

Republic of Indonesia
Project for Strengthening the Capacity for
Social Insurance Operation

Project Completion Report

September 2020

Japan International Cooperation Agency
(JICA)

HM
JR
21-042

Contents

Abbreviations

Photos

I. Basic Information of the Project	1
I-1. Country	1
I-2. Title of the Project	1
I-3. Duration of the Project	1
I-4. Background	1
I-5. Overall Goal and Project Purpose	2
I-6. Implementing Agency	2
II. Results of the Project	3
II-1. Results of the Project	3
II-1-1 Input by the Japanese side	3
II-1-2 Input by the Indonesia side	7
II-1-3 Activities	8
II-2. Achievements of the Project	17
II-2-1 Outputs and indicators	17
II-2-2 Project Purpose and indicators	18
II-3. History of PDM Modification	19
II-4. Others	21
II-4-1 Results of Environmental and Social Considerations	21
II-4-2 Results of Considerations on Gender/Peace Building/Poverty Reduction	21
III. Results of Joint Review	22
III-1. Results of Review based on DAC Evaluation Criteria	22
III-2. Key Factors Affecting Implementation and Outcomes	25
III-3. Evaluation on the results of the Project Risk Management	26
III-4. Lessons Learnt	27
IV. For the Achievement of Overall Goals after the Project Completion	29
IV-1. Prospects to achieve Overall Goal	29
IV-2. Plan of Operation and Implementation Structure of the Indonesia side to achieve Overall Goal	30
IV-3. Recommendations for the Indonesia side	31
IV-4. Monitoring Plan from the end of the Project to Ex-post Evaluation	32

ANNEX 1: Results of the Project

ANNEX 2: List of Products Produced by the Project

ANNEX 3: PDM

ANNEX 4: R/D, M/M, Minutes of JCC

ANNEX 5: Monitoring Sheet

Separate Volume: Copy of Products Produced by the Project

Abbreviations

	Indonesian	English
Agenalis	Ahli Penggerak Professional Jaminan Sosial	Qualified Social Security Expert (Indonesian Jimukumiai)
BAPPENAS	Badan Perencanaan Pembangunan Nasional	National Development Planning Agency
BNSP	Badan Nasional Sertifikasi Profesi	National Professional Certification Board
BPJS	Badan Penyelenggara Jaminan Sosial	National Social Security Agency
DAC		Development Assistance Committee
DJSN/NSSC	Dewan Jaminan Sosial Nasional	National Social Security Council
GOI (GOJ)		Government of Indonesia (Japan)
JICA		Japan International Cooperation Agency
JHT	Jaminan Hari Tua	Old-age Benefit
Jimukumiai		Labor Insurance Administration Office
JK/JKM	Jaminan Kematian	Death Benefit
JKK	Jaminan Kecelakaan Kerja	Work Injury Insurance
JKN	Jaminan Kesehatan Nasional	National Health Insurance
JP	Jaminan Pensiun	Pension Insurance
Kemenko PMK	Kementerian Koordinator Bidang Pembangunan Manusia dan Kebudayaan	Coordinating Ministry for Human Development and Cultural Affairs
LPO		Local Project Officer
LSP/PCI	Lembaga Sertifikasi Profesi	Professional Certification Institution
MHLW		Ministry of Health, Labor and Welfare in Japan
MoF	Kementerian Keuangan (Kemenkeu)	Ministry of Finance
MoJ	Kementerian Hukum dan Hak Asasi Manusia (Kemenkumham)	Ministry of Justice and Human Rights
MoH	Kementerian Kesehatan (Kemenkes)	Ministry of Health
MoM	Kementerian Ketenagakerjaan (Kemnaker)	Ministry of Manpower
OVI		Objective Verifiable Indicators
PBPU	Peserta Bukan Penerima Upah	Non-Wage Workers/Informal Sector
PD		Project Director
PDM		Project Design Matrix
PerDir	Peraturan Direksi	Director's Decree
PerDJSN	Peraturan DJSN	DJSN Regulation
PerMen	Peraturan Menteri	Ministerial Decree
PerPres	Peraturan Presiden	Presidential Decree
PIC		Person in Charge
PP	Peraturan Pemerintah	Government Decree
PM		Project Manager
PO		Plan of Operation
Puskesmas	Pusat Kesehatan Masyarakat	Community Health Center
R/D		Record of Discussion
Sharoushi		Labor and Social Security Attorney
SSE		Social Security Expert

Photos



Project office in DJSN (Jakarta)



Field visit to Kader JKN (Bogor, February 2018)



Visitation by the director of BPJS Employment to the MHLW (Tokyo, February 2018)



Interviewed Kader JKN (Manado, July 2018)



Monitoring visit to Puskesmas (Pangkal Pinang, November 2018)



Perisai and Kader JKN at the Sharoushi 50th Anniversary (Tokyo, December 2018)



Meeting with BAPPENAS (Jakarta, January 2019)



Invitation Program for High-level officials (Tokyo, February 2019)



2nd JCC meeting (Jakarta, March 2019)



Visit to a branch office of BPJS Employment (Gorontalo, July 2019)



Half-day seminar on Japan's social security system (Jakarta, December 2019)



Video conference with Project Director (Jakarta, March 2020)

Project Completion Report

I. Basic Information of the Project

I-1. Country

Republic of Indonesia

I-2. Title of the Project

Project for Strengthening the Capacity for Social Insurance Operation

I-3. Duration of the Project (Planned and Actual)

Planned:

Three (3) years from the date of the arrival of the Mission member or Short-Term Experts; or the date of the arrival of Indonesian officials for short-term training in Japan regarding the Project.

Actual:

10 September 2017 – 9 September 2020

I-4. Background (from Record of Discussions(R/D))

GOI implements policies for expanding the coverage of social insurance. GOI aims to cover 80% of the formal sector population and 5% of the informal sector population by the labor insurance by 2019. However, as of October 2015, only 37% of the formal sector population and 0.4% of the informal sector population are insured. As for the social health insurance, the coverage in 2016 is still 66% of its total population while GOI's target coverage in 2018 is 95%. One of the major difficulties is the expansion to the informal sector population, which constitutes 60% of Indonesia's labor force. Not only it is difficult to approach them but also their social insurance literacy is generally limited.

To address these challenges, BPJS Employment and BPJS Health have been respectively implementing pilot projects to increase the coverage, and in the process, both agencies became interested in Japanese premium collection system, which accomplished high premium collection rate.

To meet above mentioned demands, GOI requested GOJ a further technical cooperation for Strengthen the Capacity for Social Insurance Operation in Indonesia.

I-5. Overall Goal and Project Purpose (from Record of Discussions(R/D))

Overall Goal:

Mechanism of premium collection and application for insurance is effectively operated nationwide.

Project Purpose:

Premium collection and application mechanism which utilizes certified SSEs and SSE offices is established.

I-6. Implementing Agency

DJSN (National Social Security Council: NSSC)

BPJS Employment

BPJS Health

II. Results of the Project

II-1. Results of the Project

II-1-1 Input by the Japanese side (Planned and Actual)

(a) Dispatch of Experts:

Planned:

JICA will dispatch Japanese experts in the following fields. The number of experts and their terms of reference as well as the duration of dispatch are to be determined after the commencement of the Project.

- Long-term expert on Chief Adviser
- Long-term expert on Premium Collection and Application
- Long-term expert on Project Coordinator
- Short-term experts as necessary

Actual:

Three (3) Long-Term Experts listed in Table A-01 of ANNEX 1 (i.e., a Chief Advisor, an Expert for premium collection and application, and a Project Coordinator) were assigned to and engaged in the Project upon the Project initiation.

Following their assignment termination in December 2018 onward, except for the Project Coordinator, the Mission Team consisted of a Senior Advisor from JICA Headquarters on social security, and a Short-Term Expert on the Sharoushi system had taken over their roles to facilitate the Project by visiting Jakarta on a shuttle basis every one (1) to two (2) months.

This staffing change was determined through the consultation between DJSN and JICA to be more responsive to the immediate circumstances of the country. The Project Design Matrix (PDM) was thus fully reviewed and revised during the second JCC meeting held in March 2019 (see “II-3. History of PDM Modification” for details).

(b) Training:

Planned:

Short-term training on related topics in Japan and Indonesia as necessary.

Actual:

The Project organized the following trainings and events. A list of participants and detailed timeline in each training or event is provided in ANNEX 1.

1) Invitation Program in Japan (11 September 2017 – 15 September 2017)

- Objective:

To provide leaders of the Indonesian government with the opportunity to understand the practices of Japan's social insurance system, especially the roles of Sharoushi and Jimukumiai, to provide some considerations for improving their system's implementation.

- Participants:

High-level officials of related ministries/institutions, i.e., DJSN, Ministry of Manpower (MoM), Ministry of Health (MoH), Ministry of Finance (MoF), BPJS Employment, and BPJS Health (eleven (11) people in total).

- Outcome:

The policy to develop the Indonesian Sharoushi and Jimukumiai model was duly determined, and a High-Level Meeting (HLM) for its discussion was launched consequently.

2) Study Visit in Japan (3 December 2018 – 8 December 2018)

- Objective:

To provide promoters of the social insurance system in Indonesia (i.e., Perisai and Kader JKN) with firsthand experience to learn the practices of the Japanese system, so they can improve the capacity of premium collection and application.

- Participants:

DJSN members, high achievers of Perisai and Kader JKN, and officials from BPJS Employment and BPJS Health (twenty-three (23) people in total).

- Outcome:

Participants efficiently acquired the knowledge and skills required to serve as professionals, who are capable of being trainers to their peers, through taking an intensive course comprised of the following: lectures given by various Sharoushi, site visits, taking part in Sharoushi's anniversary celebrations, and the ILO seminar.

They also sought ways to collaborate and find solutions for harnessing their competencies to better their performance.

3) Invitation Program in Japan (18 February 2019 – 23 February 2019)

- Objective:

To encourage stakeholders of the Project to enhance a common understanding and cooperation in the ongoing legislation activity for the Indonesian SSE by fostering their understanding of the Japanese Sharoushi.

- Participants:

High-level officials from DJSN, National Development Planning Agency (BAPPENAS), MoH, MoJ, BPJS Employment, and BPJS Health (fourteen (14) people in total)

- Outcome:

After intensive discussions with significant input from institutions visited—such as Sharoushi Federation, Sharoushi Office, and MHLW, participants highlighted the advantages of Sharoushi and reached a common understanding on the necessity of harmonization between Perisai/Kader JKN operations, the potential of qualified SSE as a constructive way to advance the social security system in Indonesia, and the way forward to the harmonized mechanism and qualified SSE.

4) Half-day Seminar on Japan's Social Security System in Jakarta (3 December 2019)

- Objective:

It is expected that offering prospective staff at the Coordinating Ministry for Human Development and Cultural Affairs (Kemenko PMK) and DJSN an opportunity to obtain basic but essential knowledge of Japan's social security system, including the Sharoushi system, will help promote awareness about their important roles in the country's social security administration.

- Participants:

A total of forty-four (44) officials from Kemenko PMK and DJSN.

- Outcome:

For most of the participants, including the new Project Director, it was a first-time opportunity to comprehensively learn how Japan's social security system, the Sharoushi system, and the labor insurance system (unemployment benefits) function and contribute to the Japanese society.

5) Invitation Program in Japan (24 February 2020 – 29 February 2020) (Canceled)

- Objective:

To accelerate the discussion to formulate the DJSN regulation on harmonization of Perisai and Kader JKN, participants will be provided opportunities to learn Japan's social security system, especially focusing on the function of Jimkumiai's and Sharoushi's role in harmonizing the various social insurance programs in practice.

- Participants:

DJSN members and staff, and both BPJS officials (twenty-one (21) people in total)

- Outcome:

After carefully considering the Covid-19 situation in Japan, it was rescheduled indefinitely (until the situation has improved). However, it was canceled eventually, since the Covid-19 situation deteriorated afterwards.

(c) Equipment:

Planned:

The detailed contents, specifications and quantity of the equipment to be procured for the project implementation will be discussed in principle every year between the Indonesia counterpart personnel and the JICA experts, based on the annual plan of the Project within the allocated budget of the Japanese fiscal year.

Actual:

No particular equipment was purchased and thus nothing was transferred to DJSN.

(d) Local Operational Cost:

The Project covered the following expenses:

- Expenses for commissioning the Sharoushi Federation to draw up the “Academic Draft”, which is a supporting paper for drafting the DJSN and examines the laws and regulations regarding the social security system in Indonesia.
- Per diem and transportation expenses for interviewees from Perisai and Kader JKN.
- Travel expenses for JICA Experts and the LPO (Local Project Officer).
- Operating costs, such as stationary, communication, transportation, etc., as well as the labor cost for the LPO.
- Expenses incurred for the Study Visit Program in 2017, 2018 and 2019, except for the items mentioned in II-1-2 (d).
- Expenses incurred for the Half-day Seminar at Sari Pacific Hotel on 3 December 2019.
- Expenses incurred for the preliminary meeting for the Invitation Program at Harris Vertu Hotel on 7 January 2020.
- Expenses for interpreters and translations for the meetings and materials.

Table 02: Disbursement for the Local Operational Cost

Japanese Fiscal Year	Amount (JPY)
2017	10,219,710
2018	12,470,139
2019	2,722,273
2020	1,004*

*as of August 2020

(e) Total Cost:

Total disbursements for goods and services amounted to JPY116,213,000(Table 03).

Table 03: Disbursement for the Project Implementation

Japanese Fiscal Year	Amount (JPY)
2017	21,031,000
2018	59,882,000
2019	28,716,000
2020	6,584,000*

*as of June 2020

II-1-2 Input by the Indonesia side (Planned and Actual)

(a) Services of NSSC, BPJS Employment, and BPJS Health's Counterpart Personnel and Administrative Personnel.

In total, nearly sixty (60) personnel have been involved in the Project (see below for the key counterpart personnel, and Table A-02 of ANNEX 1 for all stakeholders).

Table 03: Key Counterpart Personnel

Name	Designation
DJSN/NSSC	
Dr. Sigit Priohutomo	Chairman of DJSN/Deputy Minister of PMK
Dr. Tb. Achmad Choesni	(Succ) Chairman of DJSN/Deputy Minister of PMK
Dr. Taufik Hidayat	Member of DJSN/Project Director
Dr. Indra Budi Sumantoro	Member of DJSN/ (Succ) Project Director
Mr. Ahmad Ansori	Member of DJSN
Dr. Zaenal Abidin	Member of DJSN
Mr. Subiyanto	Member of DJSN
Mr. Pudjo Hardijanto	Secretary of DJSN
Mr. Ricky Radius S	(Succ) Secretary of DJSN
BPJS Employment	
Mr. Agus Susanto	President
Mr. Sumarjono	Director of Strategic Planning and IT/Project Manager
Mr. Ilyas Lubis	Director of Membership Enlargement/ (Succ) Project Manager
Mr. Ahmad Sulintang	Deputy Director for Project Management
Mr. Ivan Sahat H	Assistant Deputy, Project Management
Mr. Cotta Sembiring	Deputy of Membership Enlargement
BPJS Health	
Prof. Dr. Fachmi Idris	President
Mr. Kemal Imam Santoso	Director of Finance & Investment/Project Manager
Mr. Agus Mustopa	Deputy Interest Contribution Non-PPU and PBI Contribution Management
Dr. Ratna Sudewi	(Succ) Deputy Interest Contribution Non-PPU and PBI Contribution Management
Ms. Helty Endrasari Kusumowardani	Acting- Assistant of Deputy Interest Contribution Non-PPU and PBI Contribution Management

(b) Suitable Office Space at NSSC with the Necessary Equipment.

Office space and utilities had been sufficiently provided in the premises of DJSN.

(c) Supply or Replacement of Machinery, Equipment, Instruments, Vehicles, Tools, Spare Parts, and Any Other Materials Necessary for the Implementation of the Project Other Than the Equipment Provided by JICA.

Equipment and materials necessary for the implementation of the Project were sufficiently

provided.

(d) Information as well as Support in Obtaining Medical Service.

Not applicable.

(e) Credentials or Identification-Cards.

ID cards for Long-Term Experts were properly provided.

(f) Available Data (including Maps and Photographs) and Information Related to the Project.

Available data were properly provided.

(g) Running Expenses Necessary for the Implementation of the Project.

Stakeholders were supportive of the Project in terms of funding and arrangements as shown below, which greatly contributed to the smooth facilitation of the Project activities.

- Expenses such as the venue, refreshments, materials, etc., incurred for meetings with JICA (interpretation fee excluded).
- Per diem, costs for passports and visas, local transportations in Indonesia and travel expenses for the additional participants were borne by the organizations that participated in the JICA trainings mentioned earlier.

(h) Expenses Necessary for Transportation within Indonesia of the Equipment as well as for the Installation, Operation and Maintenance:

Not applicable.

(i) Necessary Facilities to the JICA Experts for the Remittance as well as Utilization of the Funds Introduced into Indonesia from Japan in Connection with the Implementation of the Project.

Not applicable.

II-1-3 Activities (Planned and Actual)

Activity 1-1:

Study the current situation, existing laws and regulations.

(a) Survey Report by Koei Research & Consulting Inc.

In February 2018, Koei Research & Consulting Inc. created the survey report, which intended for use as background material for creating the implementation plan of qualification of the Social Security Experts (SSEs) in accordance with the original PDM (ver. 0).

The report collected information and data on related laws and regulations and other precedents and studied existing similar national qualifications. Thereby the Project learned the outline of the national certification system in Indonesia, wherein the National Professional Certification Board (BNSP) supervises the vocational qualifications, and approves the establishment of the Professional Certification Institution (LSP/PCI) to secure the qualities required for workers in the respective job, industry, or company. Additionally, the Indonesia Qualification Framework (IQF) has been introduced to improve the labor quality.

Both BPJS offices have obtained status as certification authorities of LSP/PCI-2nd Party (P2).

In regard to the legal basis of Perisai and Kader JKN, their operations and obligations are stipulated as work to be done in PerDir BPJS Employment No. PERDIR/15/082018 and PerDir BPJS Health No. 4/2017, respectively, but it is limited to premium collection and insurance products promotion.

According to the survey findings, the Project identified that, when aiming for future national qualification, it is important to clarify both agents' detailed work duties, disciplinary action, and ethical provisions in case of misconduct, which will ensure smooth social insurance administration.

Moreover, in order to make these two qualifications sustainable, an additional role will likely need to be added, such as consultation for example, and at the stage of granting such a role, "mutual qualification" or "double license" should be discussed.

(b) Hearings of the Current Situation from the Stakeholders

Soon after the arrival at Jakarta at the end of 2017, Long-Term Experts started a series of hearings from stakeholders to discuss their current situation to ensure the original plan of the Project which included promoting the integration of Perisai and Kader JKN to establish a new qualification of SSE with the Japanese Sharoushi model assumed.

However, some stakeholders suggested we take a careful and conservative approach to establishing or amending the laws and regulations for the sole purpose of integration between the two agents.

Also, through consultation with personnel in charge of vocational qualification at MoM, the Project learned that establishing or amending the laws and regulations is not necessarily

required, but only MOU, among relevant ministries, is enough when integrating such different qualifications.

Meanwhile, both BPJS had endeavored to expand the services of Perisai and Kader JKN nationwide, which urgently require additional improvements to their training programs.

From these feedback and considerations, the Experts fully reviewed the PDM to ensure that the Project could achieve the potential synergy by holding the qualifications of Perisai and Kader JKN through hearings with those who allegedly have such a status (hereinafter “Double-License Holders”)—for future integration of both schemes while carrying out value-added trainings to strengthen the capacity of each agent.

This policy change was approved by the first JCC meeting in April 2018.

Activity 1-2:

Analyze the potential synergy of Perisai and Kader-JKN.

(a) Interview with Perisai, Kader JKN, and Double-License Holders

The Project conducted interviews with Perisai, Kader JKN, and the Double-License Holders as follows:

Table 04: Interviews with Perisai, Kader JKN and Double-License Holders

	Date	Venue	Person(s) interviewed	Result and Findings
1	7 – 8 Jun 2018	Jakarta	Some Perisai	-Received a positive feedback to hold the double licenses.
2	19 Jul 2018	Manado, North Sulawesi	Eight (8) Kader JKN and one (1) Perisai	-Learned the necessary material, which covers both programs, i.e., common material to describe the differences. -Confirmed their interest in holding the double licenses.
3	24 Jul 2018	Bali	The highest achieving Perisai	-Received a request to create common material, as often asked by the potential members regarding the difference between JKN and JKK.
4	6 – 7 Sep 2018	Surabaya	Three (3) Perisai, two (2) Kader JKN and three (3) Double-License Holders	- Confirmed the need of knowledge of the JKK system when explaining the JKN system. -Determined that holding both licenses is an advantage in communication and more contributable to the community. - Concluded the Double-License Holders work more as a Kader JKN than as Perisai because a Kader JKN is responsible for collecting premiums from his/her clients (participants). - The Double-License Holders acknowledged that their status helps to reduce the workload and promotes efficiency while raising clients'

				<p>satisfaction.</p> <ul style="list-style-type: none"> - Received a positive feedback to compile information on all the programs, which are separately created by each BPJS at the moment. - Earned favorable acceptance of the policy to promote the Double-License Holders. - Received a suggestion that it is important to support them by securing their improved income as well as their legal status.
6	3 – 8 Dec 2018	Tokyo	Ten (10) Perisai and three (3) Kader JKN high achievers	<ul style="list-style-type: none"> - Provided participants with the opportunity to exchange their views on the potential synergy benefit. - Both agents had a common opinion that they need knowledge of all the programs to ensure that the community understands and uses the program properly. - Proposed action plan: <ol style="list-style-type: none"> 1. In the short term, both agents visit the community together to foster a sense of cooperation. 2. In the medium term, develop tools to be commonly used by both agents. 3. In the long term, set up an institution or association for managing both agents.
7	11 – 12 Jul 2019	Gorontalo	Six (6) Perisai and three (3) Kader JKN	<ul style="list-style-type: none"> - Assured interest in becoming Double-License Holders as it is easier to persuade people and can expect increased income. - Perceived hesitation in working together as no collaboration has ever been made.

*Note: Because no data for the Double-License Holders officially existed at the time of survey, interviews with the above Double-License Holders were conducted by relying on a personal network. Possibly, this kind of information would become available as the sharing of databases by both BPJS progresses for harmonization.

(b) Consultations with BAPPENAS

Based on the findings from the above activity, the Project had advanced talks with BAPPENAS on how and which areas can be worked on together by Perisai and Kader JKN to bring about synergies under the harmonized mechanism.

BAPPENAS drew attention to the current situation of both agents, where some tasks overlap each other, and suggested that there are certain areas of activity that we can quickly address to optimize their work such as data-sharing for accurate data management, market-sharing, and joint training.

Activity 1-3:

Draft a harmonized mechanism.

(a) Reconsideration of the Project Direction

From August 2018 onwards, a series of discussions were held between the stakeholders and the JICA Mission Team individually and plenary to streamline the Project direction; some stakeholders still showed concerns in promoting the establishment of Indonesian Sharoushi for fear that it might disturb the current scheme and regulations, whereas some gave positive feedback to initiate the legislation of PerPres, which was believed appropriate at that time, for the Indonesian Sharoushi.

After careful coordination of such varied perspectives, the JICA Mission Team, or the new Project team replaced the Long-Term Experts, reassured that stakeholders all recognized the significance and urgency of creating or optimizing of laws and regulations to better implement of the social security system in Indonesia.

With such understandings, the discussions by the leaders who attended the Invitation Program in Japan in February 2019 were advanced to reach an agreement on a policy design to preferentially focus on the harmonization of Perisai and Kader JKN in the short run, and on developing or modifying regulations for the future establishment of the qualified SSE (Indonesian Sharoushi) in the long run.

(b) Consideration of Appropriate Legal Framework and Procedures

As mentioned above, it was originally believed that the PerPres stipulated the the harmonization of Perisai and Kader JKN and the basic concepts of Indonesian Sharoushi.

However, since it figured out that there were constraints on time and bandwidth for the enforcement of PerPres, which would require more than two years' preparation binding up the related ministries/institutions, the Project decided to regulate it under DJSN (i.e., PerDJSN) for harmonization as it requires a shorter time period. Also, it is most appropriate because DJSN is the supervising body of both social insurance operations, which meant that the mechanism could be run more flexibly and effectively.

Consequently, it was decided that the legislation of the Indonesian Sharoushi would be promoted after the Project.

Once the above-mentioned direction was determined in January 2019, considerable discussions were made in an effort to develop the PerDJSN. Table 05 summarizes the key meetings for its legislation activity.

Table 05: Key Meetings for the Development of PerDJSN

Date	Agenda and Conclusion of Discussion
9 Jan 2019	Participants of the plenary meeting agreed to pursue PerDJSN for stipulating the harmonized mechanism.

30 Jan 2019	Participants of the plenary meeting discussed if a management body (association) is necessary for promoting the established operation of Perisai and Kader JKN. DJSN proposed the timeline of the PerDJSN development (to be completed in June 2019).
Jan – Mar 2019	DJSN organized an internal working group and had discussions on the content of the new regulation.
11 Mar 2019	Participants discussed the legal framework, timeline, and necessary process from the harmonized mechanism to the qualified SSE at the second JCC meeting.
12 Apr 2019	The first PerDJSN (ver. 1) and its supporting document “Academic Draft” were presented to the plenary meeting participants. The ad hoc term “Agenalis”, describing a qualified SSE, was first introduced in this draft, and this raised some discrepancies in opinions such as the content to be incorporated, competencies and roles of Agenalis, differences between MoM’s Mediator and Agenalis, etc.
19 Jun 2019	With feedback from MoM and BAPPENAS on the proposed draft, DJSN called a review meeting and modified it accordingly (ver. 2).
8 Jul 2019	In the plenary meeting, attendees reached an agreement in principle to proceed with the proposed Option 2, where harmonization of both agents will be promoted in the short run (six (6) months), and the Agenalis, regarded as the Indonesian Sharoushi, will be discussed in the medium-long term (one (1) – three (3) years). However, some of the points raised in the previous meeting remained unclear.
11 Sep 2019	A technical meeting was held to review the details of the articles in the PerDJSN (ver. 2). Both harmonization and Agenalis were described in this draft, to which all the attendees unanimously agreed.
30 Sep 2019	A high-level discussion (HLM) was held between DNSN and BAPPENAS to revisit or address concerns raised by MoM and BAPPENAS, which resulted in revising PerDJSN again to solely focus on the harmonization of the two agents.
20 Nov 2019	In the stakeholders meeting, newly proposed PerDJSN (ver. 3), which was drafted based on the HLM, had been withdrawn for review, concurring with the opposition against deleting the descriptions of Agenalis.
2 Dec 2019	The PD and the JICA Mission Team reaffirmed that the current Project would work on formulating a legal basis for harmonization/optimization of the two BPJS schemes, which aimed to expand the coverage and collection of insurance premiums.
7 Jan 2020	DJSN proposed the revised PerDJSN (ver. 4) with the new concept of Agenalis, which will act like Jimukumiai as an integrated profession or as an ultimate solution to maximize the synergies of Perisai and Kader JKN, but participants posed concerns about its effectiveness, tasks, regulation conflicts, financing, management, etc., for further discussion.
29 Apr 2020	A technical meeting was held online to review the details of the articles in the latest PerDJSN (ver. 5). As the proposed new Agenalis was unanimously accepted with no critical opinions, the next plenary meeting will expectedly proceed to the finalization of the draft.
9 July 2020	DJSN held a coordination meeting with BNSP and MOM regarding the competency issues of Agenalis (standards, examination/certification).
27 August 2020	DJSN held a coordination meeting with both BPJS on the details to be stipulated in PerDJSN, leaving some notes for further discussion. The follow-up meeting will be held shortly to finalize the regulation.

(c) Concept of the New Agenalis

The Agenalis, newly proposed in January 2020, is basically modeled after the Japanese Jimukumiai and partially employs the feature of the Japanese Sharoushi, but is unique as it is intended to exclusively address PBPU (informal sector) participants in line with the particular issues with the social insurance operation in Indonesia.

Figures 01 and 02 describe the proposed features and functions of the new Agenalis.

Figure 01: Features of Agenalis

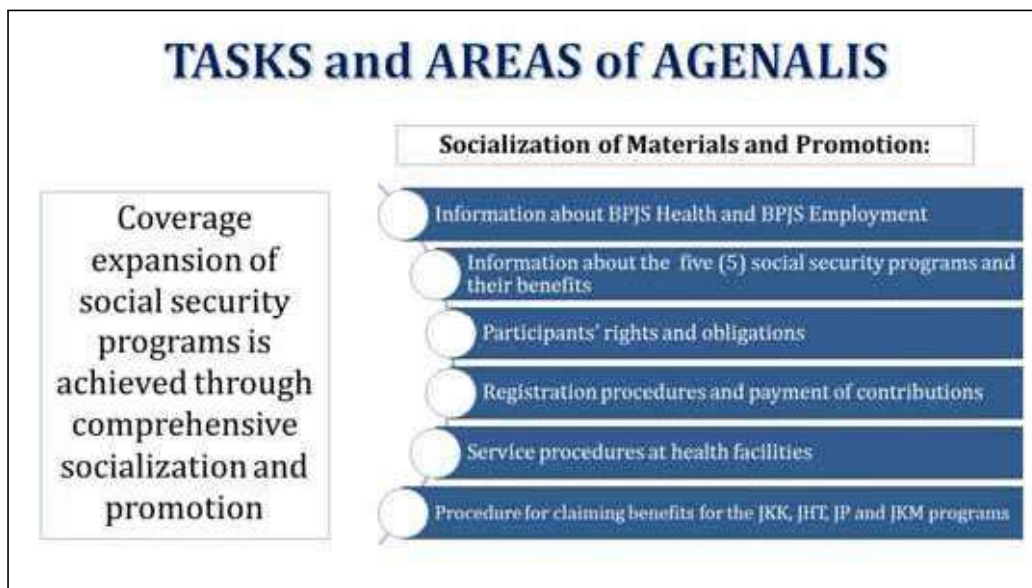


Figure 02: Functions of Agenalis

FUNCTION of SHAROUSHI & JIMUKUMIAI - ADOPTED and NOT ADOPTED to AGENALIS -	
JIMUKUMIAI	SHAROUSHI
<ul style="list-style-type: none"> • Social security agent ✓ • Provide information about social security ✓ • Help members register for social security ✓ • Help collect dues for social security ✓ • Assist in claiming benefits of social security ✓ • Financed by government ✗ 	<ul style="list-style-type: none"> • Give consultation service or guidance related to social security ✓ • Give consultation service or guidance related to management of SDM and employment for company clients ✗ • Represent parties with disagreements about employment relationship ✗ • Represent clients by submitting petition that is repeatedly examined by governmental institution ✗ • Financed by client ✗
<p>*Agenalis deals with only PBPU. *Article 41 paragraph (2) alphabet b BPJS: "Asset of BPJS could be used for procurement of goods and service for supporting operational management of social security"</p>	

(Figure 01 and 02: DJSN presentation, 07/01/2020)

Activity 2-1:

Train trainers of PERISAI and Kader JKN on the harmonized mechanism in sites representing different conditions.

Discussion on details on this activity was planned during the invitation program in February 2020, and the implementation was planned after finalizing PerDJSN. However, due to the postponement of invitation program and the subsequent restriction under the Covid-19, this activity was unable to be implemented during the project period. This will be implemented in the Country-focused training which follows up this project, after completing the PerDJSN.

Activity 2-2:

Conduct socialization activities on the harmonized mechanism.

Discussion on details on this activity was planned during the invitation program in February 2020, and the implementation was planned after finalizing PerDJSN. However, due to the postponement of invitation program and the subsequent restriction under the Covid-19, this activity was unable to be implemented during the project period. This will be implemented in the Country-focused training which follows up this project, after completing the PerDJSN.

Activity 2-3:

Monitor the harmonized mechanism.

This activity was to be done during the trial implementation of harmonized mechanism. Discussion on details on this activity was planned during the invitation program in February 2020, and the implementation was planned after the enactment of PerDJSN. However, due to the postponement of invitation program and the subsequent restriction under the Covid-19, this activity was unable to be implemented during the project period. This will be implemented in the Country-focused training which follows up this project, after completing the PerDJSN.

Activity 2-4:

Evaluate the monitoring results.

Due to the delay of activities 2-1 to 2-3, this activity was unable to implement. This will be implemented after the Project.

Activity 3-1:

Draft the basic idea of SSE.

* In this section, SSE is referred to as either Agenalis or Indonesian Sharoushi in accordance with the context.

As discussed in the earlier sections, the concept of the qualified SSE, or the Indonesian

Sharoushi, was originally considered to be defined in the high-level regulations such as PerPres, which were proposed and offered to be promoted by MoF. However, due to circumstances with MoF and the concerns about the long and complicated process to formulate it, the proposal was pushed back for review.

Then, some introductory concepts and rules of Agenalis, as the qualified SSE, were proposed in the first draft of PerDJSN but were on hold for review.

After a long discussion, mainly on the legal aspects, such as appropriateness of new qualifications to strengthen the capacity of premium collection and application, the Project opted to create a new qualification of Agenalis to similarly serve as Jimukumiai while the Indonesian Sharoushi will be discussed and consolidated in the long term.

Concept of the new Agenalis is provided above in Figures 01 and 02.

Activity 3-2:

For consolidating the concept of SSE, analyze the data collected during the monitoring.

During the project, the viewpoint in analyzing the data was shared from Japanese side through JCC meeting and other coordination meetings. However, analyzing the data itself was not possible due to the delay in the try-out of the harmonized mechanism under the restriction of Covid-19.

This will be implemented in the Country-focused training which follows up this project.

Activity 3-3:

Consolidate the concept of SSE with supporting evidence.

Concept of SSE have been discussed and developed gradually through the discussion starting from April 2019, when the academic draft of Agenalis was made, to January 2020, when the concept of SSE was introduced to all the stakeholders. However, the supporting evidence was to be compiled after analyzing the data in the activity 3-2. Due to the delay of activity 3-2 under the restriction of Covid-19, the activity 3-3 was also unable to implement during the project.

This will be implemented in the Country-focused training which follows up this project.

Activity 3-4:

Work out the details about important points of SSE.

During the second half of the project period, detailed information was shared on Japan's practice on important points such as standard, examination, certification, penalty and compliance for Sharoushi system. Ideas on these points were discussed among Indonesian stakeholders in plenary meetings and other occasions, during Japanese expert's frequent visits to Jakarta.

As soon as the PerDJSN is finalized, this activity should be implemented.

II-2. Achievements of the Project

II-2-1 Outputs and Indicators (target values and actual values achieved at completion)

Output 1:

TOR of Perisai and Kader JKN are clearly defined and the foundation for the harmonization of their operation is established.

Target Values:

1. DJSN Decree is issued.
2. Implementing guidelines are issued.

Actual Values Achieved:

1. The draft PerDJSN is expected to be finalized in September 2020.
-->Achievement Level: High (almost achieved)
2. Points to be stipulated in the implementing guidelines, such as the standard, examination and certification, are identified. Ideas on these points are under development, and should be agreed among stakeholders as soon as PerDJSN is enacted.
-->Achievement Level: N/A (not achieved but scheduled to be implemented as soon as the PerDJSN is enacted.)

Output 2:

The harmonized mechanism is properly implemented.

Target Value:

Monitoring and evaluation report is submitted to relevant organizations.

Actual Values Achieved:

- Due to the unexpected delay under the Covid-19, harmonized mechanism was unable to start during the project period. However, PerDJSN as the foundation for the harmonized mechanism is expected to be issued before September 2020.
-->Achievement Level: Middle/Achieving (partially achieved and the activity is ongoing)

Output 3:

Concept of SSE is consolidated with details about important points.

Target Value:

Concept of SSE is submitted to relevant organizations with supporting evidence.

Actual Value Achieved:

The concept of SSE was introduced to all the stakeholders in January 2020 and has been under discussion. However, the supporting evidence was to be compiled after analyzing the data from the try-out of the harmonized mechanism. Due to the delay under the restriction of Covid-19, supporting evidence was unable to obtain during the project period. This will be implemented in the Country-focused training which follows up this project.

-->Achievement Level: N/A (not achieved but scheduled to be implemented)

II-2-2 Project Purpose and indicators (target values and actual values achieved at completion)

Project Purpose:

Premium collection and application mechanism which utilizes certified SSEs and SSE offices is strengthened.

Objectively Verifiable Indicators (OVI):

1. Over XX* PERISAI are trained under the harmonized system.
2. Over XX* Kader JKN are trained under the harmonized system.
3. Supporting evidence for qualification of SSE and SSE office is compiled.

*The target of OVI-1 and 2 were supposed to be discussed during the Project period, however, due to multiple-factors delaying in the activity plan, mainly attributed to the structural change and the Covid-19 crisis, they remain unfilled.

Actual Values Achieved:

We see some progress in training Perisai and Kader JKN; ten (10) and five (5) members, respectively, were trained in Japan as the prospective players under the harmonized mechanism, and they are expected to become trainers who disseminate what they have learned in Japan with peers around the country.

Meanwhile, a new concept of Agenalis had been developed as an ultimate solution to maximize the synergies of Perisai and Kader JKN, which will be beneficial in the efficiency of membership acquisition and premium collectability by approaching communities firsthand –specifically, participants in the informal sector (PBPU), as a one-stop service agent of all the social security programs.

Unfortunately, due to the restrictions under the Covid-19 crisis hampered the progress significantly. Coordination on PerDJSN on harmonization, and discussion on implementing details are still in the process. Therefore, training of Perisai and Kader on harmonization is yet to be implemented during the project period. However, the process should be accelerated once the Agenalis mechanism is duly stipulated in the PerDJSN in the near future.

-->Achievement Level: Middle/Achieving (partially achieved and the activity is ongoing)

II-3. History of PDM Modification

As discussed in the previous sections, the PDM was modified twice to streamline the Project direction in response to the immediate needs and situations of the stakeholders in Indonesia.

(a) PDM Ver. 0→Ver. 1

As one of the solutions to improve the social insurance operation in Indonesia in terms of premium coverage and collectivity, the Project was originally designed to optimize existing SSE (i.e., Perisai and Kader JKN) through legislation and training that aimed to establish a new qualification of professional SSE (PDM ver. 0).

Upon the first visits to the stakeholders after being dispatched in November and December 2017, the Long-Term Experts found that their expectations for the Project were not necessarily in accordance with the original PDM; seemingly some of them had an underlying concern that formulating or amending the laws and regulations with the Project was not effective enough, but they were reminded that the current, central issue was the strengthening the capacity of Perisai and Kader JKN, who have been struggling to expand or upgrade their activities because they were not greatly received by the community due to insufficient training and legal basis.

Therefore, the Project decided to take a different approach to reach the Project goal by focusing more on improving the operation of Perisai and Kader JKN through providing value-added trainings while continuing to look into the possibility of the future collaboration of the two agents.

On 23 April 2018, the revised PDM and PO reflecting the above changes were proposed and approved by the first JCC meeting.

(b) PDM Ver. 1→Ver. 2

In August 2018, while the Project was preparing for the improved agent training and conducting interviews with Perisai, Kader JKN, and the Double License Holders for the potential synergetic benefits, the JICA Mission Team visited Jakarta to monitor the Project.

As a result of detailed consultations with the respective stakeholders, the Team concluded that the Project would revisit the original direction and explore the opportunity to develop the regulation governing both Perisai and Kader-JKN (“Umbrella Regulation”) and continue promoting the collaboration between them at the operational level.

Consequently, a remodified PDM and PO were submitted and approved in the second JCC meeting on 11 March 2019.

Table 06: PDM Modification

Version	Outputs and Activities
PDM Ver. 0	<p>Output 1: TOR of SSE and SSE office (including their roles, mandates, duties and relationships with relevant laws and regulations) are clearly defined.</p> <p>Activities 1:</p> <p>1-1. Conduct survey on the current situation of premium collection and application in Indonesia.</p> <p>1-2. Conduct survey on laws and regulations on relevant issues to SSE and SSE office such as employment and finance.</p> <p>1-3. Draft TOR (including roles, mandates and duties) regarding SSE and SSE office.</p> <p>1-4. Study and decide at HLM on draft TOR developed in Activity 1-3.</p> <p>1-5. Study and decide at HLM on the timeline and necessary actions to realize the system of SSE and SSE office.</p> <p>Output 2: Mechanisms to operate systems of SSE and SSE office are clearly defined.</p> <p>Activities 2:</p> <p>2-1. Based on the TOR developed in Activity 1-4, draft regulations (※) and guidelines to operate systems on SSE and SSE office.</p> <p>2-2. Draft mechanisms to provide information (※) for SSE.</p> <p>2-3. Train officials to operate the regulations and guidelines of activity 2-1 and information provision mechanisms of activity.</p> <p>Output 3: Training systems of SSE are established.</p> <p>Activities 3:</p> <p>3-1. Draft curriculums and textbooks to train SSEs.</p> <p>3-2. Draft operating procedures of training/examination for SSE.</p> <p>3-3. Monitor the implementation of training/examination for SSE.</p> <p>3-4. Revise the curriculums, textbooks and operating procedures based on the results of the monitoring.</p>
PDM Ver. 1	<p>Output 1: Training system of PERISAI is strengthened.</p> <p>Activities 1:</p> <p>1-1. Collect/ analyze relevant information on PERISAI including potential synergetic effects of any collaboration between PERISAI and Kader JKN.</p> <p>1-2. Implement local training for PERISAI.</p> <p>1-3. Clarify possible roles of PERISAI association.</p> <p>Output 2: Training system of Kader JKN is strengthened.</p> <p>Activities 2:</p> <p>2-1. Collect/ analyze relevant information on Kader JKN including potential synergetic effects of any collaboration between PERISAI and Kader JKN.</p> <p>2-2. Implement local training for Kader JKN.</p>

PDM Ver. 2	<p>Output 1: TOR of Perisai and Kader JKN are clearly defined and the foundation for the harmonization of their operation is established.</p> <p>Activities 1:</p> <p>1-1. Study the current situation, existing laws and regulations. 1-2. Analyze the potential synergy of PERISAI and Kader-JKN. 1-3. Draft a harmonized mechanism.</p> <p>Output 2: The harmonized mechanism is properly implemented.</p> <p>Activities 2:</p> <p>2-1. Train trainers of PERISAI and Kader JKN on the harmonized mechanism in sites representing different conditions. 2-2. Conduct socialization activities on the harmonized mechanism. 2-3. Monitor the harmonized mechanism. 2-4. Evaluate the monitoring results.</p> <p>Output 3: Concept of SSE is consolidated with details about important points.</p> <p>Activities 3:</p> <p>3-1. Draft the basic idea of SSE. 3-2. For consolidating the concept of SSE, analyze the data collected during the monitoring. 3-3. Consolidate the concept of SSE with supporting evidence. 3-4. Work out the details about important points of SSE.</p>
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II-4. Others

II-4-1 Results of Environmental and Social Considerations (if applicable)

Planned:

The Indonesian side will abide by "JICA Guidelines for Environmental and Social Considerations" in order to ensure that appropriate considerations will be made for the environmental and social impacts of the Project.

Actual:

Indonesian side made adequate considerations for the environmental and social impacts of the Project.

II-4-2 Results of Considerations on Gender/Peace Building/Poverty Reduction (if applicable)

Not Applicable

III. Results of Joint Review

III-1. Results of Review based on DAC Evaluation Criteria

(a) Relevance

Relevance of the Project is generally high, with varying degree depending on different institutions.

- Project's overall goal is consistent with the national target of social insurance coverage. GOI has a target of achieving universal health insurance coverage by the year of 2020. As for the worker's insurance, the target coverage rate by the year 2019 is 80% for the formal sector workers, 5% for the informal sector workers.
- The project design responds to relevant agencies' needs to a varying extent, depending to the priorities of each agency. DJSN, the main counterpart of the Project, is tasked with synchronization of social security programs. Therefore, harmonization of Perisai and Kader JKN, as well as Social Security Expert covering both social insurance programs, is highly relevant to institution's priority. Project's design is also highly relevant to the priority of BAPPENAS, which coordinates different sectors for promoting social protection policies. On the other hand, the priority of BPJS Employment and BPJS Health is primarily to implement their own programs even though data-sharing and other harmonization measures would generate efficiency gains.
- Japan's Sharoushi, as a private initiative with national certificate, has been closely working with social insurance agencies, and contributed to the secure and efficient implementation of Japan's social insurance programs. This experience is highly relevant to Indonesia's need in expanding the social insurance membership.

(b) Coherence

Coherence is high.

- The project intervention supports both BPJS's programs, namely Kader JKN for the health insurance program, and Perisai, for the worker's insurance program. The project tries to promote the synergy of their operations through sharing the data and knowledge.
- Social Security Expert, or Agenalis, will be established on the basis of Perisai/Kader JKN initiatives. Among Perisai and Kader JKN, more skilled ones will be qualified as Agenalis.

(c) Effectiveness

Effectiveness is difficult to assess at this moment because not all the planned activities were implemented during the project period. However, it is highly probable that the project

purpose would be realized once the regulation on harmonization and SSE, or “Agenalis” is enacted. Achievements during the Project include the following.

- Common understanding was created.
Through learnings in Japan and frequent dialogues between Japanese experts and Indonesian counterparts, the project has successfully created the common understanding among Indonesian stakeholders on the necessity of expert on social security implementation.
- Roadmap was agreed.
Stepwise process for establishing a social security expert (“Agenalis”) qualification was formulated, with the harmonization of Perisai/Kader JKN as the 1st step, their skills development and certification as the 2nd step.
- PerDJSN was drafted.
PerDJSN on the harmonization and “Agenalis” was drafted.

(d) Efficiency

Efficiency is mixed.

- Study programs in Japan was utilized as the opportunities for focused discussion among different agencies.
- As the inputs from Japanese side, study programs were implemented in a timely manner, such as the invitation program in September 2017 as a kick-start, the study program in December 2018, and the invitation program in February 2019 for an intensive discussion on harmonization and SSE with its roadmap. Key persons from different agencies participated in these programs.
- Frequent and timely visits of Japanese experts contributed to keep the momentum for creating SSE in Indonesian side.
- On the other hand, the fragmented institutional arrangements on social security programs in Indonesia and limited communication between Japanese experts and Indonesian counterparts during the 1st half of the project posed a problem for the efficient implementation of the project. This is basically the factor behind the repeated modifications of Project’s PDM, and the delay of project implementation.
- Among these 2 factors, the fragmentation of institutional arrangements and, as a result, the complexity of decision making process is a well-known factor in Indonesia. If more coordination on the vision and approach of the Project had been made among different stakeholders in its preparation stage, the risk might have been mitigated to some extent.

(e) Impact

Several positive impacts have been observed which will contribute toward achieving the Overall Goal of “Mechanism of premium collection and application for insurance is effectively operated nationwide” in three (3) to five (5) years from the Project completion (also see IV.1 for the prospects to achieve the Overall Goal).

Immediate impacts

Motivated Perisai and Kader JKN

Taking every opportunity to see Perisai and Kader JKN in person through the Study Visit program in Japan and the series of interviews, the Project repeatedly urged them to revalue the significance of their roles in the country's effort to achieve the universal protection nationwide.

Such motivational talk was quite effective to fuel them to act as professional or role models for their peers. Also, the creation of their advanced profession Agenalis was favorably received by them because it is a better option for them which provides fresh incentive and encouragement in their duties.

It is expected that this positive impact will reach all the agents around the country and enhance the probability of achieving the Goal.

Potential longer-term impacts to region's more effective and efficient social insurance implementation

During the study program in December 2018, participants attended the seminar organized jointly by Japan Sharoushi Federation and ILO, where the CEO of BPJS Employment was one of the resource persons. On the seminar, Indonesian Perisai system was introduced and attracted attention by other participants, including ILO and Vietnam. It led to the MOU between ILO and Japan Sharoushi Federation in March 2020, and Japanese expert's information sharing with VSS December 2019.

Indonesian initiatives developed through this project has a potential in improving the social insurance implementation in this region, in which many countries are facing the challenges in implementing social insurance programs.

(f) Sustainability

Sustainability in policy aspect is high.

- After the enactment of PerDJSN, the harmonization will have a legal foundation, which supports relevant organizations' initiatives to share the data and training, among others. "Agenalis" also will have a legal foundation. Under the PerDJSN, relevant organizations will set the standard, evaluate the competency, and issue the certificate.

Sustainability in organizational aspect is high.

- DJSN was created under the Law No.40/2004, and mandated to supervise the implementation of national social security system. Among its major roles is to synchronize the implementation of the system. The authority over the issuance of SSE certificate will strengthen the role of DJSN in promoting synchronization of different social security programs.

Sustainability in financial aspect remains to be seen.

- Revenue of Perisai and Kader JKN is mostly the fee from BPJS Employment and BPJS Health respectively. As long as Perisai/Kader JKN depend on the fee as a main source of their income, there will always be a downward pressure on the level of the fee, and their financial situation can become fragile. As for “Agenalis”, their source of income was not referred to in the PerDJSN. In order to strengthen the financial base of “Agenalis”, and make them truly independent professional, it is important to identify their stable source of income, for instance as for Japanese Sharoushi, consulting fee from private enterprises.

Sustainability in technical aspect remains to be seen.

- Unfortunately, training on the harmonized mechanism and standard setting on “Agenalis” was not done during the project period. Those technical aspect is expected to be addressed in the discussion following the enactment of PerDJSN.

III-2. Key Factors Affecting Implementation and Outcomes

Structural factor

(a) Fragmentation in the institutional arrangements

The institutional arrangements in Indonesia concerning the design and implementation of social security programs are fragmented. Programs are designed by Ministry of Health and Ministry of Manpower. Implementation is done by BPJS Health and BPJS Employment. DJSN supervises the implementation of the programs, and is responsible for its synchronization. BAPPENAS coordinates relevant institutions for aligning their initiatives to national policies. Ministry of Finance has a due interest for the efficient implementation and the financial soundness of social insurance programs. Under such arrangements, the decision-making process inevitably becomes complex and lengthy.

Specific factor

(b) Change in the Project staffing structure

As explained earlier, the Project staffing structure on the JICA side had been changed in the middle of the Project term. This led to a tentative suspension of the activities due to the absence of the Long-Term Experts, the core implementors.

However, it also suggested that this change gained further significance as stakeholders from the management to the operational level became familiar with Japanese Sharoushi—not only conceptually but also practically through sharing the accumulated expertise and experience of Japan’s social security system and the Sharoushi System by the Mission Team and through receiving numbers of their delegations by the Sharoushi Federation to

learn their good practices firsthand.

Thereby discussions were strongly supported and advanced.

(c) Frequently Changed Situation of the Stakeholders

It should be noted that circumstances surrounding the stakeholders were quite fluid and unpredictable, which had been a persistent challenge for the Project in fixing the policy and direction, thus delaying in progress.

Similarly, plenary meetings sometimes recapped the background discussions or became confusing because of the new participant who substituted PIC (Person in Charge).

External factor (Circumstances beyond the control of the Project)

(d) Covid-19 crisis

External factors with contingencies often negatively influenced the Project implementation; major challenges include the presidential election in April 2019, the election of the DJSN committee members including the Project Director in October 2019, and the emergence of the Covid-19 crisis in February 2020.

Particularly, it was a critical impact that all the planned activities, including invitation programs for the current and future counterparts that were intended for the successful transition, were suspended because the Covid-19 is still spiking across the world.

III-3. Evaluation on the results of the Project Risk Management

(a) Risk of fragmentation of institutional arrangements

The Project managed the risk of fragmentation of institutional arrangement by several ways as follows.

- Identifying DJSN as the main counterpart and both BPJSs as counterparts: The Project's design identified DJSN as the main counterpart, and both BPJSs as counterparts. Project director was from DJSN, and 2 (two) project managers are from BPJS Employment and BPJS Health respectively. Since DJSN supervises both BPJSs, and is tasked with the synchronization of both worker's and health social insurance programs, the Project expected DJSN play the key role in coordinating different institutions.
- Frequent plenary meetings of stakeholders: The Project successfully organized stakeholders' plenary meetings more than ten (10) times in a period as short as two years. Such positive factor, owing to DJSN's remarkable coordination and management as well as stakeholders' persistent commitment in this effort, obviously affected the progress and the quality of discussions and allowed time for detailed consideration.

- Study program as an opportunity of intensive discussion among stakeholders: The Project invited the participants of study programs in Japan from a wide range of stakeholder organizations, including not only DJSN and both BPJSs but also BAPPENAS, Ministry of Health, Ministry of Manpower, Ministry of Justice and Ministry of Finance. During the study programs, the participants had an intensive discussion to share the vision, make a common understanding, and decide a way forward.

(b) Risk of the change in the project staffing structure

After the return of 2 (two) long-term experts, JICA organized frequent mission visits to Jakarta. The mission team always included headquarter's senior advisor and an expert of Japan Sharoushi Federation who has an in-depth knowledge about social insurance programs of both countries and an extensive network of connections among Indonesian governmental organizations. Mission team utilized the visits to add momentum to the implementation process of the Project. Even during the absence from Jakarta, the expert of Japan Sharoushi Federation kept in touch with Indonesian stakeholders to update the situation continuously.

(c) Risk of frequently changed situation of the stakeholders

For the changes in stakeholder organizations, the counterpart and Mission team tried, though not always successfully, to update and assess the changes of situation by contacting senior officials and key persons of the organizations.

(d) External risk (Covid-19 crisis)

Covid-19 pandemic was a quite unexpected external shock. Due to this pandemic, the planned invitation program to Japan in February 2020 had to be postponed, and the long-term expert (coordinator) had to leave Indonesia. The travel restrictions have been preventing the Mission team from visiting Indonesia since March 2020. The Project has been managing this situation by occasional online meetings and continuous contact with key persons through online message application. In Jakarta, even under the state of emergency, DJSN organized online meetings to continue the discussion on DJSN regulation with other stakeholders.

III-4. Lessons Learnt

(a) Potential of the private sector in promoting social security programs

Perisai (for worker's social insurance program) and Kader JKN (for social health insurance program), capacity of which this Project strengthened, are from the private sector. Each Perisai and Kader JKN make an indirect or direct contract with BPJS Employment or BPJS Health for the task of registration and premium collection. Its number has grown from some

120 (Perisai) and 1,600 (Kader JKN) in 2017 to some 7,100 (Perisai) and 2,300 (Kader JKN) in 2020 respectively. Under the limited human resources of both BPJSs, they play a major role in registering micro enterprises and informal sector workers. Their advantage is not only the number but also the closeness to people. This community-based approach could be applied to other countries, which are making efforts to extend its social insurance coverage and secure the premium collection.

(b) Importance of a shared vision in the preparation stage, with a common understanding on each organization's roles

In this project, one of the factors for its frequent change in PDM is the lack of a shared vision and, therefore, the lack of a common understanding on the roles of different organizations at the start of the project. A shared vision and common understanding on respective organization's roles is all the more important with the fragmented institutional arrangement and complex decision-making process in the social security programs in Indonesia.

IV. For the Achievement of Overall Goals after the Project Completion

IV-1. Prospects to achieve Overall Goal

Overall Goal:

Mechanism of premium collection and application for insurance is effectively operated nationwide.

Objectively Verifiable Indicators (OVI):

- 1.Social Security Experts (SSEs) and SSE offices are operated in all provinces.
- 2.More than XX percent* of people become members of BPJS Employment and BPJS Health.

*The target of OVI-2 was supposed to be discussed in 2020 based on the actual coverages of labor and health insurances in 2019; however, as we are still in the preliminary step before setting up the target figure, and the Agenalis mechanism for expanding membership is not yet ready, it remains blank at the point of writing of this report.

Prospects to Achieve Overall Goal*:

*The goal to be achieved within three (3) to five (5) years after the Project completion.

There are conceivable steps for implementing the Agenalis system in full-scale, and subsequently, DJSN has begun looking at how they can continue the effort after the Project with a firm commitment, despite we are still being in the beginning stage.

Meanwhile, the next initiative is to establish the Indonesian Sharoushi, which is currently expected to handle a package of social insurances as a professional consultant thus enhancing the mechanism of premium collection and application in cooperation with Agenalis. BAPPENAS will strongly spearhead this in partnership with MoM and MoH with continued support from JICA and the Sharoushi Federation.

It is highly probable that Agenalis will be developed or incorporated into Indonesian Sharoushi in the future. Therefore, JICA's consecutive follow-ups and support on Agenalis initiative would also be expected for securing its sustainability and successful achievement.

We highly believe that such continued endeavor will generate desired results of achieving the Overall Goal within the given period.

In addition, as described in the previous section of III-1. (c), the said impact on Perisai and Kader JKN to be derived from introducing Agenalis is also worth mentioning here again as it will motivate them to work harder for increased income and social contributions and thus can be one of the guarantees for attaining the Overall Goal.

Moreover, not only achieving the Goal, but the comprehensive social security promotion structure to be attained by introducing new professions will surely bring about a significant impact on the country's National Medium-Term Development Plan (RP JMN 2020-2024) which intends to increase access and quality of health services in the effort to accomplish the universal health coverage and strengthen the implementation of social protection.

The impact would also be great on other development partners and countries given their widespread interest in our effort induces a new collaboration with each other which will accelerate the introduction of the Sharoushi system inside/outside of Indonesia.

IV-2. Plan of Operation and Implementation Structure of the Indonesia side to Achieve Overall Goal

In principle, with the suggestion offered by BAPPENAS (Figure 03), we would take a step-by-step approach to Social Security Expert, in which materializing Agenalis is the 1st step, and developing Agenalis to Social Security Experts or Indonesian Sharoushi is the 2nd step. The detailed action plan for the pilot implementation of Agenalis and a further roadmap toward its national roll-out will be discussed by DJSN once the PerDJSN is launched in 2020.

Also, the arrangements of the legal framework for the Indonesian Sharoushi and the action plan for its establishment will be drafted by BAPPENAS, MoM, and MoH in the Country-focused training which follows up this project.

Figure 03: How to Adapt the Sharoushi System in Indonesia



(Bappenas Presentation 12/04/2019)

IV-3. Recommendations for the Indonesian side

(a) It is highly desirable that relevant institutions will make a concerted effort to materialize Agenalis as a professional social security expert.

There are many advantages to have such an expert in Indonesia. The first advantage is the active involvement of the private sector in promoting social security programs. Indonesian government aims to achieve universal coverage of social health insurance in the entire population, and universal coverage of worker's social insurance in the formal sector, and considerable coverage in the informal sector. Considering its vast land area and large population, together with a large number of micro enterprises and primary sector workers, outreach is the key to the successful extension of coverage. The private sector can play a major role in approaching to micro enterprises and common people for their proximity to the community and their innovative ideas. Secondly, it can overcome the challenge of limited human resources of BPJS. It would be very difficult for BPJSs to cover all areas with its own officers. Another advantage is that enterprises and insured people will be benefitted from social security experts. As the social security programs are developed overtime, these programs tend to be more and more complex and difficult to understand for common people. Social security experts could raise the social insurance literacy of micro enterprises and the informal sector population, and reduce the burden of administrative work on social insurance.

(b) In developing the social security expert, their financial sustainability should be explored.

If social security experts obtain their revenue mainly from BPJSs as the commission fee, they continue to be dependent on BPJSs for their financial resource. This structure may involve a potential confrontation between social security experts and BPJSs over the rate of commission fee. The financial situation of social security experts continue to be unstable as long as they depend on only the revenue from BPJSs. To enhance social security expert's financial sustainability, it is important to diversify their revenue sources, including the consultancy fee from enterprises. This not only stabilizes social security expert's financial situation but also changes the structure between social security experts and BPJSs from potentially confrontational one to collaborative one.

(c) In materializing Agenalis, or social security expert, to have a shared vision is most important.

Organizational arrangements on social security in Indonesia is highly fragmented. Therefore, in starting to materialize the idea of Agenalis, different organizations should share the vision to be attained. A leading organization is expected to navigate the complex decision-making process, and coordinate different organizations' initiative.

IV-4. Monitoring Plan from the End of the Project to Ex-post Evaluation
(If the Project will be continuously monitored by JICA after the completion of the Project, mention the plan of post-monitoring here.)

N/A