



International Information Exchange

Country : Indonesia

Presenter : Ms. Indrawaty Syahrullah
PT BNI Life Insurance

International Information Exchange

INDONESIA FACT SHEET: Country Overview

Criteria	Data/Stats		Source/Year
National Land	1.811.570 km ²		The World Bank (2012)
Climate/Weather	Jakarta	Tropical, Hot, Humid, Cooler in the Highlands Average Yearly Temp.: 23°C – 33°C Annual Rainfall: 300 mm	The World Bank Group (2012)
Population	253.609.643		CIA World Fact Book (2013)
Young Population (0–14)	Male 33,854,520 / Female 32,648,568 (26,2 %)		
Productive Population (15–64)	Male 85,826,003 / Female 84,795,631 (67,4 %)		
Elderly Population (Over 65)	Male 7,176,865 / Female 9,308,056 (6,4 %)		
# of Households and Ave.ppl/h.h	46,024 (Thousand) / 5.2 ppl		Survey–Indonesia Health Demography 2012)
Average Life Expectancy	Male: 69 / Female: 73		The World Bank (2012)
Total Fertility Rate (*)	2.18		CIA World Fact Book (2013)
GDP (Nominal GDP)	878,0 (USD Billion)		The World Bank (2012)
GDP per Capita	3,557 (USD Thousand)		The World Bank (2012)
Social Security Program	Health Care (Inpatient and Outpatient)		
Remarks 2013	<ul style="list-style-type: none"> ▪ World Economic Slowdown, High Volatility in Capital Market 2013 ▪ Reduction of Fuel Subsidies ▪ Current Account Deficit and Extreme Depreciation in Rp Against US\$ 		

(*) TFR: The average number of children that would be born to a woman over her reproductive life (15~49)

International Information Exchange

2013 LIFE INSURANCE INDUSTRY FAST FACTS



(Thousand Policies , US\$ Million)				(Policies, US\$)			
	New Business		Policy In-Force		Average Policy per Person		
Type	# of Policies	S	# of Policies	S	# of Policies	S	
Individual	-	-	13,320	981,946	0,98	73,72	
Indiv. Annuity	-	-	-	-	-	-	
Group	-	-	2,519	1,304	338,1	0,052	

Criteria	Data/Stats	
# of Life Insurers	47	
Gross Premium Income	9,772	
Payment of Insurance Claim	6,1445	
Total Assets	24,846	
Main Products	Unit Link , Whole Life, Endowment, Term, Health, Rider Critical Illness	
Distribution Channel	Agencies	346,373 peoples
	Bancassurance	Corporate 639 peoples
		Individual 4,748 peoples
	Alternative Distribution	1,691 peoples

*Calculated based on the exchange rate of IDR Rp 11.660=US\$1 (2014.4.26 BNI rate).

International Information Exchange

Challenges of Indonesia's Life Insurance Industry

❑ Educate the Public Regarding Life Insurance

The insurance education aims to answer the challenges of the industry penetration in Indonesia which is still low compared to other countries (life insurance ownership penetration in Indonesia reached 5,5 %)

❑ Implementation The Health Care System by the Government – 2014

Indonesia is at an exciting stage in its socio-economic development in the lead up to the implementation of a universal healthcare system, which will stand as key milestone in its progression towards becoming a developed country. The private sector still has chance to promote awareness among employers as well as offering innovative products that provide competitive benefits for employees.

❑ Market Potential of Shariah Insurance Business

Sharia life insurance has enormous opportunity in Indonesia, based on these factors, such as world biggest Muslim population, PDB that continuously to increased, low level of insurance penetration, and also the increasing of middle class.

❑ Indonesia Financial Services Authority (OJK) For Consumer Education and Protection

The Consumer Education and Protection body is responsible to improve public awareness of financial service institutions, including all products and services that they offer in financial industry, thereby public's level of knowledge related to finance will be improved, hence will in turn escalate level of utility and level of trust among consumers and public over financial products and services in Indonesia