

Round table discussion on pension reforms in Indonesia

TERMS OF REFERENCE

1. Background

Old-age pension schemes has been one of the government's reform priorities. Existing schemes include Jaminan Pensiun (JP), Jaminan Hari Tua (JHT), social insurance for the armed forces and police (ASABRI), and saving and social insurance for civil servant (TASPEN), with total active participants of around 21 million or 15% of total labour force of 136 million people.

Indonesian policymakers have been discussing options for the establishment of a comprehensive old age income security system that promotes certainty, adequacy, coverage, and sustainability. Subjects of ongoing discussions include integration of JHT and severance pay into JP, obligation of civil servants, the police, and armed forces to participate in JP in addition to ASABRI and TASPEN, and establishment of a universal pension scheme.

The social protection programme of the ILO Country Office for Indonesia and Timor Leste has been supporting the government in this endeavour by providing inputs through studies and meetings. In this regard, the programme has completed two studies, namely literature review of old age income security in Indonesia and financial analysis of social security schemes in Indonesia, with focus on old age benefits.

Continuing its support in facilitating policy discussions among relevant government ministries and institutions, the social protection programme in collaboration with the Ministry of Manpower is facilitating a roundtable discussion on old age pension system reform in Indonesia.

2. Objective

This discussion aims to facilitate round table discussions between senior government officials and the ILO about the direction of pension reforms in Indonesia, with focus on its structural and systemic reforms.

The ILO will present preliminary analysis and recommendation to facilitate the round table discussions considering views of relevant ministries, government institutions, and tripartite bodies, following presentations of key ministries on their perspectives to the reforms.

3. Date & Venue

The discussion will be held on Tuesday, 20 July 2022 at 12.00-18.00 WIB in Westin Hotel, Jl. H.R. Rasuna Said Kav. C-22A, Jakarta 12940.

4. Invitees

Representatives of relevant ministries, government institutons, and tripartite bodies will be invited to participate in the discussion. Ministry of National Development Planning (BAPPENAS), National Social Protection Council (DJSN), Employment Social Protection Administrative Body (BP JAMSOSTEK),

Supervisory Board of BP JAMSOSTEK, and the Executive Office of the President (KSP) will present their views on the subject matter.

The roundtable discussion will be officially opened by the Minister of Manpower, Ms. Ida Fauziyah. The ambassador of Japan for Indonesia, H.E. Kenji Kanasugi, and ILO Country Director for Indonesia and Timor Leste, Ms. Michiko Miyamoto will give remarks in the opening.

Representatives of Ministry of Manpower, BAPPENAS, Ministry of Finance, DJSN, KSP and the ILO will sit at the round table as main discussants.

Ministry of Manpower (Host)

- Ida Fauziyah, Minister of Manpower
- **Indah Anggoro Putri, Director General for Industrial Relations and Social Security**
- Haiyani Rumondang, Director General for Labour Inspection and OSH
- Retno Pratiwi, Director of Manpower Social Security
- C. Heru Widiyanto, Director of Industrial Dispute Prevention and Institution

BAPPENAS

- **Pungky Sumadi, Deputy for Population and Manpower**
- Mahatmi Parwitasari Saronto, Director of Manpower
- Maliki Achmad, Director of Poverty Reduction and Community Empowerment
- Muhammad Cholifihani, Director of Population & Social Security

Ministry of Finance

- **Febrio Kacaribu, Head of Fiscal Policy Agency (BKF)**
- Adi, BKF
- Didi, Dir. Harmonisasi Peraturan Penganggaran
- Ronald Yusuf, Head of Financial Inclusion Policy Division, Fiscal Policy Agency (BKF)

BPJS Employment Board of Directors

- Asep Rahmat Suwandha, Director of Finance
- Pramudya Iriawan Buntoro, Director of Strategic Planning and Information Technology

BPJS Employment Board of Supervisors

- Agung Nugroho, Board Member
- H. Yayat Syariful Hidayat, Board Member
- Kushari Supriyanto, Board Member
- M. Iman Nuril Hidayat BP, Board Member
- Muhammad Aditya Warman, Board Member

- Muhammad Zuhri, Chairman
- Subchan Gatot, Board Member

National Social Security Council (DJSN)

- **Andie Megantara, Chairman**
- Suminto, Ministry of Finance
- Kunta Wibawa Dasa Nugraha, Ministry of Health
- Haiyani Rumondang, Ministry of Manpower
- Harry Wisdom, Ministry of Social Affairs
- Iene Muliati, Expert
- Indra Budi Sumantoro, Expert
- Muttaqien, Expert
- Tono Rustiano, Expert
- Mickael Bobby Hoelman, Expert
- Asih Eka Putri, Expert
- Soeprayitno, Employer's organization
- Paulus Agung Pambudhi, Employer's organization
- Subiyanto, Worker's organization
- Untung Riyadi, Worker's organization

Executive Office of the President (KSP)

- **Abetnego Panca Putra Tarigan, Deputy for Human Development**
- Fadjar Dwi Wishnuwardhani, Senior Expert

University of Indonesia

- Sri Moertiningsih Adioetomo, Professor of Economics and Business

International labour organization

- Michiko Miyamoto, Director, Country Office for Indonesia and Timor-Leste (CO-Jakarta)
- **Ippei Tsuruga, Social Protection Programme Manager, CO-Jakarta**
- **Simon Brimblecombe, Chief Technical Advisor and Head of Regional Actuarial Service Unit, Decent Work Technical Support Team for East and South-East Asia and the Pacific (DWT-Bangkok)**
- Pierre Plamondon, Senior Social Security Actuary, ILO External Collaborator
- Doan Trang Phan, Social Security Actuary and Modelling Expert, ILO External Collaborator
- Christianus Panjaitan, National Project Officer, CO-Jakarta

5. Programme

12.00 Lunch

13.00 Opening remarks

- Ms. Michiko Miyamoto, Director for Indonesia and Timor-Leste, ILO
- Mr. Sasaki Hiroki, Labour Attaché, Embassy of Japan for Indonesia
- Ms. Ida Fauziyah, Minister of Manpower of the Republic of Indonesia

13.45 Coffee break

14.00 Situation in Indonesia

- Sri Moertiningsih Adioetomo, Professor of Economics and Business, University of Indonesia

14.30 Overall and international labour standards

- Ippei Tsuruga, Social Protection Programme Manager, ILO

15.00 Results of financial assessment and preliminary recommendations

- Pierre Plamondon, Doan Trang and Simon Brimblecombe, Research Team, ILO

15.30 Discussion and coffee break (served)

16.00 Presentation

- Current proposal for pension reforms – Indah Anggoro Putri, Director General for Industrial Relations and Manpower Social Protection, Ministry of Manpower
- Current proposal for pension reforms – Febrio Kacaribu, Ministry of Finance

17.00 Round table discussion

- BAPPENAS
- DJSN
- BPJS
- BPJS Supervisory Board
- KSP

18.00 Closing

- Indah Anggoro Putri, Director General for Industrial Relations and Manpower Social Protection, Ministry of Manpower