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Indonesian Government's Experience in Implementing Program Kartu Prakerja

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The Indonesian Government Policy



"We must be able to harness the strength of Indonesia's 260 million population to support the acceleration of economic growth, wellbeing, and collective progress."

To achieve the acceleration of economic growth rate and equitable economic development, Indonesia must overcome three main challenges:

> Public investment in the field of human resources lacks focus on performance and impact, resulting in a deficit of quality human capital

> > The efforts towards job creation still lack certainty and protection for workers from economic and social vulnerabilities

3

Ensure that vulnerable groups such as women, people with disabilities, and residents of marginalized regions have equal access to quality job opportunities

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Efforts to Overcome Various Challenges In Human Resources Development

Human Resource Development

Creating a dynamic generation consisting of **hardworking individuals** with **high capabilities** in knowledge and technology.

Improving the education system, especially the revitalization of vocational education systems tailored to the needs of industry and technological advancements. Enhancing the skills of workers and job seekers, such as skill improvement through training and certification programs, is progressing well.

2019



Program Kartu Prakerja Policy Based on National Medium-Term Development Plan (RPJMN 2020-2024)





Program Kartu Prakerja Policy Based on



National Medium-Term Development Plan (RPJMN 2020-2024)

The implementation of the Program Kartu Prakerja is in line with and included in the national development plans, both in the RPJMN 2020-2024 and in the Government's Work Plan (RKP) 2020 and 2021.



Enhancing productivity and competitiveness through industry collaboration-based vocational education and training **by improving the governance of vocational education and training**.



Government Work Plan (RKP) for 2020 and 2021

In line with the National Medium-Term Development Plan (RPJMN) 2020-2024, the implementation of the Program Kartu Prakerja became a flagship activity in the Government Work Plan for 2020 and 2021.

Government Work Plan 2020

The establishment of the Kartu Prakerja managing institution and the number of beneficiaries of the Program Kartu Prakerja became indicators for the <u>Priority Activity of</u> <u>Improving the Governance of Education and Vocational</u> <u>Training</u>, as well as the <u>Priority Program for Increasing Labor</u> <u>Productivity and Job Creation</u>.

Establish one central-level institution and provide Kartu Prakerja to 2,000,000 individuals from 34 provinces.

Government Work Plan 2021

The implementation of the Program Kartu Prakerja became a part of the Major Project for Education and Vocational Training for Industry 4.0

About the launch of Program Kartu Prakerja



In the year 2020



Presidential Regulation Number 36 of 2020 on the Development of Work Competencies through Program Kartu Prakerja. Is a **competency development program** designed for job seekers, workers who have experienced job termination, and/or workers in need of skill enhancement.

Aims to develop the workforce's competencies, enhance workforce productivity and competitiveness, and foster entrepreneurship.

Designed as a packaged product to provide value to both users and employers.



About the launch of Program Kartu Prakerja

The initial goals of the Program Kartu Prakerja

Enhance the competence, productivity, and competitiveness of the workforce. *Presidential Regulation Number 36 of 2020 on the Development of Work Competencies through Program Kartu Prakerja

Adjustments to the Program Kartu Prakerja due to the Covid-19 pandemic

On July 8, 2020, the GOI issued **Presidential Regulation Number 76 of 2020** which amends Presidential Regulation Number 36 of 2020 on the Development of Work Competencies through Program Kartu Prakerja

The focus of the Program Kartu Prakerja after adjustments

*Presidential Regulation Number 76 of 2020 which amends Presidential Regulation Number 36 of 2020 on the Development of Work Competencies through Program Kartu Prakerja

The training is conducted in a way that can prevent the spread of Covid-19 (online training).

Kartu Prakerja is a part of efforts to anticipate the social and economic impact of COVID-19 on the community. Kartu Prakerja will be prioritized for workers who have been furloughed and micro and small business owners affected by Covid-19.

Kartu Prakerja will serve as social assistance to mitigate the impact of Covid-19.



Presidential Regulation Number 113 of 2022 which is the Second Amendment to Presidential Regulation Number 36 of 2020 on the Development of Work Competencies through Program Kartu Prakerja.

The Job Creation Committee

The committee is tasked with formulating and drafting policies for Program Kartu Prakerja, as well as overseeing and evaluating its implementation.

Chairperson

Vice Chairperson

Chief of Presidential Staff

Secretary

Secretary of the Coordinating Ministry for Economic Affairs

Members

- Minister of State Secretary
- Minister of Home Affairs
- Minister of Finance
- Minister of Education and Culture

Coordinating Minister for Economic Affairs

- Minister of Manpower ٠
- Minister of Industry
- Minister of National Development Planning/Head of BAPPENAS

- Cabinet Secretary
- Attorney General
- Chief of the Indonesian National Police
- Head of the Financial and Development Supervisory Agency
- Head of the Government Procurement Policy Agency

The Job Creation Committee is responsible for formulating and developing policies for the Program Kartu Prakerja and for monitoring and evaluating the implementation of the Program Kartu Prakerja. INTERNAL. This information is accessible to ADB Management and staff. It may be shared outside ADB with appropriate permission.



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The Implementation Management for implementing the Program Kartu Prakerja in Indonesia.

Project Management Officer (PMO)

Executive Director

Director of Partnerships, Communications, and

Ecosystem Development

Director of Operations

Director of Monitoring

and Evaluation

Director of Technology

Director of Legal,

General, and

Financial

Program Kartu Prakerja Regulation Based on



Total registrants and recipients

Presidential Regulation Number 113 of 2022 which is the Second Amendment

to **Presidential Regulation Number 36 of 2020** on the Development of Work Competencies through Program Kartu Prakerja



Source: Coordinating Ministry for Economic Affairs – Project Management Officer (PMO) Kartu Prakerja INTERNAL. This information is accessible to ADB Management and staff. It may be shared outside ADB with appropriate permission.

About Program Kartu Prakerja



Program Kartu Prakerja scheme

SEMI-SOCIAL ASSISTANCE SCHEME

Training mode: Online Training budget allocation: Rp1.000.000 Post-training incentive: Rp2.400.000

NORMAL SCHEME

Training mode: Online – Offline – Hybrid Training budget allocation: Rp3.500.000 Post-training incentive: Rp600.000

Program Kartu Prakerja evaluation results based on the Program Kartu Prakerja Implementation Management Report (2022)

From a total of **16.4 million** recipients of Kartu Prakerja who received training, there are **2,6 million** beneficiaries who were previously unemployed became entrepreneurs, workers/employees/freelancers, and others

Source: Project Management Officer (PMO) Kartu Prakerja - <u>https://www.prakerja.go.id/</u> INTERNAL. This information is accessible to ADB Management and staff. It may be shared outside ADB with appropriate permission.

The fields of Kartu Prakerja training refer to:

Critical Occupations List 2018

- 35 types of strategic jobs are required
- 2 jobs are in critical demand and experiencing labor shortages so they must be able to fulfill the strategic needs of the Indonesian economy

Link: https://pubdocs.worldbank.org/en/299251621815417114/COL-Design-OP-020419.pdf

Indonesia's Occupational Tasks and Skills 2020

51 critical occupations and the competencies that are in demand by the job market.

Link: https://pubdocs.worldbank.org/en/988441621616646826/Indotask-SP-English.pdf

Online Vacancy Outlook 2020

30 occupations have the highest openings on online job searching networks/platforms.

Link: https://openknowledge.worldbank.org/entities/publication/c39776ec-1d2e-5d75-ae71-1b12173b95de

The Future of Jobs Report 2022

- 15 soft skills required across occupations by 2025
- 20 occupations are increasing to meet future labor market needs

Link: https://www.weforum.org/reports/the-future-of-jobs-report-2020

Efforts to Revitalization of Vocational Education and Vocational Training | Presidential Regulation Number 68 of 2022

The National Strategy on VET Revitalization The Revitalization of Vocational Education and Vocational Training aims to implement and (mandated by Presidential Regulation Number 68 of improve Vocational Education and Vocational Training in more **comprehensive**, **continuous**, 2022 and stipulated with the Regulation of Coordinating Minister for Human Development No. 6 Year 2022 is a guideline for stakeholder and as a reference for more focused, effective and efficient resources allocation.

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After the enactment of this Presidential Regulation. stakeholders had discussed extensively to formulate National Strategy of VET Revitalization which comprises strategic activities such as:

1. Developing world-class Labour Market Information System (LMIS) and the financing mechanism.

2. Improving governance and quality assurance of VET facilities and harmonising regulations related to VET development.

3. Increasing the role of business sector as a representative of demand-side in VET development.

Ministry of Ministry of Coordinating Indonesian National Education, National Ministry for Local Ministry of Vocational Higher Job Training/ Chamber Of Professional Culture. Development Governments Human Manpower Certification Education Education Skills Course Commerce & Research, and Development and Planning Industry Board **Cultural Affairs** Technology INTERNAL. This information is accessible to ADB Management and staff, it may be shared outside ADB with appropriate permission

The National Coordination Team of the Revitalization of Vocational Education and Vocational **Training (TKNV)** is established in order to coordinate and synergize the implementation of the revitalization of Vocational Education and Vocational Training.

Stakeholders of the Ministries/Institutions Involved

Basic principles of Vocational Education and Vocational Training:

- **1.** Oriented to the needs of the labour market, business/industry, and entrepreneurship;
- Shared responsibility between Central Government, Local Government, Industry/Business, and Community;
- 3. **Competency based;**
- Lifelong learning; and 4.

integrated, and "orchestrated" way.

Organized inclusively. 5.





Thank You

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