



INDONESIA PENSION CONFERENCE

25 YEARS OF PENSION SAVINGS

“Way Forward for Next Quarter Century”

25-26 April 2017
Grand Hyatt Hotel, Jakarta



Keynote Speakers

Evaluation Pension System – Indonesia Context

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AGENDA

**Three Pillars Of
Retirement
Security In
Indonesia**

**Pension System Assets And
Participation In Indonesia**

**Pension Fund In
Number**

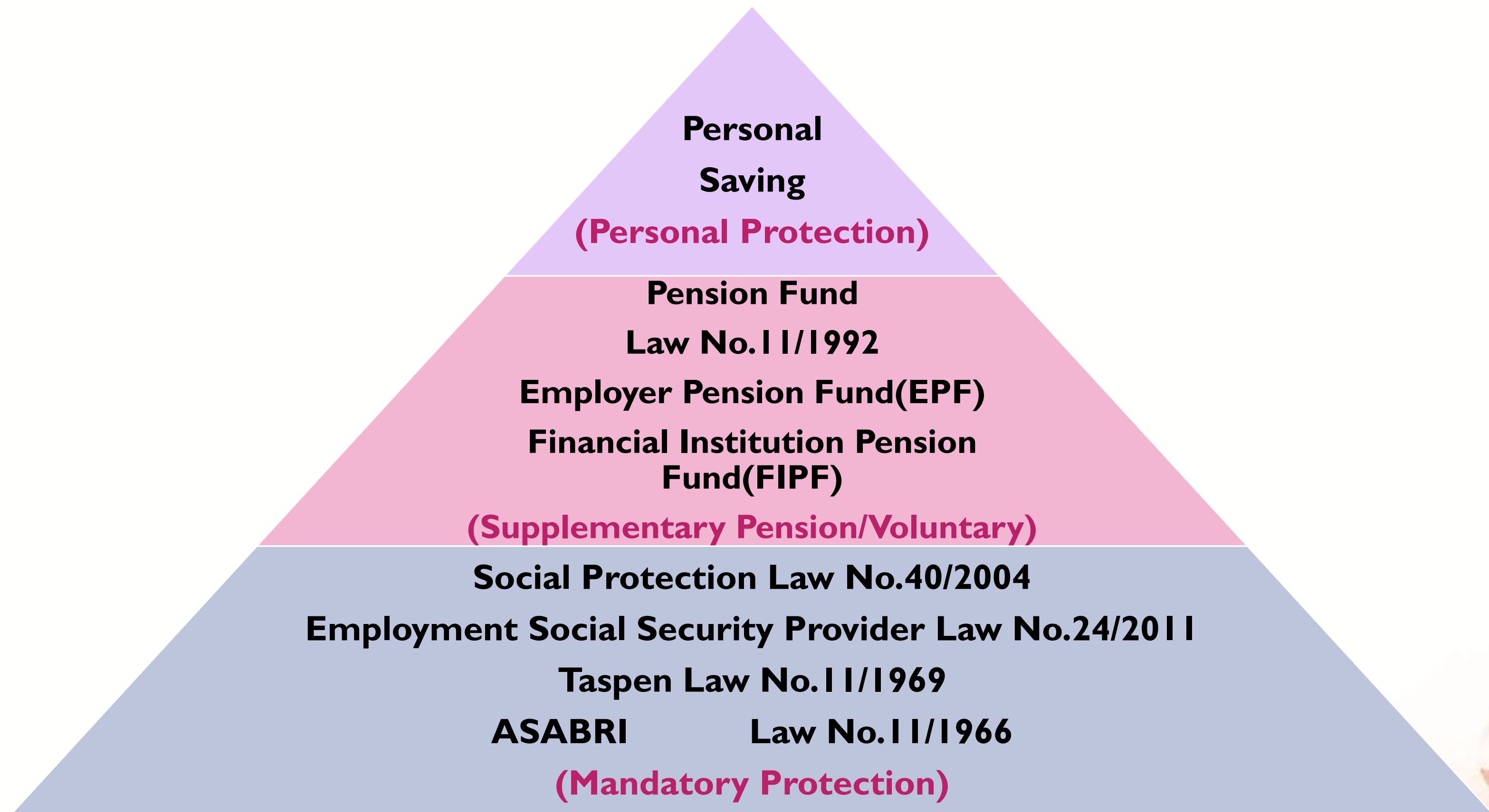
**Current Regulation Of
Pension Fund Industry**

**The Challenges And
Strategy Issue**

Action Plan



THREE PILLARS OF RETIREMENT SECURITY IN INDONESIA



PENSION SYSTEM ASSETS AND PARTICIPATION IN INDONESIA

	Asset/% of GDP*	Participant /% of Manppower**
BPJS Employment	JHT : Rp 217,7 triliun / 1,75% JP : Rp 12,2 triliun / 0,1%	JHT : 13,7 mio persons / 11,59% JP : 9,1 mio persons / 7,69%
Pension Fund	EPF : Rp 174,4 triliun / 1,41% FIPF : Rp 63,8 triliun / 0,51%	EPF : 1,4 mio persons / 1,18% FIPF: 2,9 mio persons / 2,45%
TASPEN	THT PNS : Rp 92.7 triliun / 0,75%	4,2 mio persons / 3,8%
ASABRI	Pension Plan : Rp 20,5 triliun / 0,16%	0,94 mio persons / 0,79%
Total	Rp 581,3 Triliion / 4,67%	32,24 mio persons / 27,27%

*AS OF DESEMBER 2016

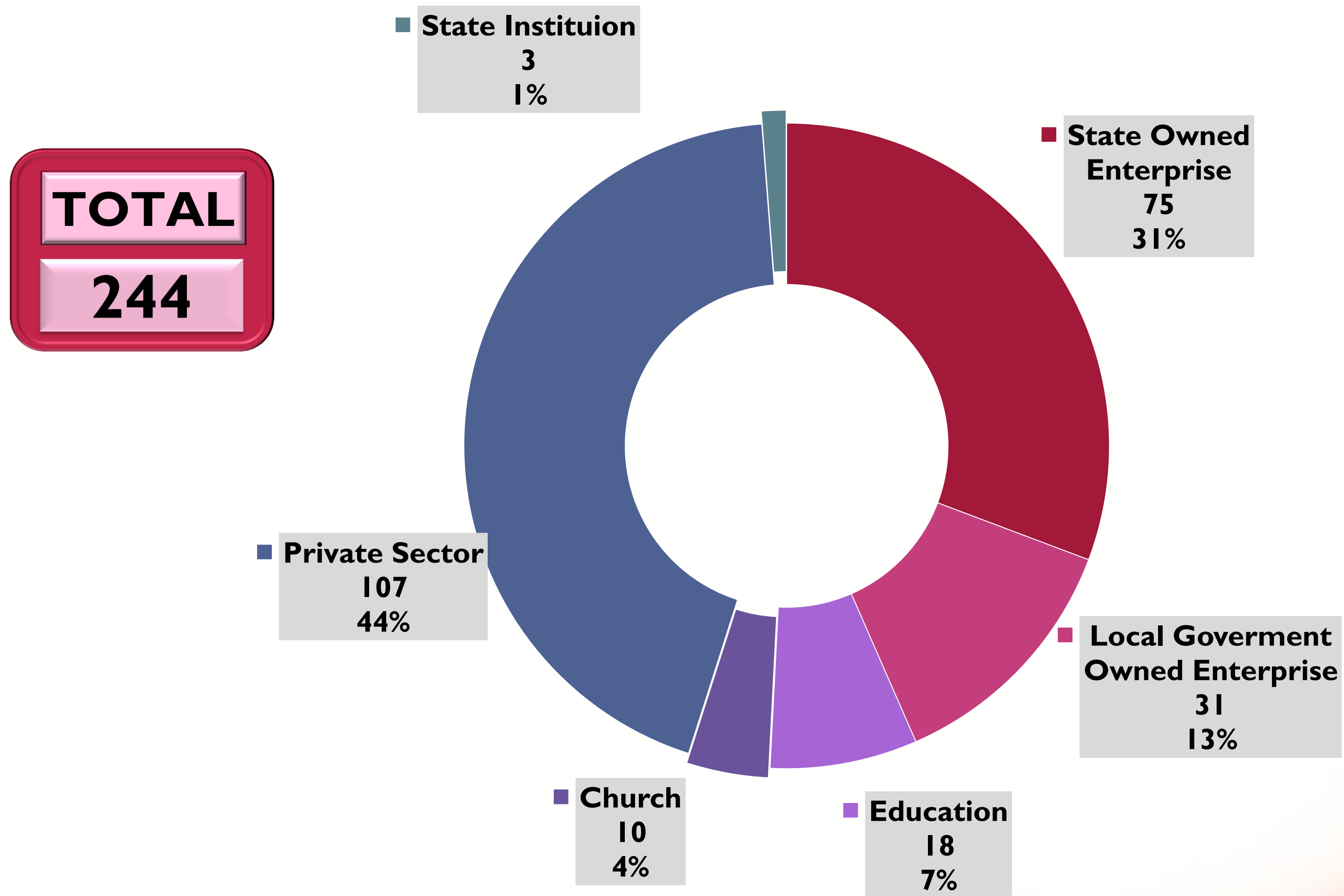
** INFORMAL AND FORMAL MANPOWER



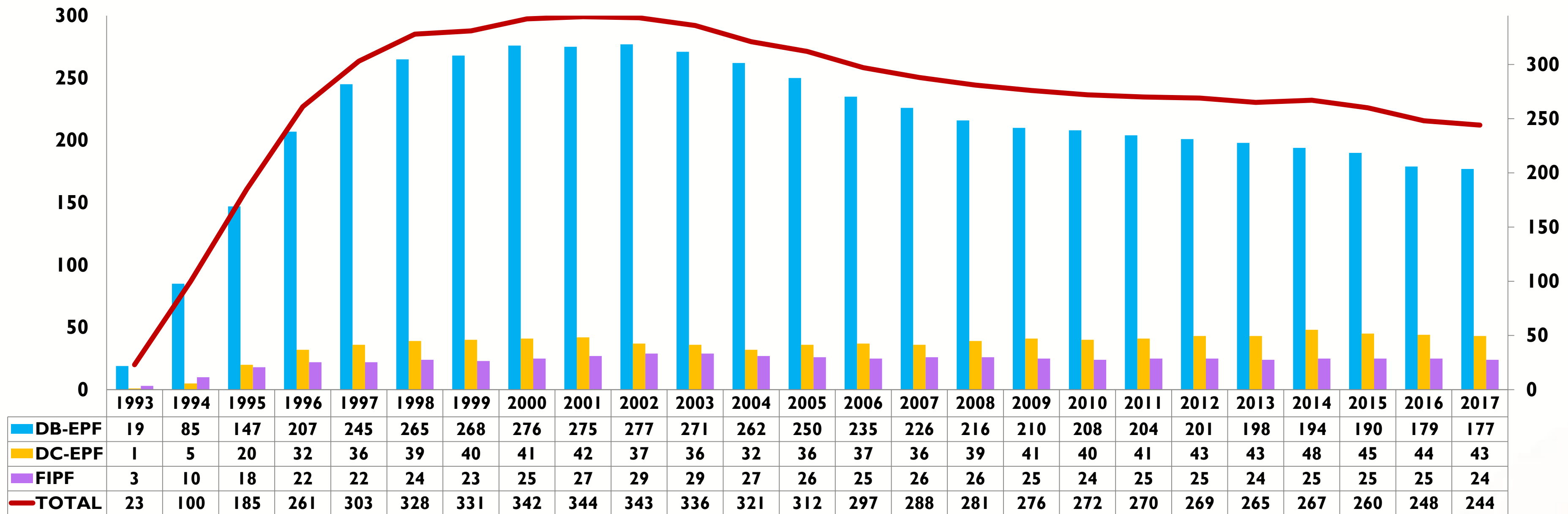
PENSION FUND IN NUMBER



PENSION FUND EMPLOYER'S PROFILE



TREND NUMBER OF PENSION FUND IN 1993 - 2017



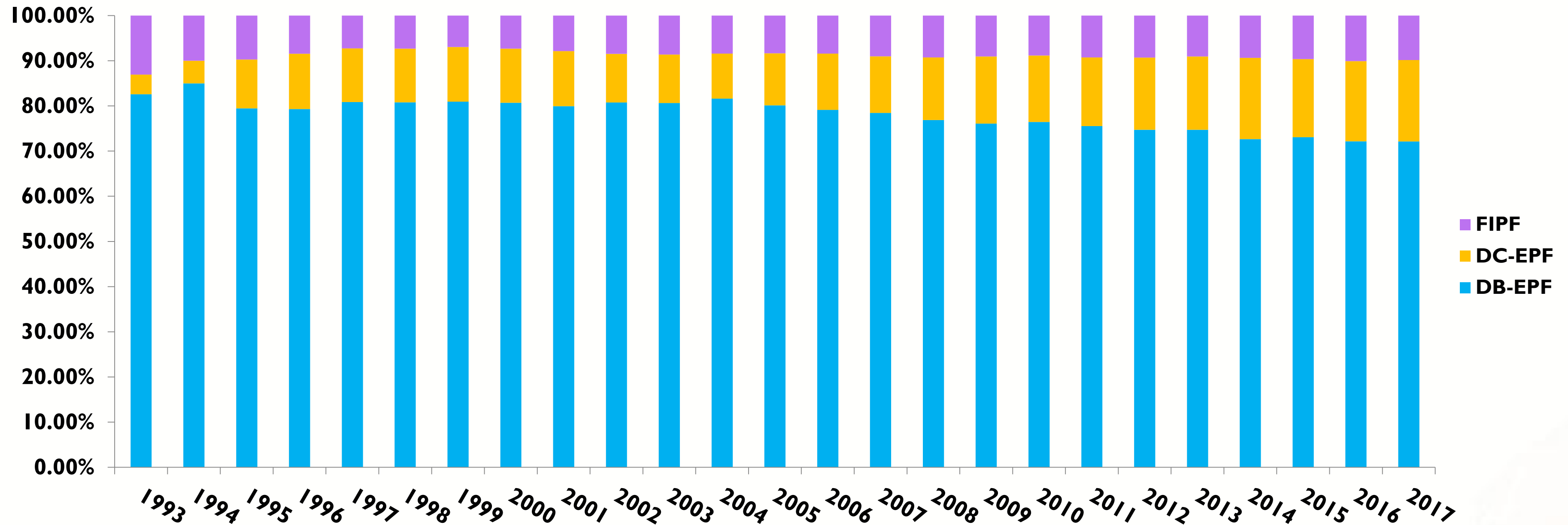
Trends in the number of pension fund industry is decrease, especially DB-EPF. This is due to several reasons, among others:

- The existence of pensions program that mandatory for Employer
- Operational cost efficiency so that the employer shifted to FIPF
- Financial difficulties at the Employer
- Participation is over or closed participation



TREND NUMBER OF PENSION FUND IN 1993 - 2017

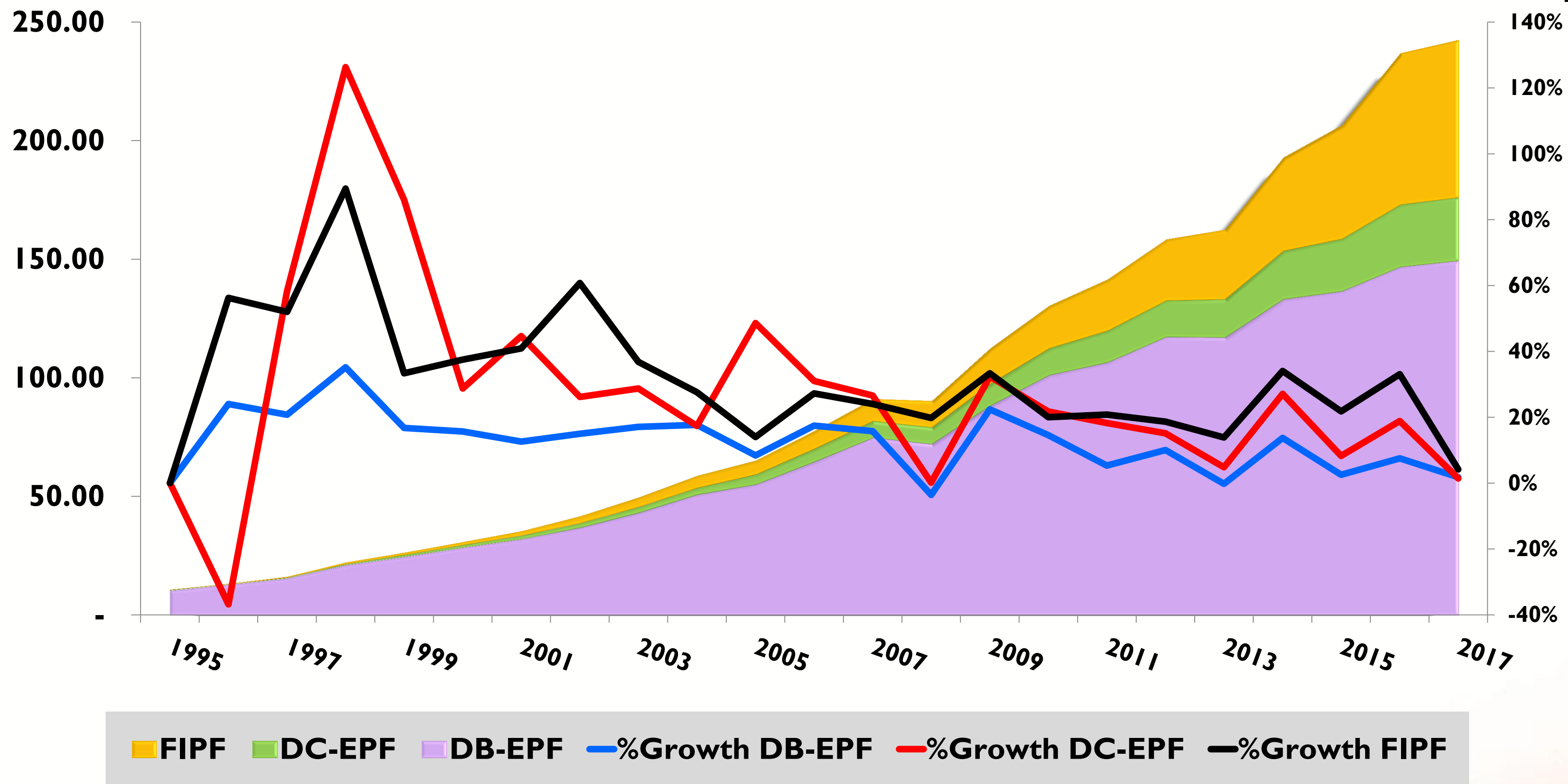
COMPOSITION PER PROGRAM



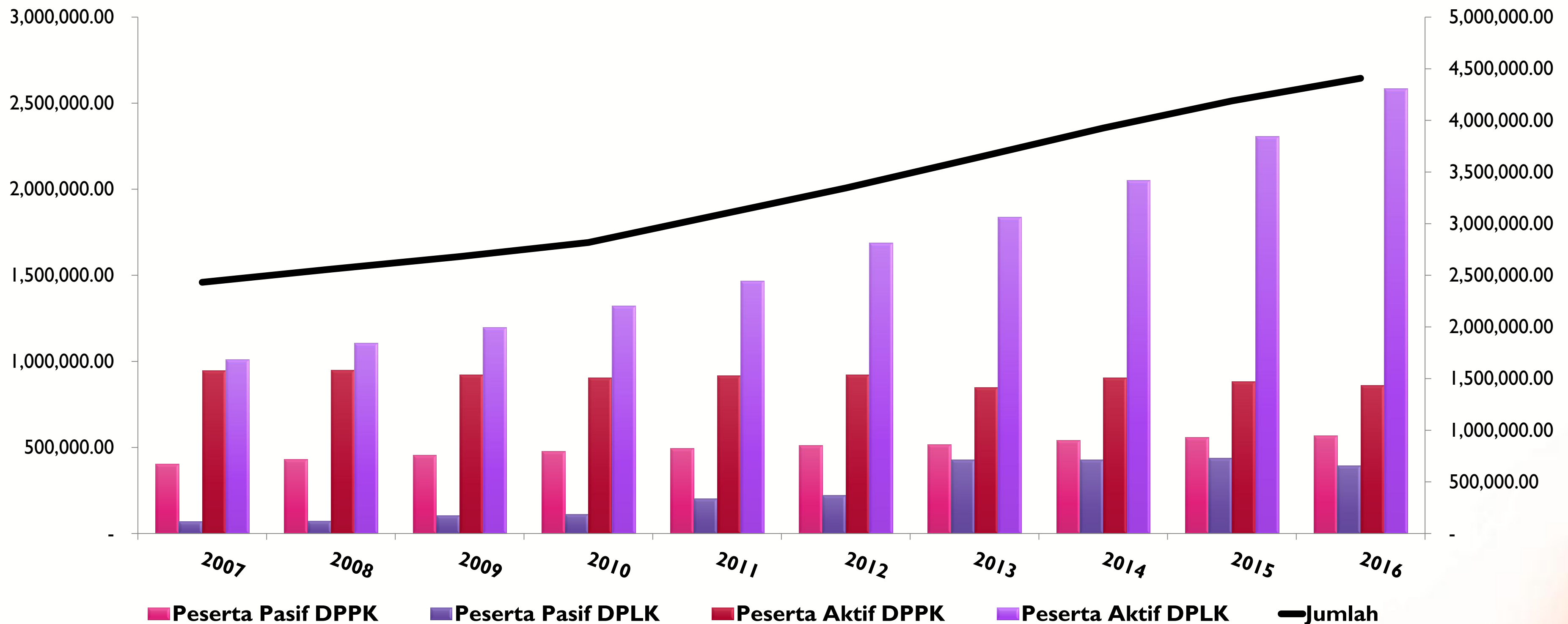
The composition of DB-EPF continues to decrease due to several pension funds do the conversion from a DB Plan to DC PLAN or shifting funds to FIPF. A Decrease in the number of DB-EPF actors not only happen in Indonesia, but also in other countries.



TREND ASSET OF PENSION FUND INDUSTRY IN 1995–2017



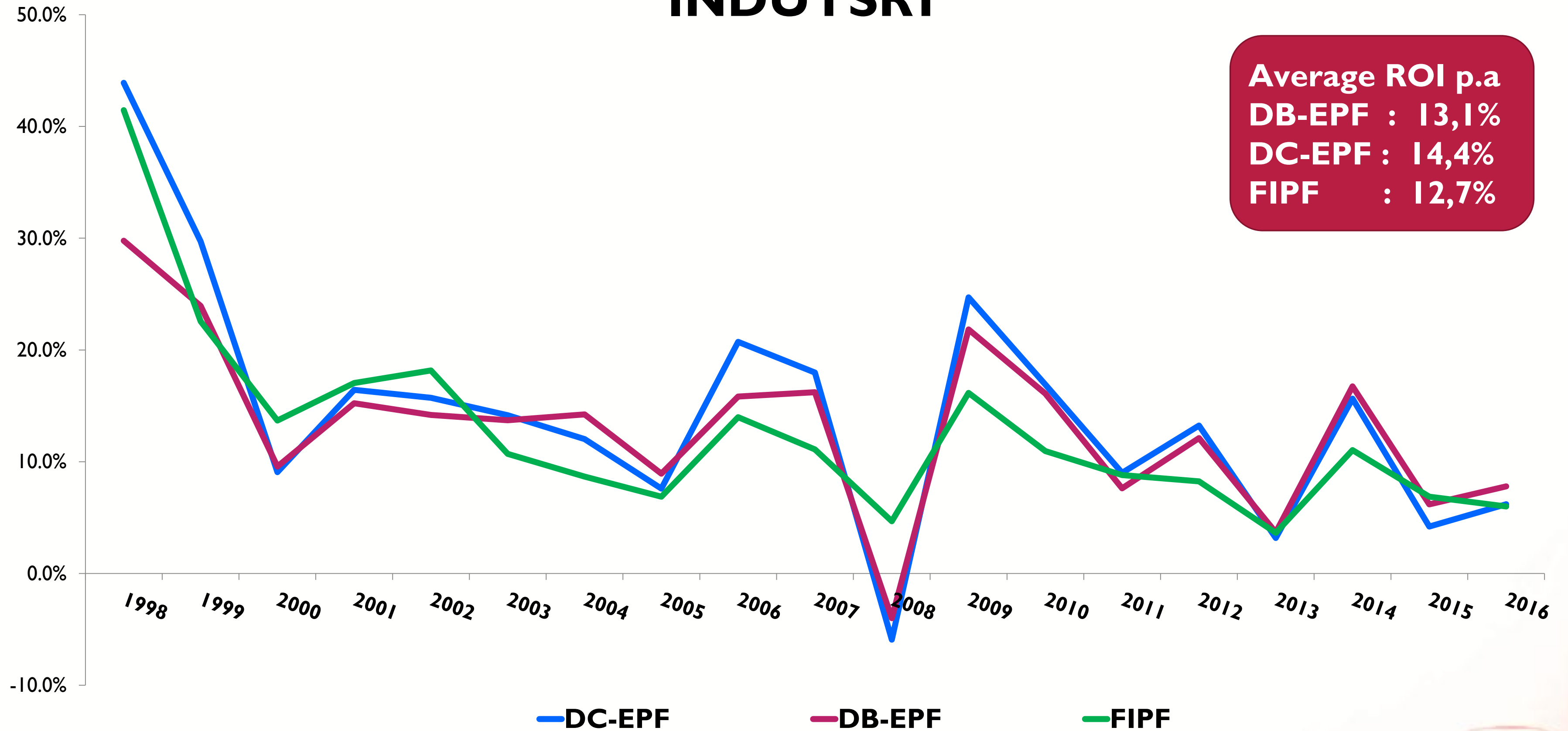
PARTICIPATION GROWTH OF PENSION FUND IN 2007 - 2016



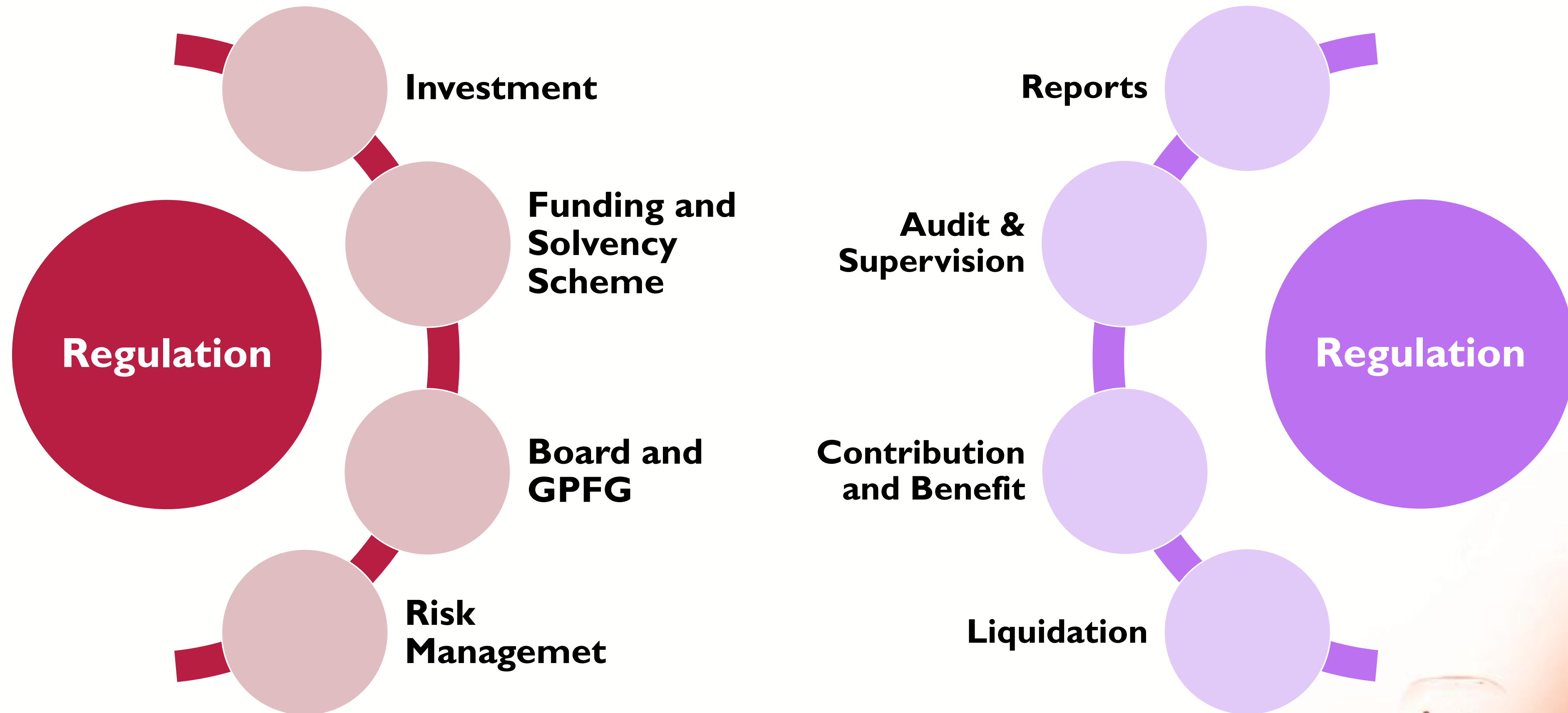
Despite the fact that the trend number of pension funds tend to be reduced, but the number of it's participants keep grew 81.22% from 2007 to 2016, with the average growth is 6.84% per year.



RETURN ON INVESTMENT OF PENSION FUND INDUSTRY



CURRENT REGULATION OF PENSION FUND INDUSTRY



THE CHALLENGES AND STRATEGY ISSUE

**Tax Issue : Still Partially EET
(Exempt-Exempt-Tax)**

Product and Channel Expansion

**Mostly Short Term
Oriented Investment by
Executive Board**

**Legal Base for Sharia
Pension Fund**

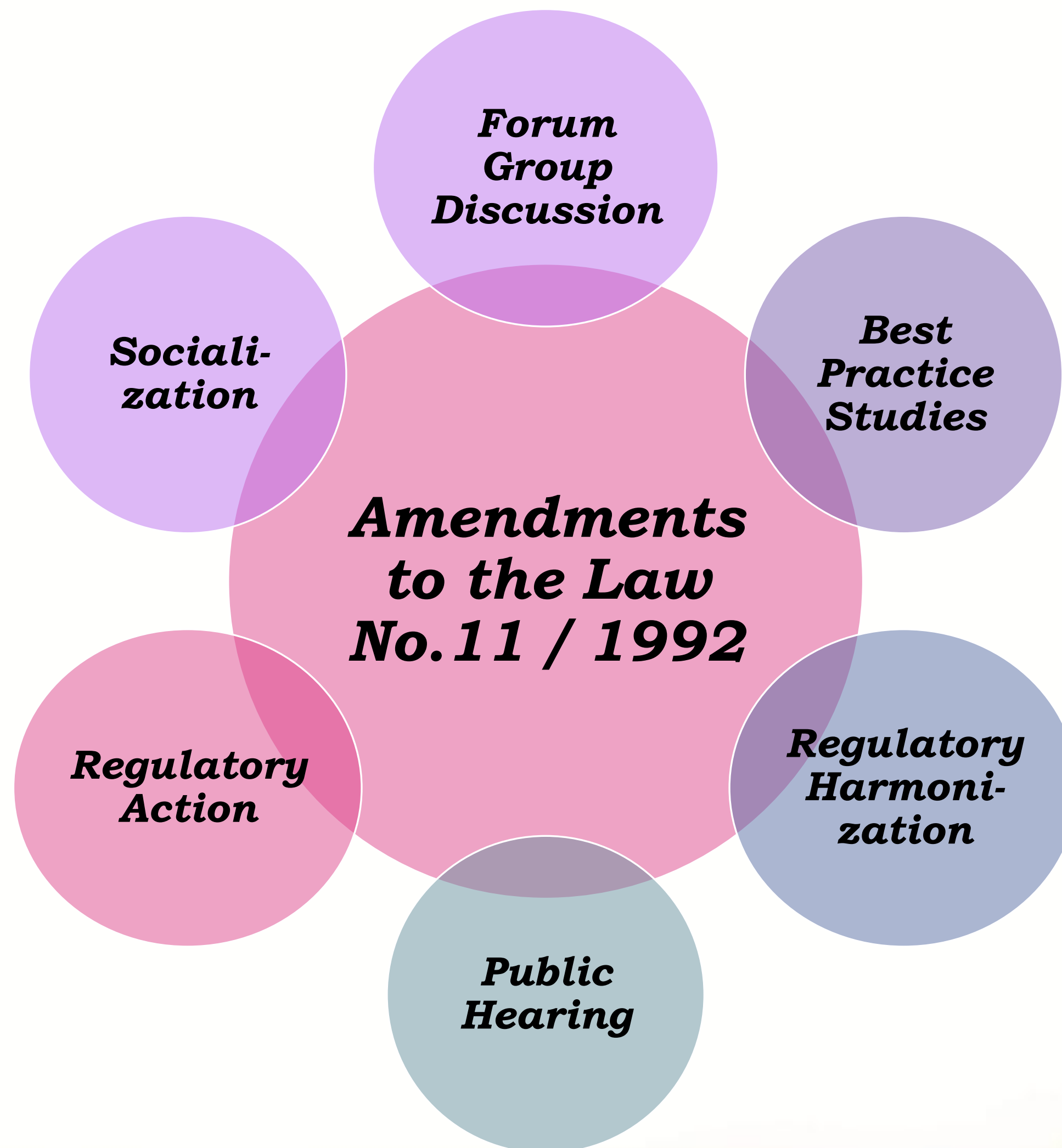
**Aset Liability Management
insight**

**Improvement of Good
Pension Fund Governance**

**Financial difficulties on
Employers (DB-EPF)**

Simplification of bureaucracy

ACTION PLAN



*Thank
you*

