JICA SUPPORTS IMPLEMENTATION OF SHAROUSHI MODEL IN INDONESIA
SUPPORT FOR LABOR MINISTRY AND NATIONAL SOCIAL SECURITY COUNCIL FOR IMPLEMENTATION OF CERTIFICATION FOR SHAROUSHI AGENT

In order to expand membership coverage of the social security program in Indonesia, JICA will start a 3 years cooperation project ‘Capacity Building for Social Security Implementation’, starting in September 2017. And on June 16th, 2017 Record of Discussion was signed by Chief of DJSN, Sigit Priohutomo; Director of Strategic Planning and IT BPJS Ketenagakerjaan, Sumarjono; Director of Planning and Development BPJS Kesehatan, Mundiharno, and Chief of Representative JICA Indonesia, Ando Naoki.

This cooperation project is to modify Sharoushi model to meet the needs in Indonesia, also to expand the membership coverage and to improve the mechanism of the premium collection. For JICA this project is the first project for social security system.

“By learning from Japan’s experience that managed to have high ratio of participation rate on social security system, we hope that with this cooperation project, we can achieve expansion of membership coverage in Indonesia, so we can reduce administration cost in order to create a social security system that is fair and inclusive for all people in Indonesia,” said Ando Naoki, Chief of Representative of JICA Indonesia.

In Indonesia, up to 2019, 80% of formal sector workers and 5% of informal sector workers are targeted to join the worker’s social security system. However, as of October 2015 only 37% of formal workers and 4% of new informal workers were registered in the system, therefore the expansion of the membership coverage is a very important agenda in Indonesia. For health security system, it is targeted that all Indonesian citizens to be registered in the system as of 2019. However, Indonesia is facing a very slow growing rate for membership coverage, because there are still many Indonesians who do not know and understand how important the system is.

“Currently Indonesia is having a very rapid economic growth rate, the Government of Indonesia under the leadership of President Joko Widodo realize the importance of having a social equality. In order to achieve such goal, implementation of social security system is the first step to reach a stable and fair society,” said Naoki Ando.

JICA, in cooperation with the Japan Ministry of Labor and Welfare (MHLW) and Sharoushi Federation Japan, has conducted a training program that was joined by some of Indonesia’s top officials in May 2016 in Japan. Aim of this training program was to increase the capacity of each officials to expand membership coverage and premium collection. Following the training, Indonesia conducted a pilot project starting in October 2016. For this pilot project, Japan dispatched experts from Japan’s Ministry of Labor and Welfare (MHLW) and Japan Sharoushi Federation. This new 3 years cooperation project is in respond to the request from the Government of Indonesia.

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