

# *Participation of FEB UGM Students in Workshop Entitled “Towards a Comprehensive Social Protection Transformation in Indonesia”*

***Tuesday, June 24-25, 2025, at the Morrissey Hotel, Central Jakarta.***

The workshop “**Towards a Comprehensive Social Protection Transformation in Indonesia**” served as a strategic forum uniting government institutions, civil society organizations, and private sector actors to evaluate Indonesia’s readiness in aligning its social protection system with the ILO Convention No. 102 of 1952 (C102) concerning Minimum Standards of Social Security. The ILO emphasized that C102 defines nine key branches of social protection—ranging from health and unemployment to maternity and death benefits—of which at least three must be implemented for minimum compliance.

In the Indonesian context, the country has fulfilled three branches to date: Work Accident Insurance (JKK), Old Age Security (JHT), and Death Security (JKM). Discussions highlighted that aligning national policies with C102 is not only constitutionally mandated but also essential for fulfilling international obligations and ensuring basic protection for all citizens. The event was also supported by representative students from the Department of Economics, Faculty of Economics and Business, Universitas Gadjah Mada (FEB UGM), **Ilham Ardani** (IE 2023) and **Bangkit Kristyawan** (IE 2023), who played an active role in facilitating the success of the workshop.





## Summary of the Event DAY 1

A representative from the BPJS *Ketenagakerjaan* highlighted the challenges in implementing social security, especially the differences with commercial insurance. Without an underwriting system like in private insurance, the social security system faces the risk of moral hazard, where participants only register after knowing that they are eligible for benefits. Meanwhile, Mr. Ippei Tsuruga from the ILO also shared field findings from a study around the Yogyakarta International Airport (YIA) area, which show the existence of an informal social protection system based on mutual cooperation in the community, especially in financing weddings and funerals. This reflects local values in supporting social solidarity that can be escalated at the national level.

Following the presentation by the ILO on Convention C102 and case studies of social security systems in Indonesia, participants were then divided into four discussion groups based on the benefit branches outlined in C102. Group 1 focused on old-age benefits, including pension schemes, *Jaminan Hari Tua* (JHT), and social programs for the elderly such as *Program Keluarga Harapan* (PKH) and *ATENSI*. Group 2 discussed unemployment benefits, particularly the *Jaminan Kehilangan Pekerjaan* (JKP), severance pay, and skill development programs like *Kartu Pra-Kerja*. Group 3 examined maternity benefits, covering *jaminan persalinan* (childbirth coverage), *cuti melahirkan* (maternity leave), and support programs such as the PKH. Group 4 explored employment injury benefits and medical/rehabilitation services, including *Jaminan Kecelakaan Kerja* (JKK), healthcare services, disability compensation, and rehabilitation support. From the discussions, several key recommendations emerged. One primary recommendation was to integrate maternity benefits into the National Social Security System (SJSN) framework to ensure comprehensive protection aligned with international standards. Participants also emphasized the need for a simplified system design, particularly by integrating JHT and pension benefits to reduce participant's confusion and complaints. Additionally, improvements to the JKP scheme were urged, especially by extending the benefit duration and enhancing standards, particularly for workers in vulnerable categories.



## Summary of the Event DAY 2

The second day of the workshop addressed the need for legal reform of Indonesia's National Social Security System (SJSN), focusing on alignment with ILO Convention No. 102 of 1952 concerning Minimum Standards of Social Security (C102). Participants came from the government officials, workers' and employers' organizations, as well as international partners, in a tripartite dialogue facilitated by the ILO.

The first session was led by Mr. Rekson Silaban, Coordinator of the Expert Team of the Regional Representative Council (DPD RI), who presented ten strategic issues in the Draft Amendment to the SJSN Law. He underlined the need for Indonesia's social protection system to respond to structural labor changes, such as the rise of informal and platform-based work, which significantly affect contribution rates. As of 2024, although 45.2 million workers were registered for Work Accident Insurance (JKK) and Death Benefit (JKM), only 19 million were active in the Old Age Security (JHT) and 14.9 million in Pension (JP) scheme. He also addressed regulatory disharmony involving the exclusion of TASPEN and ASABRI from BPJS unification and inconsistencies with the Job Creation Law and the Financial Sector Development Law (UU P2SK). Further recommendations included transforming PT Jasa Raharja into a body integrated with BPJS and establishing a specific BPJS scheme for informal workers with automatic integration from social assistance.

In the second session, Ms. Luisa Fernanda Carmona Liano from the ILO Headquarters presented an analytical review of Indonesia's social security system in comparison with C102 provisions. Currently, Indonesia complies with only three of the nine required branches: work injury (JKK), old-age (JHT and JP), and death benefits (JKM). Other areas—such as unemployment, maternity, and sickness benefits—remain either underdeveloped or limited in coverage. The ILO also highlighted important gaps related to shared financing mechanisms (Article 71.1), equal treatment for migrant workers (Article 68), and benefit adjustments based on inflation (Article 72.1). The day concluded with a tripartite panel featuring the Ministry of Manpower, APINDO, and labor union representatives. The discussion focused on the feasibility and consequences of proposed reforms. Government representatives reaffirmed efforts to expand coverage for informal workers and harmonize existing laws. Employers raised concerns over administrative burdens and compliance costs, while labor unions emphasized the need for better enforcement and stronger benefit adequacy for vulnerable workers.



# Documentation



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