

Indonesia Social Protection Technical Seminar (ISPTS)

Strategy Towards an Inclusive, Resilient, and Productive Golden Indonesia

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Supported by:



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CHALLENGES IN THE SOCIAL PROTECTION SYSTEM IN INDONESIA



The accuracy of the Social Assistance Program is still low

- Program Sembako: 37,3 (2023)
- PKH: 33,7% (2023)
- PIP: 41,3% (2023)
- PBI: 53,8% (2023)
- Rata-rata: 41,5% (2023)

(Susenas, 2023)



Threat of Natural Disasters

- During 2022, there were more than 2 million people affected by the disaster with more than 10 thousand houses and public facilities damaged.
- 43% of all disasters that occur in Indonesia are floods

(BNPB, 2023)



Poverty levels for people with disabilities

The Poverty Rate for Persons with Disabilities tends to be higher, at 13.81% when compared to the national poverty of 9.36% in 2023.

(Susenas, 2023)



Elderly Workers

As many as 53.93% of the elderly are still actively working.

(Sakernas BPS, Agustus 2023)



Women's TPAK (Labor Force Participation Rate) is Still Low

Women's TPAK is 60.18% while men's TPAK is 86.97% (2023). Women's participation in formal work is even lower, which is only 35.75% in 2023.

(Sakernas BPS, 2023)



Low participation of informal workers in the Employment Social Security program

- The Employment Social Security Program is still biased towards formal workers. Protected Non-Wage Earners are only 7.49%. (BP Jamsostek, Sakernas BPS, May 2023, processed)
- Understanding of social security programs and participant compliance is still low
- Contributions and Benefits have not been balanced, thus threatening the sustainability of the program



Population Administration and Vital Statistics

- There are still around 12.4% of agencies that have sent back data for the use of population data (Directorate General of Dukcapil, October 2023)
- Development planning still does not use administrative data as a database.

SOCIAL TRANSFORMATION IN PROMOTING ADAPTIVE SOCIAL PROTECTION

INDONESIA'S TRANSFORMATION

Transformation
Social

Economic
Transformation

Governance
Transformation

UU No. 59 Tahun 2024 Tentang Rencana Jangka Panjang Nasional Tahun 2025-2045

IE1 Adaptive Social Protection

IE2 Health for All

IE3 Equitable Quality Education



Social transformation towards adaptive social protection is directed to increase the coverage of social protection, social assistance based on vulnerability status, social security, and job/entrepreneurial opportunities for the entire community both in conditions without disasters/with disasters.

Pillars of Adaptive Social Protection

1

Institutions and partnerships

Institutional relations and cooperation between ministries and agencies related to ASP (both government and non-government).

2

Program Modification

Development of an updated database system and interoperability/sharing for ASP implementation.

3

Data and Information

Expansion, adaptation, and convergence of ASP programs to strengthen adaptive, anticipatory, and absorptive capacities.

4

Adaptive and Sustainable Financing

Proper social protection budget planning.

ADAPTIVE SOCIAL PROTECTION STRATEGIES AND POLICIES

STRATEGY

1. One Socio-Economic Registration System
2. Increasing the retirement age gradually by ensuring social and economic readiness during retirement.
3. Development of social assistance, social security, and community empowerment that are more integrated and adaptive to disasters and climate change.
4. Increased participation of vulnerable groups in the workforce
5. Coordination of social protection regulations.
6. Strengthening the National Social Security System (SJSN).
7. Integration of targeting, benefits, and implementation of social assistance, social security, and community empowerment
8. Improving an inclusive environment for vulnerable groups
9. Lifelong improvement in work and entrepreneurship skills
10. Financing innovations to strengthen & expand the scope of sustainable social protection integration, mainly social impact bonds, social impact investment, and optimization of social security funds.

POLICY DIRECTION

The transformation of social protection towards adaptive social protection is directed to increase the coverage of social protection, social assistance based on vulnerability status, social security, and employment and entrepreneurship opportunities for the entire community both in conditions without disasters and with disasters.

For All Residents

- According to the life cycle
- Entire region
- According to vulnerability and welfare conditions

On All Services

- Reduced production burden
- Contribution-based protection
- Cash and non-cash benefits (Empowerment and training)

By All Communities

- Private & community participation
- Multi-sectoral participation
- Central-regional participation

Adaptive Social Protection

"Every resident receives social protection throughout the life cycle to avoid poverty and maintains a decent life"

TARGET 2045

Poverty Rate
0,5 – 0,8 %

Coverage of Employment Social Security membership
99,5 %

Percentage of Persons with Disabilities Working in the Formal Sector
60 %

ADAPTIVE SOCIAL PROTECTION DEVELOPMENT AGENDA

DEVELOPMENT AGENDA: SOCIAL TRANSFORMATION ADAPTIVE SOCIAL PROTECTION

The establishment of an adaptive social protection system for the entire population

1

One Socio-Economic
Registration System

2

Adaptive Integration of
Social Assistance, Social
Security, and Community
Empowerment

3

National Social Security
System (SJSN)

4

Development of a care
economy for the
expansion of social
protection and welfare

5

Social inclusion for the
welfare of persons with
disabilities, the elderly,
and other vulnerable
groups

Realizing a data-based social protection system, including social assistance, social security, empowerment, and care for all vulnerable groups in disaster situations and normal situations.

THE URGENCY OF IMPLEMENTING THE INDONESIAN SOCIAL PROTECTION SEMINAR

Strategy towards an Inclusive, Resilient, and Productive Golden Indonesia



Sharing insights related to challenges in social protection to strengthen social resilience and support inclusive economic growth in Indonesia.



Gathering experts and practitioners to discuss innovations and new solutions in overcoming challenges in the implementation of social protection in Indonesia.



Gathering perspectives from various stakeholders to support the establishment of social protection policies in the future.

THANK YOU



*Kementerian PPN/
Bappenas*



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