REGULATION OF THE GOVERNMENT OF THE REPUBLIC OF INDONESIA
NUMBER 45 OF 2015
ON
PENSION SECURITY PROGRAM IMPLEMENTATION

BY THE GRACE OF THE GOD ALMIGHTY
THE PRESIDENT OF THE REPUBLIC OF INDONESIA,

Considering : whereas, in order to implement the provisions of Article 41 paragraph (8) and Article 42 paragraph (2) of Law No. 40 of 2004 on National Social Security System, it is necessary to stipulate a Government Regulation on Implementation of Pension Security Program;

In the view of : 1. Article 5 paragraph (2) of the 1945 Constitution of the Republic of Indonesia;
2. Law No. 40 of 2004 on the National Social Security System (State Gazette of the Republic of Indonesia of 2004 Number 150, Supplement to State Gazette of the Republic of Indonesia Number 4456);

HAS DECIDED:

To stipulate : GOVERNMENT REGULATION ON PENSION SECURITY PROGRAM IMPLEMENTATION.
CHAPTER I
GENERAL REQUIREMENTS
Article 1

In this Government Regulation, what meant by:

1. Pension Security is a social security aimed to maintain a reasonable life level for participants and/or inheritors by providing incomes after the participants’ retirement, permanent total disability, or death.

2. Labor Social Security Implementing Agency, hereinafter referred to as BPJS Ketenagakerjaan, is a public legal entity incorporated under Law Number 24 of 2011 on Social Security Implementing Agency.

3. Pension Benefit is an amount of money paid each month to participants who have reach the retirement age, suffer from permanent total, or inheritors of passed away participants.

4. Pension Security Program Participants, hereinafter referred to as Participants, shall be registered workers who have the contribution.

5. Worker is any person who works for a wage or other remunerations.

6. Employer is an individual, entrepreneur, legal entity, or other entity which employs workers or state officials employing civil servants by paying salaries, wages, or other remunerations.

7. Widow or widower is a legitimate wife or husband according to laws and regulations of the passed away participants and listed as the beneficiary in BPJS Ketenagakerjaan.

8. Child is a biological child, stepchild, or foster child, who is legitimate according to the laws and regulations, of the passed away participants and listed as the beneficiary in BPJS Ketenagakerjaan.

9. Parents are biological father, mother, stepfather, stepmother, foster father or foster mother, who is legitimate under the laws and regulations and listed in the BPJS Ketenagakerjaan.

10. Pension Benefit Beneficiary is a participant or inheritor of participants entitled to receive pension benefits.

11. Pension Security Contribution, hereinafter referred to as Contribution, is an amount of money paid regularly by participants and employers.
12. Contribution Period is the number of Contribution settlement payment months to BPJS Ketenagakerjaan.

13. Wages are workers' rights received and expressed in the form of money as a reward from the Employer to the workers, which are decided and paid according to an employment agreement, contract or law and regulation, including fixed allowances for workers and their family for a job and/or service which has been or will be performed.

14. Permanent Total Disability is a disability resulting in an inability of someone to work.

15. Retirement Age is the age when the participants can start to receive pension benefits.

16. Minister is the minister who performs the government affairs on labor.

CHAPTER II
MEMBERSHIP AND REGISTRATION PROCEDURES

Section One
Membership

Article 2

(1) Participants shall consist of:
   a. Workers who work at state official Employers; and
   b. Workers who work at non-state official Employers.

(2) Provisions on the membership for Workers working at state official Employers as referred to in paragraph (1) letter a shall be regulated by a separate Government Regulation.

Article 3

(1) Membership of the Pension Security Program shall be effective since the Workers are registered and the first Contribution has been paid and Deposited by the non-state official Employers to BPJS Ketenagakerjaan.

(2) BPJS Ketenagakerjaan shall provide the first Contribution payment receipt as referred to in paragraph (1) to non-state official Employers.

(3) The Contribution payment receipt as referred to in paragraph (2) is a registration proof of Participants and the basis of the Pension Security protection commencement.
(4) The Membership of Pension Security as referred to in paragraph (1) shall expire when the Participants:
   a. die; or
   b. reach the Retirement Age and receive the accumulated Contribution and its investment simultaneously.

Section Two
Registration

Article 4

(1) Non-state official Employers are required to register all Workers to BPJS Ketenagakerjaan as a Participant in accordance with the membership phases under laws and regulations.

(2) Non-state official Employers are required to register a new Worker no later than 30 (thirty) days from the Worker’s start date of work.

Article 5

(1) In the event that the Non-state official Employer is clearly negligent not to register his Workers as referred to in Article 4, Workers shall be entitled to register themselves in a social security program to BPJS Ketenagakerjaan in accordance with the Pension Security program membership phases.

(2) The registration as referred to in paragraph (1) shall be conducted by the relevant Workers by filling out the stipulated registration form and attaching:
   a. employment agreement, appointment letter or other evidence which shows their status as a Worker/laborer;
   b. Resident’s Identity Card; and
   c. Family Card.

(3) Based on the registration as referred to in paragraph (1), BPJS Ketenagakerjaan shall verify to the Non-state official Employer no later than seven (7) business days since the registration date.

(4) In the event that the Non-state official Employer is obviously negligent regarding to the verification result as referred to in paragraph (3), the Non-state official Employer is sanctioned in accordance with laws and regulations.
In addition to the sanctions referred to in paragraph (4), Employer in addition to mandatory state officials picked up and deposit the Contribution Workers who become a liability and pay the fee Employer obligations other than state officials to BPJS Ketenagakerjaan.

Article 6

In case Workers have not been registered at the BPJS Ketenagakerjaan, non-state official Employers are required to be responsible for their Workers by providing the Pension Benefits in accordance with provisions of this Government Regulation.

Article 7

(1) BPJS Ketenagakerjaan shall publish the membership numbers for Workers as referred to in Article 4 and Article 5 no later than 1 (one) business day after the first Contribution is fully paid.

(2) If BPJS Ketenagakerjaan does not publish a membership number as referred to in paragraph (1), the Contribution payment receipt as referred to in Article 3 shall be used as a membership proof.

(3) BPJS Ketenagakerjaan shall provide a membership card no later than 7 (seven) business days from the membership number date as referred to in paragraph (1) is issued.

(4) The membership number as referred to in paragraph (1) is a single membership number for all labor social security program joint by the Participants.

Article 8

BPJS Ketenagakerjaan shall issue a membership certificate for the non-state official Employers who have registered all Workers within a maximum period of seven (7) business days from the acceptance date of complete and correct application form and the first Contribution is paid to BPJS Ketenagakerjaan.

Article 9

(1) Further provisions on requirements and registration procedure shall be set out by a Regulation of the Minister.

(2) Further provisions on the procedure of recording and publishing of membership numbers, and membership certificate for non-state official Employers shall be regulated by BPJS Ketenagakerjaan.
Section Three
Membership Data Alteration

Article 10

(1) Participants shall submit a complete and correct data alteration to the non-state official Employers, in case there is a Participant and his family’s data alteration.

(2) Non-state official Employers, following the acceptance of data alteration as referred to in paragraph (1), shall submit such alteration to BPJS Ketenagakerjaan no later than seven (7) business days after the data is received.

(3) If Participants as referred to in paragraph (1) are temporarily not working, they shall submit a membership data alteration to BPJS Ketenagakerjaan.

(4) BPJS Ketenagakerjaan shall provide a membership data alteration recording confirmation to non-state official Employers as referred to in paragraph (2) and Participants as referred to in paragraph (3) no later than seven (7) business days after the membership data alteration report is received completely and correctly.

(5) The confirmation as referred to in paragraph (4) shall at least be conducted via a BPJS Ketenagakerjaan website.

Article 11

(1) Participants who resign from their workplace shall notify their membership to the new Employer by showing the BPJS Ketenagakerjaan Membership Card.

(2) The new Employer as referred to in paragraph (1) shall forward the Workers’ membership by reporting the membership card and paying the Contribution to BPJS Ketenagakerjaan since the Workers work at the new Employer.

Article 12
In case there is a data alteration on Wages, Worker number, office address, and other data alteration related to the social security program implementation, Non-state official Employer shall submit such alteration to BPJS Ketenagakerjaan no later than 7 (seven) days following the alteration.

Article 13
Further provisions on the membership data alteration reporting and membership data alteration recording alteration shall be governed with the Regulation of BPJS Ketenagakerjaan.
CHAPTER III  
PENSION BENEFITS  
Section One  
Pension Beneficiaries  
Article 14

(1) The Pension Beneficiary shall consist of:  
   a. Participants;  
   b. 1 (one) legitimate wife or husband under laws and regulations;  
   c. at most 2 (two) children; or  
   d. 1 (one) Parent.

(2) Participants’ children born at the maximum 300 (three hundred) days after the dissolution of a marital relationship with a wife or husband who has registered and declared valid or after the Participant dies can be registered as a Pension Benefit beneficiary.

(3) In case there is a Pension Benefit beneficiaries alteration, Participants shall submit such alteration no later than 30 (thirty) days from the Pension Benefit beneficiaries alteration date to non-state official Employer.

(4) The Pension Benefit beneficiaries alteration may not be performed after Participants:
   a. receive the first Pension Benefits; or  
   b. die, except for a Child as referred to in paragraph (2).

(5) Non-state official Employers are required to report the Pension Benefit beneficiaries alteration as referred to in paragraph (3) to BPJS Ketenagakerjaan.

(6) In case there is a dispute on inheritors entitled to accept the Pension Benefit, the inheritors shall be stipulated by an amicable settlement among inheritors.

(7) In case the amicable settlement as referred to in paragraph (6) is not reached, the inheritor dispute shall be resolved via a court.

Section Two  
Retirement Age  
Article 15

(1) For the first time, the Retirement Age shall be stipulated at 56 (fifty six) years old.
(2) Beginning from 1st January 2019, the Retirement Age as referred to in paragraph (1) shall be altered to 57 (fifty seven) years old.

(3) The Retirement Age as referred to in paragraph (2) shall hereinafter increase by 1 (one) year for every 3 (three) years until the Retirement Age reaches 65 (sixty-five) years old.

(4) If Participants have reached the Retirement Age but they remain employed, Participants may choose to receive Pension Benefits when they reach the Retirement Age or stop working provided that it is 3 (three) years after Retirement Age, at the maximum.

Section Three
Pension Benefits

Paragraph 1
General
Article 16

Pension benefits shall include:

a. old-age pensions;
b. disability pension;
c. retired Widow or Widower;
d. Child pension; or
e. Parents pension.

Article 17

(1) The Pension Benefits as referred to in Article 16 shall be stipulated as follows:

a. for the first 1 (one) year, the Pension Benefits shall be calculated based on the Pension Benefit formula; and
b. for every 1 (one) subsequent year, the Pension Benefits shall be calculated at the previous year’s Pension Benefit multiplied by an indexation factor.

(2) The Pension Benefit Formula as referred to in paragraph (1) letter a shall be 1% (one percent) multiplied by the Contribution Period and divided by 12 (twelve) months multiplied by the average weighted annual Wage during the Contribution Period and divided by 12 (twelve).

(3) The weighted annual wage as referred to in paragraph (2) shall be a Wage in which the value has been adjusted based on the general inflation rate.
(4) The indexation factor as referred to in paragraph (1) letter b shall be stipulated at 1 (one) plus the previous year’s general inflation rate.

(5) The general inflation rate as referred to in paragraph (3) and paragraph (4) shall be an annual inflation rate set put by an institution implementing government affairs on statistics.

Article 18

(1) For the first time, the Pension Benefits shall at least be stipulated at IDR 300,000.00 (three hundred thousand Rupiahs) for each month.

(2) For the first time, the Pension Benefits shall be stipulated at the maximum IDR 3,600,000.00 (three million six hundred thousand Rupiahs) for each month.

(3) The Pension Benefits shall at least and at the maximum be stipulated as referred to in paragraph (1) and (2) and it shall be adjusted every year based on the general inflation rate of the previous year.

Paragraph 2
Old-Age Pension Benefits

Article 19

(1) Old-Age Pension Benefits shall be accepted by Participants who have reached the Retirement Age and have the shortest Contribution Period of 15 (fifteen) years which is equivalent to 180 (one hundred and eighty) months.

(2) The old-age Pension Benefits shall be calculated by the Pension Benefit formula as referred to in Article 17 paragraph (2).

(3) Rights to old-age Pension Benefits shall be calculated from the 1st day of the next month after the Participants reach the Retirement Age.

(4) Rights to old-age Pension Benefits shall expire when Participants pass away.

Paragraph 3
Disability Pension Benefits

Article 20

(1) The disability Pension Benefits shall be received by Participants who suffer from Permanent Total Disability before they reach the Retirement Age.

(2) The disability Pension Benefits amount shall be calculated by the Pension Benefit formula as referred to in Article 17 paragraph (2).

(3) In case Participants suffer from Permanent Total Disability and the Contribution Period is less than 15 (fifteen) years, the Contribution Period used to calculate the disability Pension Benefits as referred to
in paragraph (2) shall be 15 (fifteen) years, provided that:

a. Participants regularly pay the Contribution in which the density rate is at least least 80% (eighty percent); and

b. events leading to a Permanent Total Disability occur after Participants enroll in the Pension Benefit program at least 1 (one) month.

(4) Rights to the disability Pension Benefits as referred to in paragraph (1) shall be calculated from the 1st day of the next month following the Participants are stated to suffer from a Permanent Total Disability.

(5) The Permanent Total Disability decision as referred to in paragraph (4) shall be performed by a consulting, attending, and/or treating physician.

(6) In the event of a disagreement over the Permanent Total Disability stipulation as referred to in paragraph (5), the completion shall be conducted via a mechanism established by the Minister.

(7) Rights to the disability Pension Benefits shall expire when Participants pass away or no longer meet the definition of Permanent Total Disability.

**Paragraph 4**

**Widow or Widower Pension Benefits**

**Article 21**

(1) The Widow or Widower Pension Benefits shall be received by the wife or husband of Participants who pass away.

(2) The Widow or Widower Pension Benefits shall be calculated at:

a. 50% (fifty percent) of the Pension Benefits formula as referred to in Article 17 paragraph (2), for Participants passed away before they receive the Pension Benefits; or

b. 50% (fifty percent) of the old-age Pension Benefits as referred to in Article 19 or disability Pension Benefits as referred to in Article 20, for Participants passed away after they receive the Pension Benefits.

(3) If Participants pass away before they reach the Retirement Age and Contribution Period which is less than 15 (fifteen) years, the Contribution Period used to calculate the Widow or Widower Pension Benefit as referred to in paragraph (2) letter a is 15 (fifteen) years, provided that:

a. they have been a participant for at least 1 (one) year; and

b. Participants shall regularly pay the Contribution in which the minimum density level is 80% (eighty percent).
(4) Rights to the Widow or Widower Pension Benefits as referred to in paragraph (1) shall be calculated from the 1\textsuperscript{st} day of the following month after Participants die.

(5) Rights to the Widow or Widower Pension Benefits as referred to in paragraph (4) shall expiry when the Widow or Widower dies or remarried.

Paragraph 5
Child Pension Benefits
Article 22

(1) The Child Pension Benefits shall be received by Children if:
   a. Participants die and do not have a wife or husband; or
   b. The widow or widower of Participants dies or remarried.

(2) The Child Pension Benefits as referred to in paragraph (1) letter a is calculated at:
   a. 50\% (fifty percent) of the Pension Benefits formula as referred to in Article 17 paragraph (2), for Participants who die before receiving the Pension Benefits and do not have a widow or widower;
   b. 50\% (fifty percent) of the old-age Pension Benefits as referred to in Article 19 or disability Pension Benefits as referred to in Article 20, for Participants who die after receiving the Pension Benefits and do not have any widow or widower; or
   c. 50\% (fifty percent) of the Widow or Widower Pension Benefits as referred to in Article 21, for a Widow or Widower who dies or remarries.

(3) If the Participants dies before they reach the Retirement Age and the Contribution Period is less than 15 (fifteen) years, the Contribution Period used in calculating the Child Pension Benefits as referred to in paragraph (2) letter a is 15 (fifteen) years, provided that:
   a. Participants have been enrolled as a participant for at least 1 (one) year; and
   b. Participants shall regularly pay the Contribution in which the minimum density rate shall be 80\% (eighty percent).

(4) Right to Child Pension Benefits as referred to in paragraph (1) shall be calculated from the 1\textsuperscript{st} day of the next month after:
a. Participants die;
b. A widow or widower dies; or
c. A widow or widower remarries.

(5) The Rights to Child Pension Benefits as referred to in paragraph (4) shall expire when the Child reaches 23 (twenty three) years old, works, or marries.

Paragraph 6
Parents Pension Benefits
Article 23

(1) The Parents Pension Benefits shall be received by the Parents if Participants die and do not have a wife, husband, or Child.

(2) The Parents Pension Benefits as referred to in paragraph (1) shall be calculated at:

a. 20% (twenty percent) of the Pension Benefits formula as referred to in Article 17 paragraph (2), for Participants who pass away before receiving the Pension Benefits; or

b. 20% (twenty percent) of the old-age Pension Benefits as referred to in Article 19 or disability Pension Benefits as referred to in Article 20, for Participants who pass away after receiving the Pension Benefits.

(3) If Participants die before they reach the Retirement Age and the Contribution Period is less than 15 (fifteen) years, the Contribution Period used to calculate the Parents Pension Benefits as referred to in paragraph (2) letter a is 15 (fifteen) years, provided that:

a. Participants have been enrolled as a participant for at least 1 (one) year; and

b. Participants shall regularly pay the Contribution in which the minimum density rate shall be 80% (eighty percent).

(4) Rights to the Parents Pension Benefit as referred to in Paragraph (1) shall be calculated from the 1st day of the following month after Participants pass away.

(5) The rights to Parents Pension Benefits as referred to in paragraph (4) shall cease when the Parents pass away.
Section Four
Rights of Participants who Reach the Retirement Age prior to a 15 (fifteen) Year Contribution Period

Article 24

(1) In case Participants reaches the Retirement Age before fulfilling the 15 (fifteen) years Contribution Period, Participants are entitled to a full Contribution accumulation plus its investment.

(2) All Contribution accumulations plus its investment as referred to in paragraph (1) shall be paid to the participants on the 1st day of the following month after Participants reach the Retirement Age and the document has been completely received by BPJS Ketenagakerjaan.

(3) The investment as referred to in paragraph (2) shall be calculated every month based on the actual value.

Section Five
Payment of Pension Benefits

Article 25

(1) For the first time, the Pension Benefits as defined in Article 16 shall be paid provided that:

   a. at the shortest time, since the rights to Pension Benefits start to be calculated and supporting documents are completely accepted by BPJS Ketenagakerjaan; and
   b. no later than 15 (fifteen) days since the rights to the Pension Benefits occur and supporting documents are completely accepted by BPJS Ketenagakerjaan.

(2) The next month’s payment of Pension Benefits shall be no later than the 1st day of the current month.

(3) The Pension Benefits payment as referred to in Article 16 shall be ceased after the rights to the Pension Benefits expire.

Article 26

(1) Pension Benefit Beneficiaries are required to confirm the Pension Benefit beneficiaries data confirmation 1 (one) time in every 3 (three) month to BPJS Ketenagakerjaan.

(2) In case the Pension Benefit Beneficiaries have not confirmed the data as referred to in paragraph (1), BPJS Ketenagakerjaan shall suspend the Pension Benefit payment.
(3) BPJS Ketenagakerjaan may repay the Pension Benefits after the Pension Benefit Beneficiaries confirm the data as referred to in paragraph (1) and paragraph (2).

(4) In case the Pension Benefit Beneficiaries do not confirm up to 10 (ten) years, BPJS Ketenagakerjaan shall terminate the Pension Benefit payments.

Article 27
Further provisions on payment procedure, termination, and benefit submission shall be regulated by a Regulation of the Minister.

CHAPTER IV
CONTRIBUTION
Section One
Contribution Amount
Article 28

(1) The Pension Security Contribution shall be paid every month.

(2) The Contribution as referred to in paragraph (1) shall be 3% (three percent) of the monthly wages.

(3) The contribution of 3% (three percent) as referred to in paragraph (2) shall be collectively borne by non-state official Employer and Participant provided that:
   a. 2% (two percent) of the wages shall be incurred by non-state official Employers; and
   b. 1% (one percent) of the wage shall be borne by the Participants.

(4) The amount of Contribution as referred to in paragraph (3) shall be evaluated at least 3 (three) years by considering national economic conditions and calculation of the actuarial liability adequacy.

(5) The evaluation results as referred to in paragraph (4) shall be used as a basis for the contribution gradual increase adjustment up to 8% (eight percent).

Article 29

(1) The monthly Wages as the Contribution calculation basis shall consist of basic salary and fixed allowance for the current month.

(2) The highest Wage used as the calculation basis of the Pension Security Contribution of 2015 shall be stipulated at IDR 7,000,000.00 (seven million Rupiahs) every month.
(3) BPJS Ketenagakerjaan shall annually adjust the amount of highest Wages as referred to in paragraph (2) using a multiplying factor of 1 (one) plus the previous year’s domestic product annual gross growth rate.

(4) BPJS Ketenagakerjaan shall stipulate and announce the highest Wages limit adjustment as referred to in paragraph (3), no later than 1 (one) month after an institution performing government affairs administration on statistics announces the gross domestic product data.

**Section Two**
**Payment Procedure**
**Article 30**

(1) Non-state official Employers shall charge the Contribution as referred to in Article 28 which is borne by Participants and deposit it to BPJS Ketenagakerjaan.

(2) Non-state official Employers are required to pay and deposit the Contribution which are borne by them as referred to in Article 28 collectively with the Participants’ Contribution to BPJS Ketenagakerjaan.

(3) The Contribution as referred to in Article 28 shall be paid to BPJS Ketenagakerjaan every month by the 15th day of the next month.

**Article 31**

(1) The delayed Contribution payment by non-state official Employers shall be charged by 2% (two percent) fine for every late month, which is calculated from the Contribution to be paid by non-state official Employers.

(2) Penalties due to delayed deposit of Contribution referred in paragraph (1) shall be borne entirely by the Employer other than state officials paid simultaneously with the total contribution in arrears.

(3) The fine delay as referred to in paragraph (1)the assets of the Social Security Fund Retirement Security program.

**Article 32**

Contribution are unpaid receivables Social Security Fund Retirement Security program.
Article 33
Further provisions on the manner of payment of Contribution set BPJS Ketenagakerjaan Regulation.

CHAPTER V
ADMINISTRATIVE SANCTIONS

Article 34
Employer other than state officials who do not exercise the provisions of Article 4, Article 10 paragraph (2), Article 11 paragraph (2), Article 14 paragraph (5) subject to administrative sanctions in the form of written warning, fines, and not obtain certain public service implementation in accordance with the provisions of the legislation.

Article 35
In the case of late pay BPJS Ketenagakerjaan rights Pension Benefits from the Participants subject to administrative sanctions in the form of a fine of 2% (two percent) per month of the nominal value Participants should be accepted, widow or widower, Child, or Parent.

CHAPTER VI
SUPERVISION

Article 36
(1) In the event that the Employer other than state officials have been given administrative sanctions as referred to in Article 34 but Employer besides state officials still do not comply in pay Contribution and other obligations, then BPJS Ketenagakerjaan shall report the non-compliance to the Supervisory Employment in the agencies responsible in the field employment in government, provincial governments, and / or local government district / city in accordance with the provisions of the legislation.

(2) Labor inspectors on the responsible agency in the field of employment based on the reports referred to in paragraph (1) conduct an examination of the Employer apart organizers state that the implementation is done in accordance with the provisions of the legislation.

Article 37
In addition based on the report referred to in Article 36, Labor inspectors on the responsible agency in the field of employment can conduct an examination of the Giver Work, other than the country whose implementation is carried out in accordance with the provisions of the legislation.
CHAPTER VII
CLOSING
Article 38

This regulation comes into force on July 1, 2015.

For public cognizance, it is ordered This government regulation shall be promulgated in the State Gazette Republic Of Indonesia.

Enacted in Jakarta
on June 30, 2015
PRESIDENT OF THE REPUBLIC OF INDONESIA,

JOKO WIDODO

Promulgated in Jakarta
on June 30, 2015
MINISTER OF LAW AND HUMAN RIGHTS
REPUBLIC OF INDONESIA,

YASONNA H. LAOLY

This document is translated from Indonesian into English by Renati Adriani
(Authorized/Sworn Translator by the Greater Jakarta Governor’s Certificate of Appointment #SK.GUB.KDKI.No. 1820/1999)
SUPPLEMENT TO STATE GAZETTE OF
THE REPUBLIC OF INDONESIA

No. 5715 (Elaboration of the State Gazette of the Republic Indonesia of 2015 Number 155).

ELABORATION
OF
REGULATION OF THE GOVERNMENT OF THE REPUBLIC OF INDONESIA
NUMBER 45 OF 2015
ON
PENSION SECURITY PROGRAM IMPLEMENTATION

I. GENERAL

In the preamble of the 1945 Constitution of the Republic of Indonesia, it is mandated that the purpose of the state is to improve the welfare of its people. In the Fourth Amendment of the 1945 Constitution of the Republic of Indonesia, the purpose is increasingly emphasized, i.e. by developing the social security system for the welfare of all people.

Law No. 24 of 2011 on Social Security Implementing Agency (BPJS) shall stipulate 2 (two) Social Security Implementing Agencies, i.e. BPJS Kesehatan and BPJS Ketenagakerjaan to implement the national social security program. BPJS Kesehatan shall perform a health security program. Meanwhile, BPJS Ketenagakerjaan shall perform the work accident security, casualty security, old-age security, and Pension Security program for non-state official Employers and Workers receiving Wages.
To provide a reasonable life for Participants and their families who reaches the Retirement Age, the Government shall stipulate a Pension Security program required for non-state official Employer and Workers who receive Wages.

The Pension Security Program is a defined benefit plan, where the Pension Benefit is paid when Participants reach the Retirement Age or suffer from Permanent Total Disability based on the Contribution and benefits calculation formula.

In accordance with the mandate of Article 5 paragraph (2) letter b and Article 6 paragraph (2) letter c of Law Number 24 of 2011, BPJS Ketenagakerjaan shall perform a Pension Security under laws and regulations.

This Government Regulation shall regulate the Contribution and benefits to be received by Participants. Meanwhile, the Pension Benefit Contribution for Workers receiving Wages shall be decided based on a certain percentage of Wages or income or a certain nominal amount collectively borne by non-state official Employers and Workers.

This Government Regulation shall govern the meaning of Pension Security, membership, registration procedure, Contribution, Contribution payment method, Pension Security benefits, requirements and mechanisms of the Pension Security benefits, administrative sanctions, and supervision.

II. PER ARTICLE

Article 1
Sufficiently elaborated

Article 2
Sufficiently elaborated

Article 3
Sufficiently elaborated

Article 4
Sufficiently elaborated

Article 5
Sufficiently elaborated
Article 6
Sufficiently elaborated

Article 7
Sufficiently elaborated

Article 8
Sufficiently elaborated

Article 9
Sufficiently elaborated

Article 10
Paragraph (1)
Sufficiently elaborated
Paragraph (2)
Sufficiently elaborated
Paragraph (3)

What meant by "temporarily do not work" is Participants have not worked and reached the Retirement Age.

Paragraph (4)
Sufficiently elaborated
Paragraph (5)
Sufficiently elaborated

Article 11
Sufficiently elaborated

Article 12
Sufficiently elaborated

Article 13
Sufficiently elaborated

Article 14
Sufficiently elaborated

Article 15
Sufficiently elaborated

Article 16
Sufficiently elaborated
Article 17
Paragraph (1)
  Letter a
  Sufficiently elaborated
  Letter b
  What meant by “indexation” is an adjustment of the Pension Benefit amount.

Paragraph (2)
Sufficiently elaborated
Paragraph (3)

What meant by “adjusted Wages” is a future value of Wages in which inflation is the compounding factor.

Paragraph (4)
Sufficiently elaborated
Paragraph (5)
Sufficiently elaborated

Article 18
Sufficiently elaborated
Article 19
Sufficiently elaborated
Article 20

Paragraph (1)
Sufficiently elaborated
Paragraph (2)
Sufficiently elaborated
Paragraph (3)
  Letter a
  What meant by “density rate’ is the Contribution payment compliance rate by Participants.

  Letter b
  Sufficiently elaborated
Paragraph (4)
Sufficiently elaborated

Paragraph (5)
What meant by "consulting doctor" is a doctor who has the duty and function to deliver medical considerations in determining the percentage of Disability due to a Work Accident or occupational disease.

Paragraph (6)
Sufficiently elaborated

Paragraph (7)
Sufficiently elaborated

Article 21
Sufficiently elaborated

Article 22
Sufficiently elaborated

Article 23
Sufficiently elaborated

Article 24
Sufficiently elaborated

Article 25
Paragraph (1)
Letter a
What meant by "supporting documents" are, among others:
  a. Membership Card;
  b. Resident’s Identity Card;
  c. Family Card; and/or
  d. Resignation Letter.

Letter b
Sufficiently elaborated

Paragraph (2)
Sufficiently elaborated
Paragraph (3)  
Sufficiently elaborated

Article 26

Paragraph (1)  
Sufficiently elaborated

Paragraph (2)  
The suspension of the Pension Benefit payment periodically performed shall not waive the retiree’s right if the relevant person appears to confirm.

Paragraph (3)  
Sufficiently elaborated

Paragraph (4)  
Sufficiently elaborated

Article 27  
Sufficiently elaborated

Article 28

Paragraph (1)  
Sufficiently elaborated

Paragraph (2)  
Sufficiently elaborated

Paragraph (3)  
Sufficiently elaborated

Paragraph (4)  
The actuarial liability sufficiency calculation shall be performed by an independent actuarist.

Paragraph (5)  
Sufficiently elaborated

Article 29  
Sufficiently elaborated

Article 30  
Sufficiently elaborated
Article 31
Sufficiently elaborated
Article 32
Sufficiently elaborated
Article 33
Sufficiently elaborated
Article 34
Sufficiently elaborated
Article 35
Sufficiently elaborated
Article 36
Sufficiently elaborated
Article 37
Sufficiently elaborated
Article 38
Sufficiently elaborated

This document is translated from Indonesian into English by Renati Adriani

(Authorized/Sworn Translator by the Greater Jakarta Governor’s Certificate of Appointment #SK.GUB.KDKI.No. 1820/1999)