



Organisasi Perburuhan Internasional - Jakarta
International Labour Organization – Jakarta

Wednesday, 5 December 2012
FOR IMMEDIATE RELEASE

PRESS RELEASE

Promoting universal social protection coverage in Indonesia

JAKARTA (ILO News): As part of national efforts to implement universal social protection in Indonesia, the International Labour Organization (ILO), in collaboration with the National Development Planning Agency (Bappenas), has launched the key results of the *Social Protection Floor* assessment. The event presenting the report, “Social Protection Floor Assessment Based National Dialogue: Towards a Nationally Defined Social Protection Floor in Indonesia,” took place on Thursday, 6 December, at Bappenas, Jakarta. The assessment was officially launched by the Vice Minister of Bappenas, Dr. Lukita Dinarsyah Tuwo, and the Country Director of the ILO in Indonesia, Peter van Rooij.

The main aim of the event was to share key findings and recommendations of the SPF assessment to relevant stakeholders. The event also provided a forum for discussion of the SPF assessment’s key findings and recommendations to build understanding of the alignment with current and future policies and programmes as well as to receive feedback from relevant stakeholders, including the general public.

The SPF promotes income security through a basic set of guarantees including: (i) all residents have access to a nationally/provincially defined set of affordable essential health care services; (ii) all children enjoy income security through cash or transfers in kind to ensure access to nutrition, education and care; (iii) all those in active age groups who cannot earn a sufficient income enjoy minimum income security through social transfers in cash or in kind, or employment guarantee schemes; and (iv) all residents in old age and with disabilities have income security at least at the level of the nationally defined poverty line through pensions for old age and disability or transfers in kind.

From April 2011 to November 2012, the ILO collaborated with relevant line ministries and the UN sub-working group on social protection in Indonesia and engaged with a range of stakeholders to conduct an assessment of the social protection situation in Indonesia. The assessment was used to identify policy gaps and implementation issues, and to design appropriate policy recommendations for the achievement of a comprehensive social protection floor in the country.

During the development of the assessment, a number of common gaps were found across social security programmes, including: limitation of coverage; limited access to social services; limited linkages between social protection programmes and employment services; almost no social security for workers in the informal sector; social security evasion in the formal sector; limited data for programme targeting; and issues of coordination and overlap between programmes.

Key policy recommendations emerging from the assessment include:

- ◆ Design and pilot a Single Window Service (SWS) for social protection programmes at the local level. An SWS provides information to potential beneficiaries on guarantees and services, registers beneficiaries and updates their details via a national database, facilitates appeals mechanisms, and improves coordination among programmes;
- ◆ Support the implementation of BPJS Kesehatan (BPJS I) and BPJS Ketenagakerjaan (BPJS II);
- ◆ Extend the coverage of the cash transfer scheme Program Keluarga Harapan (PKH), which

facilitates access to nutrition, education, and care for children from poor families

- ◆ Ensure that the health care package has an adequate level of protection, including the extension of health insurance benefits to cover HIV testing and treatment;
- ◆ Conduct a feasibility study for unemployment insurance with links to employment and skills programmes;
- ◆ Extend the coverage of programmes for vulnerable elderly and for people with severe disabilities;
- ◆ Develop a comprehensive database of individuals in target groups, such as people with disabilities.

“The cost projections of various policy options and the preliminary fiscal space analysis contained in the report can inform ongoing policy discussions in the framework of the implementation of the National Social Security System (SJSN) Law as well as the further extension of anti-poverty programmes,” says Peter van Rooij, Country Director of ILO in Indonesia.

The recent development of an implementation plan for the SJSN law is illustrative of the strong political will to expand social security coverage to the entire Indonesian population, and to ensure that the poor and vulnerable will receive adequate support through an extensive anti-poverty program. Therefore, the ILO is confident that the report “Social Protection Assessment Based National Dialogue: Towards a Nationally Defined Social Protection Floor in Indonesia” will be a strategic document for the development of a comprehensive social protection floor in Indonesia.

In 2011 the Government of Indonesia issued a new law on social security service providers (BPJS), *Act No. 24/2011*. The law provides for the implementation of *Act No. 40/ 2004 on National Social Security System* (NSSS), which mandates universal social security coverage in Indonesia. Developments in Indonesia have been paralleled at the international level. At the 2012 International Labour Conference (ILC), Recommendation No. 202 concerning National Floors of Social Protection was adopted.

For further information please contact:

Tauvik Muhamad, ILO’s Programme Officer, Tel. +6221 391 3112 ext. 103, Email: tauvik@ilo.org

Gita F. Lingga, Media Officer, Tel. +6221 391 3112 ext. 115, Mobile: +628158845833, Email: gita@ilo.org