

Life in Indonesia

FEBRUARY 2026 EDITION

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We are pleased to present the February 2026 edition of Milliman's Indonesia Life Insurance Newsletter. This edition covers developments from 1 October 2025 to 31 December 2025.

We trust you find this edition informative. As always, we look forward to receiving your feedback, questions or comments.



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Market performance

INDUSTRY PERFORMANCE UP TO Q3 2025

According to the Indonesian Insurance Statistics published by the Financial Services Authority (OJK), the Indonesian life insurance industry experienced an increase in profit before tax and other comprehensive income (OCI) up to Q3 2025 (relative to Q3 2024). The change over the period is summarised below.

FIGURE 1: INDUSTRY PERFORMANCE OVER 9M 2024 AND 9M 2025

FINANCIALS (IN IDR TRILLION)	Q3 2024	Q3 2025	CHANGE
Net premium income	111.72	108.72	(3.01)
Investment and other income	33.79	41.42	7.63
Total income	145.51	150.14	4.63
Insurance expenses	123.69	124.01	0.32
Operating expenses	16.40	16.93	0.52
Total expenses	140.09	140.94	0.84
Profit/(loss) before tax and OCI	5.42	9.20	3.79
Tax	0.88	0.91	0.04
Net profit/(loss) before OCI	4.54	8.29	3.75
Total assets	597.41	612.80	15.39
Premium reserve	407.66	411.88	4.22
Unearned premium reserve	6.07	7.12	1.04
Claim reserve	8.41	9.55	1.14
Catastrophic reserve	0.12	0.09	(0.03)
Total technical reserve	422.26	428.64	6.38

Source: OJK's Indonesia Insurance Statistics: September 2024 and September 2025.

Notes:

- OCI = other comprehensive income.
- Figures may not be additive due to rounding.
- Due to new OJK data format, acquisition costs and total claims are grouped under insurance expenses.

Up to Q3 2025, the profit before tax and OCI increased by Indonesian rupiah (IDR) 3.79 trillion compared to the equivalent period in 2024, mainly driven by an increase of IDR 7.63 trillion in investment and other income, offset by a reduction of IDR 3.01 trillion in net premium income.

The Indonesia Life Insurance Association (AAJI) reported that total unweighted premium income (including renewal premiums) over the first nine-month period (9M) in 2025 was IDR 133.22 trillion, a decrease of 1.1% compared to 9M 2024. The total number of insured lives as at 30 September 2025 increased 16.9% for individuals and increased 12.1% for group business compared to 30 September 2024, resulting in an overall net increase of 12.8%.

The AAJI further reported that over 9M 2025, the life insurance industry paid total claims and benefits amounting to IDR 110.44 trillion, marking a 7.9% decrease over 9M 2024. During the same period, total health claims paid decreased 7.5% from IDR 20.91 trillion (17.4% of total claims) to IDR 19.35 trillion (17.5% of total claims).

Market news

NEW PRODUCTS

The following new life insurance products were reported to have been launched over Q4 2025:

Traditional products

- PT AXA Financial Indonesia (AXA Financial)** launched **AXA Future Protector**, a limited-pay endowment product sold in IDR offering multiple premium term and coverage term options as well as a minimum annual premium of IDR 30 million. The product offers two plan options: Signature and Deluxe. While both plans feature an increasing death benefit and a maturity benefit, the Deluxe plan accelerates half of the maturity benefit five or 10 years before maturity.
- PT Asuransi Allianz Life Indonesia (Allianz)** introduced **MyProtection Simple**, a 10-year regular premium term life product sold in IDR. The minimum annual premium is IDR 1.2 million. The product pays out 100% of the sum assured (SA) on natural death and 200% of SA on accidental death, while also offering a return-of-premium (ROP) benefit at maturity.
- Allianz** launched an IDR/USD three-pay whole life product **Premier Heritage Assurance** with two available plans: Heritage Prime and Heritage Infinite. The minimum annual premiums are IDR 100 million or USD 100,000. The Heritage Prime plan includes a lump-sum death benefit amounting to 105% of premiums paid along with additional non-guaranteed benefits. Meanwhile, the Heritage Infinite plan provides monthly guaranteed and non-guaranteed cash benefits in the event of an insured's death. Both plans also include monthly survival benefits starting from the fifth policy year and a maturity benefit, although these benefits would cease to be payable for Heritage Prime policyholders in the event of their deaths.
- PT Asuransi Jiwa Astra (Astra Life)** has launched ASLI Anuitas Mapan, a single premium annuity product sold in IDR with annuity terms of 10 or 20 years and a minimum annual premium of IDR 100 million. Annuity benefits are paid monthly up to the death of the insured and reevaluated every six months, benchmarked on average interest rates earned on bank term deposits. Options for additional beneficiaries (surviving spouse or children) to continue receiving annuity benefits are available. Depending on the selected plan, a ROP benefit is also provided in the event of the policyholder's death or cessation of the annuity payments.

- **PT Prudential Life Assurance (Prudential)** launched **Prulnfinity**, a three-/six-pay whole life product with a minimum annual premium of IDR 150 million. Benefits including a death benefit of 100% SA, a lump sum cash benefit payable at the latter of the 15th policy year or age 65, and a maturity benefit. The product also features an SA booster, with increments starting at 15% of SA on the fifth policy anniversary and 5% of SA on each of the following anniversaries, up to a total increase cap of 50%.
- **PT Asuransi Jiwa Generali Indonesia (Generali)** introduced **GEN Wealth**, a limited-pay (ranging from two to five years) short-term (ranging from seven to 11 years) endowment product available in IDR and USD with a minimum annual premium of IDR 30 million or USD 3,000. Upon death during the premium term, 100% of total premiums is paid as benefit. After the premium term, the death benefit is 100% of the SA. An additional 100% of SA, deducted by prior paid premiums, is paid out upon accidental death. At the end of the policy term, a percentage of total premiums is returned as a maturity benefit.
- **Prudential** introduced **PRUfuture**, a whole life product available in IDR and USD with five-pay, 10-pay and 15-pay premium payment options. The main benefit is a death benefit of 100% SA, which is floored at IDR 500 million or USD 100,000. Surrender values are available after the third policy year. Waiver of premium for critical illness (CI) is optionally available for certain variants, and premium discounts may be applied depending on the chosen variant and SA amount.
- **PT Avrist Assurance (Avrist)** launched **Avrist Advanced Health Care**, a yearly renewable health product sold in IDR and USD with six plan options, all of which have base inpatient & outpatient benefits, death benefits, surgical benefits, no claim bonuses and overseas stay coverages. More expensive plans provide higher coverage amounts and larger geographical areas of coverage.
- **PT Bhinneka Life Indonesia (Bhinneka Life)** has launched **Bhinneka Asuransi Multiguna**, a five-pay, eight-year endowment product sold in IDR with a minimum premium of IDR 5 million, providing death and maturity benefits. The death benefit amounts to an entry age-based factor multiplied to the annual premium with additional benefits for accidents, while the maturity benefit is 130% of total premiums paid. Surrender cash values are available after the fourth policy anniversary.
- **PT BNI Life Insurance (BNI Life)** launched an education endowment product, **BLife Solusi Pintar**, for insureds age 20–55 years with children up to 8 years old, providing coverage until the insured's child turns 17. Minimum premiums start from IDR 500,000. A percentage of the SA is provided as annual cash payments. In the event of the insured's death, 100% of the SA will be paid and all remaining premium payments will be waived, while cash payments will continue to be paid out. Optional health, term and personal accident riders are also available.
- **PT Asuransi Jiwa Manulife Indonesia (Manulife)** introduced **Manulife Dynamic Wealth Assurance**, an endowment product available in IDR and USD with a broad selection of policy term options and three plan options: Plan A, B and C. Accidental death and total permanent disability (TPD) benefits are available for all plans. Plan A offers annual cash benefits without any maturity benefits, Plan B offers a maturity benefit (labelled as a Scholarship Benefit) without any annual cash benefits, while Plan C offers both annual cash benefits and a maturity benefit. All these survival benefits are computed as a percentage of the single premium or the basic annual premium. The minimum annual premium starts from IDR 24 million or USD 2,400.
- **PT MSIG Life Insurance Indonesia (MSIG Life)** has introduced a new limited-pay endowment product, **Smart Wealth Assurance**, available in IDR with a policy term of 15 or 20 years, varying by plans. The death benefit amounts to 110% of total premiums paid with additional benefits for accidental death. Periodical cash payments are also provided starting from the fifth policy anniversary, regardless of whether the policyholder is still alive.
- **PT Sun Life Financial Indonesia (Sun Life)** launched **Asuransi Sun Prosperity Prime (Si Super)**, a five-pay, 20-year USD endowment product, providing death benefits of 100% SA after the premium term. During the premium term, the death benefit is reduced by a factor based on the in-force duration and premium frequency. The product also features additional accidental death benefits and annual survival benefits. Lastly, 500% of annual premiums will be paid upon maturity. The minimum annual premium is USD 5,000.

Unit-linked products

- **Manulife** introduced a new unit-linked product, **Manulife Dynamic Smart Assurance**, available in IDR and USD. It provides a death benefit, maturity benefit and loyalty benefit with 10-pay or regular premium variants. Minimum annual premiums start from IDR 6 million. Policyholders can make top-ups, partial withdrawals or switch funds. Loyalty benefits, amounting to 100% of the last 10 premiums paid, are paid or credited on the 25th policy anniversary for both variants and every 10 years thereafter for the regular premium variant. Additional riders for health and CI are also available.

Syariah products

- **PT Asuransi Jiwa Manulife Indonesia Syariah (Manulife Syariah)** launched **Proteksi Prima Berkah**, an eight-pay, 25-year endowment product. Death benefits amount to 11 times the annual contribution with additional three times of annual contribution during the 19th policy year onwards, while survival cash payments are paid out on the eighth and 18th policy anniversaries. The minimum monthly contributions are IDR 300,000.
- **MSIG Life** has launched a limited-pay endowment product, **Smile Plan Maxima Syariah**, with coverage up to insured's age of 18, 30, 55 or 60. The product pays out 100% SA upon death or maturity. The minimum annual contributions start from IDR 2.77 million.
- **PT PFI Mega Life Insurance (PFI Mega Life)** launched **Mega Amanah Perlindungan Keluarga**, a 10-pay, 20-year endowment life product in IDR. The minimum contributions start from IDR 15 million. Death benefits are 100% of SA with an additional 100% for accidents or during Umrah pilgrimage. Additional in-patient benefits are also available during Umrah pilgrimage. Survival benefits are provided according to a cash benefit schedule.
- **PFI Mega Life** introduced **Mega Maksima Shield Syariah**, a monthly renewable group credit life product with an SA of the total amount of outstanding loan balance. It pays out 200% SA upon natural death, 500% SA upon accidental death and 100% SA upon TPD.
- **PT Prudential Syariah Life Assurance (Prudential Syariah)** has launched **PRUHeritage Syariah Essential Plan**, a whole life product with limited-pay and regular premium options. The product's sum assured increases by 10% of initial SA every five years, starting from the 11th policy year, capped at 50%. Annual contributions start from IDR 5.5 million.

Microinsurance products

No new microinsurance products were reported to have been launched over Q4 2025.

NEW DIGITAL FEATURES

No new digital features were reported to have been launched over Q4 2025.

OTHER NEWS

- **PT AXA Mandiri Financial Services (AXA Mandiri)** signed a strategic collaboration with AdMedika, a health provider, and Mitra Keluarga Hospital to introduce an accelerated claims service for policyholders. This initiative aims to improve access and the quality of healthcare services by making administrative and medical cost processes more efficient and transparent.
- After obtaining approval from the OJK for its Syariah Business Unit Separation Work Plan (RKPUS), **AXA Financial** announced the spin-off of its Syariah business unit and the establishment of a new company.

Regulatory developments

NEW REGULATIONS IN Q4 2025

Below we describe the new regulations issued over Q4 2025.

- In November 2025, the **OJK** issued **OJK Regulation (POJK) No. 26/2025** and **POJK No. 27/2025** regulations to update **POJK No. 5/2023** and **POJK No. 6/2023**, which regulate the asset-liability management for insurance and reinsurance companies. Some material changes include:
 1. Expanded scope of maximum investment limits on permissible investment placements for the company's fund and sub-funds, such as:
 - Limits for direct investment in unlisted companies increased to 50% of the investor company's total equity (from a previous limit of 10% of the investor company's investment asset value).
 - The limit on overseas investments for unit sub-funds was increased from 20% to 30% of the company's total unit sub-fund portfolio.
 - Restrictions on sub-fund investments in mutual funds were removed.
 2. During the initial setup of a new unit sub-fund supporting investment-linked products (ILPs), the new regulations now allow companies to support unit liabilities with assets outside the sub-fund to optimise the returns earned on the sub-fund. These assets are referred to as seed money and are considered admissible within solvency calculations, subject to the prescribed limits. Internal written guidelines must be set out by the company regarding the governance of this seed money.
 3. For Syariah insurance and reinsurance companies, the new regulations require several conditions to be met when creating multiple Tabarru or Tanahud funds. The separation of funds must be based on the characteristics of related Syariah insurance products. The company must also have adequate technology to separate the funds, must have separate investment strategies for each fund, and must monitor and evaluate each fund's investment performance periodically.
- In December 2025, the OJK issued POJK No. 33/2025 regulating the financial health assessment for insurance companies, surety institutions and pension funds. This regulation requires entities to conduct an individual risk-based self-assessment of their financial health at least once a year as at end-December and submit results to OJK by 15 February or within 30 working days after any update; OJK also performs its own annual end-December assessment, which prevails over the self-assessment.

- For insurers, the assessment covers corporate governance, risk profile, profitability and capital; the risk profile evaluates inherent risks and the quality of risk management measures across strategic, operational, insurance, credit, market, liquidity, legal, compliance and reputational risks. Each factor is rated on a scale of one to five using a comprehensive, structured framework, and a composite rating of the insurer, ranging from one to five, is derived based on the materiality and significance of each factor. This regulation became effective on 1 January 2026.
- In December 2025, the OJK issued **POJK No. 36/2025** regulating the strengthening of the health insurance ecosystem, annulling its previous **Circular Letter (SEOJK) No. 7/SEOJK.05/2025**. The new regulation requires companies to provide health insurance products *without* co-payment features, in contrast with the requirement to apply co-payment features in the previous SEOJK. The policyholder's minimum portion within co-payment features has reduced from 10% to 5% of each claim, although the maximum policyholder portion per claim of IDR 300,000 for outpatient care and IDR 3,000,000 for inpatient care remains the same. Deductibles can also be set for these products, without any prescribed limits. Additionally, the maximum waiting period for CI products is reduced from one year to six months with exemptions for accidents or force majeure. This new regulation also requires that repricing of health products can only be done once a year. Prior to making any repricing official, the company must provide a written notice to policyholders within 30 days before the repricing date, explaining the reasons for repricing, comparisons of pre- and post-repricing premium amounts, and providing alternatives for the policyholders. In addition, the repricing exercise must not yield higher profit margins to the company compared to the initial product launch. No major changes from the SEOJK were made for regulations regarding coordination of benefits, digital integration with healthcare providers, medical advisory functions, or medical check-up requirements. A transition timeline of one year is set for companies to adjust their operational governance and existing products to align with the new regulations.
- In December 2025, the OJK issued a new regulation under **POJK No. 37/2025** governing the supervision of insurance companies, surety institutions, and pension funds. Under the new regulation, OJK is authorised to apply three different supervision statuses: normal, intensive and special. A company may fall under intensive or special supervision if their composite rankings or solvency/liquidity ratios fall within stipulated levels. The company will be supervised within a one-year period that can extend up to an additional one year if the company still falls under certain conditions. Companies that stay under special supervision longer than the specified period given by OJK will then be categorised as incurable and will have their business license revoked.

All supervised companies must submit a recovery plan within 15 days of accepting their notice letter. The plan outlines steps and timelines to improve the company's health and is monitored through monthly progress reports. The first official status release will be based on the financial health assessment and audited financial statements for the full-year 2026 period.

- The OJK has also issued **POJK No.28/2025**, which provides clearer risk management obligations for insurance companies, surety institutions and pension funds, annulling the previous regulation, **POJK No. 44/POJK.05/2020**. Some important changes impacting insurance companies include the requirement for entities with Syariah business units to implement risk management measures on those units. In addition, the regulation requires the entity's Syariah Supervisory Board (DPS) to regularly assess and ensure that Syariah principles are upheld throughout all operations. Another notable change is the requirement for entities to conduct annual risk profile self-assessments, which must be approved by the Board of Directors and submitted to the OJK by 15 February each year. The regulation further expands OJK's authority to impose a broader range of administrative sanctions, including those related to violations of risk management or Syariah compliance. This regulation becomes effective on 1 January 2026.

FORTHCOMING REGULATIONS

Below are several regulatory updates that are expected to emerge in the future.

- Media sources have reported that the OJK is coordinating with Indonesia's Tax Directorate General (DJP) to adjust tax regulations in line with the recent implementation of PSAK 117 (also known as IFRS 17) in Indonesia, as companies move to report on this new accounting standards. The revised tax regulations are targeted to apply starting in Tax Year of Assessment 2026. However, no official regulations have been released by the OJK or the DJP.
- In November 2025, the OJK selected several insurance companies to perform an initial Quantitative Impact Study (QIS) to assess the impact of the revised draft risk-based capital (RBC) framework. These companies were requested to perform initial impact testing on their RBC figures under the new calculation methodology. No official regulations regarding the new capital regime have been issued by the OJK, and further QISes are expected in 2026.

Distribution updates

AGENCY CHANNEL

No new agency channels were reported to have been launched over Q4 2025.

BANCASSURANCE CHANNEL

No new bancassurance partnerships and developments were reported to have been launched over Q4 2025.

DIGITAL CHANNEL AND INSURTECH

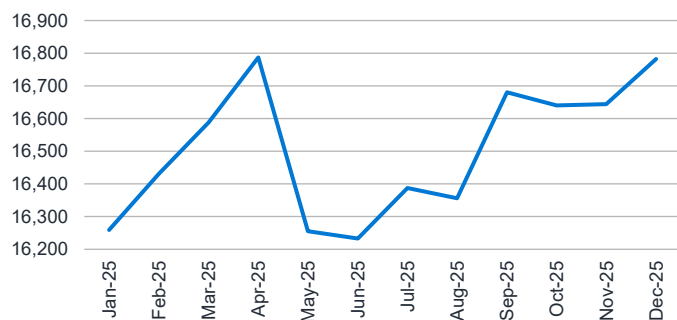
No new digital channels or insurtech developments were reported to have been launched over Q4 2025.

Other recent developments

MACROECONOMICS

The graph below shows the IDR-USD exchange rate over the past 12 months.

FIGURE 2: USD TO IDR EXCHANGE RATES



Source: Bank Indonesia Mid Rates.

As per SEOJK No. 23/SEOJK.05/2024, the discount rate assumptions on a best-estimate basis used in calculating the premium reserves should be based on the yields on government-issued securities at the reporting period. The table below shows the IBPA discount rates as at 31 December 2025.

FIGURE 3: IBPA DISCOUNT RATES, 31 DECEMBER 2025

TENOR	IBPA RATE	TENOR	IBPA RATE
1	4.81	16	6.66
2	5.11	17	6.71
3	5.35	18	6.75
4	5.55	19	6.79
5	5.72	20	6.82
6	5.87	21	6.86
7	5.99	22	6.89
8	6.10	23	6.92
9	6.20	24	6.94
10	6.29	25	6.97
11	6.36	26	6.99
12	6.43	27	7.01
13	6.50	28	7.02
14	6.56	29	7.04
15	6.61	30	7.05

Source: IBPA.

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Milliman leverages deep expertise, actuarial rigor, and advanced technology to develop solutions for a world at risk. We help clients in the public and private sectors navigate urgent, complex challenges—from extreme weather and market volatility to financial insecurity and rising health costs—so they can meet their business, financial, and social objectives. Our solutions encompass insurance, financial services, healthcare, life sciences, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe.

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