

Revised Maximum Wage Cap for Jaminan Pensiun Contributions

- ❖ **Country:** Indonesia
- ❖ **Compliance category:** BPJS Ketenagakerjaan

Regulatory Information:

- ❖ **Regulation:** PP Nomor 45 Tahun 2015
- ❖ **Notification/Circular No:** B/91/022025
- ❖ **Notification Date:** February 27, 2025
- ❖ **Source:** [informasi-ketentuan-batasan-upah-jaminan-pensiun-tahun-2025](#) (please upload the source in Akrivia cloud and use that link for the source)

Updates in Compliance:

Summary: BPJS Ketenagakerjaan announced an increase in the maximum wage cap for Jaminan Pensiun (“JP”) contributions.

Effective Date: March 01, 2025

Revised Maximum Wage Cap:

Article 29 of PP Nomor 45 Tahun 2015 mandates an annual adjustment to the maximum wage limit used for calculating JP contributions.

Under this mandate each year, the maximum wage limit is adjusted by a multiplier factor of 1 (one) plus the previous year's GDP growth rate, as shown below:

[Previous Wage Ceiling × (1+ Previous year's GDP rate)]

Indonesia’s GDP growth for 2024 was 5.03% and therefore, the wage ceiling has been increased by 5.03%.

Previous Wage Ceiling (in Rp.)	GDP rate of 2024	New Wage Ceiling (in Rp.)
10.042.300	5.03%	10,547,400

Our Analysis:

By aligning JP contributions with the country’s economic conditions, BPJS Ketenagakerjaan ensures that it can continue to provide sufficient retirement benefits to all participants.

Companies need to update their payroll calculations to reflect the new wage ceiling promptly, ensuring compliance and accurate contribution calculations. Transparent communication with employees regarding this change is a must to avoid any future complications.

Overall, this approach is very positive and visionary, it supports the system's sustainability, and ensures that future retirees receive benefits that reflect current economic realities.