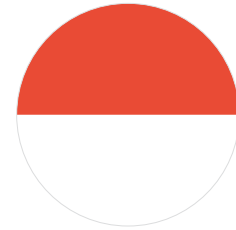


INDONESIA

Overall Index Score 53.1

Overall Index Grade C



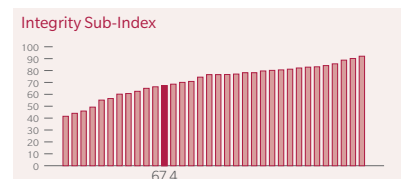
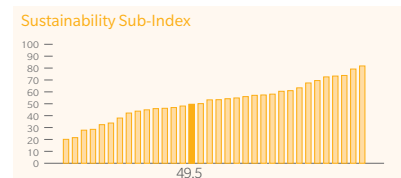
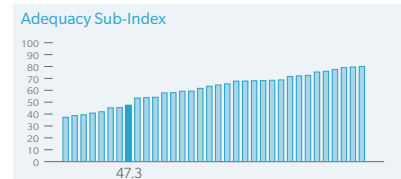
Indonesia's retirement income system comprises earnings-related civil service pensions, mandatory defined contribution plans for private sector workers and voluntary defined contribution plans for other workers. A new national pension scheme, launched in July 2015, will provide a defined benefit scheme funded through employer and employee contributions of a fixed percentage of the monthly salary.

The overall index value for the Indonesian system could be increased by:

- introducing a minimum level of support for the poorest aged individuals
- increasing the level of pension provision within the workforce
- improving the regulatory requirements for the private pension system
- improving the required level of communication to members from pension arrangements
- increasing the pension age as life expectancy continues to increase

The Indonesian index value increased from 49.9 in 2017 to 53.1 in 2018 primarily due to the recent pension reforms which significantly increased the net replacement rate in the adequacy sub-index.

Comparison to other systems



OVERALL INDEX HISTORICAL PERFORMANCE

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
na	na	na	na	42.0	45.3	48.2	48.3	49.9	53.1

(since country has been included in the MMGPI)

Download the full 2018 Melbourne Mercer Global Pension Index (MMGPI) Report at www.mercer.com.au/globalpensionindex



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