)(b) of the Convention.

In this configuration, the minimum monthly pension payable in 2023 – 363,300 rupiah – corresponded to a replacement rate of 17.13 per cent of the reference wage of the ordinary adult male labourer identified in this report. Thus, the level of the minimum pension is below the minimum replacement rate required by Article 66(5) and the schedule appended to part XI of the Convention (that is, 40 per cent).[52]

Finally, the national legislation provides for a yearly adjustment of the minimum and maximum pension payables under the JP scheme, based on the general inflation rate of the previous year.[53] Further clarification is needed on whether all pensions (not only the minimum and maximum amounts) are reviewed following substantial changes in the cost of living.

It may be concluded that the provisions set by Government Regulation No. 45 of 2015 concerning the accrual rate of the old-age pension (JP scheme) do not comply with the requirements of Article 65 of Convention No. 102, as the replacement rate of the benefit after 30 years of contributions would be 30 per cent of previous earnings, which does not attain the minimum replacement rate after completion of such a contributory period, as indicated in the schedule appended to part XI of the Convention (that is, at least 40 per cent).

Thus, compliance with the Convention would require a minor parametric adjustment to the pension accrual rate, so that it is at least 1.33 per cent (instead of the current 1.00 per cent) per year of contributions. In this regard, the Government may wish to consider the ILO's 2023 financial assessment of the social security pension schemes administered by BJPS Employment, which, among others, assessed the financial implications of bringing this parameter in line with the requirements of the Convention.[1]

[1] For further information, consult Brimblecombe et al. 2023.

Periodic adjustment of pensions in payment

Article 65(10) of Convention No. 102 requires that the rates of current periodical payments in respect of old age, employment injury (except in case of incapacity for work), invalidity and survivorship shall be reviewed following substantial changes in the general level of earnings where these result from substantial changes in the cost of living.

Article 17(1)(b) of Government Regulation No. 45 of 2015 stipulates that as of the first year of payment, the periodical benefits listed in article 16 (that is, old-age, invalidity and survivors' pensions payable to the deceased's spouse, children or parents) shall be calculated at the previous year's pension benefit multiplied by an indexation factor. According to the current rules, the indexation factor is one plus the previous year's general inflation rate, as determined by the institution responsible for implementing government affairs on statistics.[54]

The national legislation prescribes that the level of pensions in payment shall be adjusted annually based on the inflation rate (Consumer Price Index, or CPI) of the previous year. As such, the national legislation complies with Article 65(10) of Convention No. 102, according to which pensions need to be reviewed following substantial changes in the general level of earnings where these result from substantial changes in the cost of living.

Qualifying period (Article 29)

Article 29 of Convention No. 102 requires that an old age benefit equal to 40 per cent of former earnings be paid to an insured person having completed a qualifying period of 30 years of contributions. The Convention also requires that where a benefit is conditional upon a minimum period of contributions, a reduced benefit must be guaranteed to insured persons having at least completed a qualifying period of 15 years of contributions.

Government Regulation No. 45 of 2015 stipulates that under the JP scheme, a periodical old-age pension is payable to participants who have attained the retirement age and have paid contributions for a minimum period of 15 years (article

[52] It is also worth noting that the monthly minimum pension applicable from March to December 2024 (that is, 393,500 rupiah) corresponded to 66 per cent of the National Poverty Line, which in September 2024 was 595,242 rupiah per person per month (Indonesia, BPS 2025c).

[53] Article 18(3) of Government Regulation No. 45 of 2015.

[54] Article 17(4–5) of Government Regulation No. 45 of 2015.

19(1)). This regulation also specifies the benefit formula to calculate the old-age benefit, which is 1 per cent of the insured's average indexed annual earnings during the total contribution period divided by 12 and multiplied by the number of years of contributions (article 17(2)).

Considering that protected persons can receive a periodical benefit after 15 years of contributions, the national legislation complies with the requirements of the Convention regarding the minimum qualifying period prescribed under Article 29(1)(a) and (2)(b). Nonetheless, applying the benefit formula provided under article 17(2) of Government Regulation No. 45 of 2015 would result in a replacement rate of 15 per cent and 30 per cent of previous earnings after completing 15 and 30 years of contributions, respectively.

It should be noted that programme participants who reach the retirement age before fulfilling the prescribed qualifying period of 15 years, they would receive a reimbursement of their total contributions plus accumulated interest as a lump sum (article 24(1–2)).

The qualifying period for entitlement to an old-age pension prescribed by the national legislation (that is, at least 15 years of contributions) complies with Article 29(1)(a) of the Convention; however, the rate of the benefit provided to an insured person after 30 years of contributions does not attain the minimum level stipulated in the Convention, which requires that at a minimum the benefit corresponds to at least 40 per cent of former earnings.

Regarding the reduced pension, entitlement to the old-age pension under the JP scheme is based on a contributory period of 15 years, after which the person concerned would receive a periodical payment corresponding to 15 per cent of previous earnings. Therefore, it can be concluded that Article 29(2) of the Convention – which requires that, at a minimum, a reduced old-age pension should be paid after 15 years of contributions – is being met.

Duration of benefits (Article 30)

Article 30 of Convention No. 102 specifies that the old-age benefit shall be granted throughout the contingency.

In accordance with article 19(3–4) of Government Regulation No. 45 of 2015, the old-age pension shall be paid from the first day of the next month after the insured person reaches the retirement age and until his or her death.

The national legislation establishes that the old-age benefit provided under the JP scheme shall be paid throughout the contingency as required by Article 30 of Convention No. 102.

D. Employment injury benefit (Part VI)

Contingency (Article 32)

Article 32 of Convention No. 102 provides that the contingencies covered shall include the following where due to accident or a prescribed disease resulting from employment:

(a) a morbid condition;

(b) incapacity for work resulting from such a condition and involving suspension of earnings, as defined by national laws or Regulations;

(c) total loss of earning capacity or partial loss thereof in excess of a prescribed degree, likely to be permanent, or corresponding loss of faculty; and

(d) the loss of support suffered by the widow or child as the result of the death of the breadwinner; in the case of a widow, the right to benefit may be made conditional on her being presumed, in accordance with national laws or Regulations, to be incapable of self-support.

Law No. 40 of 2004 stipulates that participants who experience work injuries shall receive healthcare benefits according to their medical needs and receive cash benefits in the case of permanent total disability or death (article 31(1)). Detailed provisions concerning cash benefits, beneficiaries' rights, compensation and medical care shall be regulated further in government regulations (article 33).

Box 3. Indonesia's definition of employment injuries and occupational diseases

Employment injury: An injury that occurs in connection to the employment relationship, including accidents that occurred while commuting from the insured's residence to his or her workplace and vice versa, and diseases caused by the work environment (Law No. 40 of 2004, article 1(14)).

Per secondary legislation,[1] employment injury includes:

- accidents that occur due to work and/or at the workplace as referred to in the provisions of laws and regulations in the field of occupational safety and health;
- accidents that occur on the way from home to the workplace or vice versa through the usual or reasonable route;
- accidents that occur while carrying out duties or official travel on the orders and/or in the interests of the company and/or employer or are related to work;
- accidents that occur during working hours and work break times inside or outside the workplace due to performing important and/or urgent matters with the permission or knowledge of the employer;
- occupational diseases;
- sudden death at the workplace;
- physical violence and/or rape that occurs in the workplace and/or in the course of the employment relation.

Occupational disease: A disease caused by work and/or the work environment.

Notes:

[1] Articles 1(4) and 7(a)(b)(c)(d)(f)(g) of Ministry of Manpower Regulation No. 05 of 2021, as amended by Ministry of Manpower Regulation No. 01 of 2025.

[2] Elucidation of Article 25(1) of Government Reg No. 44 of 2015; articles 1(5) and 7(e) of Ministry of Manpower Regulation No. 05 of 2021, as amended by Ministry of Manpower Regulation No. 01 of 2025.

Article 25(2)(b) of Government Regulation No. 44 of 2015, as amended by Government Regulation No. 82 of 2019, specifies the cash benefits available under the Employment Injury Scheme (JKK) in case of work injury or occupational disease. These include:

1. Reimbursement of transportation costs, consisting of:
    (a) Transportation from the hospital and/or to the participant's residence, including the cost of first aid in an accident, and referrals to another hospital;
    (b) Transportation costs incurred to participate in the Return-to-Work programme, from the facility health service and training centre work;
2. Cash benefit for a temporary incapacity to work;
3. Compensation for partial anatomical disability, partial functional disability, and permanent total disability;
4. Compensation for death and funeral expenses;
5. Periodic compensation paid at once when the participant dies or has a permanent disability due to occupational injury or disease.
6. Rehabilitation cost, in the form of prosthetic appliances and orthopaedics.
7. Reimbursement for dental implants, assistive listening devices, and glasses; and
8. Scholarship for the children of participants who died or have a permanent disability due to a work-related injury.

Disability is defined as a condition of reduced or lost body function or loss of limbs that directly or indirectly results in the reduction or loss of the worker's ability to perform his work.[55] The national legislation distinguishes between partial anatomical disabilities and functional disabilities. A partial anatomical disability is a state when an organ or body part is diminished, resulting directly or indirectly in a reduction or loss of the ability of the worker to perform their work.[56] Partial functional disability is a state where a body part's functions are reduced or lost, which directly or indirectly causes a reduction or loss of the worker's ability to carry out their work. These benefits are calculated based on a table under section II in Schedule III of Government Regulation No. 44, amended by Government Regulation No. 82 of 2019, which lists several injuries considered permanent partial disabilities as well as the multiplier that shall be used to calculate benefits in case such injuries occur (for more information, see the analysis below concerning "Level of benefits (Article 36)").

The national legislation also provides for cash benefits in case of permanent total disability, which is defined as a disability that results in a person's inability to work.[57] The national legislation does not seem to prescribe a minimum degree of loss of earning capacity that gives entitlement to this benefit under the JKK scheme; however, it appears that it is limited to cases of permanent total disability for any work.

Government Regulation No. 44 of 2015 also stipulates that when work injury results in the death of an insured worker, his or her survivors are entitled to benefits under the JKK scheme (article 37(4)). Neither Law No. 40 of 2004 nor Government Regulation No. 44 of 2015 stipulate that the right of a surviving spouse to benefits is conditional upon him or her being incapable of self-support, and as such, it is understood that in all cases a surviving spouse is entitled to a survivors' pension in case of the death of the member in relation to a work accident or disease.

In light of the above, it can be concluded that the contingencies covered by the JKK scheme are in conformity with Article 32 of Convention No. 102, as the national legislation provides for employment injury benefits consisting of in-kind benefits (medical care) in case of morbid condition and cash benefits for insured persons in cases of temporary incapacity for work, permanent partial and total disability, as well as survivor benefits to compensate for the loss of support suffered by the insured's dependents.

However, the manner in which permanent disability (partial and total) and survivors' benefits are provided (that is, as lump sums instead of periodical benefits throughout the contingency) do not comply with the requirements of the Convention, which is discussed further below.

Coverage (Article 33)

Article 33(a) of Convention No. 102 prescribes that the persons protected shall comprise prescribed classes of employees, constituting at least 50 per cent of all employees, and, for benefit in respect of death of the breadwinner, also their wives and children.

Legal coverage

Article 1(4) of Government Regulation No. 44 of 2015 defines participants in the JKK scheme as "all persons, including foreign nationals who have worked in Indonesia for at least six months, who have paid contributions". According to article 4(1) of this regulation, every employer, except state agencies, shall register themselves and their workers as participants in the JKK scheme administered by BPJS Employment in accordance with the prevailing legislation.

Article1(3) of Government Regulation No. 44 of 2015 defines an "employer" as an individual, entrepreneur, legal entity or other entity employing workers or state agencies employing civil servants by paying salary, wage or other forms of remuneration. "Wage earners" refers to individuals who work for a company or individual and receive a salary or other form of remuneration.[58]

[55] Article 1(7) of Government Regulation No. 44 of 2015; articles 1(4) and 7(a–d) and (–g) of Ministry of Manpower Regulation No. 05 of 2021, as amended by Ministry of Manpower Regulation No. 01 of 2025.

[56] Elucidation of Article 25(2)(b)(3) of Government Regulation No. 44; article 1(8) of Ministry of Manpower Regulation No. 05 of 2021, as amended by Ministry of Manpower Regulation No. 01 of 2025.

[57] This interpretation of permanent total disability is consistent with the definition provided in article 1(16) of Law No. 40.

[58] Government Regulation No. 44 of 2015, articles 1(5) and 5(2), as amended by Government Regulation No. 49 of 2023.

Article 5(1) of Government Regulation No. 44 of 2015, as amended by Government Regulation No. 49 of 2023, further specifies that the JKK programme participants shall consist of:

a. Wage earner participants (Peserta Penerima Upah, or PPU) employed by state administrators (Penyelenggara Negara) in accordance with the provisions of laws and regulations;

b. Wage-earner participants (Peserta Penerima Upah, or PPU) employed by employers other than state administrators; and

c. Non-wage earner participants (Peserta Bukan Penerima Upah, or PBPU).

Article 5(2) stipulates that the categories listed under paragraph (b) (see above) shall include workers of companies, workers for individuals and foreigners working in Indonesia for at least six months. As per the current rules, mandatory coverage under the JKK scheme extends to the categories of persons listed under paragraphs (a), (b) and (c) (see above).[59]

Per Presidential Regulation No. 109 of 2013, the general JKK scheme managed by BPJS Employment is guided to cover the categories of workers listed under paragraph 5(1)(a) above (article 5(3)), those in paragraph 5(1)(b) above working in large, medium, small, and micro-enterprises (article 6(2)), seasonal and daily workers in the construction sector (article 6(4)), and non-salaried workers (article 8(2)).

Although employees of state agencies with the status of prospective civil servants (CPNS), civil servants (PNS), government employees with employment agreements (Pegawai Pemerintah dengan Perjanjian Kerja, or PPPK), state officials (Pejabat Negara) and military (Anggota TNI) and police personnel (Anggota POLRI) are excluded from the scope of application of Government Regulation No. 44 of 2015, they are mandatorily covered by separate work injury schemes.[60] The employment injury scheme administered by PT Taspen[61] covers civil servants (PNS) and candidates for civil servants (CPNS), government employees with employment agreements (PPPK), state officials (Pejabat Negara), and members of the Regional House of Representatives[62] While PT Asabri manages the programme for soldiers (Prajurit); police members (Anggota POLRI); civil servants of the Ministry of Defence (PNS Kemhan); prospective civil servants of Ministry of Defence (CPNS Kemhan); police civil servants (PNS POLRI); prospective police civil servants (CPNS POLRI); government employees with employment agreements at the Ministry of Defence (PPPK Kemhan); and government employees with employment agreements at the Police (PPPK POLRI).[63]

Construction workers, including daily, occasional and temporary workers in construction services, are covered under the Jasa Konstruksi plan[64.] This programme is also administered by BPJS Employment and provides a benefit package similar to that guaranteed by the JKK scheme covering wage earners (PPU) and non-wage earners (PBPU).

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[59] Articles 2(2)(b), 4, 6 and 7 of Presidential Regulation No. 109 of 2013; articles 2(3) and 5(1–2) of Government Regulation No. 44 of 2015, as amended by Government Regulation No. 49 of 2023.

[60] Presidential Regulation No. 109 of 2013 stipulates that employees of state agencies are mandatorily covered by employment injury (JKK) and death insurance (JKm) schemes. As scheduled in this regulation, the registration of public sector workers under the JKK programmes administered by PT Taspen and PT Asabri started in July 2015.

[61] The JKK scheme for civil servants is governed by Government Regulation No. 70 of 2015, as amended by Government Regulation No. 66 of 2017. Article 4 of the regulations specifies the scheme's scope of application.

[62] There has been legal uncertainty regarding whether members of the Regional House of Representatives (DPRD) are subject to compulsory coverage under the JKK scheme administered by PT Taspen or under the scheme managed by BPJS Employment, which claimed jurisdiction over non-civil servant (non-PNS) workers whose contributions are funded by the State.

To address this issue, the Ministry of Home Affairs issued Regulation No. 54 of 2017 on the Provision, Disbursement and Accountability for Employment Injury Insurance (JKK) and Death Insurance (JKM) contributions from regional revenue and expenditure budgets. Article 8 of this Regulation states: "Budgeting, as well as implementation, administration, and accountability for payment of JKK and JKM contributions for ASN employees as regulated in this Ministerial Regulation shall apply mutatis mutandis to budgeting, implementation, administration, and accountability for payment of JKK and JKM contributions for Regional Heads and Deputy Regional Heads, as well as Leaders and Members of the DPRD, in accordance with Government Regulation No. 70 of 2015."

Further clarification was provided in Circular No. 160/4186/SJ (2018), which confirmed that although DPRD members are not classified as civil servants (PNS) under article 122 of Law No. 5 of 2014 on State Civil Apparatus, they are categorized as state officials at the regional level. Consequently, they fall within the scope of Government Regulation No. 70 of 2015, which stipulates that JKK and JKM schemes covering State Officials are administered by PT Taspen.

[63] Government Regulation No. 102 of 2015 provides the legal framework concerning social security benefits for members of the Indonesian Armed Forces, national police and civil servants at the Ministry of Defence. The scheme's personal scope of application is set under article 12 of the regulation.

[64] According to article 53 of Government Regulation No. 44 of 2015, contractors employing casual daily and part-time workers in construction services must register their workers in the JKM and JKK schemes. The contribution rate to the JKK scheme is 1.74 per cent of the employees' monthly wage and is borne solely by the employer. If the employees' salary components are unknown, contributions are calculated based on the value of the construction contract, ranging from 0.021% (contracts up to 100 million rupiah) to 0.09 (contracts above 5 billion rupiah) (Government Regulation No. 44 of 2015, article 54(1–2)).

Effective coverage

Based on the statistical information available, it is estimated that in 2024, the JKK scheme covered 64.72 per cent of employees (wage earners), as shown in table 8.

▶ **Table 8. Calculation of the coverage of Indonesia's employment injury benefits (JKK scheme) (2024)**

A. Number of employees protected:	
(i) under general scheme[1]	29 308 491
(ii) scheme for construction workers (Jasa Konstruksi)[2]	6 016 847
B. Total number of employees protected:	35 325 338
C. Total number of employees[3]	54 585 692
D. Number of employees protected (B) as percentage of total number of employees (C)	64.72%

[1] Active contributors to the JKK scheme in 2024. Retrieved from Indonesia, BPJS Employment 2024.
[2] Indonesia, BPJS Employment 2025.
[3] Total number of employees in February and August 2024 (average of data from two Labour Force Surveys)..

It is worth noting that the figures below include BPJS Employment members but not ASABRI and TASPEN members, as these schemes are not analysed in this report. Based on the information available to the ILO, PT ASABRI and PT TASPEN covered 5,029,854 employees (931,331 and 4,098,523, respectively) in 2018 and did not disclose data afterwards. Assuming that the same number of employed populations participated in ASABRI and TASPEN in 2024, the effective coverage of the employment injury branch would be 28.14 per cent[65] of the workforce and 73.92 per cent[66] of waged workers.

The national legislation prescribes that wage earners in large-, medium-, small- and micro-sized enterprises in the private sector – including foreign nationals who have worked in Indonesia for at least six months, as well as non-wage workers – are mandatorily covered by the employment injury scheme (JKK) administered by BPJS Employment.

Concerning the effective coverage, as per the available data, 35,325,338 employees were registered with the JKK scheme administered by BPJS Employment in 2024, corresponding to approximately 64.72 per cent of employees in Indonesia. Therefore, the national legislation and practice align with the minimum requirement of Article 33(a) of the Convention, which prescribes that, at a minimum, 50 per cent of employees shall be covered by employment injury benefits.

Medical care (Article 34(2))

Article 34(2) of Convention No. 102 provides that the employment injury benefits shall include medical care and shall comprise:

(a) general practitioner and specialist in-patient care and out-patient care, including domiciliary visiting;

(b) dental care;

(c) nursing care at home or in hospital or other medical institutions;

(d) maintenance in hospitals, convalescent homes, sanatoria or other medical institutions;

(e) dental, pharmaceutical and other medical or surgical supplies, including prosthetic appliances, kept in repair, and eyeglasses; and

(f) the care furnished by members of such other professions as may at any time be legally recognized as allied to the medical profession, under the supervision of a medical or dental practitioner.

The national legislation stipulates that participants who experience work-related accidents or occupational diseases are entitled to medical care services and cash benefits under the JKK scheme. According to article 25(2)(a) of Government

[65] 40,355,192 / 143,410,523 =28.14 per cent.

[66] 40,355,192 / 54,585,692 =73.92 per cent.

Regulation No. 44 of 2015, as amended by Government Regulation No. 82 of 2019, medical benefits suitable to the insured's medical needs include:

1. basic and supplementary examination;
2. first and advanced treatment;
3. in-patient treatment (Class I) in general government hospitals, regional government hospitals, or equivalent private hospitals;
4. intensive care;
5. diagnostic support;
6. treatment, including comorbidity and complications related to work injuries and occupational diseases;[67]
7. special services;
8. medical devices and implants;
9. doctor's and medical services;
10. surgery;
11. blood transfusion; and
12. medical rehabilitation.
13. home care services for participants who are unable to continue receiving in-patient treatment; and
14. diagnostic examinations to monitor the progress/recovery of occupational diseases.

Government Regulation No. 44 of 2015 also provides for the reimbursement of rehabilitation expenses in the form of ortheses and prostheses for participants whose limbs are missing or do not function normally due to a work injury. For each case, the benchmark price for prosthetic appliances and orthopaedics established by the public hospital rehabilitation centre plus 40 per cent of such amount is reimbursed, as well as the cost of medical rehabilitation.[68] This regulation also provides for the replacement of hearing aids at a maximum rate of 2.5 million rupiah, and the reimbursement for replacing eyeglasses is up to a maximum of 1 million rupiah (section A(2)(i–j) in Schedule III).

With regard to dental care, the scheme covers denture reimbursement up to a maximum of 5 million rupiah.[69]

Furthermore, a 2019 amendment to Government Regulation No. 44 of 2015 introduced home care in case of work injury and occupational diseases. This service shall be implemented in collaboration with service health facilities and be provided for a maximum of one year with a ceiling on costs of 20 million rupiah.[70]

Government Regulation No. 82 of 2019 expanded the benefit package of the JKK scheme administered by BPJS Employment to include homecare and the reimbursement of expenses related to purchasing and replacing eyeglasses and hearing devices. However, the information available does not allow determining whether the medical care benefits provided are in full compliance with the requirements of Article 34(2) of the Convention (see table 9).

The extent to which patients may be required to participate in medical care costs directly impacts their ability to avail themselves of the necessary medical treatment. While Convention No. 102 allows the imposition of cost sharing in cases of general sickness, it prohibits any cost sharing or co-payment in cases of employment injury (ILO 2025, 204). As such, compliance with the requirements of the Convention is subject to confirmation that the national legislation provides for domiciliary visiting (Article 34(2)(a)), dental care (Article 34(2)(b), prosthetic appliances kept in repair, and eyeglasses (Article 34(2)(e)) free of charge to all persons protected injured due to industrial accident.

[67] Government Regulation No. 44, as amended, does not provide further information on the type of medications covered by the scheme. According to the BPJS Employment official website, the JKK scheme covers treatment with generic drugs (preferably) and brand-name medications.

[68] Section A(2)(g) in Schedule III of Government Regulation No. 44 of 2015, as amended.

[69] Section A(2)(h) in Schedule III of Government Regulation No. 44 of 2015, as amended.

[70] Section A(1)(a)(m) in Schedule III of Government Regulation No. 44 of 2015, as amended.

▶ Table 9. Types of medical care set out by Convention No. 102 and medical care coverage by the JKK scheme

Minimum benefits under Convention No. 102	Covered by JKK?
General practitioner and specialist in-patient care and out-patient care, including domiciliary visiting;	✔
Dental care	Not specified
Nursing care at home or in hospital or other medical institutions	Up to 20 million rupiah (home care)
Maintenance in hospitals, convalescent homes, sanatoria or other medical institutions	✔
Dental, pharmaceutical and other medical or surgical supplies, including prosthetic appliances, kept in repair, and eyeglasses	⚠ Up to 5 million rupiah (dentures) Up to 1 million rupiah (glasses) Up to 2.5 million rupiah (orthoses and protheses)
The care furnished by members of such other professions as may at any time be legally recognized as allied to the medical profession, under the supervision of a medical or dental practitioner.	✔

Concerning the participation of protected persons in the cost of medical care, article 33(1) of Government Regulation No. 44 of 2015 states that in areas where there are no healthcare facilities in partnership with BPJS Employment, the employer or the injured participant (in case of non-salaried workers – PBPU) shall pay for the medical services provided. Article 33(2) prescribes that BPJS Employment shall reimburse the incurred cost paid by the employer of non-state enterprises (Pemberi Kerja selain penyelenggara negara) or non-wage earner participants (PBPU). However, such reimbursements are payable up to a maximum amount linked to what the same services would cost at a standard healthcare facility in partnership with BPJS Employment. Article 33(3) further stipulates that if there is a difference between the reimbursement paid by BPJS Employment as referred to in paragraph (2), the employer of non-state enterprises (Pemberi Kerja selain penyelenggara negara) or non-wage earner participant (PBPU) shall pay the margin.

Based on the above, the medical services and benefits under the JKK scheme include primary and intensive care, rehabilitation and essential pharmaceuticals, as well as reimbursement for medical devices, dental care and home care up to prescribed amounts.

It should be noted that international standards do not allow for cost-sharing by the beneficiary or insured person in the costs of the medical care received in cases of employment injury. Therefore, compliance with the Convention is subject to confirmation that the current ceilings on the medical care covered by the JKK scheme ensures that protected persons can access the following types of medical care listed under Article 34 of the Convention free of charge and throughout the contingency:

- **general practitioner and specialist in-patient care and out-patient care, including domiciliary visiting;**
- **dental care;**
- **nursing care at home or in hospital or other medical institutions;**
- **maintenance in hospitals, convalescent homes, sanatoria or other medical institutions;**
- **dental, pharmaceutical and other medical or surgical supplies, including prosthetic appliances, kept in repair, and eyeglasses; and**
- **the care furnished by members of such other professions as may at any time be legally recognized as allied to the medical profession).**

As such, the Government should consider removing the ceilings on reimbursements for dentures, glasses, hearing aids, protheses and orthoses, as well as the maximum ceiling on home care services.

Rehabilitation (Article 35)

Article 35(1) of Convention No. 102 provides the institutions or government departments administering the medical care shall cooperate, wherever appropriate, with the general vocational rehabilitation services, with a view to the reestablishment of handicapped persons in suitable work.

According to Article 49(1) of Government Regulation No. 44 of 2015, an individual who suffers a work-related accident or occupational disease, as advised by physicians, may be eligible for a return-to-work programme so that he or she can resume employment. Article 49(2) states that Ministerial Regulation shall stipulate provisions concerning the return-to-work programme.

Minister of Manpower Regulation No. 10 of 2016 lays down the procedures for the provision of return-to-work programmes, promotional activities and activities aimed at preventing workplace injuries and occupational diseases. This regulation stipulates that every person with an occupational disease or work-related injury is entitled to the return-to-work programme (article 2). As per this regulation, BPJS Employment shall establish a return-to-work programme (hereinafter referred to as JKK-RTW) that includes healthcare services, rehabilitation and job training. Benefits are provided by healthcare facilities, trauma centres, rehabilitation facilities and accredited job training facilities managed by the central or regional government or by private entities who meet the requirements and sign a cooperation agreement with BPJS Employment (article 4(2)). Article 9(5) stipulates that job trainings provided by the relevant institutions shall take into account the needs and interests of each participant and the characteristics of their disabilities.

According to the BPJS Employment *2019 Integrated Report*, the social security institution is committed to implementing and improving the services provided through the JKK-RTW programme (Indonesia, BPJS Employment 2020). To this end, the institution collaborates with health facilities, the Work Accident Service Center (PLKK), trauma centres and regional work skills centres. By the end of 2023, BPJS Employment had collaborated with 7,094 work accident services centres and 12 return-to-work service centres throughout Indonesia (Indonesia, BPJS Employment 2024, 37).

In light of the above, it is concluded that the national legislation complies with Article 35 of Convention No. 102, as it provides a general framework aimed at ensuring cooperation between institutions or government departments administering medical care and vocational rehabilitation services, with a view towards reintegrating persons with disabilities into suitable employment.

Level of benefits (Article 36)

Article 36(1) of Convention No. 102 provides that, in respect of incapacity for work, total loss of earning capacity likely to be permanent or corresponding loss of faculty, or the death of the breadwinner, the benefit shall be a periodical payment calculated in such a manner as to comply either with the requirements of Article 65 and should attain for a standard beneficiary indicated in the Schedule appended to Part XI at least 50 per cent of their previous earnings in the case of incapacity for work, 50 per cent of such earnings in case of permanent total invalidity and 40 per cent of such earnings for loss of support suffered by survivors, according to the Schedule appended to Part XI.

In case of partial loss of earning capacity likely to be permanent, or corresponding loss of faculty, the benefit, where payable, shall be a periodical payment representing a suitable proportion of that specified for total loss of earning capacity or corresponding loss of faculty.

Furthermore, Article 36(3) allows that the periodical payment may be commuted for a lump sum where the degree of incapacity is slight or where the competent authority is satisfied that the lump sum will be properly utilized.

Most of the employment injury benefits provided under the JKK scheme are earnings-related, therefore, for the purposes of this report, compliance will be determined on the basis of the requirements of Article 65. In particular, the wage of the standard beneficiary will be established according to Article 65(6)(d) of Convention No. 102, namely “a person whose earnings are equal to 125 per cent of the average earnings of all the persons protected”.

Temporary incapacity

The national legislation establishes two replacement rates for the temporary incapacity benefit depending on the length of the incapacity for work. According to section A(2)(b)(1) of Schedule III of Government Regulation No. 44 of 2015, as amended in 2019, the temporary disability benefit corresponds to 100 per cent of the insured's earnings for the first 12 months of incapacity, and 50 per cent thereafter.

> The benefit provided by the JKK scheme in case of temporary incapacity for work (that is, 100 per cent of previous earnings for the first 12 months of incapacity and 50 per cent thereafter) complies with the requirements of the Convention, which requires that benefits attain, at a minimum, a 50 per cent replacement rate.

Permanent disablement (invalidity)

In case of permanent total disability, which is defined as a disability that results in a person's inability to work,[71] Government Regulation No. 44 of 2015, as amended, prescribes that insured workers are entitled to two benefits: (i) a lump-sum disability benefit (article 25(2)(b)(3); and (ii) a periodic compensation (article 25(2)(b)(5)). The lump-sum benefit is equivalent to 70 per cent of 80 months of the insured's wage,[72] and the periodic compensation is a flat-rate benefit of 500,000 rupiah payable for 24 months or as a lump sum of 12 million rupiah.[73] The legislation does not provide further details regarding the conditions that insured persons must meet to convert the periodic compensation into a lump-sum benefit.

The Convention stipulates that in case of permanent invalidity for work, persons protected must receive a periodic benefit throughout the contingency, corresponding to at least 50 per cent of the previous earnings of a standard beneficiary. Since the JKK scheme provides permanent disability benefits in the form of lump sums, the current benefit design does not guarantee that a standard beneficiary would receive a periodical payment at least equal to 50 per cent of former earnings for the duration of the contingency. As a reference, the flat-rate benefit of 500,000 rupiah a month payable for 24 months, corresponds to 23.5 per cent of the reference earnings of the ordinary adult male labourer as calculated in accordance with the Convention, which is 2,120,588 rupiah a month (ILOSTAT, 2026). It is worth noting that given the data limitations at the time of writing this report, this reference wage has been determined, as a working hypothesis, based on the average monthly wage of men employed in elementary occupations in 2023 (ISCO-08) (ILO, n.d.). Nevertheless, the Government is advised to review this reference wage and provide the necessary data to calculate the figure in accordance with Article 66(4) of the Convention.[74]

Article 36(3) of the Convention permits that the periodic payment may be commuted for a lump sum in cases where (i) the degree of incapacity is slight; or (ii) where the competent authority is satisfied that the lump sum will be properly utilized. The degree of incapacity is left to the Member State to determine. With regards to what constitutes a slight degree of incapacity that could give rise to a lump sum meeting the requirements of the Convention, the ILO Employment Injury Recommendation, 1964 (No. 121), provides, on an indicative basis, that it should be less than 25 per cent. In its previous observations regarding the employment injury branch in other countries, the ILO CEACR determined that a slight incapacity would be an incapacity for work below 30 per cent. Considering that, in Indonesia, the permanent disability benefit is granted in cases of complete inability to work, this condition does not fall within the “slight” category. Concerning the second option provided by the Convention, the national legislation examined does not provide for mechanisms that would allow the competent authority to assess whether lump sum benefits are properly used.

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[71] Article 1(16) of Law No. 40.

[72] Section A(2)(c)(3) of Schedule III, Government Regulation No. 44 of 2015, as amended in 2019.

[73] Section A(2)(f) of Schedule III of Government Regulation No. 44 of 2015, as amended in 2019.

[74] The wage of the ordinary adult labourer must be determined according to the guidance provided by Article 66(4) of the Convention, which is the provision applicable for assessing flat-rate benefits. For further information on the guidance provided by the Convention to identify this reference wage, see Annex 2 below.

In case of permanent total disability, the JKK scheme provides for the payment of a lump-sum benefit (that is, 70 per cent of 80 months of the insured's wage) and a flat-rate benefit of 12 million rupiah, which can be paid as a lump sum or in 24 instalments of 500,000 rupiah. Therefore, the national legislation and practice do not align with the minimum requirements set out by the Convention, which establishes that in case of total permanent incapacity, the benefit should be a periodical payment at least equal to 50 per cent of previous earnings and provided throughout the contingency.

Furthermore, the national legislation does not meet the conditions established by Article 36(3) that might allow the commutation of the periodical payment into a lump sum, namely: (a) where the degree of incapacity is slight; or (b) where the competent authority is satisfied that the lump sum will be properly utilized.

The ILO stands ready to support the cost assessment of bringing this parameter in line with the requirements of the Convention should the Government be interested.

Partial loss of earning capacity

Article 25(2)(b)(3) of Government Regulation No. 44 of 2015, as amended by Government Regulation No. 82 of 2019, provides for the payment of benefits in case the insured has a partial loss of working capacity due to anatomical or functional disabilities. Section I(3)(a) in Schedule III of the regulation establishes the formula for partial anatomical disability and section I(3)(b) in Schedule III establishes the formula for partial functional disabilities. Benefits are calculated based on the relevant formula and a table specifying the percentage of wages that shall be paid for specified injuries.

The formulas for calculating the value of the benefit payable in case of partial disability are as follows:

- Partial anatomical disability = % refers to table x 80 x monthly wage.
- Partial functional disability = % of the functional decrease x % refers to table x 80 x monthly wage.

Table 10 below reproduces the list of permanent partial disabilities and the percentage of wages that should be used for calculating the compensation for prescribed injuries, as established under Section C of Schedule III of Government Regulation No. 44, as amended.

Table 10. Types of permanent partial disabilities and corresponding replacement rates

Type of partial permanent disability	Replacement rate (% of wages)
Right arm from shoulder joint and below (conversely for left-handed)	40
Left arm from the shoulder joint and below	35
Right arm from or above the elbow and below (conversely for left-handed)	35
Left arm from or above the elbow and below	30
Right hand from or above the wrist and below	32
Left hand from or above the wrist and below (conversely for left-handed)	28
Two legs from groin and below	70
One leg from groin and below	35
Two feet from ankle and below	50
One foot from ankle and below	25
Two eyes	70
One-eye or diplopia [double vision] on near-sighting	35
Hearing impairment of both ears	40
Hearing impairment of single ear	20
Right thumb	15
Left thumb	12
Right index finger	9
Left index finger	7

Type of partial permanent disability	Replacement rate (% of wages)
One of the fingers of the right hand	4
One of the fingers of the left hand	3
First knuckle of right index finger	5
First knuckle of left index finger	4
First knuckle of other right finger	2
First knuckle of other left finger	2
One big toe	5
One index toe	3
Other toe	2
Peeling scalp	10 to 30
Impotency	40
Shortening of one leg: • less than 5 cm • 5 cm to less than 7.5 cm • 7.5 cm or above	 10 20 30
Hearing loss of both ears every 10 decibels	6
Hearing loss of one ear every 10 decibels	3
Loss of single earlobe	5
Loss of both earlobes	10
Disability or loss of nasal lobe	30
Perforation of nasal cavity bulkhead	15
Loss of smelling ability	10
Loss of physical work ability: • 51% – 70% • 26% – 50% • 10% – 25%	 40 20 5
Permanent loss of mental works ability	70
Partial loss of eyesight • Each loss of sharp[ness] efficiency in vision [of] 10%. • In the event of different efficiency between the right and left eyesight, the binocular eyesight efficiency [is calculated] with the following formulation of eyesight loss: (3 x % of the best sight efficiency) + % of the worst sight efficiency	7
Loss of colour vision	10
Every 10% of visibility loss	7

Source: Government Regulation No. 44 of 2015, Section C of Schedule III, as amended by Government Regulation No. 82 of 2019. Please note, the translation used here is taken directly a version of Government Regulation No. 44 of 2015 hosted on the BPJS Employment website: https://www.bpjsketenagakerjaan.go.id/assets/uploads/peraturan/PP_82_2019_English.pdf.

In the case of partial permanent disability (either anatomical or functional), the benefit is payable as a lump sum. Based on the scale prescribed under Government Regulation No. 44 of 2015, as amended, reproduced above, a permanent partial anatomical disability resulting in a loss of physical work capacity between 51 per cent and 70 per cent would give rise to a lump-sum benefit of 80 months of the insured's last wage multiplied by 40 per cent.

As noted above, under Article 36(3) of the Convention, periodical payments may be commuted for a lump sum: (a) where the degree of incapacity is slight; or (b) where the competent authority is satisfied that the lump sum will be properly utilized. In this regard, the CEACR has found that a partial incapacity of up to 30 per cent should give rise to periodic benefits (ILO 2025).[75] Compliance with the Convention could also be achieved by implementing measures for the competent authority to assess whether the lump sum will be properly utilized by the beneficiary. Further clarification

[75] See also, for instance, CEACR, Observation – Social Security (Minimum Standards) Convention, 1952 (No. 102) – Bulgaria, adopted 2025; CEACR, Direct Request – Equality of Treatment (Accident Compensation) Convention, 1925 (No. 19), Workmen's Compensation (Occupational Diseases) Convention (Revised), 1934 (No. 42), and Social Security (Minimum Standards) Convention, 1952 (No. 102) – Comoros, adopted 2025.

would be necessary to establish whether such mechanisms are encompassed in the national legislation (for example, regulations or administrative rules).

Under the JKK scheme, benefits in case of a permanent partial loss of earning capacity (either anatomical or functional) are provided as a lump sum of 80 times the insured's monthly wage multiplied by the assessed degree of disability according to a schedule in law (ranging from 7 to 70 per cent).

Article 36(3) of the Convention stipulates that the periodical payment may be commuted for a lump sum where: (a) the degree of incapacity is slight; or (b) where the competent authority is satisfied that the lump sum will be properly utilized. However, based on the information available to the ILO, neither of these conditions seems to be fulfilled in Indonesia. In particular, the scheme does not award periodical payments in case of permanent incapacity above a slight degree, which, based on the previous observations of the CEACR regarding the employment injury branch in other countries, would be an incapacity for work below 25 per cent. Likewise, there is no information available indicating that there are mechanisms in place to ensure that lump sum payments will be properly utilized.

In the understanding that there are no measures that allow the competent authority to assess whether the beneficiary will utilize the lump sum properly to prevent that persons protected would fall into poverty after having spent the compensation awarded, the national legislation and practice do not align with the requirements of Convention No. 102. Compliance with Article 36(2) of the Convention, would require that "in case of partial loss of earning capacity likely to be permanent, or corresponding loss of faculty, the benefit, where payable, shall be a periodical payment representing a suitable proportion of that specified for total loss of earning capacity or corresponding loss of faculty".

Survivors' benefit

In Indonesia, compensation in case of loss of support suffered by widows and children caused by the death of the breadwinner due to employment injury consists of a death grant (lump sum) and a periodic benefit payable for a limited period. The death grant corresponds to 60 per cent of 80 months of the insured's wage, subject to a minimum amount of 20 million rupiah.[76] The periodic compensation is a flat-rate amount of 500,000 rupiah payable for 24 months or as a lump sum of 12 million rupiah.[77] The national legislation does not provide further details regarding the conditions that dependents must meet to convert the periodic compensation into a lump-sum benefit.

It can be noted that Government Regulation No. 44 of 2015 also comprises a funeral grant equal to 10 million rupiah,[78] and the award of yearly scholarships to a maximum of two of the deceased's children. Section A(2)(k)(a–d) of Schedule III of Government Regulation No. 44 of 2015, as amended in 2019, sets the following amounts as the maximum benefit to be provided, depending on the level of education:

- Kindergarten to elementary school: 1.5 million rupiah per year per child (for a maximum education period of eight years)
- Middle school or equivalent level: 2 million rupiah per year per child (for a maximum education period of three years)
- High school or equivalent level: 3 million rupiah per year per child (for a maximum education period of three years)
- Higher education or training: 12 million rupiah per year per child (for a maximum education period of five years).

[76] Section A(2)(d) of Schedule III, Government Regulation No. 44 of 2015, as amended in 2019.

[77] Section A(2)(f) of Schedule III of Government Regulation No. 44 of 2015, as amended in 2019.

[78] Section A(2)(e) of Schedule III of Government Regulation No. 44 of 2015, as amended in 2019.

Survivor's benefits provided under the JKK scheme consists of a lump sum benefit (that is, 60 per cent of 80 months of the insured's wage) and a flat-rate benefit of 12 million rupiah, which can be paid as a lump sum or in 24 instalments of 500,000 rupiah, which would not be in line with the Convention, which requires the payment of periodical benefits corresponding to at least 40 per cent of the insured's previous earnings to the deceased's widow and children.

Although the award of scholarships can support the education of the deceased's children, this benefit is not in compliance with Article 36 of Convention No. 102, which requires that a standard beneficiary for this contingency (defined as a widow with two children under the schedule appended to Part XI of the Convention) receives a periodical benefit at a minimum replacement rate of 40 per cent of the insured's previous earnings.

Coverage of persons employed in the territory of the Member (Article 37)

Article 37 of the Convention specifies that the benefits (medical care and compensation) shall, in a contingency covered, be secured at least to a person protected who was employed in the territory of the Member at the time of the accident if the injury is due to accident or at the time of contracting the disease if the injury is due to a disease and, for periodical payments in respect of death of the breadwinner, to the widow and children of such person.

As mentioned above, article 1(4) of Government Regulation No. 44, as amended, stipulates that participants are all persons, including foreign nationals who have worked in Indonesia for at least six months, who have paid contributions.

In the case of occupational diseases, persons diagnosed with work-related illnesses as certified by a doctor's certificate are entitled to JKK benefits if the occupational disease occurs within three years of the employment relationship being terminated.[79]

It can be noted that Indonesian citizens employed outside of Indonesia can participate in a separate scheme – Pekerja Migran Indonesia[80] – which is also administered by BPJS Employment. Under this plan, enrolment in the employment injury (JKK) and death insurance (JKm) schemes is mandatory. Programme participants can register in the old-age savings or provident fund scheme (JHT) voluntarily.

The JKK scheme appears to be in compliance with Article 37 of Convention No. 102 regarding the coverage of persons employed within Indonesia. Further clarification could be sought as to whether cash benefits are paid to dependants outside Indonesia's territory.

Duration of benefits and waiting period (Article 38)

Article 38 of Convention No. 102 specifies that the benefit shall be granted throughout the contingency, except that, in respect of incapacity for work, the benefit need not be paid for the first three days in each case of suspension of earnings.

Neither Law No. 40 of 2004 nor Government Regulation No. 44 of 2015 specify whether there is a limit on the duration of medical care, except for home care services, which can be provided for up to one year.[81] The elucidation of article 25(2)(a) of Government Regulation No. 44 indicates that "healthcare suitable to the medical needs" refers to the medical treatment provided as required for the treatment and medication of occupational accidents or diseases in accordance with the standards set by the Minister, and until the worker recovers, becomes disabled, or dies as determined by the examining physician, treating physician, or advising physician". Therefore, it appears that the legal framework aimed to secure the provision of the necessary medical care throughout the contingency. However, the national legislation sets ceilings on the maximum cost of medical care covered or reimbursed by the JKK scheme. For instance, home care shall be provided up to a maximum of 20 million rupiah, while dentures are reimbursed up to 5 million rupiah, glasses up to 1 million rupiah, and

[79] Article 48(1–2) of Government Regulation No. 44 of 2015.

[80] The implementing regulations of this scheme are provided by Minister of Manpower Regulation No. 18 of 2018 concerning Social Security of Indonesian Migrant Workers.

[81] Section A(1)(a)(m) in Schedule III of Government Regulation No. 44 of 2015, as amended.

orthoses and protheses up to 2.5 million rupiah. Therefore, in practice, the duration of medical care can be limited by the fact that there are ceilings on the amounts paid by the JKK scheme, meaning that they are provided as long as the cost is covered.

Concerning cash benefits, the national legislation establishes that the benefit in case of temporary incapacity for work is payable until full recovery, certification of partial anatomical disability, partial functional disability, permanent total disability, or death.[82] It is worth noting that article 51(1) of Government Regulation No. 44 of 2015 states that during the period when a participant with an occupational accident or disease is unable to resume work, the employer shall pay the wage until a doctor certifies that the respective worker has recuperated, is disabled or has passed away. BPJS Employment shall reimburse employers for such payments. The national legislation examined does not seem to provide a waiting period in case of incapacity for work, and the Government has confirmed that no waiting period is required in practice. As such, temporary disability benefits are provided from the first day of incapacity.[83]

With regard to cash benefits in case of permanent total disability and death of the breadwinner, the JKK scheme provides a lump sum compensation[84] and a flat-rate benefit (that is, 12 million rupiah) which can be paid as lump sum or in 24 instalments of 500,000 rupiah.[85] Compensation in case of permanent partial disability is also limited to a lump-sum payment.

In light of the above, the national legislation appears to be in line with the requirements of the Convention concerning medical care, which seems to be provided throughout the contingency. Benefits in the event of temporary incapacity also comply with the Convention, as the benefit is payable until full recovery, certification of partial anatomical disability, partial functional disability, permanent total disability or death, without a waiting period.

Concerning the cash benefits provided in the case of permanent total disability, permanent partial disability and survivorship, they are, for the most part, limited to lump-sum payments. While the national legislation includes a periodical benefit in case of permanent total disability and death of the breadwinner; these benefits are limited to 24 months and, as such, are not in compliance with the requirements of the Convention, which requires that all benefits granted in case of employment injury be provided throughout the contingency.

E. Family benefit (Part VII)

Currently, Indonesia does not have a social insurance scheme covering the extra costs involved in the maintenance of dependent children. There are, however, a number of non-contributory schemes that through the provision of social transfers seek to reduce poverty, vulnerability and inequality among vulnerable categories of the population, including families with children. Among the existing measures, the following two social transfers are worth noting as they aim to address the needs of families and children by providing some basic income security and are grounded in the national legal framework:

- The **Family Hope Programme** (Program Keluarga Harapan, or PKH) is a social assistance means-tested programme initially introduced by the Government of Indonesia to support low-income families with children in seven districts. Over the last 15 years, the PKH programme has been rolled out to all 34 districts, targeting approximately 10 million beneficiary households every year (UNICEF 2024b). Through the provision of periodical social transfers, the PKH programme seeks to reduce poverty, vulnerability and inequality and improve the standard of living of vulnerable households with pregnant women, children younger than age 6, school-age children, older persons and persons with disabilities.
- The **Smart Indonesia Programme (Programme Indonesia Pintar, or PIP)** is a complementary social transfer designed to support students from low-income households to cover school supplies, uniforms and

[82] Section A(2)(b)(2) of Schedule III, Government Regulation No. 44 of 2015, as amended in 2019.

[83] In practice, employers are required to advance the benefit pending the issuance of the medical certification. Once the certification is provided, BPJS Employment will disburse the benefit directly to the worker and reimburse the employer for the amounts paid during the interim period. Reimbursement is processed upon submission of the employer's request.

[84] Article 25(2)(b)(3) of Government Regulation No. 44 of 2015, as amended.

[85] Section A(2)(f) of Schedule III of Government Regulation No. 44 of 2015, as amended in 2019.

transportation. Its primary objectives are to prevent school dropouts, ensure continued access to compulsory education and reduce educational disparities among students from vulnerable or financially disadvantaged families who benefit from other social assistance programmes. The PIP is principally governed by Minister of Education and Culture Regulation No. 10 of 2020 concerning the Smart Indonesia Programme.[86] The benefit level varies according to education level, as follows:

- Elementary: 450,000 rupiah per year
- Middle school: 750,000 rupiah per year
- High school: 1.8 million rupiah per year.

Given the limited information available to the ILO concerning the effective coverage and expenditure of the PIP, the analysis included in this section focuses on the PKH programme, which provides benefits for the maintenance of children aged 0 to 21.[87]

Contingency (Article 40)

The contingency covered shall be responsibility for the maintenance of children as prescribed. The term "child" means a child under school-leaving age or under 15 years of age (Article 1(e)).

According to article 3 of Minister of Social Affairs Regulation No. 1 of 2018, the PKH programme is a conditional social assistance programme that targets poor and vulnerable families and individuals registered in the integrated database for handling the poor. Eligible families and individuals must fulfil at least one of the health, education or social welfare criteria prescribed.

The health component criteria include: (i) pregnant and nursing mothers; and (ii) children aged 0 to 6 years. The education component covers: (i) children in elementary school or equivalent; (ii) children in middle school or equivalent; (iii) children in high school or equivalent; and (iv) children aged 6 to 21 who have not completed the compulsory education of 12 years. The social welfare component includes: (i) older persons aged 60 or older; and (ii) persons with disabilities, priority is given to persons with severe disabilities.[88]

Currently, the PKH programme grants periodical benefits up to a maximum of four persons in one family.[89]

By providing a periodic social transfer to supplement the income of vulnerable and low-income families with children under 21 years of age in compulsory education, the PKH programme Families aligns with the definition of the contingency established by Article 40 of Convention No. 102 (that is, the responsibility to ensure the welfare of children and the economic stability of their families).

Coverage (Article 41)

Article 41 of Convention No. 102 provides that the persons protected shall comprise:

a. prescribed classes of employees, constituting not less than 50 per cent of all employees; or

b. prescribed classes of the economically active population, constituting not less than 20 per cent of all residents; or

c. all residents whose means during the contingency do not exceed prescribed limits; or

d. where a declaration made in virtue of Article 3 is in force, prescribed classes of employees, constituting not less than 50 per cent of all employees in industrial workplaces employing 20 persons or more.

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[86] The Guidelines for the Implementation of the Indonesia Pintar Programme (PIP) for 2025, issued by the Secretary-General of the Ministry of Education, Culture, Research and Technology, provide further guidance for the current operation of this programme.

[87] The International Labour Office remains available to provide technical assistance to ILO Member States to further the ratification and application of ILO Conventions, and as such it stands ready to assess compliance between the Smart Indonesia Programme and the requirements of Parts VII (Family Benefit), XII (Equality of treatment of non-national residents) and XIII (Common Provisions) of Convention No. 102, should the Government so request.

[88] Article 5(1) to (3) of Minister of Social Affairs Regulation No. 1 of 2018.

[89] The legislation examined does not provide for this eligibility limit; however, the cap on the number of beneficiaries per family is included in the 2021–2024 PKH guidelines for implementation published by the Minister of Social Affairs.

Considering that the PKH programme is a social assistance programme that targets poor and vulnerable families and individuals, recourse will be had to subparagraph (c), meaning that the persons protected shall comprise all residents whose means during the contingency do not exceed prescribed limits.

The framework legislation for the provision of social assistance in Indonesia is Law No. 13 of 2011 on Handling the Poor. According to article 1(2) of this law, handling the poor is directed, integrated and sustainable efforts undertaken by the Government, regional governments or the community in the form of policies, programmes and activities for empowerment, assistance and facilitation so that every citizen can meet their basic needs. This law stipulates that a poor person is an individual who has no source of livelihood or who, despite having a source of income, cannot meet their basic needs and those of their family.[90]

According to Minister of Social Affairs Regulation No. 1 of 2018, the PKH programme is a conditional social assistance programme for poor and vulnerable families and individuals registered in the integrated data for handling the poor, processed by the Ministry of Social Affairs Data and Information Centre and designated as PKH beneficiary families (article 1(1)). The number and location of potential beneficiaries is sourced from the unified database (article 33(2)). The number of beneficiaries (quota) by province, district, city and subdistrict level is established based on poverty levels in the area concerned, and the regional government's readiness to expand the programme (article 34(1–2)). Determination of beneficiaries is carried out by the director responsible for PKH implementation after validating that prospective beneficiaries meet the requirements of the programme (article 34(3)).

The unified database of beneficiaries (DTKS) contains information on the socio-economic poorest 40 per cent households in Indonesia (Holmedo et al. 2020); however, this database is being replaced by the National Socioeconomic Single Data (DTSEN), which was introduced in 2025 by Presidential Instruction No. 4 of 2025 to serve as the main data source for planning, implementing and evaluating social and economic policies, including social welfare services and social assistance programmes. The DTSEN is an electronic dataset that contains the socio-economic and demographic information of Indonesian residents.

Although the PKH programme targets the poorest families who meet the demographic conditions for entitlement (for example, households integrated by pregnant women or children in school-age), no further information is available regarding the income threshold used for determining eligibility.[91]

The PKH programme seeks to provide income support to poor and vulnerable families with children and adolescents in compulsory education (until age 21) who meet the prescribed eligibility and targeting criteria. **To ascertain whether the PKH programme complies with Article 41 of the Convention, clarification should be sought as to whether residents who are not Indonesian citizens are entitled to benefits under this programme. It should be recalled that the principle in the Convention is equality of treatment between non-national residents and national residents, although regarding benefits financed wholly or mainly out of public funds, the Convention allows for special rules concerning non-nationals and nationals born outside the Member's territory, such as a minimum period of residence. The Government could clarify whether and under what conditions residents would be entitled to these benefits, even if they were not Indonesian nationals.**

Likewise, further information concerning the prescribed income threshold used to determine individuals' eligibility for benefit entitlement would also be necessary.

[90] Article 1(1) of Law No. 13 of 2011.

[91] Based on information published by the World Bank (2020), the PKH programme targets the poorest 15 per cent of Indonesia's population; nonetheless, this information could not be confirmed using the legal instruments available to the ILO.

Type of benefits (Article 42)

According to Article 42(a) of Convention No. 102, the benefit can be a periodic payment granted to any person having completed the prescribed qualifying period and whose income is below a certain threshold. Article 42(b) specifies that benefits in kind (food, clothing, housing and so on) can also be considered, or a combination of in-cash and in-kind benefits (Article 42(c)).

The PKH programme provides a quarterly cash benefit disbursed in January, April, July and October to eligible families and individuals. The benefit amounts depend on the type of beneficiary and were last updated by the Ministry of Social Affairs in 2020 (see table 11). Currently, eligibility for benefits is limited to four persons per family.

▶ **Table 11. PKH programme: Annual and quarterly benefit amounts per type of beneficiary**

Type of beneficiary	Annual benefit (in rupiah)	Quarterly amount (in rupiah)
Pregnant women and children aged 0 to 6 years old	3 000 000	750 000
Children in elementary school	900 000	225 000
Children in middle school	1 500 000	375 000
Children in high school	2 000 000	500 000
Older persons (60+ years) and persons with disabilities	2 400 000	600 000

Source: Compiled by the authors based on the Decree of the Director-General of Protection and Social Security No. 02/3/BS.02.01/01/2020 on Index and Social Assistance Balance Factor of The Family Hope Program 2020.

It can be noted that, in accordance with the Minister of Social Affairs Regulation No. 1 of 2018, PKH beneficiaries are also entitled to receive services in health, education and social welfare facilities and complementary social assistance programmes in the fields of health, education, energy subsidies, economy and meeting other basic needs (article 6(c–d)). In practice, this provision has permitted that PKH beneficiaries are often prioritized to receive other social transfers and in-kind benefits, including the Basic Food Card Programme (Bantuan Pangan Non Tunai, or BPNT) and the Smart Indonesia Programme (PIP), as well as access to the subsidized component of the health insurance scheme (PBI-JKN).

For the purpose of assessing compliance with the requirements of Convention No. 102, in this report, recourse will be made to Article 42(a) of the Convention, which establishes that family benefits can be provided in cash. However, the Government has the possibility to demonstrate compliance with the Convention by considering both the cash benefits and the complementary services available to families with children, as permitted by Article 42(b) of Convention No. 102.

> Since the PKH programme provides periodical cash benefits (paid quarterly) to eligible families that meet the prescribed conditions, it appears that family benefits in Indonesia comply with Article 42 of the Convention, which permits that family benefits be provided either in cash and/or in kind, including food, clothing, housing, holidays or domestic help.

Qualifying period (Article 43)

Article 43 of Convention No. 102 states that the benefit specified in Article 42 shall be secured at least to a person protected who, within a prescribed period, has completed a qualifying period, which may be three months of contribution or employment, or one year of residence, as may be prescribed.

Minister of Social Affairs Regulation No. 1 of 2018 concerning the Implementation of the PKH Programme does not prescribe a qualifying period. Potential beneficiaries must be included in the unified database of beneficiaries – DTKS – which is currently being replaced by the DTSEN, a single registry that contains socio-economic and demographic data on Indonesia's population. As per the current rules, the DTSEN shall be used by ministries, agencies and local government agencies to plan, implement and evaluate social and economic policies, including social welfare services and social assistance programmes.[92]

[92] For further information, see Presidential Instruction No. 4 of 2025 on National Socioeconomic Single Data (in Bahasa Indonesia).

After a verification and validation process, the determination of PKH beneficiaries is done through the decision of the Director of Family Social Security under the Directorate General of Social Insurance and Social Protection within the Ministry of Social Affairs.[93]

Eligibility under the PKH programme does not seem to be subject to a minimum qualifying period for entitlement to benefits. Subject to confirmation that this is the case, the national legislation would be in conformity with the requirements of Article 43 of Convention No. 102, which permits establishing a minimum period of residence of one year (non-contributory schemes) or three months of contribution or employment (contributory schemes) for entitlement to family benefits.

Level of benefits (Article 44)

Article 44 of the Convention prescribes that the total value of the benefits granted to the persons protected shall be such as to represent either:

(a) 3 per cent of the wage of an ordinary adult male labourer, as determined in accordance with the rules laid down in Article 66, multiplied by the total number of children of persons protected; or

(b) 1.5 per cent of the said wage, multiplied by the total number of children of all residents.

In this report, recourse will be had to Article 66(4)(b) in order to determine the wage of an ordinary adult male labourer – that is "a person deemed typical of unskilled labour" selected in accordance with Article 66(5). With this in mind, Article 66(5) refers to “a person employed in the major group of economic activities with the largest number of economically active male persons protected in the contingency in question.[94]

Indonesian Labour Force Survey data collected in the ILOSTAT database indicate that in 2023 the two major groups of economic activities employing the largest number of economically active men were:

- **agriculture, forestry and fishing** (Section A, ISIC Rev. 4), with 25,475,808 men (30.1 per cent of male employees), and
- **wholesale and retail trade; repair of motor vehicles and motorcycles** (Section G, ISIC Rev. 4), with 13,673,804 men (16.1 per cent of male employees).

Given that workers in agriculture typically have very low levels of social security coverage, the second-largest group – wholesale and retail trade; repair of motor vehicles and motorcycles – should be used as the reference sector. To identify the wage of an ordinary adult male labourer under the Convention, it would be necessary to determine the average wage of elementary workers (ISCO-08) employed in this sector. However, as this information was not available at the time of writing, this report uses the average wage of all workers in elementary occupations across all economic activities as a working hypothesis.

In 2023, 21.5 per cent of male workers in Indonesia (approximately 18.2 million) were employed in elementary occupations (ISCO-08). The average monthly wage for men in these occupations was 2,120,588 rupiah in 2023 (ILO, n.d.). This figure will serve as the benchmark for the subsequent analysis. Nevertheless, the Government is advised to review this reference wage and provide the necessary data to calculate the figure in accordance with Article 66(4)(b) of the Convention.

Per the Financial Note (*Nota Keuangan*) on the Official Budget (APBN 2023) published by the Ministry of Finance, the budget allocated to the PKH programme for 2023 was 28.71 trillion rupiah (Indonesia, Ministry of Finance 2023). Based on the information publicly available, the success rate (realization) of the PKH budget was 98.42 per cent, for an actual expenditure of 28.28 trillion (Indonesia, BPK 2024).

Concerning the total number of children in Indonesia, it is estimated that in 2023, there were approximately 84,198,626 children aged 0 to 18 years in Indonesia.[95]

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[93] Ministry of Social Affairs Regulation No. 2 of 2025 concerning the Organization and Governance of Ministry of Social Affairs.

[94] The Government also has the option of identifying the reference wage of an ordinary adult male labourer based on Article 66(4)(a), that is, "a person deemed typical of unskilled labour in the manufacture of machinery other than electrical machinery". Annex 2 provides further guidance on how to identify the reference wage of the skilled and unskilled worker in accordance with Articles 65 and 66 of Convention No. 102.

[95] For further information, see UNDESA, Population Division 2024.

▶ **Table 12. Total value of family benefits (2023)**

Total value of family benefits provided to the children of protected persons in 2019 (working hypothesis PKH budget in 2019)	28.28 trillion (annual)
Total number of children of all residents	84 198 626
Wage of an ordinary adult male labourer according to Article 66 of Convention No. 102	2 120 588 x 12 = **25 447 056 (annual)**
Total value of the benefits in cash and in kind	1.5% x **25 447 056** = 381 705
1.5% of the wage of the ordinary adult male labourer multiplied by the total number of children of all residents	381 705 x 84 198 626 = 32 139 107 264 175 28.28 trillion is less than 32 139 107 264 175

To assess compliance with the requirements of Article 44 of Convention No. 102, it is necessary to furnish the statistical data required in the report form for this Convention. It is worth noting that the information available to the ILO at the time of writing this report was not sufficiently disaggregated to assess the level of benefits according to the guidance provided by the report form for this Convention. For example, it was not possible to determine the exact amount of benefits provided to children under the PKH programme. Nonetheless, to provide an indication of the level of benefits, table 12 presents, as a working hypothesis, the total amount of family benefits in 2019 calculated based on the PKH budget for that year.

Given the above, the amount of family benefits provided by the PKH programme seems to fall below the requirements of Article 44 of Convention No. 102.

However, given that there are other cash and in-kind benefits aimed at covering the needs of children in vulnerable families in Indonesia – for example, the Smart Indonesia Programme (Program Indonesia Pintar) and the (Sembako Programme (formerly Basic Food Card Programme or BPNT – said benefits could also be taken into account, provided that the value of such benefits dedicated to the protection of protected persons (that is, children receiving the PKH programme) can be identified.

Duration of benefits (Article 45)

According to Article 45 of Convention No. 102, benefits provided for the maintenance of children should be provided throughout the contingency, that is, at least up to the 15th year of the child or up to school-leaving age.

As previously mentioned, eligibility for the PKH programme requires the fulfilment of two conditions:

(i) individuals must be included in the unified database of beneficiaries; and

(ii) at least one family member must comply with the health, education or welfare component (for example, household composition includes a pregnant woman, a child aged 0 to 21 with less than 12 years of compulsory education, an older person or a person with disabilities).

The legislation examined does not specify a limit on the duration of family benefits.

According to the Minister of Social Affairs Regulation No. 1 of 2018, graduation (exit from the programme) occurs when beneficiaries no longer fulfil the eligibility criteria related to demographics (natural graduation) or when the socio-economic conditions of the individual/family improve sufficiently enough to make them ineligible for benefits (updated graduation).[96]

Furthermore, since the PKH programme is a conditional cash transfer, entitled beneficiaries must comply with a number of conditionalities in terms of health, education and participation in welfare activities. According to article 7 of Minister of Social Affairs Regulation No. 1 of 2018, PKH beneficiaries are required to:

a. participate in regular health check-ups at health service facilities in accordance with the health protocol for pregnant and lactating women and children aged 0 to 6 years;

[96] Article 56(1–3) of Minister of Social Affairs Regulation No. 1 of 2018.

b. school-age children must participate in learning activities and have an attendance rate of at least eighty-five per cent of effective learning days for 12 years of compulsory education; and

c. participate in activities in the field of social welfare in accordance with the needs of families with elderly members aged 60 or older and/or people with severe disabilities.

According to article 9(1–2) of Minister of Social Affairs Regulation No. 1 of 2018, non-compliance with the programme's conditionalities results in sanctions, which can take the form of temporary suspensions or termination of benefits.

Subject to confirmation that the PKH programme provides periodical benefits to eligible children in compulsory education (up to age 21) who fulfil the conditions prescribed in the national legislation for maintaining eligibility for benefits (for example, poverty and vulnerability status and school attendance), family benefits in Indonesia would align with Article 45 of the Convention, which requires that benefits be provided throughout the contingency, or at least until the child reaches 15 years of age or the school leaving age.

The suspension of benefits due to the beneficiary's lack of compliance with the programme's requirements seems in line with Article 69(g) of the Convention, which permits the suspension of benefits in appropriate cases, where the person concerned fails to comply with rules prescribed for verifying the occurrence or continuance of the contingency or for the conduct of beneficiaries.

F. Invalidity benefit (Part IX)

In Indonesia, invalidity benefits are provided in accordance with Law No. 40 of 2004, as amended in 2020, and Government Regulation No. 45 of 2015. Article 35(2) of this regulation stipulates that the pension insurance programme (JP scheme) shall be administered to guarantee that participants receive cash benefits in case of old age, permanent total disability or death.

Contingency (Article 54)

Article 54 of the Convention provides that the contingency covered shall include inability to engage in any gainful activity, to an extent prescribed, which inability is likely to be permanent or persists after the exhaustion of sickness benefit.

According to article 41(7) of Law No. 40, a disability pension shall be paid to a participant with a permanent total disability although he or she had not reached retirement age. Total disability is defined under article 1(16) as a disability that results in a person's inability to work.

Similarly, article 20(1) of Government Regulation No. 45 of 2015 provides that a disability pension shall be granted to participants with a permanent total disability younger than the normal retirement age. Article 20(5) stipulates that the determination of permanent total disability shall be performed by a consulting, attending and/or treating physician.

Although the national legislation does not specify the minimum degree of disability required for entitlement to invalidity benefits, based on the above definitions, it appears that benefits are limited to cases of total inability to engage in any work.

As per the current rules, the JP scheme provides invalidity benefits to protected persons who, due to permanent total disability, are unable to work. As such, the national legislation complies with Article 54 of the Convention, which requires that disability benefits are provided in case of an inability to engage in any gainful activity to a prescribed extent, likely to be permanent or to persist after the exhaustion of sickness benefits.

Coverage (Article 55)

Article 55 of Convention No. 102 provides that the persons protected shall comprise:

a. prescribed classes of employees, constituting not less than 50 per cent. of all employees; or

b. prescribed classes of the economically active population, constituting not less than 20 per cent. of all residents; or

c. all residents whose means during the contingency do not exceed limits prescribed in such a manner as to comply with the requirements of Article 67; or

d. where a declaration made in virtue of Article 3 is in force, prescribed classes of employees, constituting not less than 50 per cent. of all employees in industrial workplaces employing 20 persons or more.

Legal coverage

As invalidity benefits are provided under the Jaminan Pensiun scheme, their personal scope of application (legal coverage) is identical to that described above in section C on the old-age benefit (Part V).

Effective coverage

Based on the available statistical information, the effective coverage of disability benefits in Indonesia, determined based on the number of employees contributing to the JP scheme in 2023, is estimated at 24.16 per cent of all employees, as shown in table 13.

▶ **Table 13. Calculation of the coverage of Indonesia's disability benefit scheme (JP scheme) (2024)**

A. Number of employees protected[1]	14 959 033
B. Total number of employees[2]	61 915 923
C. Number of employees protected (A) as percentage of total number of employees (B)	24.16%

[1] Active contributors to the JP scheme in 2024. Retrieved from Indonesia, BPJS Employment 2025.
[2] This number is composed of the total number of employees in February and August 2023 (average of data from two Labour Force Surveys) plus total number of unemployed persons in the same period.

As per the current rules, the personal scope of the Jaminan Pensiun scheme is limited to wage earners in large- and medium-sized enterprises (defined in national legislation in relation to the enterprise's net assets or annual sales value). Based on the statistical information available, it is estimated that the scheme covered 24.16 per cent of all employees in 2024, which falls short of the minimum requirements of Article 55(a) of the Convention (that is, at least 50 per cent of all employees).

Given the characteristics of Indonesia's labour market, where a significant share of employees work for small- and micro-sized enterprises, the Government should consider extending the scope of application of the Jaminan Pensiun to all employees (wage earners), irrespective of the enterprise's size.

In parallel, should the Government be interested in ratifying Part IX of the Convention, it could consider availing itself of the temporary exception provided for in Article 55(d) of the Convention, which allows countries that make a declaration under Article 3 to limit the scope of application to 50 per cent of all employees in industrial workplaces employing 20 persons or more. Should the Government consider using this temporary exception, it would be required to furnish the statistical information in the form set out in Title V under Article 76 of the report form for this Convention as part of Indonesia's first report on the application of the Convention.

Level of benefits (Article 56)

Article 56(1)(a) of Convention No. 102 provides that the invalidity benefit must be a periodical payment calculated according to Article 67 and should be a periodical payment attaining, for a standard beneficiary indicated in the Schedule appended to Part XI, at least 40 per cent of the reference wage determined in accordance with these provisions. However, Article 57(3) stipulates that the requirements concerning the minimum replacement rate of benefits shall be deemed to be satisfied if a standard beneficiary is entitled to a benefit corresponding to at least 30 per cent their previous earnings after having completed, in accordance with prescribed rules, five years of contribution, employment or residence.

Additionally, for social security systems providing benefits representing a portion of previous earnings, Article 65 of the Convention allows for the establishment of an upper limit on the amount of wages or earnings that may be considered when calculating the benefit. However, this ceiling should be set in such a way that a skilled manual male employee, determined in accordance with the provisions of the Convention, would still receive a benefit equal to at least 40 per cent of previous earnings.

In this report, recourse will be had to Article 66(6)(d) of the Convention to determine the wage of a skilled manual employee, that is, that of "a person whose earnings are equal to 125 per cent of the average earnings of all the persons protected".

Article 41(b) of Law No. 40 provides for the monthly payment of disability benefits, which shall be granted to participants with a permanent total disability due to work or disease. Concerning the calculation of the invalidity benefit, the benefit formula is established by Government Regulation No. 45 of 2015. Article 20(3) of this regulation stipulates that the disability pension amount shall be calculated according to the pension formula for the old-age pension, set by article 17(2), that is, 1 per cent of the insured's average indexed annual earnings during the total contribution period divided by 12 and multiplied by the number of years of contributions. The insured's average yearly earnings are adjusted based on the general inflation rate, which shall be set by the national government institution on statistics (article 17(5)).

According to the Convention, a standard beneficiary should receive an invalidity benefit corresponding to at least 40 per cent of previous earnings after 15 years of contributions. Applying the benefit formula prescribed in the national legislation, an insured person with 15 years of contributions would be entitled to receive an invalidity pension equivalent to 15 per cent of their indexed average monthly earnings.

Maximum and minimum benefits

The maximum and minimum benefits, as well as the earning ceiling, of invalidity benefits under the JP scheme are the same as those applicable to old-age benefits (see section C. on old-age benefits above).

As per the current rules, insured persons with 15 years of contributions who experience a permanent total disability would be entitled to receive an invalidity pension corresponding to 15 per cent of their indexed average monthly earnings. Therefore, the national legislation does not comply with the minimum requirements of Article 56 (read in conjunction with Article 65) of the Convention, which require the provision of periodical benefits corresponding to at least 40 per cent of previous earnings.

Furthermore, although the national legislation establishes a minimum pension, the minimum pension payable in 2025 corresponded to approximately 66 per cent of the national poverty line, and, therefore, does not attain the minimum benchmarks set by Convention No. 102, which require that, at a minimum, social security benefits be sufficient to maintain the family of the beneficiary in health and decency.

In this regard, the Government may wish to consider the 2023 ILO's financial assessment of the social security pension schemes administered by BJPS Employment, which, among others, assessed the financial implications of bringing this parameter in line with the requirements of the Convention.

Periodic adjustment of pensions in payment

Under national legislation, invalidity benefits are adjusted in the same manner as old-age benefits (see section C on old-age benefit above).

The national legislation prescribes that the level of pensions in payment shall be adjusted annually based on the inflation rate (CPI) of the previous year. As such, the national legislation complies with Article 65(10) of Convention No. 102, according to which pensions need to be reviewed following substantial changes in the general level of earnings where these result from substantial changes in the cost of living.

Qualifying period (Article 57)

Article 57(1) of Convention No. 102 specifies that an invalidity benefit at least equal to 40 per cent of the insured's previous earnings shall be secured at least "to a person protected who has completed, prior to the contingency, in accordance with prescribed rules, a qualifying period which may be 15 years of contribution or employment, or ten years of residence". Article 57(2) of the Convention provides: "Where the benefit referred to in paragraph 1 is conditional upon a minimum period of contribution or employment, a reduced benefit shall be secured at least ... to a person protected who has completed, prior to the contingency, in accordance with prescribed rules, a qualifying period of five years of contribution or employment."

Article 41(2) of Law No. 40 provides that any participant or their dependents shall be entitled to receive a monthly pension upon fulfilling a minimum contribution period of 15 years unless stated otherwise by the accompanying regulations of the law.

Accordingly, Government Regulation No. 45 of 2015 provides for the award of disability benefits in case a participant is assessed with a permanent total disability but has a contribution period below the prescribed 15 years. According to article 20(3) of the regulation, in such cases, the contribution period used to calculate the disability pension benefits as referred to in paragraph (2) shall be 15 years, provided that:

a. Participants regularly pay contributions, in which the density rate is at least 80 per cent; and

b. The events leading to a permanent total disability occur at least one month after participants' enrolment in the pension insurance scheme.

Consequently, persons protected are entitled to disability benefits under the JP scheme if they have completed a qualifying period of at least 15 years or if they have a contribution compliance of at least 80 per cent[97] and the disability occurred at least one month after their registration in the scheme. In case these conditions are not met, programme participants would receive a reimbursement of their total contributions plus accumulated interest as a lump sum.[98]

The qualifying conditions provided under article 20(3) of Government Regulation No. 45 of 2015 allow insured persons with shorter contributory records to qualify for disability benefits if they have contributed for at least 80 per cent of the time after registering in the scheme. Although this provision permits the award of a disability pension to an insured person who does not satisfy the minimum contribution period of 15 years provided that other conditions are met, such benefit is calculated based on the same formula prescribed under article 17(2) of Government Regulation No. 45 of 2015, that is 1 per cent of average indexed earnings multiplied by the assumed contribution period of 15 years. Therefore, the resulting amount will not attain the minimum prescribed by the schedule appended to Part XI of Convention No. 102.

The national legislation encompasses provisions for granting disability benefits with less than 15 years of contributions, provided that the permanent total disability began at least one month after registration with the JP scheme and the insured has an 80 per cent contribution compliance. The regulations do not specify a minimum contribution period for such cases; therefore, it is assumed that persons who have contributed for short periods (for example, one year) at a density rate of 80 per cent would qualify for benefits. Although this might allow protected persons to receive a periodical benefit after a shorter period than the periods permitted by the Convention (that is, 15 years for a full benefit and five years for a reduced benefit), the benefit amounts would not attain the minimum required by the Convention.

Indeed, applying the benefit formula prescribed by national legislation, insured persons with 15 years of contributions would receive a disability benefit corresponding to 15 per cent of their former earnings, which is well below the minimum required by Article 56 of the Convention (that is, at least 40 per cent after 15 years of contributions).

Duration of benefits (Article 58)

Article 58 of Convention No. 102 specifies that the invalidity benefit shall be granted throughout the contingency or until an old-age benefit becomes payable.

Article 20(4) of Government Regulation No. 45 of 2015 states that the entitlement to disability pension benefits will be calculated from the first day of the month following the assessment that confirms the participant's permanent total disability.

According to Law No. 40, disability pensions are paid until the beneficiary's death, as outlined in article 41(1)(b). Furthermore, Government Regulation No. 45 of 2015 specifies that a participant's right to disability pension benefits will end upon the participant's death or if their condition no longer meets the criteria for permanent total disability (article 20(7)).

[97] The density rate is defined in the elucidation of Law No. 40 as the participant's rate of contribution payment compliance. As such, the contribution density rate is the ratio of the number of months of contribution divided by the total period of membership (Brimblecombe et al. 2023).

[98] Article 24(1–2) of Government Regulation No. 45 of 2015.

Neither Law No. 40 nor the implementing regulation indicates that an invalidity pension ceases when the insured person reaches the retirement age. In practice, invalidity pensioners will continue to receive invalidity pensions even after reaching retirement age.

Considering that disability benefits are payable until the beneficiary's death or for as long as the permanent total disability exists, it can be concluded that benefits are provided throughout the contingency, as required by Article 58 of Convention No. 102.

G. Survivor's benefit (Part X)

Contingency (Article 60)

Article 60 of Convention No. 102 provides: “The contingency covered shall include the loss of support suffered by the widow or child as the result of the death of the breadwinner; in the case of a widow, the right to benefit may be made conditional on her being presumed, in accordance with national laws or Regulations, to be incapable of self-support.”

In addition, it provides that the benefit of a person otherwise entitled to it may be suspended if such person is engaged in any prescribed gainful activity or that the benefit, if contributory, may be reduced where the earnings of the beneficiary exceed a prescribed amount, and, if non-contributory, may be reduced where the earnings of the beneficiary or his other means or the two taken together exceed a prescribed amount.

According to Government Regulation No. 45 of 2015, survivors' benefits are provided to the spouse of a programme participant who has passed away but has completed a prescribed qualifying period. A spouse entitled to benefits is a legitimate wife or husband who is listed as the participant's beneficiary in BPJS Employment (article 1(7)). Neither Law No. 40 of 2004 nor its implementing regulations prescribed that the right of a widow to receive benefits is conditional on her being presumed to be incapable of self-support.

It is worth noting that article 22(1) of Government Regulation No. 45 of 2015 provides for the payment of a Child Pension Benefit when a JP participant dies and does not have a spouse or if the surviving spouse remarries. In such cases, the participant's children, defined under article 1(8) of this regulation as biological, adopted or stepchildren, are entitled to periodical benefits provided that they are single, non-employed and younger than age 23.[99] The Child Pension Benefit is payable to a maximum of two children (article 14(1)(c)).

Government Regulation No. 45 of 2015 also specifies that if the deceased participant was single and had no eligible spouse or children at the time of death, a survivor benefit would be payable to one of their parents (article 14(1)(d)). The regulation defines "parent" as including a biological father, mother, stepfather, stepmother, foster father or foster mother who is legitimate under the laws and regulations and is listed as the participant's beneficiary in BPJS Employment (article 1(9)).

The legislation examined does not specify whether a spouse's right to a survivors' benefit can be suspended or reduced if the beneficiary engages in any gainful activity. Contrariwise, according to article 22(5) of Government Regulation No. 45 of 2015, the right of children to survivors' benefits (Child Pension Benefit) expires upon the beneficiary's employment.

[99] Article 14(2) of Government Regulation No. 45 stipulates that participants' children born at the maximum of 300 days after the dissolution of a marital relationship with a wife or husband who is registered and declared valid or after the participant's death can be registered as a pension benefit beneficiary.

The national legislation partially complies with the Convention, as it provides for the payment of survivors' benefits to a spouse and, only in the absence of a spouse, the participant's children. Therefore, as per the current rules, entitlement to the Child Pension Benefit is contingent upon the absence of a spouse (or in case the widow(er) remarries).

International standards define the covered contingency as the loss of support suffered by the widow or child as a result of the death of the breadwinner. Hence, compliance with Article 60 of Convention No. 102 would require that, at a minimum, the widow and children[1] of a breadwinner who meets the prescribed qualifying period are entitled to survivor benefits, irrespective of whether a nomination has been made to this effect.

It can be further noted that the limit imposed by Government Regulation No. 45 of 2015 on the number of dependent children that can receive survivors' benefits (two children) is unusual in comparative practice for this contingency.

[1] Defined here as children of school-leaving age or under 15 years of age.

Coverage (Article 61)

Article 61 of Convention No. 102 provides that the persons protected shall comprise:

a. the wives and the children of breadwinners in prescribed classes of employees, which classes constitute not less than 50 per cent. of all employees; or

b. the wives and the children of breadwinners in prescribed classes of the economically active population, which classes constitute not less than 20 per cent. of all residents; or

c. all resident widows and resident children who have lost their breadwinner and whose means during the contingency do not exceed limits prescribed in such a manner as to comply with the requirements of Article 67; or

d. where a declaration made in virtue of Article 3 is in force, the wives and the children of breadwinners in prescribed classes of employees, which classes constitute not less than 50 per cent. of all employees in industrial workplaces employing 20 persons or more.

Legal coverage

As survivor's benefits are provided under the Jaminan Pensiun scheme, their personal scope of application (legal coverage) is identical to that described in section C. on old-age benefits above.

Effective coverage

Based on the available statistical information, the effective coverage of survivors' benefits in Indonesia, determined based on the number of employees contributing to the JP scheme in 2024, is estimated at 24.16 per cent of all employees, as shown in table 14.

▶ **Table 14. Calculation of the coverage of Indonesia's survivors' benefit scheme (JP scheme) (2024)**

A. Number of employees protected[1]	14 959 033
B. Total number of employees[2]	61 915 923
C. Number of employees protected (A) as percentage of total number of employees (B)	24.16%

[1] Active contributors to the JP scheme in 2024. Source: Indonesia, BPJS Employment 2025.
[2] This number is composed of the total number of employees in February and August 2024 (average of data from two Labour Force Surveys) plus total number of unemployed persons in the same period.

As per the current rules, the personal coverage for survivors' benefits is not in full compliance with the requirements of Article 61(a) of the Convention, as only the wives and children of wage earners employed in large- and medium-sized enterprises are currently covered by the Jaminan Pensiun scheme. Based on the statistical information available, it is estimated that the scheme covered 24.16 per cent of all employees in 2024, which falls short of the minimum requirements of Article 61(a) of the Convention (that is, at least 50 per cent of all employees).

Given the characteristics of Indonesia's labour market, where a significant share of employees work for small- and micro-sized enterprises, the Government should consider extending the scope of application of the Jaminan Pensiun to all employees (wage earners), irrespective of the enterprise's size.

In parallel, should the Government be interested in ratifying Part IX of the Convention, it could consider availing itself of the temporary exception provided for in Article 61(d) of the Convention, which allows countries that make a declaration under Article 3 to limit the scope of application to 50 per cent of all employees in industrial workplaces employing 20 persons or more. Should the Government consider using this temporary exception, it would be required to furnish the statistical information in the form set out in Title V under Article 76 of the report form for this Convention as part of Indonesia's first report on the application of the Convention.

Level of benefits (Article 62)

Article 62 of the Convention states that the amount of the survivors' benefits must be calculated in conformity with the rules established in Article 65, 66 or 67 of Convention No. 102 and should be a periodical payment attaining, for a standard beneficiary indicated in the Schedule appended to Part XI, at least 40 per cent of the reference wage determined in accordance with these provisions.

Additionally, for social security systems providing benefits representing a portion of previous earnings, Article 65 of the Convention allows for the establishment of an upper limit on the amount of wages or earnings which may be considered when calculating the benefit. However, this ceiling should be set in such a way that a skilled manual male employee, determined in accordance with the provisions of the Convention, would still receive a benefit equal to at least 40 per cent of previous earnings.

In this report, recourse will be had to Article 66(6)(d) to determine the wage of a skilled manual employee, that is, that of "a person whose earnings are equal to 125 per cent of the average earnings of all the persons protected". Based on the latest information available to the ILO, in 2020 the average monthly earnings of insured persons contributing to the JP scheme was 4,192,594 rupiah (men) and 3,918,746 rupiah (women) (Brimblecombe et al. 2023). A simple average of such amounts results in a monthly insurable earnings of 4,055,670 rupiah; as such, the monthly earnings of a standard beneficiary in 2020 would amount to 5,069,587 rupiah (4,055,670 x 125 per cent).

According to article 21(2)(a) of Government Regulation No. 45 of 2015, if the participant dies before receiving a pension benefit, the widow(er)'s pension is 50 per cent of the old-age pension benefit formula as referred to in article 17(2) of the regulation. If the individual passes away after receiving an old-age or disability pension, the widow(er)'s pension is 50 per cent of the deceased's pension (article 21(2)(b)). As mentioned above, the benefit formula prescribed under article 17(2) of this regulation is 1 per cent of the insured's average adjusted career earnings multiplied by the number of years of contributions.

Government Regulation No. 45 of 2015 also provides that in the absence of a widow or widower, a survivors' pension (referred to as the Child Pension Benefit) is payable to a maximum of two of the deceased's children. According to article 22(2)(a–b), this benefit is calculated as 50 per cent of the pension the breadwinner received or would have received had he been alive. In cases where a child becomes eligible for benefits upon the widow(er)'s remarriage or death, the child pension benefit is 50 per cent of the widow(er)'s pension (article 22(2)(c)). Should the breadwinner have neither a widow(er) nor children, 20 per cent of the old-age or disability pension the deceased received or would have been entitled to receive is paid to one of their parents (article 23(2), in conjunction with article 14(1)(c)).

Assessment of the provisions relating to the calculation of the survivors' benefit has to be made in view of the requirements of the Convention, which sets a minimum replacement rate of 30 per cent of the former earnings of the deceased breadwinner for a standard beneficiary, that is a widow with two children, and which stipulates that such benefit must be guaranteed to the survivors of the deceased breadwinner after completion of a maximum contributory period of

five years.[100] As mentioned above, the benefit formula stipulated under article 17(2) of Government Regulation No. 45 of 2015 is 1 per cent multiplied by the number of years of contributions and the insured's average career indexed earnings, thus, a participant with 15 years of contributions would be entitled to receive a periodic benefit at a rate of 15 per cent of their previous earnings.

Therefore, it appears that a widow(er) of a deceased breadwinner who had contributed for 15 years would receive a monthly pension equivalent to 7.5 per cent of the deceased's reference salary or pension. Similarly, since the child benefit payable in the absence of a spouse is 50 per cent of the breadwinner's reference salary or pension, each of the deceased's children (up to two children) would receive a benefit at a 7.5 per cent replacement rate. Even if it was assumed that both, the widow(er)'s and the deceased's children would be granted survivor benefits at the same time, adding these rates would still fall below the minimum of 40 per cent indicated by the Schedule appended to part XI of the Convention, after completing 15 years of contributions.

Maximum and minimum benefits

The maximum and minimum benefits, as well as the earning ceiling, of survivors' benefits under the JP scheme are the same as those applicable to old-age benefits (see section C. on old-age benefits above).

Survivors' benefits provided under the JP scheme do not comply with the requirements of Article 62 (read in conjunction with Article 65) of the Convention, as the rate of the benefit after 15 years of contributions does not attain the minimum replacement rate indicated in the schedule appended to Part XI, that is, at least 40 per cent of previous earnings.

In this regard, the Government may wish to consider the 2023 ILO's financial assessment of the social security pension schemes administered by BJPS Employment, which, among others, assessed the financial implications of bringing this parameter in line with the requirements of the Convention.

Periodic adjustment of pensions in payment

Article 65(10) of Convention No. 102 requires that the rates of current periodical payments in respect of old age, employment injury (except in case of incapacity for work), invalidity and survivorship shall be reviewed following substantial changes in the general level of earnings where these result from substantial changes in the cost of living.

As per the national legislation, survivors' pensions payable to the deceased's spouse, children or parents shall be adjusted annually based on the inflation rate (CPI) of the previous year.[101]

The national legislation prescribes that the level of pensions in payment shall be adjusted annually based on the inflation rate of the previous year. As such, the national legislation complies with Article 65(10) of Convention No. 102, according to which pensions need to be reviewed following substantial changes in the general level of earnings where these result from substantial changes in the cost of living.

[100] Convention No. 102, Article 63(3)).

[101] Article 16 of Government Regulation No. 45 of 2015, in conjunction with article 17(1)(b) and (4–5)

Qualifying period (Article 63)

Convention No. 102 allows for a qualifying period of 15 years of contribution or employment for entitlement to survivors' benefits according to Article 63. Moreover, a reduced benefit shall be secured at least after a qualifying period of five years of contribution or employment.

According to article 41(2) of Law No. 40 of 2004, any participant in the pension insurance scheme or their dependents shall be entitled to receive a monthly pension upon fulfilling a minimum contribution period of 15 years unless stated otherwise by the implementing regulations of this law.

Article 21(3) of Government Regulation No. 45 of 2015 stipulates that in case a programme participant dies before reaching the retirement age and has a qualifying period below 15 years, his or her spouse shall receive a periodic benefit calculated based on an assumed vesting period of 15 years provided that:

a. the deceased had been registered in the scheme for at least one year; and

b. the deceased had regularly paid contributions at a minimum density level of 80 per cent.

Similarly, in the absence of a spouse, children (up to two children) of a deceased participant are entitled to a periodic benefit provided that the deceased had been registered for at least one year in the pension insurance scheme and had paid contributions at a density rate of at least 80 per cent (article 23(3)).

Therefore, it appears that the national legislation stipulates two possibilities for entitlement to survivors' benefits:

1. if the participant had at least 15 years of contributions at the time of death; and
2. if the participant had at least one year of contributions and paid contributions at a density rate of at least 80 per cent.

In the latter case, survivors' benefits are calculated based on an assumed vesting period of 15 years, which will result in benefits that fall below the minimum replacement rate indicated in the Schedule appended to Part XI of the Convention.[102]

Finally, it is worth noting that survivors' benefits are not conditional on the widow(er)'s being incapable of self-support. Likewise, the legislation examined does not require a minimum duration of the marriage for granting survivors' benefits to a childless spouse.

The national legislation encompasses provisions for the award of survivors' benefits in the event that the insured person had contributed for at least 15 years, or with less than 15 years of contributions, provided that he or she had been registered in the pension insurance scheme for at least one year and had an 80 per cent contribution compliance. For the latter, the regulations do not specify a minimum contribution period; therefore, it is assumed that entitlement to benefits would be possible even if the breadwinner had contributed for a shorter period than the five years prescribed in the Convention. However, the contribution compliance requirement might result in a less favourable situation for persons protected who, despite having contributed for a considerable period (for example, ten years), would not be entitled to a reduced benefit because of having a contribution density below the prescribed 80 per cent.

Although the qualifying period established in the national legislation aligns with the requirements permitted by the Convention (that is, 15 years of contributions for entitlement to a full pension and five years for a reduced pension); given the benefit formula (1 per cent per year of contribution), survivors' benefits do not attain the minimum replacement rate prescribed in the schedule appended to Part XI of the Convention (that is, at least 40 per cent of former earnings).

Duration of benefits (Article 64)

Article 64 of Convention No. 102 specifies that survivors' benefits shall be granted throughout the contingency. As regards the loss of support suffered by children, the Convention considers the term child to mean a child under school-leaving age

[102] The benefit formula is 1 per cent multiplied by the number of years of contributions and the participant's average adjusted salary (article 17(2) of Government Regulation No. 45 of 2015).

or under 15 years old (Article 1(e) and Article 60). Survivors' benefits granted to spouses can be suspended where the spouse remarries or where they are engaged in any gainful activity (Articles 60 and 69).

Article 41(1)(c) of Law No. 40 of 2004 envisages the cessation of the widow(er)'s pension in case of death or remarriage of the surviving spouse. Survivor's benefits for children are payable until they reach age 23, engage in gainful employment or get married (article 41(1)(d)).

The national legislation further specifies that in case a deceased participant had neither spouse nor children at the time of death, one of the participant's parents shall be granted a survivor pension for life.[103]

As per the current rules, the survivors' benefits provided under the Jaminan Pensiun scheme are payable to a widow(er) until death or remarriage, and to children until they reach age 23. Therefore, the national legislation and practice comply with the minimum requirements of Article 64 of Convention No. 102, which requires that, at a minimum, survivors' benefits be provided in the form of periodic payments to orphans until 15 years of age or school-leaving age and widows until they are remarried.

H. Equality of treatment of non-nationals (Part XII) and common provisions (Part XIII)

Equality of treatment of non-nationals (Article 68)

Article 68(1) of Convention No. 102 provides that non-national residents shall have the same rights as national residents: Provided that special rules conceding non-nationals and nationals born outside the territory of the Member may be prescribed in respect of benefits or portions of benefits which are payable wholly or mainly out of public funds and in respect of transitional schemes. Article 68(2) further stipulates that in the case of contributory social security schemes which protect employees, the persons protected who are nationals of another Member which has accepted the obligations of the relevant Part of the Convention shall have, under that Part, the same rights as nationals of the Member concerned: Provided that the application of this paragraph may be made subject to the existence of a bilateral or multilateral agreement providing for reciprocity.

Article 1(8) of Law No. 40 stipulates that participants in the National Social Security System (SJSN) are all persons, including foreign nationals who have worked for at least six months in Indonesia, who have paid contributions.

The national legislation defines foreign workers (Tenaga Kerja Asing, or TKA) as foreign citizens holding a visa with the intention of working in Indonesia's territory (article 1(1) of Government Regulation No. 34 of 2021). This regulation further establishes employers' obligation to register foreign nationals in the SJSN after six months of employment (article 8(1)).[104] It also specifies that employers of non-national employed in Indonesia for less than six months shall register them in an insurance programme with an Indonesian legal entity insurance company covering at least the risk of employment injury (article 8(2)).

It is worth noting that in accordance with article 54(3) of Law No. 6 of 2011 concerning immigration, a foreign national holding a Permanent Stay Permit is an Indonesian resident.

Benefits provided under the JKN scheme (medical care)

Since the National Health Insurance Programme is one of the schemes governed by Law No. 40 on the SJSN, the definition of programme participants set by article 1(8) of this law also applies to the JKN programme. Therefore, foreign nationals who have worked in Indonesia for at least six months are covered by the scheme provided that they pay the relevant contributions.

As previously mentioned, the JKN programme has two components:

[103] Article 23(1) and (5) of Government Regulation No. 45 of 2015.

[104] Failure by the employer to comply with their obligation to register foreign nationals in the SJSN shall result in administrative sanctions in the form of service delays (Government Regulation No. 34 of 2021, article 39(2)(b).

1. the PBI scheme, which aims to provide contribution subsidies for the poor and near poor to grant JKN active membership for free; and
2. the non-PBI scheme, which covers waged workers (PPU), non-salaried workers (self-employed persons) (PBPU) and non-workers (BP) with contributory capacity.[105]

Article 2(2) of Presidential Regulation No. 82 of 2018 specifies that "participants are all individuals, including foreigners, who have worked for at least six months in Indonesia and have paid Health Insurance contributions". In Indonesia, foreign nationals need a legal entity (employer) to sponsor them in order to receive a working visa and residence permit. As such, non-national residents who have worked in Indonesia for at least six months are required to participate under the non-PBI scheme as waged workers (PPU).

Although non-national residents are included in the scope of application of the JKN programme, it appears that they are not subject to the same treatment as national residents. In particular, non-national residents are covered by the JKN scheme only after they have worked in Indonesia for at least six months, which may leave foreign workers without sufficient protection during the initial six months. Nonetheless, Minister of Manpower Regulation No. 8 of 2021 stipulates that non-national workers employed in Indonesia for less than six months shall be registered in an insurance programme with an Indonesian insurance company (article 4(4)(c)). Per article 8 of Government Regulation No. 34 of 2021, such insurance companies shall at least guarantee protection against employment injuries. Prescribing a minimum period of employment before registration of non-national workers becomes mandatory leaves them in a less favourable situation than that of Indonesian workers, for whom registration is compulsory irrespective of the length of the employment relationship.

In this regard, it should be noted that Article 68(2) of the Convention provides:

> Under contributory social security schemes which protect employees, the persons protected who are nationals of another Member which has accepted the obligations of the relevant Part of the Convention shall have, under that Part, the same rights as nationals of the Member concerned: Provided that the application of this paragraph may be made subject to the existence of a bilateral or multilateral agreement providing for reciprocity.

Although Indonesia has endorsed the Declaration on Portability of Social Security Benefits for Migrant Workers in ASEAN adopted in 2022 and through which States commit to adopt bilateral and/or multilateral agreements on the portability of social security rights,[106] at the time of writing this report, Indonesia had not established any bilateral or multilateral social security agreements.

Concerning the PBI scheme, which is entirely financed through public funds, its personal scope appears to be limited to national residents. In particular, article 5 of the Minister of Social Affairs Regulation No. 21 of 2019, specifies that PBI members must meet the following requirements:

a. Be an Indonesian citizen;
b. Have a population identification number (NIK) registered at the Directorate General of the Department of Population and Civil Registration; and
c. Be included in the integrated social welfare database.

[105] Article 4(1) of Presidential Regulation No. 82 of 2018.

[106] For further information, consult the Declaration on Portability of Social Security Benefits for Migrant Workers in ASEAN (2022).

The National Health Insurance Programme (JKN) aims to cover all residents, including foreign nationals who have worked in Indonesia for at least six months and who have paid contributions. Since a minimum period of employment is not required for the enrolment of Indonesian workers under the non-PBI scheme, in the event of a potential future ratification of Part II of the Convention, the CEACR may require further information on the application of the principle of equality of treatment within this scheme.

Concerning the PBI scheme (the subsidized component of JKN), non-national residents appear to be excluded from the scheme, which is entirely financed through public funds. **Regarding benefits financed wholly or mainly out of public funds, Article 68(1) of the Convention allows for special rules concerning non-nationals and nationals born outside the Member's territory, such as a minimum period of residence. Therefore, the Government may wish to clarify whether and under what conditions non-national residents would be entitled to participate in this scheme.** Compliance with the Convention would require that non-national residents be covered, even though special rules (such as the completion of a period of residence) may apply for coverage under the non-contributory component of the JKN programme.

Benefits provided under the JP (old-age, invalidity and survivors' pensions), JKK (employment injury) and JKP (unemployment benefits) schemes

Article 14 of Law No. 24 stipulates that everyone, including foreign nationals working in Indonesia for at least six months, shall become a participant in the National Social Security System (SJSN). Nonetheless, coverage of non-national residents is only mentioned in the implementing regulations that govern three of the four contributory schemes administered by BPJS Employment. In particular, Government Regulation No. 44 of 2015 concerning the employment injury insurance (JKK) and death insurance (JKm) schemes, and Government Regulation No. 46 on the old-age savings plan (JHT) specifically include foreign nationals working in Indonesia for at least six months in their definition of programme participants.[107] On the other hand, the scope of application of Government Regulation No. 45 on the Jaminan Pensiun scheme, which provides old-age, invalidity and survivors' pensions, only includes state officials' employees and non-state officials' employees. As such, further clarification should be sought as to whether, in practice, non-national residents who have worked in Indonesia for at least six months are also covered by the Jaminan Pensiun scheme, despite the apparent gap in the legislation.

Although Article 68(1) of Convention No. 102 allows the establishment of special rules, such as the completion of a certain period of residence for the entitlement of non-nationals to benefits financed by public funds or taxation, these special rules should not be extrapolated to contributory schemes. In particular, the establishment of a minimum period of employment before non-nationals employed in Indonesia can participate in the contributory schemes governed by Law No. 40 might leave this category of workers insufficiently protected during the first six months of work in Indonesia.[108]

Concerning unemployment benefits, as previously mentioned, the JKP scheme covers employees (wage earners with an employment relationship with an employer) who are registered with the relevant social security schemes (that is, JKN, JKK, JKM, JHT, and JP schemes in the case of employees in large- and medium-sized enterprises and JKN, JKK, JHT, and JKM schemes in the case of employees of small and micro enterprises).[109] Furthermore, article 4(2) of Government Regulation No. 37 of 2021, as amended by Government Regulation No. 6 of 2025, stipulates additional requirements for registration within the JKP scheme, which include being an Indonesian citizen.

[107] According to article 5(2)(c) of Government Regulation No. 44 of 2015, "wage earner participant" includes: a) employees who work for corporations; b) employees who work for individuals; and c) foreigners who have been working in Indonesia for at least six months. Likewise, Government Regulation No. 46 of 2015 defines JHT participants as all persons, including foreign nationals, who have worked in Indonesia for at least six months and have paid contributions.

[108] Since 2021, employers of non-nationals employed in Indonesia for less than six months are required to register them in an insurance programme with an Indonesian insurance company (Minister of Manpower Regulation No. 8 of 2021, article 4(4)(c)). At the time of writing this report, there was no further information about the types and scope of protection provided by such insurance companies.

[109] Article 4(3–4) of Government Regulation No. 37 of 2021, as amended by Government Regulation No. 6 of 2025.

Finally, it should be noted that based on the information publicly available at the time this analysis was carried out, Indonesia had not concluded any bilateral or multilateral social security agreements with Member States that have ratified Parts IV (unemployment benefits), V (old-age benefits), VI (employment injury benefits), IX (invalidity benefits) or X (survivors' benefits) of Convention No. 102.[110]

According to the definition of "participant" provided under Law No. 40 of 2004, foreign nationals working in Indonesia for at least six months shall be registered within the different schemes of the SJSN. **However, Government Regulation No. 45 of 2015 does not include foreign workers in the scope of application of the Jaminan Pensiun (JP) scheme, which is currently the only BPJS Employment scheme that provides periodical old-age, invalidity and survivor pensions. Further clarification should be sought to determine whether, despite this apparent gap in the legislation, non-national residents employed in Indonesia can participate in the JP scheme in the same manner as national residents.**

Concerning unemployment benefits, under the current rules, participation in the JKP scheme is limited to citizens of Indonesia. The Government may wish to consider extending the scope of application of the JKP scheme to non-national residents who are employed in Indonesia.

It can be noted that Article 68(2) of the Convention stipulates that, in the case of contributory schemes that protect employees, the persons protected who are nationals of another Member who has accepted the obligations of the relevant Part of the Convention shall have the same rights as nationals of the Member concerned. However, this provision may be conditional on the existence of a bilateral or multilateral agreement that provides for reciprocity. Based on the information available to the ILO, at the time of writing this report, Indonesia had not concluded any social security agreements providing for reciprocity.

Benefits provided under the PKH programme (family benefits)

According to article 1(2) of Law No. 11 of 2009, the implementation of social welfare is an integrated and sustainable effort carried out by the Government, regional governments and the community in the form of social services directed to guarantee the basic needs of every citizen, including through social rehabilitation, social security, social empowerment and social protection. There is no provision in the law stating whether social welfare is also provided to residents who are not Indonesian citizens. Similarly, the Minister of Social Affairs Regulation No. 1 of 2018 does not specify whether the PKH programme covers non-national residents.

Since the national legislation examined does not specify whether non-national residents are eligible for the PKH programme, further information would be necessary to establish whether non-national residents have the same rights as national residents under the social assistance legislation (for example, in relation to Law No. 11 of 2009 concerning Social Welfare and Law No. 13 of 2011 concerning Handling the Poor). In particular, the Government may wish to confirm whether non-national residents who meet the prescribed qualifying conditions are entitled to benefits under the PKH programme and under which conditions. In this regard, the Convention permits the establishment of special rules, such as a minimum period of residence, for non-national residents to be entitled to benefits financed by public funds.

Although the national legislation examined appears to suggest that non-contributory benefits, such as the PKH programme, are limited to Indonesian citizens, the available information does not allow for a definitive conclusion. In particular, further information would be necessary to establish whether non-national residents who meet the prescribed qualifying conditions would have the same rights as national residents under the PKH programme.

In this regard, it should be mentioned that Article 68(1) of Convention No. 102 permits the establishment of special rules for entitlement of non-national residents and nationals born outside the territory of the Member to benefits payable wholly or mainly out of public funds, such as a minimum period of residence.

[110] As of 30 June 2025, 68 countries have ratified Convention No. 102. For a detailed account of the branches accepted by each ratifying country, consult the ILO's NORMLEX database.

Suspension of benefits (Article 69)

Article 69 of Convention No. 102 provides that suspension of social security benefits is allowed:

a. as long as the person concerned is absent from the territory of the Member;

b. as long as the person concerned is maintained at public expense, or at the expense of a social security institution or service, subject to any portion of the benefit in excess of the value of such maintenance being granted to the dependents of the beneficiary;

c. as long as the person concerned is in receipt of another social security cash benefit, other than a family benefit, and during any period in respect of which he is indemnified for the contingency by a third party, subject to the part of the benefit which is suspended not exceeding the other benefit or the indemnity by a third party;

d. where the person concerned has made a fraudulent claim;

e. where the contingency has been caused by a criminal offence committed by the person concerned;

f. where the contingency has been caused by the wilful misconduct of the person concerned;

g. in appropriate cases, where the person concerned neglects to make use of the medical or rehabilitation services placed at his disposal or fails to comply with rules prescribed for verifying occurrence or continuance of the contingency or for the conduct of beneficiaries;

h. in the case of unemployment benefit, where the person concerned has failed to make use of the employment services placed at his disposal;

i. in the case of unemployment benefit, where the person concerned has lost his employment as a direct result of a stoppage of work due to a trade dispute, or has left it voluntarily without just cause; and

j. in the case of survivors' benefit, as long as the widow is living with a man as his wife.

Benefits provided under the JKN scheme (medical care)

The national legislation encompasses several provisions regarding the suspension, termination and refusal of medical care, notably under Presidential Regulation No. 82 of 2018, as amended in 2019, 2020 and 2024. The analysis that follows is in relation to the subparagraphs of Article 69 of Convention No. 102, as stipulated above.

Regarding subparagraph (a), article 37(1) of Presidential Regulation No. 82 of 2018 stipulates that Indonesians intending to live abroad for six consecutive months can temporarily suspend their participation in the JKN scheme. In such a case, the provision of medical benefits is suspended until the person concerned returns to the country. According to article 37(4), persons returning to Indonesia must inform BPJS Health and pay the corresponding contributions within 30 days of their return to receive benefits. Wage earners living abroad who still receive a salary in Indonesia are excluded from the application of article 37(1). This regulation also specifies that the scheme does not cover the provision of medical care benefits abroad (article 52(e)).

Concerning subparagraph (b), article 52(u) of Presidential Regulation No. 82 of 2018 stipulates that the JKN scheme does not include medical care services covered under other programmes. In particular, benefits in case of occupational diseases, work injuries or work-related accidents shall be guaranteed by the employment injury scheme or the employers (article 52(c)). Likewise, the traffic accident insurance programme provides healthcare benefits in the event of a road accident (article 52(e)).

Concerning subparagraph (f), article 52 of Presidential Regulation No. 82 of 2018 states that the JKN scheme does not cover healthcare services caused by drug or alcohol dependence (paragraph h), self-inflicted injuries, or as a result of practicing a dangerous hobby (paragraph j). In this regard, it is worth noting that the Convention permits the suspension of social security benefits if the contingency was caused by the person concerned’s wilful misconduct. In this regard, it is worth noting that, in the context of examining the application of the Convention by other countries, the CEACR has clarified

that cases where misconduct was caused not by deliberate acts of the claimant but rather by his or her negligence or carelessness could not be considered as wilful within the meaning of Article 69(f) of the Convention.[111]

According to article 52(b) of Presidential Regulation No. 82 of 2018, the JKN scheme does not cover health services provided at health facilities that are not part of BPJS Health's network of authorized facilities, except in cases of emergencies. This implies that, excluding emergencies, beneficiaries must follow the prescribed system of referrals and cannot seek specialist medical care without first consulting their primary care provider. Article 69(g) of Convention No. 102 permits the suspension of benefits if the person neglects to make use of medical or rehabilitation services placed at their disposal, or fails to comply with the rules for verifying the occurrence or continuance of the contingency, or for the conduct of beneficiaries.

It is also worth noting that article 42(1) of Presidential Regulation No. 82 of 2018, as amended in 2024, stipulates that in cases where a participant and/or employer do not pay the contribution by the end of the current month, the participant's coverage will be temporarily suspended starting from the first day of the following month. Article 41(2) further specifies that if the employer has not paid the outstanding contributions to BPJS Health, the employer is responsible for providing the employee with health services in accordance with the benefits provided. Per article 41(3), suspended JKN benefits are reactivated immediately once arrears are paid (for a maximum of 24 months of back-pay) plus the current month's premium.

It should be noted that Article 69 of Convention No. 102 provides a limitative list of permitted grounds for suspending benefits. Therefore, any situation resulting in a suspension not included in Article 69, such as the non-payment of contributions on behalf of the insured person, would not be in accordance with the Convention. In this regard, in its examination of the application of the Convention by other countries, the CEACR has indicated that the State must take all necessary measures to ensure that benefits are granted in practice, even if the employer has not collected the contributions.[112] The Committee has further underlined to another country that the Convention, in its Article 69, limits the cases in which the benefit can be suspended to acts imputable to the persons protected or to their personal circumstances.[113]

In general, the grounds regarding the suspension of benefits under the JKN scheme align with those permitted by Article 69 of Convention No. 102. **However, the provisions of the national legislation allowing the suspension of JKN membership due to the non-payment of contributions by the employer is not foreseen by the Convention. Moreover, Paragraph 25 of Recommendation No. 67 states that "a person shall not be disqualified for benefits by reason of the failure of his employer duly to collect the contributions payable in respect of him". In this regard, it can be further noted that the CEACR has stressed that workers should not be compelled to have recourse to the courts or the labour inspectorate to receive benefits even in case of failure of the employers to comply with the obligations.**

Benefits provided under the JP scheme (old-age, invalidity and survivors' benefits)

As above, the analysis that follows is in relation to the subparagraphs of Article 69 of Convention No. 102, which relate the circumstances under which suspension of social security benefits is allowed.

Regarding subparagraph (a), the national legislation examined does not include a specific provision concerning the payment of benefits to entitled beneficiaries who are outside the country.

Regarding subparagraph (g), article 26(1) of Government Regulation No. 45 of 2015 prescribes that a person receiving pension benefits provided by the pension insurance programme shall confirm the pension benefit beneficiaries' data once every three months to BPJS Employment. Failure to confirm the required data results in a temporary suspension of the pension benefit payment (article 26(2)). This regulation also specifies that, in the event benefits are suspended on these grounds, BPJS Employment may repay the pension benefits after the beneficiary confirms the required data. Article 26(4) further indicates that in case a beneficiary does not confirm the required data for up to ten years, BPJS Employment shall terminate the pension benefit payments. This cause seems to align with Article 69(g) of the Convention, which allows the

[111] CEACR, Observation – Social Security (Minimum Standards) Convention, 1952 (No. 102) – United Kingdom of Great Britain and Northern Ireland, adopted 1998.

[112] See, for example the observations concerning Convention No. 102 made by the CEACR to Croatia (2002), Mexico (2007); and Spain (2001).

[113] CEACR, Direct Request – Social Security (Minimum Standards) Convention, 1952 (No. 102) – Türkiye, adopted 2019.

suspension of benefits in appropriate cases where the beneficiary fails to comply with rules prescribed for verifying the occurrence or continuance of the contingency.

Likewise, article 20(7) of Government Regulation No. 45 of 2015 specifies that a participant's right to disability pension benefits will end upon the participant's death or if their condition no longer meets the criteria for permanent total disability. The contingency covered by Article 54 of the Convention is the "inability to engage in any gainful activity, to an extent prescribed, which inability is likely to be permanent or persists after the exhaustion of sickness benefit. The principle in the Convention is that benefits are provided throughout the duration of the contingency (Article 58). Therefore, suspending the benefit in cases where the beneficiary's condition improves to the extent that he or she is no longer considered as having a permanent total invalidity to the extent prescribed would not exceed what the Convention permits.

Finally, article 41(1)(c) of Law No. 40 stipulates that survivors' benefits shall be paid to a widow(er) until their death or remarriage. This cause aligns with Article 69(j) of Convention No. 102, which allows for the suspension of survivors' benefits in the event of remarriage.

The grounds prescribed in the national legislation for the suspension of benefits provided under the JP scheme appear to be in conformity with those permitted by Article 69 of Convention No. 102.

Benefits provided under the JKK scheme (employment injury)

According to article 38(1)(a) of Government Regulation No. 44, in the event that a salaried worker suffers a work injury or occupational disease while there are outstanding JKK contributions on his or her behalf of up to three consecutive months, BPJS Employment shall provide medical care and cash benefits to the injured worker. In cases of unpaid JKK contributions for more than three consecutive months, employers shall provide benefits directly to workers or their survivors (article 38(2)). Once the contributions arrears and respective penalties have been paid, employers can request a reimbursement from BPJS Employment (article 38(3)). The provisions under article 38(2) may leave workers insufficiently protected in case of work injury or occupational diseases, as it transfers the responsibility for the provision of social security benefits to employers who have defaulted their insurance contributions. In practice, enforcing such employers' obligations may be challenging, and depending on the mechanisms in place, it may rely entirely on the employers' goodwill. Moreover, considering that employers bear the total cost of contributions to the JKK scheme, article 38(2) appears to penalize the persons protected (employees and their eligible survivors) for acts that cannot be imputable to them.

It should be noted that Article 69 of Convention No. 102 provides a limitative list of permitted grounds for suspending benefits. Therefore, any situation resulting in a suspension that is not included in Article 69 – such as the non-payment of contributions on behalf of the insured person – would not be in accordance with the Convention. In this regard, in its examination of the application of the Convention by other countries, the CEACR has indicated that the State must take all necessary measures to ensure that benefits are granted in practice, even if the employer has not collected the contributions.[114] The Committee has further underlined to another country that the Convention, in its Article 69, limits the cases in which the benefit can be suspended to acts imputable to the persons protected or to their personal circumstances.[115]

No further information is available concerning other reasons for the suspension of employment injury benefits.

In light of the above, suspending the payment of social security benefits due to the non-payment of contributions by the employer is not a cause foreseen by the Convention. In this regard, it is worth noting that paragraph 25 of Recommendation No. 67 states that "a person shall not be disqualified for benefits by reason of the failure of his employer duly to collect the contributions payable in respect of him". It can be further noted that the CEACR has stressed that workers should not be compelled to have recourse to the courts or the labour inspectorate to receive benefits even in case of failure of the employers to comply with their obligations.

[114] See, for example, the Observations made by the CEACR concerning Convention No. 102 to Croatia (2002), Mexico (2007) and Spain (2001).

[115] CEACR, Direct Request – Workmen's Compensation (Occupational Diseases Convention (Revised), 1934 (No. 42), and Social Security (Minim Standards) Convention, 1925 (No. 102) – Türkiye, adopted 2019.

Benefits provided under the JKP scheme (unemployment benefits)

Article 40 of Government Regulation No. 37 of 2021, as amended by Government Regulation No. 6 of 2025, lists the following reasons for the disqualification of unemployment benefits:

(a) when protected persons fail to claim JKP benefits within three months after the employment termination occurs;

(b) when they find a job; or

(c) when they die.

Article 69 of the Convention lays down the only grounds for which suspension of a benefit may be allowed under the Convention. The reason for disqualification prescribed under article 40(a) of Government Regulation No. 37 of 2021, as amended by Government Regulation No. 6 of 2025, is not foreseen among the grounds for the suspension of benefits listed in Article 69 of the Convention. Indeed, international standards do not allow suspending a benefit to which a protected person would otherwise be entitled because of the lapse of a prescription period for claiming the benefit. According to the general principle established by the Convention, benefits shall be granted throughout the contingency without imposing any obligation on the beneficiary to claim the benefit during a prescribed period. If such a period is imposed, it should be long enough not to deprive the claimant of the right to claim the due benefit as long as the contingency lasts.

The other two grounds for the suspension of JKP benefits set out under paragraphs (b) and (c) of Article 40 of Government Regulation No. 37 of 2021, as amended, would appear to conform with Article 69(g), which lays down the possibility of suspending the benefit payment when the person fails to comply with the rules for verifying the occurrence or continuance of the contingency.

In addition to the specific causes for the suspension of unemployment benefits detailed above, the employer's failure to pay social security contributions to the JKK and JKM schemes, which are sources of funding for the JKP programme, may lead to the disqualification of unemployment benefits. According to article 39(3) of Government Regulation No. 37 of 2021, as amended by Government Regulation No. 6 of 2025, if an employer's arrears to the JKK and JKM programmes exceed three consecutive months when the employment termination occurs, the employer is liable for paying the unemployment benefit to workers.[116] In this respect, in reviewing the application of the Convention in the practice of other countries, the CEACR has recalled that Article 69 of the Convention, which enumerates the cases in which benefits provided under the Convention may be suspended, does not refer to the non-payment of contributions on behalf of the insured person (ILO 2011, para. 336). Indeed, transferring the responsibility for the payment of social security benefits to employers that have not settled their obligations towards the institutions administering the relevant schemes may unduly penalize unemployed workers for acts that may not be imputable to them, in particular when the default in the payment of contributions is attributable to the employers. Thus, the CEACR has pointed out that, in accordance with the principle of general responsibility of the State, if employers fail to meet their obligations, it is up to the State to take the necessary steps to ensure that the benefits are paid in practice.[117]

The national legislation stipulates that unemployment benefits shall be suspended when the insured finds a new job or dies, grounds that are compatible with those permitted by Convention No. 102.

However, the other two grounds for suspending benefits stipulated in the national legislation – (i) failing to claim the benefit within a prescribed period after termination of employment, and (ii) the non-payment of contributions by the employer – are not foreseen by the Convention. Therefore, the Government may wish to consider revising the relevant provisions so as to ensure that the causes prescribed for benefit refusal or suspension align with those permitted by Article 69 of the Convention.

Benefits provided under the PKH programme (family benefits)

Article 9(1–2) of Minister of Social Affairs Regulation No. 1 of 2018 stipulate that no compliance with the programme's commitments shall be subject to sanctions, either in the form of temporary suspension or termination of benefits. As

[116] By contrast, if the employers are in arrears for a maximum of three consecutive months, BPJS Employment shall pay the unemployment benefit to protected persons, and employers are then required to pay the social security institution the overdue contributions (Government Regulation No. 37 of 2021, article 39(1–2)).

[117] CEACR, Observation – Social Security (Minim Standards) Convention, 1952 (No. 102) – Spain, adopted 2001.

previously mentioned, PKH's beneficiaries must observe several obligations related to education (such as school enrolment and attendance) and health (such as medical check-ups and vaccination of children). In principle, this cause of suspension appears in conformity with Article 69(g) of the Convention, which permits the suspension of benefits in appropriate cases where the person concerned fails to comply with rules prescribed for verifying the occurrence or continuance of the contingency or for the conduct of beneficiaries. Nonetheless, to ascertain the proportionality of these measures, further clarification should be sought concerning the duration of the suspension of benefits and the circumstances under which benefits can be terminated.

The provisions related to the suspension of the PKH benefits appear to be in conformity with the requirements of Article 69 of Convention No. 102.

Right of complaint and appeal (Article 70(1))

Article 70(1) of Convention No. 102 prescribes that every claimant shall have a right of appeal in case of refusal of the benefit or complaint as to its quality or quantity.

The CEACR has commented on the right to appeal as follows:

> The concept of appeal further implies the settlement of the dispute by an authority that is independent of the administration that reviewed the initial complaint. Merely guaranteeing the right to seek review of the decision by the same administrative authority would not therefore be sufficient to constitute an appeal procedure under Convention No. 102. In addition, in the absence of special appeal procedures against the decisions of an administrative authority responsible to the government which rules in the first and last resort, the Committee has previously observed that the safeguards provided for in the Convention could nonetheless be ensured by the application of the general rules governing the right of appeal to the ordinary courts in so far as these rules permit the review or annulment of any administrative ruling in the cases covered by Article 70 (ILO 2011c, para. 406).

Article 70(2) of Convention No. 102 further stipulates that when a government department responsible to a legislature is entrusted with the administration of medical care, the right of appeal provided for in paragraph 1 of this Article may be replaced by a right to have a complaint concerning the refusal of medical care or the quality of the care received investigated by the appropriate authority.

General provisions applicable to the SJSN

Law No. 40 of 2004 does not contain provisions regarding the right of appeal in cases of benefit refusal or complaints concerning its quality or quantity.

In Indonesia, redress mechanisms available to protected persons dissatisfied with the social security benefits received, or related complaints, are primarily governed by Law No. 24 of 2011. This law establishes a tiered dispute resolution process, as follows:

- Internal administrative complaints handled by specialized units responsible for quality control and complaint management.
- External mediation, involving a mediator agreed upon by both parties.
- Judicial litigation if mediation fails (that is, does not result in a signed mediation agreement, which is final and binding) or is not applicable. Depending on the nature of the dispute, proceedings may be initiated before the District Court (civil lawsuit) or the Administrative Court (if the dissatisfaction arises from a specific administrative act or decision).

Chapter XII of Law No. 24 of 2011 sets out the general framework for dispute resolution within the social security institutions administering the SJSN. Article 48 provides for the establishment of a service quality control unit responsible for handling complaints from participants, which must be addressed within five working days of receipt (article 48(2)). Furthermore, Article 49(1) stipulates that any party whose complaint cannot be resolved by the unit referred to in article 48(1) may pursue settlement through mediation, with a mediator mutually agreed upon by both parties. Dispute resolution through mediation, once formalized in a written agreement, is final and binding.

If a complaint cannot be resolved through mediation, the dispute shall be submitted to the District Court where the applicant resides (article 50).

The general framework for dispute resolution within the social security institutions established by Law No. 24 of 2011 appears to comply with the requirements of Article 70 of Convention No. 102, as it includes administrative and judicial mechanisms to which protected persons can resort in case of refusal of the benefit or to complain as to its quality or quantity.

Benefits provided under the JKN scheme (medical care)

Section (E)(1) Chapter VII of Minister of Health Regulation No. 28 of 2014 stipulates seven principles for handling complaints within the National Health Insurance (JKN) scheme. Per this regulation, claims must be processed based on the principles of objectivity, responsiveness, coordination, effectiveness, efficiency, transparency and accountability to ensure that participants in the JKN scheme can settle their controversies promptly.

Minister of Health Regulation No. 28 of 2014 also specifies that, in the provision of healthcare services, problems may arise concerning the medical treatment itself or the administration of services, and they can occur between participants and authorized health facilities or between participants and BPJS Health (section (E)(2)). The regulation provides for two separate mechanisms for lodging complaints, depending on whether the grievance is with a health facility contracted by BPJS Health or if the complaint relates to a service rendered directly by BPJS Health.

According to section (E)(2)(a), complaints concerning services provided at health facilities should be settled by the parties in question. If the complaint cannot be resolved, the claim can be forwarded to the next level, namely the BPJS Health Local, District, or Central Team, and the Ministry of Health, which serves as the mediator. If the claim relates to a service provided directly by BPJS Health, participants can submit complaints to BPJS Local health so that the problem can be solved by the parties. Should the participant not be satisfied with the result, he or she has the right to forward the claim to the next level (that is, Regency, City, Provincial, and Ministry of Health as mediator). Should a grievance persist after the mediation process with the Minister of Health, participants may take legal action and settle their complaint through the court, following the relevant laws and regulations.

Presidential Regulation No. 82 of 2018 reaffirms the right of participants to complain in case of dissatisfaction towards Health Insurance services provided by contracted health facilities and BPJS Health directly. It specifies that complaint units shall be established and based in health facilities, BPJS Health, health services and the Ministry of Health (article 89(2)). Article 89(5) further stipulates that participants who have submitted a complaint must obtain an adequate settlement in a short time and are entitled to receive feedback on their claims from the parties concerned.

BPJS Health Regulation No. 2 of 2018 concerning the Quality Control Unit for Service and Handling of Participants' Complaints stipulates the general procedure for lodging complaints in the JKN scheme. It also requires contracted health facilities to establish an information service function responsible for handling complaints from participants in the health insurance programme (article 12(2)). This obligation shall be stated in the Cooperation Agreement between BPJS Health and health facilities. Article 12(3) further specifies that health facilities must prioritize the handling of claims so that they are processed rapidly and in full compliance with statutory provisions.

Furthermore, as a public service provider, BPJS Health must adhere to public service standards, manage complaints and conduct user satisfaction surveys on an ongoing basis to enhance service quality, as mandated by Law No. 25 of 2009 concerning Public Services. In particular, article 40(1) stipulates that individuals have the right to complain about public services to the Organizer, Ombudsman, House of Representatives, Provincial Regional House of Representatives and Regency/City Regional House of Representatives. Complaints can be lodged in the event that an organizer does not implement its obligations or violates prohibitions, and if executors provide services that are not in compliance with service standards (article 40(3)). Claims must be lodged within 30 days of receiving the service.[118] Should further information be required, participants have 30 days upon receiving the request to furnish it (article 44(3–4)). In the event that the requested information or documentation is not provided within the specified time limit, the complainant is deemed to have withdrawn the complaint. Upon receipt of a documented claim, the organizer and/or ombudsman have 14 days to respond.[119] Processing claims shall be done in accordance with the principles of independence, non-discrimination, impartiality, affordability (free-of-charge) and confidentiality (article 48(1)).

[118] Article 42(2) of Public Service Act.

[119] Article 44(3) of Public Service Act.

The framework for handling complaints in the JKN scheme established by the national legislation aligns with Article 70(2) of Convention No. 102, which provides that in the case of medical care, the right of appeal provided for in Article 70(1) of the Convention "may be replaced by the right to have a complaint against the refusal of medical care or the quality of the care received investigated by the appropriate authority".

Benefits provided under the JP (old-age, invalidity and survivors' pensions), JKK (employment injury benefits) and JKP (unemployment benefits) schemes

As mentioned above, Law No. 24 of 2011 stipulates that in the event of a disagreement with the decision taken by the unit responsible for handling complaints under the social security administering bodies (BPJS), participants may settle their dispute through a mediation mechanism (article 48(1)). If a complaint is not solved through the mediation mechanism, the person concerned may refer the matter to the district court where he or she resides (article 50).

Secondary legislation provides further details on the framework for dispute settlement, in particular, Chapter VII of Government Regulation No. 37 of 2021. Article 45(1) of this regulation stipulates that disputes arising between insured persons and employers, as well as between the social security institution (BPJS Employment) and related to the JKP programme, may be settled through deliberation among the disputing parties. Article 45(3) further provides that in cases where a settlement cannot be reached, the complaint shall be settled through mediation in accordance with the laws and regulations. Per Article 45(4), if the parties fail to resolve the dispute through a mediation mechanism, either party may submit the dispute to the district court.

BPJS Employment Regulation No. 3 of 2018 stipulates the administrative procedure for lodging complaints concerning the schemes administered by BPJS Employment, namely pension insurance (Jaminan Pensiun), employment injury (JKK), old-age savings (JHT), and death insurance (JKm). Article 10(2) of this regulation stipulates that claims must be handled within five working days upon receipt. If the information provided by the participant is deemed incomplete, the person concerned has a maximum of 30 days from the time the supporting data was requested to provide the necessary documents (article 10(3)). If a claimant cannot accept the decision taken by the quality control unit of service within BPJS Employment, the settlement will be carried out in accordance with the provisions of the legislation (article 11).

In the case of benefits provided due to employment injury or occupational diseases, the implementing regulations of the JKK scheme – that is, Government Regulation No. 44 of 2015, as amended in 2019 and 2023[120] – provide further information concerning the right to complaint and appeal. According to article 45(1) of this regulation, BPJS Employment shall calculate the amount of JKK benefits based on a doctor's certificate and the relevant legislation. Article 45(2) stipulates that in case the calculation of benefits made by BPJS Employment cannot be accepted by one of the parties due to a disagreement between the worker, the non-state official employer or BPJS Employment concerning the work injury or occupational disease, the effects of the accident, the degree of disability or the JKK benefits, a local labour inspector shall determine the JKK benefits to be provided. A person who is dissatisfied with the decision of a labour inspector may refer the matter to the Ministry of Manpower.[121] A decision by the Ministry of Manpower is final, and shall be implemented by the parties (article 45(4)).

The general framework for handling complaints and dispute resolution is provided under articles 57 and 58 of Government Regulation No. 44. Article 58(3) specifies that if a dispute cannot be settled amicably by the parties (for example, a worker and a healthcare facility), the matter shall be referred to the unit responsible for handling complaints within BPJS Employment. If the settlement is unsuccessful, a mediation mechanism will be conducted. Should the mediation mechanism not be performed, the controversy can be submitted to a District Court, in accordance with the laws and regulations (article 58(5)).

It appears that the provisions related to the right of complaint and appeal within the Jaminan Pensiun, the JKK, and JKP scheme are in conformity with the requirements of Convention No. 102 in that there are administrative mechanisms that allow protected persons to lodge complaints regarding the quality or quantity of benefits, as well as judicial mechanisms to appeal in case of disagreement with the decision, to seek appeal through an impartial and independent tribunal.

[120] For further information, consult Government Regulation No. 82 of 2019 and Government Regulation No. 49 of 2023.

[121] Article 45(3) of Government Regulation No. 44 of 2015.

Benefits provided under the PKH scheme (family benefit)

Neither Law No. 11 of 2019 concerning Social Welfare nor Law No. 13 of 2011 concerning Handling the Poor appear to provide for the right of social assistance beneficiaries to complaint and appeal.

Minister of Social Affairs Regulation No. 1 of 2018 lays down the general framework for handling complaints within the PKH programme. According to article 65(2–3), complaints concerning the implementation of the PKH programme can be lodged by individuals, groups, institutions or community organizations, either at the central, provincial, district/city or subdistrict level. Article 65(4) further stipulates that complaints can be made through: (i) the PKH information centre; (ii) application of the public complaints system; (iii) provincial regional social services; or (iv) district/city regional social services. Article 66(3) and (5) further specify that the settlement of complaints shall be carried out in a transparent, accountable and open manner,[122] and that the results of the complaint shall be submitted to the party concerned.

The available information at the time of writing this report is insufficient to determine whether the national legislation and practice guarantee the right of social assistance beneficiaries, particularly those in the PKH programme, to appeal in cases of benefit refusal. In this regard, it is worth noting that the CEACR has emphasized that:

> In accordance with Convention No. 102, the right of appeal should be guaranteed against decisions of a social security administration either to a court of a general jurisdiction or to a special tribunal. The concept of appeal further implies the settlement of the dispute by an authority that is independent of the administration that reviewed the initial complaint. Merely guaranteeing the right to seek review of the decision by the same administrative authority would not therefore be sufficient to constitute an appeal procedure under Convention No. 102. In addition, in the absence of special appeal procedures against the decisions of an administrative authority responsible to the government which rules in the first and last resort, the Committee has previously observed that the safeguards provided for in the Convention could nonetheless be ensured by the application of the general rules governing the right of appeal to the ordinary courts in so far as these rules permit the review or annulment of any administrative ruling in the cases covered by Article 70 (ILO 2011c, para. 406).

In light of the above, the national legislation provides for administrative mechanisms to handle complaints in case of dissatisfaction with the benefits provided by the PKH programme. However, further clarification would be necessary regarding the mechanisms in place to guarantee the right of PKH's beneficiaries to appeal in case of refusal of the benefit. Compliance with Article 70 of the Convention is subject to confirmation that protected persons can access such mechanisms, which seek to ensure that the settlement of disputes is performed by an authority that is independent of the administration that reviewed the initial complaint.

Financing (Article 71(1–2))

Article 71(1) of Convention No. 102 states that the cost of the benefits provided in compliance with this Convention and the cost of the administration of such benefits shall be borne collectively by way of insurance contributions or taxation or both in a manner which avoids hardship to persons of small means and takes into account the economic situation of the Member and of the classes of persons protected.

Article 71(2) further stipulates that the total of the insurance contributions borne by the employees protected shall not exceed 50 per cent of the total of the financial resources allocated to the protection of employees and their wives and children. For the purpose of ascertaining whether this condition is fulfilled, all the benefits provided by the Member in compliance with this Convention, except family benefit and, if provided by a special branch, employment injury benefit, may be taken together.

General provisions applicable to the SJSN

According to article 40(2) of Law No. 24 of 2011, the Social Security Administering Bodies (BPJS) shall manage two kinds of assets: BPJS assets and Social Security Fund assets, which must be administered separately.

Article 41(1) establishes the following as the sources of BPJS assets:

[122] Article 66(4) of the Minister of Social Affairs Regulation No. 1 of 2018.

a. initial capital from the Government, which is state money separated for this purpose and not divided into shares;[123]
b. assets transferred from the state-owned enterprises that previously administered social security programmes;
c. the investment yield of BPJS assets;
d. operational funds taken from the Social Security Funds; and/or
e. other legitimate sources in accordance with the statutory laws and regulations.

Article 41(2) of this law specifies that BPJS assets may be utilized for:

a. the operational costs of administering the social security programmes;
b. the cost of procurement of goods and services to support the operation of the social security programmes;
c. the cost of increasing service capacity; and
d. investments on investment instruments in accordance with the regulations of law.

On the other hand, the sources of Social Security Fund assets defined under Article 43(1) are:

a. social security contributions, including contribution assistance;[124]
b. the investment yield of the Social Security Funds;
c. each participant's assets transferred from the state-owned enterprises previously administering the social security programmes; and
d. other legitimate sources in accordance with laws and regulations.

Per article 43(2) of Law No. 24 of 2011, Social Security Fund assets can be used for:

a. payment of benefits or social security services;
b. operational costs for administering the social security programmes; and
c. investments on investment instruments in accordance with laws and regulations.

Based on the above, social security contributions, including contributions paid by the Government on behalf of specific population groups, are sources of financing of the Social Security Funds. Law No. 24 prescribes that the contribution rates applicable to the medical care programme shall be set by presidential regulations (article 19(5)(a)), while government regulations will establish those applicable to the other schemes of the SJNS (article 19(5)(b).

Concerning the responsibility of the State for the due provision of benefits under the SJSN, Law No. 40 of 2004 stipulates that the Government may take appropriate actions to guarantee the maintenance of sustainable levels of financing of the Social Security Administrative Bodies (article 48). Law No. 24 of 2011 echoes this provision by stating that, in the event of a financial crisis and aggravating circumstances to the economy, the Government may take special actions to secure the financial health and sustainability of social security programmes (article 56(3)).

Article 37 of Law No. 24 of 2011 lays down the accountability obligations of the social security institutions (BPJS Health and BPJS Employment). In particular, article 37(1) stipulates that BPJS shall be obliged to submit an accountability report for the performance of its duties in the form of a programme management report and an audited annual financial statement to the President, with a copy to the National Social Security Council (Dewan Jaminan Sosial Nasional, or DJSN), no later than 30 June of the following year. This law further specifies that financial statements shall be prepared and presented in accordance with the applicable financial accounting standards (article 37(4)). Article 56(1) authorizes the President to request financial statements and performance reports from BPJS at any time as material consideration in making government policy relating to the implementation of the National Social Security System.

[123] Article 42 of Law No. 24 stipulates that the initial capital for BPJS Health and BPJS Employment (as put forward in article 41(1)) shall be set at a minimum of 2 trillion rupiah, which shall originate from the State Budget.

[124] Contribution assistance refers to contributions paid by the Government for the poor and near-poor covered by the subsidized component of the JKN programme (PBI scheme).

The national legislation appears in conformity with Article 71 of Convention No. 102, as the general responsibility for the due provisions of benefits under the SJSN (medical benefits, old-age, invalidity, survivors, and employment injury benefits) lies with the State.

Benefits provided under the JKN (medical care), JP (old-age, invalidity and survivors' pensions), and JKP (unemployment benefits) schemes

As previously mentioned, the JKN programme has two components: the PBI and the non-PBI schemes. The PBI scheme covers poor persons whose contributions are entirely subsidized by the Government. The non-PBI component is financed through contributions paid by workers, employers and the self-employed. Non-PBI members are classified in three categories:[125]

1. salaried workers in the private and public sector (PPU);[126]
2. non-salaried workers (PBPU); and
3. non-workers with contributory capacity (BP), including investors, employers and persons receiving a government pension.

Under Presidential Regulation No. 82 of 2018, as amended by Presidential Regulation No. 64 of 2020, the contribution rate for PPU participants is 5 per cent of monthly earnings, with the employers bearing 4 per cent and employees paying the remaining 1 per cent. This contribution entitles salaried workers and their dependents, up to a maximum of four, to receive medical care benefits and services under the JKN programme. Additional dependents, including children, parents and in-laws, can be covered subject to an additional contribution of 1 per cent for each dependent.

The contribution payable by non-wage earners (PBPU) depends on the type of hospital services chosen by the programme participant at the time of enrolment. As per the current rules, PBPU members pay a monthly flat-rate contribution of 150,000 rupiah (Class I), 100,000 rupiah (Class II), and 35,000 rupiah (Class III) per person.[127]

Concerning BP members, investors, and employers pay the same flat-rate premium established for PBPU members, which depends on the type of hospital ward chosen. Non-employees receiving a government pension and veterans contribute 5 per cent of the pension, with the Central Government bearing 3 per cent and the pensioner contributing the remaining 2 per cent (article 35(2) of Presidential Regulation No. 82 of 2018). Contributions for veterans, pioneers of independence and their survivors are set at 5 per cent of 45 per cent of the basic salary of a civil servant's Category III with 14 years of service; the Government pays the total contribution (article 35(4) of Presidential Regulation No. 82).

It is also worth noting that since 2021, the Central Government and regional governments pay a monthly flat-rate contribution of 7,000 rupiah on behalf of each PBPU and PB participants who have chosen Class III.[128]

Regarding the Jaminan Pensiun scheme, it is financed by contributions paid by both the employer and the employee. Article 28(2–3) of Government Regulation No. 45 of 2015 sets a contribution rate of 3 per cent of the employee's monthly salary, where 2 per cent is paid by the employer and 1 per cent by the employee. It is worth noting that article 29(2) of Government Regulation No. 45 of 2015 establishes a maximum monthly salary for the calculation of contributions of 7 million rupiah.[129] This regulation further specifies that the ceiling on earnings shall be adjusted annually using a multiplying factor of one plus the previous year's annual GDP growth rate (article 29(3)). Based on the information published by BPS, Indonesia's GDP grew by 5.03 per cent in 2024 (Indonesia, BPS 2025b); consequently, since March 2025 the ceiling on earnings is 10,547,400 rupiah.

Government Regulation No. 45 of 2015 also specifies that the JP scheme's contribution rate shall be evaluated at least every three years, taking into consideration the national economic conditions and calculations assessing the actuarial liabilities (article 28(4)). Article 28(5) further stipulates that the actuarial valuations performed shall serve as a basis for a

[125] Article 4(1) of Presidential Regulation No. 82 of 2018.

[126] This includes state officials, leadership and members of the Regional People's Representative Council, civil servants, soldiers, members of the national police, chief village and workers in the village apparatus.

[127] Article 34 of Presidential Regulation No. Regulation No. 82 of 2018, as amended by Presidential Regulation No. 64 of 2020.

[128] Article 34(1)(b)(2) of Presidential Regulation No. Regulation No. 82 of 2018, as amended by Presidential Regulation No. 64 of 2020.

[129] Article 29(2) of Government Regulation No. 45 of 2015.

gradual adjustment of contributions, up to a maximum of 8 per cent. However, at the time of writing this report, no timetable had been set for this periodical reassessment.

In line with the provisions mentioned above, since the introduction of the Jaminan Pensiun scheme in 2015, two actuarial valuations have been conducted by the ILO to assess the financial sustainability of the different programmes administered by BPJS Employment, the first in 2017[130] and the second in 2020[131].

Law No. 11 of 2020 concerning Job Creation introduced the first unemployment insurance system in Indonesia and added a new section – Part VII, articles 46A to 46E – to Law No. 40 of 2004 concerning the National Social Security System (BPJS). According to this law, the sources of funding for unemployment insurance shall come from:

(a) initial capital from the Government;

(b) the recomposition of social security programme contributions; and/or

(c) BPJS Employment operational funds.[132]

The initial capital provided by the Government shall be at least 6 trillion rupiah, sourced from the State Revenue and Expenditure Budget.[133]

Government Regulation No. 37 of 2021 provides detailed provisions on the financing mechanism of the JKP programme. Article 11 establishes that a contribution of 0.46 per cent of the monthly wage shall be paid to the scheme, of which 0.22 per cent is financed by the National Government, while the remaining 0.24 per cent is reallocated from a portion of the employer's contributions to the JKK (employment injury benefits) and JKM (death insurance) schemes.

Specifically, article 11(5) clarifies that the source of JKP funding is a recomposition of contributions from the JKK and JKM programmes, with 0.14 per cent of the monthly wage reallocated from JKK and 0.10 per cent from JKM (death insurance). Article 11 of Government Regulation No. 6 of 2025 simplified the funding structure of the JKP scheme and eliminated the 0.10 per cent recomposition of funds from the JKM scheme. As such, the total contribution for JKP benefits has been reduced from 0.46 per cent to 0.36 per cent of the employees' monthly wage, of which 0.22 per cent is paid by the Government (State Budget) and the remaining 0.14 per cent is reallocated from the employer's existing contributions to the JKK scheme (see next subsection).

Reallocating a portion of the contributions from the existing employment injury and health insurance schemes to the unemployment insurance programme permitted the introduction and implementation of this scheme without increasing workers' and employers' social security contributions. This would seemingly be in line with Article 71(1) of the Convention, which provides that the cost of the benefits provided and the cost of the administration of such benefits shall be borne collectively by way of insurance contributions or taxation or both in a manner which avoids hardship to persons of small means and takes into account the economic situation of the Member and of the classes of persons protected. However, it is unclear if the actuarial studies and calculations to assess the financial implications of recomposing a portion of the contributions earmarked for the JKK and JKM schemes were undertaken before these changes were implemented. As it will be discussed further below (see next section), the principle of general responsibility of the State requires the Government to accept general responsibility for the provision of the benefits and to ensure, where appropriate, that the necessary actuarial studies and calculations assessing financial equilibrium are made periodically and, in any event, prior to any change in benefits, the rate of insurance contributions or the taxes allocated to covering the contingencies in question (Convention No. 102, Article 71(3)).

Table 15 presents the current contribution rates payable under the JKN, JP and JKN schemes, as well as the distribution between employees, employers and the Government.

[130] See ILO 2017.

[131] For further information, see Brimblecombe et al. 2023.

[132] Article 46E of Law No. 40 of 2004, added by article 82(2) of Law No. 11 of 2020.

[133] Article 42(2) of Law No. 24 of 2011, amended by article 83 of Law No. 11 of 2020.

▶ **Table 15. Social security contributions applicable to employees (wage earners)**

Scheme	Contribution rates (in percentages)			
	Employee	Employer	Government	Total
JKN (medical care)	1.00*	4.00	n/a	5.00
Jaminan Pensiun (old-age, invalidity and survivors' pensions)	1.00	2.00	n/a	3.00
JKP (unemployment benefits)	–	0.14 (recomposed)	0.22**	0.36
Total	2.00	6.14	0.22**	8.36
Employees' contributions as a percentage of total contributions		**23.92%**		

– = nil; n/a = not applicable.
* If the insured has more than four dependents, an additional contribution of 1 per cent is required to extend coverage of medical care to other family members.

** In addition, the Government shall provide BPJS Employment with at least 6 trillion rupiah as an initial capital sourced from the State Revenue and Expenditure Budget to finance unemployment benefits in case the JKP contributions are insufficient to do so.

As shown in table 15, under the current rules, employees pay a total contribution of 2 per cent of their monthly insurable earnings, which corresponds to 25 per cent of the total contributions allocated to finance medical care (JKN scheme), old-age, invalidity, and survivors' pensions (Jaminan Pensiun), as well as unemployment benefits (JKP scheme).

Contributions from workers and employers finance the social security benefits provided by the JKN and Jaminan Pensiun scheme, while unemployment benefits under the JKP scheme are financed by the Government and contributions payable by employers (recomposition of funds to the JKK and JKM schemes). As such, it can be concluded that, taken together, the different components of the National Social Security System align with the requirements of Article 71(1) of Convention No. 102, which provides that the cost of the benefits provided in compliance with this Convention and the cost of the administration of such benefits shall be borne collectively by way of insurance contributions or taxation, or both.

Regarding the contribution rates applicable to employees, employees currently pay a total contribution of 2 per cent of their monthly insurable earnings (1 per cent to finance JKN benefits and 1 per cent to the Jaminan Pensiun), which corresponds to 23.92 per cent of the total contributions allocated to finance the social security benefits provided by these three schemes, that is, medical care, old-age, invalidity and survivors' pensions, as well as unemployment benefits. As such, the national legislation and practice seem to align with the requirements of Article 71(2) of the Convention, which requires that the total of the insurance contributions borne by the employees protected shall not exceed 50 per cent of the total of the financial resources allocated to the protection of employees and their wives and children. If the Government decides to ratify the Convention, it should provide information on all resources allocated for the employee's protection (that is, beyond contributions), including, for example, government subsidies. This would allow for a precise determination of the financial burden on workers, as regards the accepted benefits other than family and employment injury benefits.

Benefits provided under the JKK scheme (employment injury)

As previously mentioned, BPJS Employment administers the JKK scheme, which provides benefits in cash and in kind to insured persons in the event they suffer an employment injury or are diagnosed with a recognized occupational disease.

In accordance with article 16(1) of Government Regulation No. 44 of 2015, under the JKK scheme, enterprises are classified into five classes of work environments, depending on their assessed degree of risk. Contributions are calculated based on the employee's monthly wage, which includes the basic wage and fixed benefits (article 19(1–2)). Article 16(3) of Government Regulation No. 44 of 2015 further specifies that contributions to the JKK scheme are borne in their entirety by employers.

Table 16 below outlines the contribution rates per each level of risk as set by Government Regulation No. 44 of 2015, which applied until 2020, when modifications were introduced by article 11(5) of Government Regulation No. 37 of 2021, which specified the rules for the reallocation (recomposition) of JKK contributions to the JKP scheme (unemployment insurance).

▶ **Table 16. Employers' contributions to the employment injury scheme (JKK)**

Level of risk	Contribution rates (2015–2020)	Contribution rates (after JKP recomposition)
Very low risk	0.24	0.10
Low risk level	0.54	0.40
Moderate risk	0.89	0.75
High risk	1.27	1.13
Very high risk	1.74	1.60

The financing of the JKK scheme complies with the requirements of Article 71 of Convention No. 102, as employment injury benefits are financed through contributions, which are borne entirely by the employers.

Benefits under the PKH programme (family benefit)

The PKH programme is a non-contributory scheme that provides cash benefits to poor and vulnerable families and individuals. According to article 57 of Minister of Social Affairs Regulation No. 1 of 2018, the sources of funding of the PKH programme come from:

(a) the State budget;

(b) provincial regional income and expenditure budget;

(c) district/city regional budget and revenue; and

(d) other legitimate and non-binding sources of funds.

The role of the State in providing social assistance is generally recognized under Law No. 11 of 2009. According to article 25 of this law, the responsibility of the Government in organizing social welfare includes, among others:

(i) policy formulation and implementation of social welfare;

(ii) implementing social rehabilitation, social security, social empowerment and social protection programmes according to the legislation;

(iii) providing social assistance as a stimulus to the community that organizes social welfare;

(iv) setting service standards, registration, accreditation and certification of social welfare services;

(v) carrying out social impact analyses and audits on development policies and activities;

(vi) conducting coaching and supervision, as well monitoring and evaluation of the social welfare organization;

(vii) developing cross-cutting networks and coordination across actors involved in social welfare implementation at the national level and internationally; and

(viii) resource allocation for the implementation of social welfare in the Income Budget and State Expenditures.

In Indonesia, family benefits are provided through a non-contributory programme (PKH). Therefore, the national legislation and practice align with Article 71 of the Convention, which requires that the cost of the benefits and their administration shall be borne collectively by way of insurance contributions, taxation or both.

General responsibility of the State and in particular the obligation to undertake actuarial valuations (Articles 71(3) and 72(2))

Article 71(3) of Convention No. 102 states that the Member State shall accept general responsibility for the provision of the benefits and shall ensure, where appropriate, that the necessary actuarial studies and calculations assessing financial equilibrium are made periodically and, in any event, prior to any change in benefits, the rate of insurance contributions or the taxes allocated to covering the contingencies in question.

Article 72(2) further provides that the Member shall accept general responsibility for the proper administration of the institutions and services concerned in the application of the Convention.

General provisions applicable to the SJSN

Since 2015, following the implementation of Law No. 24 of 2011, the administration of the SJSN is entrusted to two National Social Security Administering Bodies: BPJS Health and BPJS Employment. These public legal entities are responsible to the President.[134]

Article 48 of Law No. 40 of 2004 authorizes the Government to undertake special measures to ensure the financial soundness of the Social Security Administrative Body. Article 49(1) further requires these institutions to manage their accounting in accordance with applicable accounting standards. In addition, article 50 stipulates that BPJS must establish technical reserves in line with "common and accepted actuarial practices".

Although the framework laws – Law No. 40 of 2004 and Law No. 24 of 2011 – do not explicitly mandate periodic actuarial valuations, this obligation is introduced through secondary legislation. Specifically, Government Regulations Nos 44 and 45 of 2015, which govern the JKK and JP schemes, respectively, establish the requirement for regular actuarial assessments.

The national legislation establishes that BPJS Health and BPJS Employment are subject to external supervision, as carried out by the National Social Security Council (Dewan Jaminan Sosial Nasional, or DJSN) and an independent supervisory institution (the Financial Service Authority as per the elucidation of the law). Per article 39(1) of Law No. 24, these institutions are also subject to internal oversight. Internal supervision is conducted by a Board of Supervisors and the internal control unit (article 39(2)). Seven members comprise the Board of Supervisors, including two government members, two representatives of employers, two workers' representatives and one public figure (article 21(1–2)). The following are the functions delegated to the Board of Supervisors in article 22(2):

a. Supervise the BPJS management policies and the performance of Board of Directors.

b. Supervise the administration and investment of the Social Security Funds by the Board of Directors.

c. Provide advice, counsel and recommendation to the Board of Directors on policies and administration of BPJS.

d. Submit monitoring reports on the administration of Social Security programme as part of BPJS reports to the President with a copy to DJSN.

The national legislation aligns with Article 71(3) concerning the responsibility of the State for the due provision of the benefits.

Benefits provided under the JKN scheme (medical care)

As mandated by Law No. 24, BPJS Health started operations in January 2014 as the administrator of the National Health Insurance scheme (JKN) at the national level. Among others, BPJS Health is responsible for enrolment of participants, contribution collection, management of the Social Security Fund, provision of benefits and negotiating contracts with healthcare facilities and providers.[135]

Law No. 40 assigns to the DJSN the responsibility of monitoring and supervising the administration of the SJSN.

[134] Article 7(1–2) of Law No. 24 of 2011.

[135] Articles 10 and 11 of Law No. 24 of 2011.

Although the role of the Ministry of Health (MoH) in the implementation and supervision of the JKN programme is not expressly prescribed by Law No. 40 nor Law No. 24, in practice, the MoH regulates various technical matters for the administration of the JKN, including health service procedures, health facility standards, service tariff standards, national formulary of medicines and health facility associations.

According to article 96(1) of Presidential Regulation No. 82 of 2018, the Minister of Health, the Heads of the Provincial Health Services, and the Heads of District/City Health Services conduct supervision of the implementation of the National Health Insurance (JKN) scheme in accordance with their respective authorities. Article 98(1) further stipulates that for the continuity of programme implementation, the JN scheme shall be monitored and evaluated with regards to membership, health services, contributions, payments to health facilities, finances, organization and institution, and regulation. This oversight is carried out by the Ministry Health, Ministry of Finance, Ministry of Social Affairs, Ministry of Home Affairs, Ministry of National Development Planning, Audit Board of Indonesia, Indonesia's National Government Internal Auditor, the National Social Security Council, Financial Services Authority, and regional governments according to their respective authorities (article 98(3)).

Considering that the JKN programme is managed by a state-own enterprise regulated by the public authorities and responsible to the President, the administration of the scheme appears to comply with the requirements of the Convention.

Benefits provided under the JP (old-age, invalidity and survivors' pensions), JKK (employment injury benefits) and JKP (unemployment benefits) schemes

The secondary legislation governing the JKK and JP schemes requires that contribution rates and benefit levels be reviewed periodically based on actuarial evaluations.

Under Government Regulation No. 45 of 2015, the contribution rate for the Jaminan Pensiun (JP) scheme must be evaluated at least every three years, taking into account national economic conditions and the adequacy of actuarial liabilities (article 38(4)). In this context, it is noteworthy that the ILO conducted an actuarial valuation in 2017, presenting financial projections from the inception of the JP scheme.[136] Subsequently, a financial assessment of the social security pension schemes administered by BPJS Employment as of 31 December 2020 was undertaken. This valuation also estimated the cost of introducing collectively financed cash sickness and maternity benefits.[137]Regarding the JKK scheme, article 36 of Government Regulation No. 44 of 2015 stipulates that the contribution and benefit levels of the JKM programme must be reviewed every two years. At the time of writing, the ILO is conducting an actuarial valuation of this scheme to assess its financial sustainability in light of recent reforms.

It should also be noted that when the unemployment insurance scheme (JKP) was introduced, the contribution rates for the JKK and JKM schemes were reduced and reallocated to the new scheme. Based on the information publicly available, it appears that the financial implications of such changes were not assessed through an actuarial valuation.

The provisions contained in the legislation regarding the general responsibility of the State for the due provision of old-age, invalidity and survivors' pensions, as well as employment injury and unemployment benefits, align with the requirements of articles 71(3) and 72(2) of Convention No. 102, as actuarial valuations are carried out periodically to ensure the financial sustainability and viability of the schemes.

Nonetheless, it appears that in practice, there have been modifications to the contribution rates applicable to the employment injury scheme (JKK) without estimating the financial implications of such changes. In this regard, the Government may wish to consider that, as per Article 71(3) of the Convention, Member States shall accept general responsibility for the provision of the benefits and shall ensure, where appropriate, that the necessary actuarial studies and calculations assessing financial equilibrium are made periodically.

[136] See ILO 2017.

[137] For further information, consult Brimblecombe et al. 2023.

Benefits provided under the PKH programme (family benefits)

Law No. 11 of 2009 provides that the implementation of social welfare is a coordinated effort carried out by the Central Government, regional governments and the community with the aim of ensuring the basic needs of every citizen, which includes social rehabilitation, social security, social empowerment and social protection.

Law No. 13 of 2011 mandates the Ministry of Social Affairs to develop and manage the **Integrated Social Welfare Data (DTKS)**, which is the main database for the identification of PKH beneficiaries. This database is currently being replaced by a National Socioeconomic Single Data (Data Tunggal Sosial Ekonomi Nasional, or DTSEN)[138] administered by Statistics Indonesia (BPS) in coordination with the Minister of Social Affairs. The DTSEN is a master database that contains data on individuals requiring social welfare services, recipients of social assistance and empowerment, as well as the potential and resources for social welfare.

Presidential Regulation No. 162 of 2024 entrusts the Ministry of Social Affairs with the responsibility of organizing affairs in the fields of the social sector (article 1). The Ministry is under to the President (article 2(1)), and is tasked with the formulation, determination and implementation of policies in the social sector, determining eligibility criteria for social assistance programmes under its authority, and managing the unified database for targeting beneficiaries.

Article 37 of Ministry of Social Affairs Regulation No. 1 of 2018 assigns to the Director-General of Social Protection and Security the authority to determine the amount of aid, the number of beneficiaries and the timing of in-kind transfers. Furthermore, article 61 stipulates that the Minister must conduct periodic evaluations of the PKH programme's effectiveness and coordinate implementation with provincial and regional governments.

Accordingly, the 2019 PKH implementation guidelines specify that the programme is implemented by the Ministry of Social Affairs in collaboration with partners, including (Indonesia, Minister of Social Affairs 2019, 25):

1. The Coordinating Ministry for Human Development and Cultural Affairs has the role of coordinating the entire organization of the poverty alleviation programme.
2. The Ministry of National Development Planning plays a role in planning, monitoring and evaluation.
3. The Ministry of Finance, as treasurer of state affairs, provides budget support and regulation for the distribution of social assistance.
4. The Ministry of Health has a role as a health service provider and supports the verification of health requirements.
5. The Ministry of Education and Culture and the Ministry of Religious Affairs act as providers of educational services and support the implementation of verification with education requirements.
6. The Indonesian Ministry of Communication and Information plays a role in the implementation of PKH socialization at the national level.
7. The Ministry of Home Affairs plays a role in facilitating the publishing of population data on PKH beneficiaries (*Keluarga Penerima Manfaat*, or KPM).
8. Statistics Indonesia (BPS) plays a role in the implementation of data collection on poverty for the integrated database.
9. Provincial governments and regency/city governments play a role in PKH support directly through the allocation of social assistance funds (sharing) Regional Budget (APBD).

The provisions regarding the administration and general responsibility of family benefits lie within the Ministry of Social Affairs. Therefore, the national legislation appears to conform with the requirements of Article 72 of Convention No. 102.

[138] Presidential Instruction No. 4 of 2025 on National Socioeconomic Single Data.

Administration and general responsibility and in particular the principle of participatory management (Article 72(1))

Article 72(1) of Convention No. 102 requires that where the administration is not entrusted to an institution regulated by the public authorities or to a Government department responsible to a legislature, representatives of the persons protected shall participate in the management, or be associated therewith in a consultative capacity, under prescribed conditions; national laws or regulations may likewise decide as to the participation of representatives of employers and of the public authorities.

General provisions applicable to the SJSN

Law No. 40 of 2004 mandated the establishment of a National Social Security Council (Dewan Jaminan Sosial Nasional, or DJSN) to monitor the implementation and functioning of the SJSN. The DJSN's functions are to formulate general policies and synchronize the implementation of the system. Towards this aim, the DJSN is tasked with conducting studies and research, proposing investment policies for social security funds, proposing social security budgets for recipients of contribution assistance, and conducting oversight of BPJS (article 7(3)). This executive agency reports directly to the President and is composed of 15 members representing the Government, employers and workers, and social security experts (article 8(1)). Its functions are established by sections 6 to 12 of the law.

Article 8(1) of Law No. 40 of 2004 further indicates that the DJSN shall be composed for five members representing the Government; six experts in the fields of insurance, finance, investment or actuarial sciences; two members representing employers; and two members representing workers' organizations. Representatives on behalf of the Government are from the Ministries of Finance, Manpower, Health, Social Welfare and Defence.

Benefits provided under the JP scheme (old-age, invalidity and survivors' benefits), JKK scheme (employment injury) and JKP scheme (unemployment benefits)

BPJS Employment is a public legal entity responsible to the President (Law No. 24 of 2011, article 7(2)).

In accordance with article 9(2) of Law No. 24, as amended by Law No. 11 of 2020, BPJS Employment administers old-age, invalidity and survivors' benefits (Jaminan Pensiun scheme), employment injury benefits (JKK scheme), death insurance (JKM) and unemployment insurance (JKP). Since these schemes are part of the SJSN, the provisions mentioned above concerning the internal and external supervision mandated by Law No. 24 apply to BPJS Employment. In particular, external oversight is carried out by the National Social Security Council (DJSN) and an independent supervisory institution (the Financial Service Authority, as per the elucidation of the law). The DJSN is an executive agency that reports directly to the President and is composed of 15 members representing the Government, employers, workers, and social security experts (Law No. 24 of 2011, article 8(1)).

The provisions regarding administration of old-age, employment injury, invalidity and survivors' benefits appear to be in conformity with the requirements of Article 72 of Convention No. 102.

The administration of the SJSN appears to comply with the requirements of Article 72 of Convention No. 102, as BPJS Health and BPJS Employment are state-own enterprises regulated by the public authorities. The national legislation also gives effect to the participation of protected persons, representatives of employers and public authorities in a management and/or consultative capacity through the oversight role entrusted to the National Social Security Council, as well as the Board of Supervisors within BPJS.

3

Prospects of ratification of Convention No. 102: Conclusions and recommendations

Conclusions concerning the prospects of ratification

Based on the analysis of the compatibility of Indonesia's social security legal framework and the requirements of the Social Security (Minimum Standards) Convention, 1952 (No. 102), carried out in Chapter II, this chapter discusses the prospects of ratification of Convention No. 102 by Indonesia by presenting the conclusions that can be extrapolated from the report. Specifically, the conclusions focus on possible discrepancies and legal provisions that may need to be harmonized to ensure conformity with the requirements and principles enshrined in this landmark international standard.

It is important to note that the report's preliminary findings and conclusions were presented, examined and discussed with Indonesia's tripartite constituents during several technical meetings and a national policy dialogue held in Jakarta from 23–26 June 2025.[139] The ILO stands ready to accompany the tripartite partners in identifying the measures that could be taken to promote the implementation of this landmark Convention and its eventual ratification should the Government and social partners be interested.

The ratification of Convention No. 102 requires the acceptance of at least three of the nine branches (or Parts) of the Convention, including at least one long-term benefit – namely, old age (Part V), employment injury (Part IV), invalidity (Part IX) or survivors' (Part X) – or unemployment benefits (Part IV). A ratifying State should consider accepting other Parts of the Convention at a later stage in accordance with its national circumstances.

It is worth noting that once a Convention is ratified, the competence to review and formulate conclusions and recommendations on the application of that Convention lies exclusively with the CEACR and the International Labour Conference. Therefore, in case of ratification, the observations included in this report are subject to the conclusions and recommendations that these bodies may draw within the framework of the legal evaluations that they are responsible for carrying out.

Indonesia's social security system provides protection for seven of the nine contingencies established by the Convention. Based on the analysis undertaken in Chapter II, the Government of Indonesia would be in a position to accept **medical care (Part II)**, as the national legislation and practice concerning the non-PBI component of the JKN scheme meets the requirements of the Convention regarding the definition of the contingency, coverage, qualifying conditions and duration of benefits. Nonetheless, the Government is invited to confirm that the JKN benefit package considers the need for domiciliary visits and that medical care is provided throughout the contingency, as required by the Convention.

In order to ratify the Convention, the Government would be required to accept at least two additional branches. In this regard, from the analysis, ratification of the following Parts of the Convention would be possible, subject to a number of parametric adjustments or clarifications, as the case may be, namely:

- **Unemployment benefits (Part IV):** The national legislation meets the legal requirements established in the Convention concerning the definition of the contingency, the level of benefits and the waiting period. However, the effective coverage of unemployment benefits – calculated based on the number of employees registered with the scheme in 2023 (approximately 26 per cent of all employees) – falls short of the minimum requirements of the Convention (that is, at least 50 per cent of all employees). In this context, the Government is invited to consider the possibility of extending the scope of application of the JKP scheme to all persons in an employment relationship, regardless of their nationality and age[140] and regardless of the size of the employer's business. In the interim, the Government could consider accepting this branch by availing itself of the temporary exception provided for in Article 21(c) of the Convention, which allows a temporary limitation of coverage to prescribed classes of employees constituting not less than 50 per cent of all employees in industrial workplaces employing 20 persons or more. This has to be done at the moment of ratification through a declaration appended to the instrument of ratification that specifies the temporary exceptions the Government will use.[141]

[139] The institutions represented in the tripartite validation workshop are listed in Annex 4 of this report.

[140] Under the current regulations, the JKP scheme mandatorily covers private sector employees who are Indonesian citizens under the age of 54 and who work in small-, medium- or large-sized enterprises. However, the statutory retirement age under the Jaminan Pensiun scheme is 59 – rising gradually to 65 by 2043. This misalignment creates a coverage gap as wage earners who continue working between age 54 and the normal retirement age are excluded from the JKP scheme despite remaining in active employment.

[141] Should the Government wish to avail itself of any of the temporary exceptions permitted by Convention No. 102, it will need to specify the relevant Articles in a declaration appended to its ratification.

With respect to the level of benefits, the replacement rate prescribed in the legislation is set at 60 per cent of the insured average insurable monthly earnings, which, in principle, exceeds the minimum level of 45 per cent established by Convention No. 102. However, the current ceiling on insurable earnings under the JKP scheme – 5 million rupiah per month – falls below the reference wage of the skilled worker identified for this contingency.[142] The Government may therefore wish to consider increasing the ceiling and introducing periodic revalorization mechanisms to prevent the actual replacement rate from declining over time and to ensure that benefit levels remain aligned with the requirements of Convention No. 102.

Concerning the qualifying conditions for benefits, the national legislation currently requires five years of contributions to reclassify for unemployment benefits and imposes a limit on the number of times the benefit can be paid to a protected person – a maximum of three claims during the insured's entire career. Both requirements exceed what the Convention permits, which is to prescribe a qualifying period only insofar as it is deemed necessary to preclude abuse. Furthermore, these rules do not allow attaining the minimum requirements of the Convention concerning the duration of benefits. Therefore, compliance with the minimum standards set by Articles 23 and 24(3) of the Convention would require that both conditions be revised so that the qualifying period for entitlement to benefits be long enough to preclude abuse while remaining sufficiently short enough to not impeding access to the minimum benefits guaranteed by the Convention – that is, at least 13 weeks of benefits within a period of 12 months.

- **Old-age benefits (Part V):** The national legislation meets the legal requirements established in the Convention concerning the definition of the contingency, the qualifying period and the duration of benefits. Regarding the effective coverage of benefits, based on the number of employees registered with the Jaminan Pensiun scheme in 2024, it is estimated at approximately 24.16 per cent, which falls below the minimum required by Article 27(a) of the Convention (that is, 50 per cent of employees). Therefore, the Government could consider accepting this branch while availing itself of the temporary exception provided under Articles 3 and 27(d) of the Convention, which allows it to temporarily limit the coverage of old-age benefits to prescribed classes of employees constituting not less than 50 per cent of all employees in industrial workplaces employing 20 persons or more. In parallel, the Government should consider extending the scope of application of the Jaminan Pensiun scheme so that it also covers employees of small- and micro-sized enterprises on a mandatory basis, while continuing its efforts to counter evasion of contributions, to ensure the registration of employers and their employees with BPJS Employment. This latter effort can also be supported by simplifying administrative procedures.

  Concerning the level of benefits, a minor parametric adjustment to the accrual rate would be required to ensure that after 30 years of contributions, protected persons would receive a periodical benefit attaining, at a minimum, 40 per cent of their previous earnings.[143]

- **Invalidity benefits (Part IX):** The national legislation meets the legal requirements established in the Convention concerning the definition of the contingency, the qualifying period and the duration of benefits. However, since the effective coverage of invalidity benefits (approximately 24.16 per cent) is below the minimum required by the Convention (that is, 50 per cent of employees), the Government could consider accepting this branch by availing itself of the temporary exception set out in Articles 3 and 55(d) of the Convention at the time of ratification.

  Regarding the level of benefits, a parametric adjustment to the pension accrual rate would be required to ensure that after 15 years of contributions, protected persons with a permanent disability would receive, at a minimum, a periodical pension corresponding to at least 40 per cent of their previous earnings.

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[142] Convention No. 102 allows Member States to identify the reference wage of a skilled worker using any of the four methods set out in Article 65(6) of the Convention (see Annex 2 below). Two commonly applied approaches are: (1) identifying a person whose earnings are equal to 125 per cent of the average earnings of all protected persons; or (2) identifying a person whose earnings are equal to or greater than those of 75 per cent of protected persons. Based on 2024 data, the 125 per cent benchmark corresponds to approximately 6.93 million rupiah, while the 75 per cent benchmark is estimated at approximately 5.20 million rupiah.

[143] A recent ILO actuarial valuation estimated the cost of increasing the accrual rate of the Jaminan Pensiun scheme to 1.33 per cent of earnings per year of contribution (instead of 1.00 per cent). For further information on the financial implications of this change, as well as other parametric reforms – such as increasing the level of the minimum pension and indexing the ceiling on insurable earnings based on wage growth rather than GDP – consult Brimblecombe et al. 2023.

- **Survivor's benefits (Part X):** The national legislation and practice appear to meet the legal requirements established in the Convention in respect of the definition of the contingency, the qualifying period, and the duration of benefits. Nonetheless, the effective coverage of the scheme falls below the minimum requirements of the Convention. Therefore, if the Government were to consider accepting this branch, it would be necessary to avail itself of the temporary exception set out in Articles 3 and 61(d) of the Convention, which temporarily allows, for so long as the competent authority considers necessary, limiting the scope of application to the wives and the children of breadwinners in prescribed classes of employees, which classes constitute not less than 50 per cent of all employees in industrial workplaces employing 20 or more people.

  Furthermore, a parametric adjustment to the pension accrual rate would be required to ensure that after 15 years of contributions, the standard beneficiary established by the Convention for this contingency – that is, a widow with two children – would receive, at a minimum, a periodical pension corresponding to at least 40 per cent of the deceased's previous earnings.

The Office stands ready to collaborate with the Government to cost the impact of the above-mentioned parametric adjustments and support the ratification process should the Government and social partners be interested.

Regarding the other branches of the social security system, specifically **employment injury benefits (Part VI)** and **family benefits (Part VII)**, although the national legislation gives effect to some of the minimum requirements outlined in the Convention, full compliance would require either more substantial parametric adjustments or more substantial changes to the national law and practice, as detailed below. As such, the ratification of these Parts could be considered at a later date when national circumstances allow.

- **Employment injury benefits (Part VI):** The national legislation and practice meet the requirements of the Convention as regards the definition of the contingency, the scope of application and the qualifying conditions. However, legal adjustments and clarifications are required as regards the following:

  - **Level of benefits:** The Convention specifies that, in the event of permanent disability or death of family income earner due to an employment injury or occupational disease, a standard beneficiary should receive a periodical benefit corresponding to, at least, the replacement rates set under the Schedule to Part XI of the Convention, notably 50 per cent of former earnings in the case of permanent disability and 40 per cent in the event of death. Furthermore, in case of partial loss of earning capacity likely to be permanent or corresponding loss of faculty, the benefit, where payable, shall be a periodical payment representing a suitable proportion of that specified for total loss of earning capacity or corresponding loss of faculty. In Indonesia, the JKK scheme only provides lump-sum benefits in the event of total or partial permanent disability or death. Therefore, the current design does not permit ensuring that a standard beneficiary would receive benefits in the manner and levels prescribed by the Convention. Concerning the benefit payable in case of permanent partial disability, it is worth noting that, while Article 36(3) of Convention No. 102 provides that a periodical payment may be commuted for a lump sum, this is circumscribed to cases when: (a) the degree of incapacity is slight; or (b) the competent authority is satisfied that the lump sum will be properly utilized. Since neither condition seems to apply to the case of Indonesia, the Government may wish to consider revising the national legislation so as to ensure that employment injury benefits take the form of periodical payments and can effectively fulfil their income-replacement objective.
  - **Benefit duration:** Per the current rules, only the benefit provided in the event of temporary incapacity for work is provided throughout the contingency. By contrast, employment injury benefits in the event of permanent total disability, permanent partial disability or death of the breadwinner take the form of lump sums. Compliance with the Convention would require that benefits are provided as periodical benefits throughout the contingency, that is, for the whole period of disability, and in the case of loss of support suffered by the widow and children, at least until the child reaches the age of 15 or school leaving age and to the widow until remarriage. The ILO stands ready to support the cost assessment of bringing this parameter in line with the requirements of the Convention should the Government be interested.

- **Family benefits (Part VII):** According to the national legislation, while the definition of contingency and (subject to confirmation) the qualifying period and the duration of benefits are in compliance with the provisions of the Convention, adjustments or further clarifications are required as regards the following:
  - **Coverage:** To ascertain whether the PKH programme complies with the minimum requirements and principles set out in the Convention, the Government is invited to confirm whether and under what conditions non-national residents would be entitled to these benefits. It should be recalled that the principle in the Convention is equality of treatment between non-national residents and national residents, although regarding benefits financed wholly or mainly out of public funds, the Convention allows for special rules concerning non-nationals and nationals born outside the Member's territory, such as a minimum period of residence.
  - **Benefit level:** The level of benefits provided by the PKH in 2023 seems to fall below the requirements of Article 44 of the Convention. However, given that the national legislation and practice also provide for other non-contributory cash and in-kind benefits aimed at covering the needs of children in vulnerable families (for example, the Smart Indonesia Programme and the Basic Food Card Programme), said benefits could also be taken into account to demonstrate compliance with the Convention, provided that the value of such benefits dedicated to the protection of protected persons (that is, children receiving the PKH programme) can be identified.

Ratification also requires compliance with the provisions of Part XII and Part XIII of Convention No. 102, which apply to all schemes and benefits covered by the Convention. In general, Indonesia's social security legislation is, for the most part, in line with these Parts of the Convention, particularly regarding the financing of benefits, the general responsibility of the State, the right to complaint and appeal, and the principle of participatory management. However, some clarification and/or amendments would be required to ensure full compliance with the following requirements:

- **Concerning the principle of equality of treatment**: The Government may wish to confirm the mechanisms in place or envisaged to ensure that non-national residents employed in Indonesia can participate in the different components of the SJNS, notably the JP and JKP schemes, in the same manner as Indonesian workers. Furthermore, it appears that the national legislation limits the scope of application of non-contributory benefits to Indonesian citizens, in particular the PBI component of the JKN scheme (subsidized medical care) and the family benefits provided under the PKH programme. In this regard, the Government may wish to consider that Article 68(1) of Convention No. 102 permits the establishment of special rules for entitlement of non-national residents and nationals born outside the territory of the Member to benefits payable wholly or mainly out of public funds (such as a minimum period of residence).
- **Suspension of benefits:** Some of the grounds established in the national legislation for the suspension of benefits go beyond what is permitted by the Convention. In particular, refusing or suspending medical care and employment injury benefits in the event the employer fails to pay contributions may unduly penalize protected persons for acts (or omissions) that are not imputable to them. As such, the Government may wish to consider revising the relevant provisions so as to ensure that the causes prescribed for benefit refusal or suspension align with those permitted by Article 69 of the Convention.

Recommendations for strengthening and continue developing the national social protection system in line with ILO social security standards

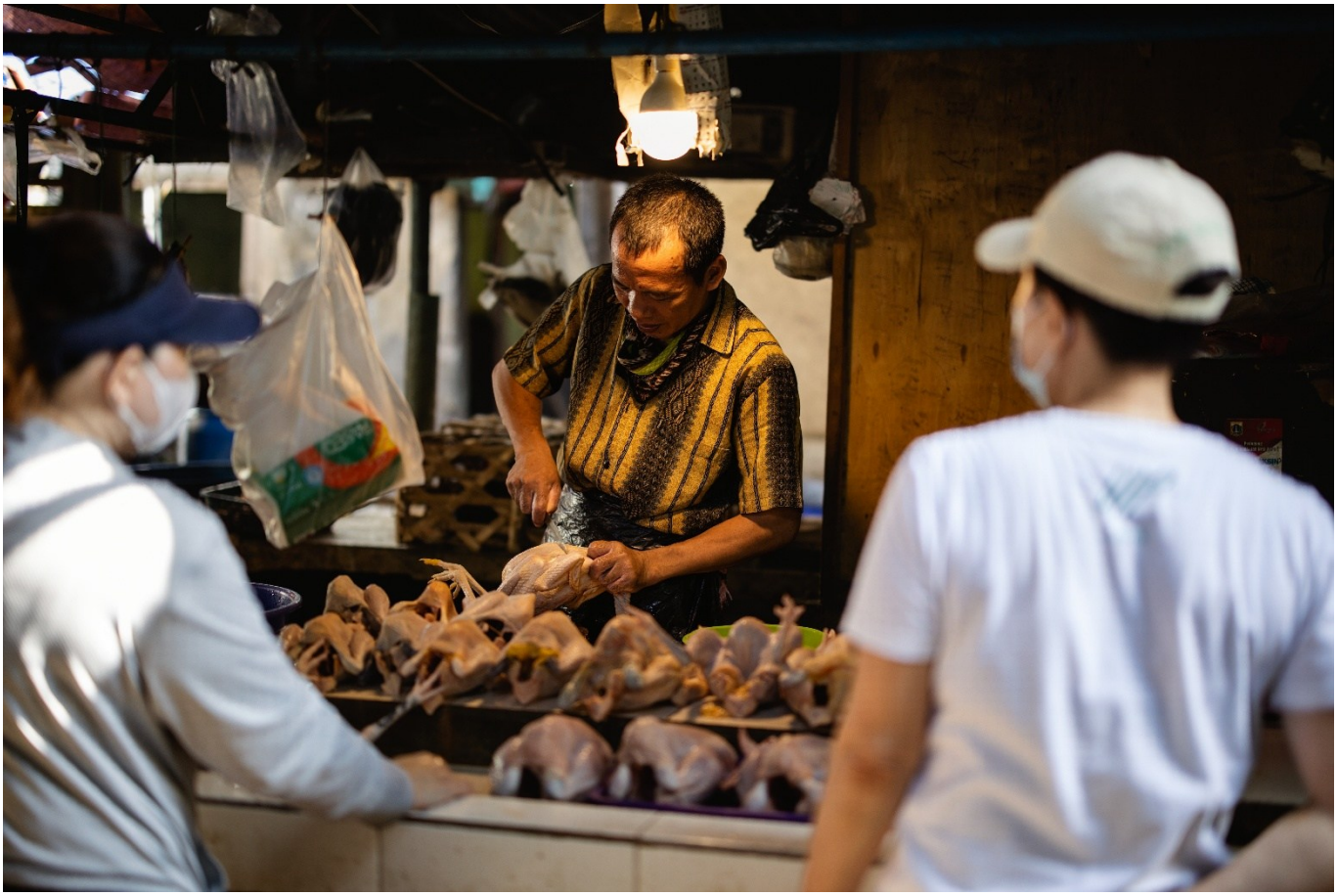
The social security reforms implemented over the past 25 years constitute substantial steps for Indonesia towards meeting the requirements of Convention No. 102. The implementation of Law No. 40 and Law No. 24, in particular, demonstrate the Government's commitment to progressively extending the right to comprehensive social security to all.

Despite significant progress in the administration of social security, the extension of medical care benefits, the implementation of a social insurance pension scheme for private sector workers, and the introduction of unemployment benefits, the results of this comparative assessment indicate a number of gaps in the current social security system. In addition to the above-mentioned conclusions, the recommendations below should be considered to further align the existing social security legal framework with the minimum requirements and principles set out in up-to-date social security standards.

The forthcoming revision of the social security law provides a crucial opportunity to address the identified shortcomings and to strengthen the system's capacity to meet its objectives. In particular, it offers a means to reduce coverage gaps, improve the adequacy of benefits and secure the long-term financial sustainability of the social security system.

- **Removing legal barriers as a prerequisite to increase effective coverage of the Jaminan Pensiun scheme**: The scope of application of the scheme is currently limited to wage earners (PPU) in large- and medium-sized enterprises, which given the characteristics of Indonesia's labour market, leaves a substantial part of the workforce insufficiently protected in the event of old age, invalidity and death of the family income provider. To progressively attain the objective of universal coverage, the Government is invited to examine the possibility of progressively extending the coverage of the Jaminan Pensiun scheme to all workers, so as to cover all wage earners, irrespective of the enterprise size, and to non-wage earners, including non-national residents working in Indonesia.
- **To ensure that social security benefits can guarantee at least a minimum level of income security, the level of the minimum pension payable by BPJS Employment should be increased and revised periodically.** The monthly minimum pension granted by the Jaminan Pensiun scheme from March to December 2024 (that is, 393,500 rupiah) corresponds to 66 per cent of the national poverty line for that period, and approximately 18.5 per cent of the average earnings of the representative unskilled worker. It, therefore, does not attain the minimum benchmarks set by Convention No. 102 to permit beneficiaries to maintain themselves and their families in health and decency.
- **The Government may also wish to consider aligning national legislation and current practice regarding the financing of the Jaminan Pensiun scheme.** Under the existing rules, an actuarial valuation of the JP scheme must be conducted every three years, with a view to gradually adjusting the contribution rate up to a maximum of 8 per cent. However, despite these provisions, the contribution rate has remained unchanged at 3 per cent since the scheme was introduced in 2015. This persistent misalignment between the legal framework and actual practice raises concerns regarding the long-term financial sustainability of the JP scheme and the adequacy of future benefits.
- **Harmonization of income ceilings used for contribution and benefit calculations is essential to ensuring both the adequacy of benefits and the financial sustainability of the scheme.** The current maximum insurable earnings under the JKP scheme – 5 million rupiah per month – fall below the earnings of the standard beneficiary identified for this contingency according to two of the options provided under Article 65(6) of the Convention, namely 6.93 million rupiah (that is, 125 per cent of the average earnings of protected persons) and 5.20 million rupiah (that is, the 75th percentile of the earnings of persons protected by the JKP scheme). Since the current ceiling lies below both reference wages, the effective replacement rate for the standard beneficiary drops below the minimum 45 per cent required by the Convention when using the 125 per cent method, and would require regular revalorization of the ceiling to ensure continued compliance if the 75th percentile benchmark is used. Therefore, to ensure that unemployment benefits effectively fulfil their purpose and provide meaningful protection, the Government should consider increasing and harmonizing the JKP ceiling with the maximum insurable earnings applied under the Jaminan Pensiun scheme (10,547,400 rupiah per month).

- **Periodic adjustment of the maximum insurable earnings.** Under the current legal framework, the ceiling applicable to the JP scheme is adjusted annually in line with changes in the CPI, while no equivalent provision exists for the JKP scheme. In this regard, the ILO has previously noted that indexing the JP ceiling to CPI rather than to nominal wage growth results in increases that lag behind actual wage developments. Over time, this gap reduces the scheme's contribution base and may ultimately constrain the level of benefits. To maintain the adequacy and financial sustainability of both schemes, the legislation should be amended to clearly establish the frequency and the methodology for adjusting the maximum insurable earnings. In particular, consideration should be given to introducing an annual automatic indexation mechanism linked to wage growth – rather than to price inflation – and extending such adjustment rules to the JKP scheme. This would help ensure that the ceilings remain aligned with labour market conditions, preserve contribution income and maintain compliance with up-to-date international social security standards.[144]
- **In the context of the forthcoming revision of the social security law, the Government may wish to consider introducing cash sickness and maternity benefits in line with the principles of collective financing, solidarity and risk pooling.** At present, compensation for these contingencies is provided through employer liability arrangements governed by the labour legislation, which neither give full effect to the requirements of up-to-date international social security standards nor guarantee adequate protection for the entire duration of the contingency. Accordingly, the Government's efforts to progressively move towards universal coverage offer an opportunity to explore options for ensuring income security during sickness and maternity through a collectively financed mechanism, taking into account a combination of contributions and taxes. The ILO has previously assessed the cost of introducing such schemes[145] and remains available to support the Government and social partners in their development and implementation, should they wish to pursue this reform.



[144] Linking the insurable ceiling to wage growth will enhance solidarity and improving redistribution among members. As such, the ILO has previously recommended reforming the JP's ceiling so that it is indexed to wage growth instead of GDP growth. For further information, see Brimblecombe et al. 2023.

[145] For further information, consult Brimblecombe et al. 2023.

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Annex

Annex 1. List of relevant legislative texts and regulations

This section lists the legislative texts considered in this report to determine the compatibility of Indonesia's legislation with the minimum parameters and principles set out by Convention No. 102.

Indonesia's Constitution of 1945, as amended.

Laws

- Law concerning Manpower Affairs, No. 13 dated 25 March 2003
- Law concerning the National Social Security System, No. 40 dated 19 October 2004
- Law concerning Social Welfare, No. 11 dated 16 January 2009
- Law concerning Public Service, No. 25 dated 18 July 2009
- Law concerning Immigration, No. 6 of 2011
- Law concerning Handling the Poor, No. 13 dated 18 August 2011
- Law concerning Social Security Providers, No. 24 dated 25 November 2011
- Law concerning Job Creation No. 11 of 2020
- Law No. 6 of 2023 concerning the Stipulation of Government Regulations in Lieu of Law No. 2 of 2022 concerning Job Creation into Law
- Law concerning Health No. 17 of 2023, dated 08 August 2023
- Law No. 4 of 2024 concerning the Welfare of Mothers and Children in the First Thousand Days

Government Regulations

- Government Regulation No. 44 dated 30 June 2015 (as amended in 2019)
- Government Regulation No. 45 dated 30 June 2015
- Government Regulation No. 82 dated 2 December 2019
- Government Regulation No. 34 of 2021 concerning the Utilization of Foreign Workers in Indonesia
- Government Regulation No. 37 of 2021 concerning the Implementation of Unemployment Benefit Programme, as amended in 2025
- Government Regulation No. 6 of 2025 concerning Amendments to Government Regulation No. 37 of 2021 concerning the Implementation of Job Loss Guarantee Programme

Presidential Regulations and instructions

- Presidential Regulation No. 109 dated 27 December 2013
- Presidential Regulation No. 82 dated 18 September 2018
- Presidential Regulation No. 75 of 2019 concerning Amendments to Presidential Regulation No. 82 of 2018 concerning Health Insurance
- Presidential Regulation No. 59 of 2024 concerning the Third Amendment to Presidential Regulation No. 82 of 2018 concerning Health Insurance
- Presidential Regulation No. 162 of 2024 concerning the Ministry of Social Affairs
- Presidential Instruction No. 4 of 2025 concerning National Social and Economic Single Data

Ministerial Regulations

- Minister of Manpower Regulation No. 19 dated 19 August 2015
- Minister of Manpower Regulation No. 10 dated 10 March 2016
- Minister of Manpower Regulation No. 7 of 2021 concerning Procedures for Participation, Registration and Implementation of Contribution Recomposition in the Job Loss Guarantee Programme, as amended in 2025
- Minister of Manpower Regulation No. 15 of 2021 concerning the Procedure for Granting Job Loss Guarantee Programme
- Minister of Manpower Regulation No. 148 of 2021 concerning the Procedures for Provision, Disbursement, Use and Liability of Initial Funds and Accumulated Contributions of Job Loss Benefit Programme
- Minister of Manpower Regulation No. 3 of 2025 concerning amendments to Minister of Manpower Regulation No. 7 of 2021 concerning Procedures for Participation, Registration and Implementation of Contribution Recomposition in the Loss Guarantee Programme Work
- MoH Regulation No. 71 dated 28 November 2013 (as amended in 2015)
- MoH Regulation No. 28 dated 25 June 2014
- MoH Regulation No. 99 of 2015 concerning Amendments to the Regulation of the Minister of Health No. 71 of 2013 concerning Health Services in the National Health Insurance
- MoH Regulation No. 23 of 2017 concerning the Second Amendment to the Regulation of the Minister of Health Number 71 of 2013 concerning Health Services in the National Health Insurance
- MoH Regulation No. 5 of 2018 concerning the Third Amendment to the Regulation of the Minister of Health No. 71 of 2013 concerning Health Services in the National Health Insurance
- MoH Regulation No. 51 dated 17 December 2018
- MoH Regulation No. 6 of 2024 dated 16 April 2024
- MoH Regulation No. 7 of 2021 concerning the Fourth Amendment to the Regulation of the Minister of Health No. 71 of 2013 concerning Health Services in the National Health Insurance
- MoH Regulation No. 2 of 2025 concerning the Implementation of Reproductive Health Efforts
- Minister of Social Affairs Regulation No. 1 of 2018 dated 29 January 2018 concerning the Family Hope Programme
- Minister of Social Affairs Regulation No. 21 dated 4 December 2019
- Ministry of Social Affairs Regulation No. 2 of 2025 concerning the Organization and Governance of Ministry of Social Affairs
- Decree of the Director General of Social Protection and Security No. 02/3/BS.02.01/01/2020 on Index and Social Assistance Balance Factor of The Family Hope Programme 2020
- Regulation of the National Social Security Administering Body (BPJS Health) No. 2 dated 26 June 2018
- Regulation of the National Social Security Administering Body (BPJS Employment) No. 2 dated 26 June 2018
- Regulation of the National Social Security Administering Body (BPJS Health) No. 6 of 2018, as amended in 2019 and 2020

Annex 2. Reference earnings of the standard beneficiary

Convention No. 102 offers different alternatives for assessing the adequacy of cash benefits provided by different types of social security schemes, according to Articles 65, 66 or 67 of the Convention, as appropriate.

Article 65 of the Convention should be utilized to evaluate whether contributory benefits calculated based on the insured person's previous earnings meet the levels specified by this international standard. Conversely, the provisions of Article 66 should be applied to verify whether flat-rate benefits – those whose monthly value is derived by applying a prescribed percentage to a reference value, such as the minimum wage, or those set as a nominal value, such as the minimum pensions – comply with the levels stipulated by the Convention.

The following table offers summarizes the provisions of Articles 65(6) and 66 and provides guidance on how to identify the reference salary wage according to the different options offered by the Convention.

Annex table 1. Methodology for establishing the reference wage under articles 65 and 66 of Convention No. 102

<table>
<tr><th>Articles in Convention No. 102</th><th>Explanation/information needed</th><th>Reference wage (latest year)</th></tr>
<tr><td colspan="3">Article 65. Skilled manual employee
Article used to estimate the reference wage of a standard beneficiary under earnings-related contributory schemes.</td></tr>
<tr><td>Option 3
c) a person whose earnings are such as to be equal to or greater than the earnings of 75 per cent of all the persons protected</td><td>The average monthly earnings of employees contributing to JKP, JKK, and JP for the latest year available are reported below:
<table><tr><th>Scheme</th><th>Average earnings (rupiah)</th><th>75 percentile (rupiah)</th></tr><tr><td>JKP (2024)*</td><td>5 540 000</td><td>520 000 000</td></tr><tr><td>JKK (2024)</td><td>4 126 314</td><td>n/a</td></tr><tr><td>JP (2020)**</td><td>4 055 670</td><td>n/a</td></tr></table></td><td>5.20 million rupiah (JKP 2024)
To be established (JKK and JP)</td></tr>
<tr><td>Option 4
d) a person whose earnings are equal to 125 per cent of the average earnings of all the persons protected</td><td>Based on the latest actuarial valuations carried out by the ILO, the table below presents the average monthly earnings of employees contributing to the JKP, JKK and the Jaminan Pensiun scheme, and 125 per cent of such earnings.
<table><tr><th>Scheme</th><th>Average earnings (rupiah)</th><th>125 percentile (rupiah)</th></tr><tr><td>JKP (2024)*</td><td>5 540 000</td><td>6 925 000</td></tr><tr><td>JKK (2024)</td><td>4 126 314</td><td>5 157 892</td></tr><tr><td>JP (2020)**</td><td>4 055 670</td><td>5 069 587</td></tr></table></td><td>6 925 000 rupiah (JKP 2024)
5 157 892 rupiah (JKK 2024)
5 069 587 rupiah (JP 2020)</td></tr>
</table>

Articles in Convention No. 102	Explanation/information needed	Reference wage (latest year)
Article 66. Ordinary unskilled labourer Article used to estimate the reference wage for schemes providing flat-rate benefits, in the case of Indonesia, the minimum pension payable by BPJS Employment, as well as family benefits.		
Option 2) a person employed in the major group of economic activities with the largest number of economically active male persons protected in the contingency in question, or of the breadwinners of the persons protected, in the division comprising the largest number of such persons or breadwinners	Based on Indonesia's Labour Force Survey Report, ILOSTAT data indicates that in 2023, the two major groups of economic activities employing the largest number of economically active men were: ▶ Agriculture, forestry and fishing (Section A, ISIC Rev. 4), with 25,475,808 men (30.1 per cent of male employees), and ▶ Wholesale and retail trade; repair of motor vehicles and motorcycles (Section G, ISIC Rev. 4), with 13,673,804 men (16.1 per cent of male employees). Given that workers in agriculture typically have very low levels of social security coverage, the second-largest group – wholesale and retail trade; repair of motor vehicles and motorcycles – should be used as the reference sector. To identify the wage of an ordinary adult male labourer under the Convention, it would be necessary to determine the average wage of elementary workers (ISCO-08) employed in this sector. However, as this information was not available at the time of writing, this report uses the average wage of all workers in elementary occupations across all economic activities as a working hypothesis. In 2023, 21.5 per cent of male workers in Indonesia (approximately 18.2 million individuals) were employed in elementary occupations (ISCO-08). The average monthly wage for men in these occupations was 2,120,588 rupiah in 2023 (ILO, n.d.). This figure will serve as the benchmark for the subsequent analysis. Nevertheless, the Government is advised to review this reference wage and provide the necessary data to calculate the figure in accordance with Article 66(4)(b) of the Convention.	2 120 588 rupiah (2023)

*Calculations based on the uncapped average monthly earnings
**Simple average of the average monthly earnings of men and women.

Annex 3. Institutions represented in the tripartite policy dialogue on Convention No. 102

The preliminary findings and conclusions of this report were presented, discussed and validated by Indonesian constituents during several bilateral meetings and a tripartite policy dialogue held in Jakarta from the 23rd to the 26th of June 2025. The workshop benefited from the active participation of representatives from the following institutions and organizations:

Government and implementing agencies

- Ministry of Manpower
- Ministry of Social Affairs
- Ministry of Health
- Ministry of Transportation
- Coordinating Ministry for Economic Affairs
- Coordinating Ministry for Community Empowerment
- BPJS Employment
- BPJS Health
- National Social Security Council (DJSN)

Employers' organizations

- Indonesia's Employers Association (APINDO)

Workers' organizations

- Confederation of All Indonesia Trade Unions (KSPSI)
- Confederation of All Indonesia Workers Unions (KSBSI)
- Confederation of Indonesian Trade Unions (KSPI)
- All Indonesia Trade Unions Confederation-AITUC (KSPSI-AITUC)
- Confederation of Indonesian Moslem Trade Union (K-Saburmusi)
- Confederation of National Trade Unions (KSPNasional)
- Confederation of All Indonesia Trade Unions (KSPSI)
- Confederation of All Indonesia Workers Unions (KSBSI)
- Confederation of Indonesian Trade Unions (KSPI)
- All Indonesia Trade Unions Confederation-AITUC (KSPSI-AITUC)

Annex 4. List of legislative texts and regulations identified but not considered in the assessment

Social assistance

- Law Number 13 of 1998 concerning Elderly Welfare.
- Presidential Regulation No. 163 of 2024 concerning the Poverty Alleviation Acceleration Agency.
- Government Regulation No. 39 of 2012 concerning Implementation of Social Welfare.
- Minister of Social Affairs Regulation No. 3 of 2021 concerning integrated Data Management for Social Welfare.

Special systems not yet incorporated into the SJSN

1) Related to TASPEN, organizer of Social Security of the State Civil Apparatus (ASN) and State Officials:
    - Law No. 11 of 1969 concerning Employee Pension and Employee Widows/Widowed Pension (fully financed by the State budget)
    - Presidential Decree No. 8 of 1977 concerning the Distribution, Use, Methods of Deduction, Deposit and Amounts of Fees Collected from Civil Servants, State Officials and Pension Recipient
    - Government Regulation No. 67 of 2014 concerning Implementation of the Law Number 15 of 2012 concerning Veterans of the Republic of Indonesia, as amended by Government Regulation No. 23 of 2016.
    - Government Regulation No. 70 of 2015 concerning Life Insurance/Non-work-related Accident Insurance (JKM), and Work Accident Insurance (JKK), as amended.
    - Government Regulation No. 66 of 2017 concerning the Work Accident Insurance (JKK) Programme (protection against the risk of work accidents or occupational diseases in the form of treatment, compensation and disability benefits.)
2) Related to ASABRI, organizer of Social Security for members of the Indonesian Armed Forces, national police, and civil servants at the Ministry of Defence:

Government Regulation No. 102 of 2015 concerning Social Security of the Indonesian National Army, Members of the State Police, and Employees of the State Civil Apparatus in the Ministry of Defence.

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