



Extending Social Security Coverage To Vulnerable Groups: Indonesia Experience

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Deputy of Membership



RAJA AMPAT ISLAND-WEST PAPUA PROVINCE



THE REPUBLIC OF INDONESIA

CAPITAL : JAKARTA

**LAND OF
THOUSAND
ISLANDS**



18,108

ISLANDS



6,000

INHABITED

38
PROVINCES

514

CITY/REGENCY

81,616

VILLAGES

**POPULATION
279**
MILLION

1,340
ETHNIC
GROUPS

733
LOCAL
LANGUAGES



148 MILLION

WORKFORCE

60%

Self-Employment

40%

Paid-Employment

Indonesia's Social Security System

Law Number 24 Year 2011



Public Entity



The Workers Social Security Agency

State Owned Enterprise



Social Insurance for Civil Servant



Social Security Agency for Health



Social Insurance for Army or Police

Membership Segmentation

Paid Employment and Self-employment

Paid Employment/Formal Workers

Paid Employment Member are any person who works for the Employer by receiving salary, wages, or other forms of remuneration.



Office Workers



Government Worker



Construction Workers

Self-Employment/Informal Workers

Self-Employment Member are individuals who carry out business activities independently to earn income



Traditional Market Seller



Streetfood Seller



Online Driver



Fisherman



Farmer



Disabled Workers

Program Coverage:



**Occupational
Accidents Benefit**



**Death
Benefit**



**Old Age
Benefit**



**Pension
Benefit**



**Unemployment
Benefit**



Min. Contribution 16.800 IDR (1USD)

Min. Contribution
36.800 IDR (2,4USD)





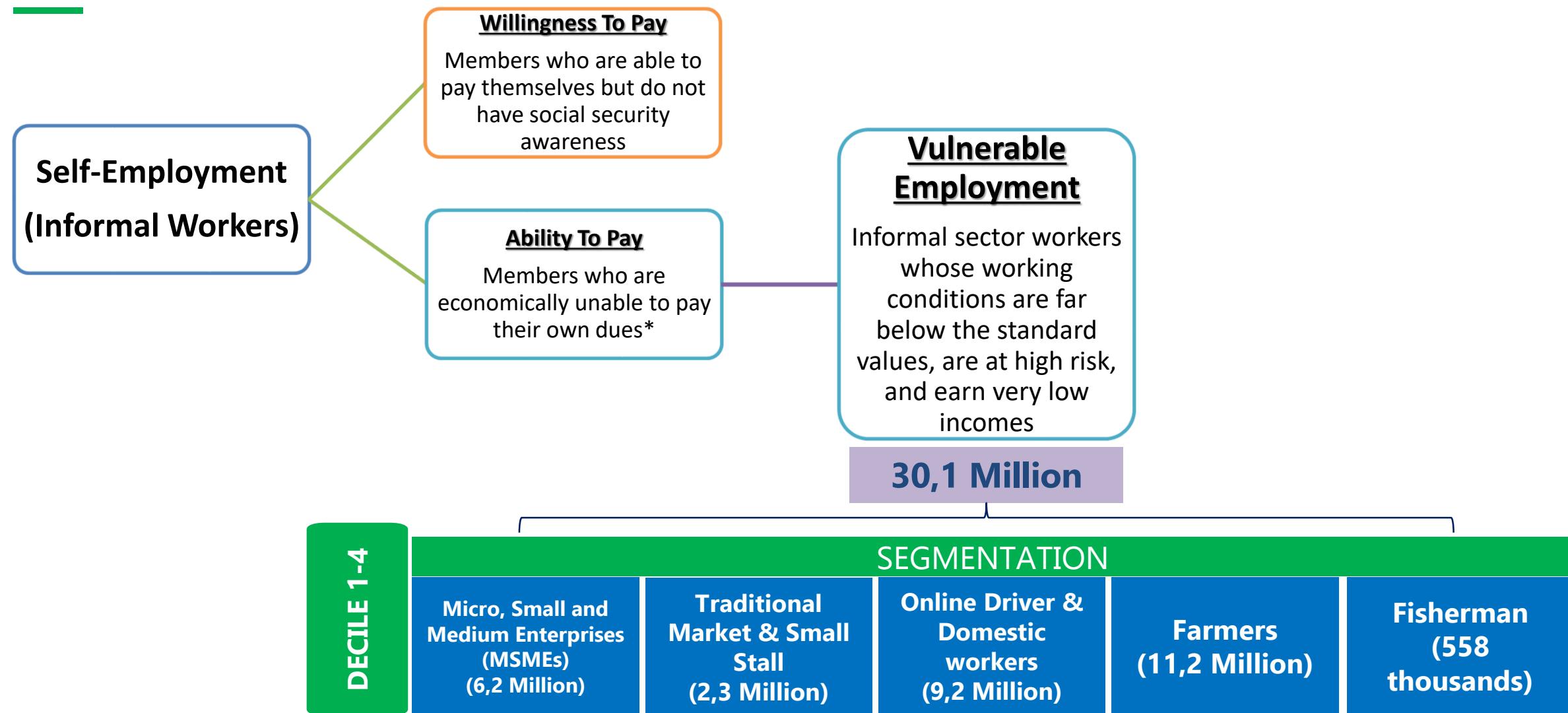
A collage of nine photographs illustrating various forms of vulnerable employment:

- Top Left: A man in a white t-shirt and a dark vest stands outdoors, pointing upwards with his right hand.
- Top Middle: A woman in traditional Indian attire, including a sari and a headpiece, stands behind a large orange fabric backdrop.
- Top Right: A man in a grey t-shirt and dark shorts runs towards the camera, holding a white race bib with the number "40" on it.
- Middle Left: A woman sits on a mat with a small child, both smiling at the camera.
- Middle Center: A man in a green zip-up hoodie stands outdoors, gesturing with his hands.
- Middle Right: A woman in a striped shirt and a white cap sits behind a stall, smiling at the camera.
- Bottom Left: A man in a light-colored hoodie stands behind a stall filled with fresh produce, smiling at the camera.
- Bottom Center: A woman wearing headphones and a light-colored top is seen from the side, smiling.
- Bottom Right: A person's arm and shoulder are visible, wearing a blue and yellow striped sleeveless top.

Vulnerable Employment

Vulnerable Employment

Definition



*Poverty Line per March 2023: 525.050 IDR (34 USD)

Vulnerable Employment

Why Contribution Assistance Needs to be Given to Informal Workers?

MEMBER

Formal Workers / Paid Employment

28%

There are 28% of formal workers who are vulnerable employment

However:

- ✓ The majority have **received social security** paid by the Employer and received **regular income**.
- ✓ Receiving **social assistance from the Government**

MEMBER

Informal Workers / Self-Employment

63%

have elementary school education and below so they tend to **have low income**

35%

are vulnerable employment which **have not received Social Security and Social Assistance from the Government**

2,8

household members

The majority work in the **fisheries, agriculture and trade sectors** (traditional market seller and small stalls).

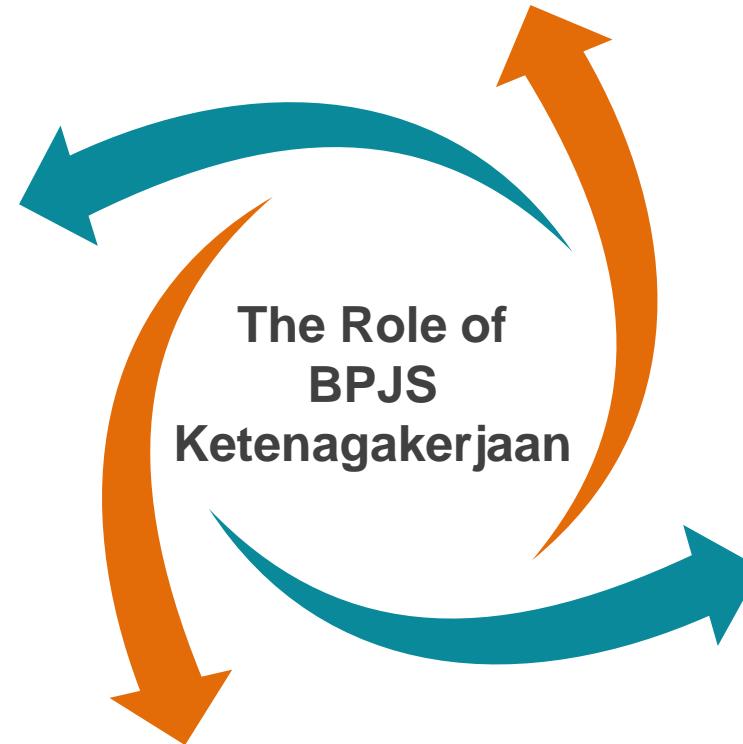
The level of risk of informal workers is relatively higher than formal workers (fisheries vs administrative officer)

MINIMIZING CHILDREN DROPPING OUT FROM SCHOOL

Benefit of educational scholarships

PROTECTING THE POOR FROM BECOMING POORER

Medical treatment without a ceiling limit in the event of a work accident risk



COMPENSATION FOR A TEMPORARY UNABLE TO WORK

Income lost due to being temporarily unable to work is borne by BPJS Ketenagakerjaan

CASH COMPENSATION

The heirs are given a cash compensation

Ageing Population

Challenges for Social Security Employment



- **60 % of the Indonesia workforce or 82,67 million workers are informal worker and only 9 % have employment social security**



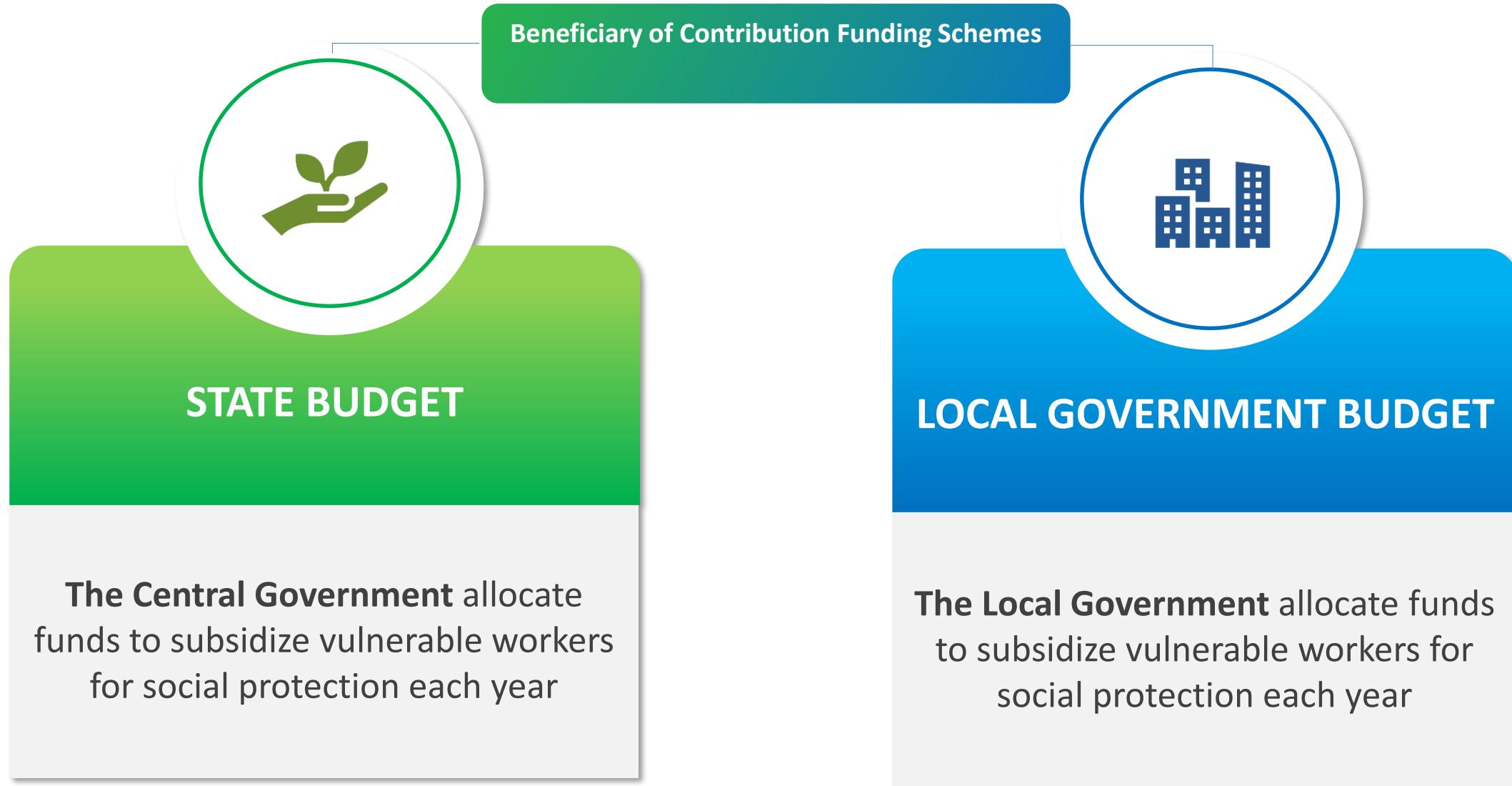
- Indonesia's population is gradually becoming an ageing population **and one of five Indonesians is elderly in 2045**



- Only **14 % of the elderly** have access to old-age/pension benefit

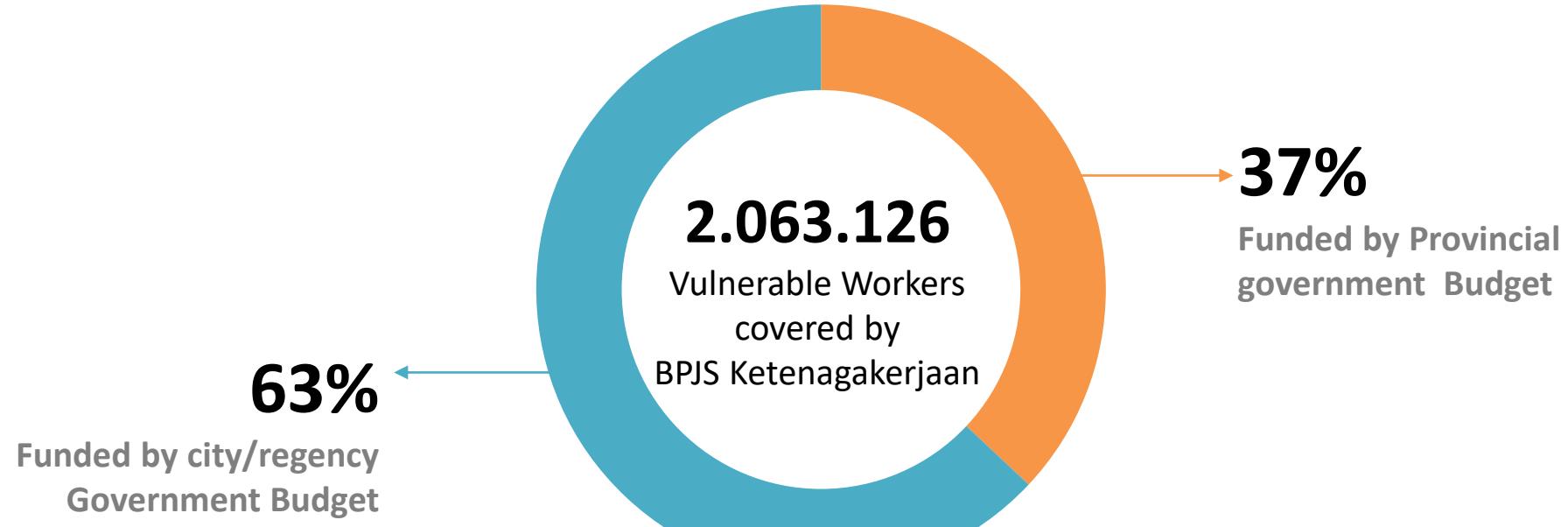
Government Intervention to Vulnerable Employment

Sources of Funding



Implementation of Social Protection for Vulnerable Employment

Active Member per October 2023



11 provinces and **279** city/regency have provided social security for vulnerable workers

Extensification

1. Agency System

Perisai Agent, Village Agent & B to B Corporation

2. PUBLIC FIGURE

Religious Leaders, Community Leaders and Customary Leaders

3. Supply Chain

Large and Medium-sized enterprises

4. Auto Debit

Auto-Debit for Informal Worker & Small and Micro-sized enterprises

5. Compliance & Positive Supervision

Colaboration with Indonesia National Police, BPJS Kesehatan & Tax Office

Intensification

Retention

1 Village Ecosystem

Village officials, Village Worker, Village-Owned Enterprise, Bhabinkamtibmas

3 E-Commerce & SMEs

Tokopedia, Shopee, Bukalapak, Micro Credit Program (KUR), Franchise

Market Ecosystem 2

Traditional Market (including fishery port) & Modern Market

Informal worker, including poor and underprivileged

Vulnerable Worker 4

“Empowerment, Welfare, Social Protection, Education”

“ The best way to find yourself is to lose yourself in the service of others ,”

– Mahatma Gandhi