



POLICY PAPER

# REVIEWING THE NEED FOR PROTECTION OF WORKERS' RIGHTS AFFECTED BY THE PLTU RETIREMENT (STEAM POWER PLANT)



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# **Reviewing the Need for Protection of Workers' Rights Affected by the PLTU retirement (Steam Power Plant)**

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## Background

### I.

Currently, the retirements of PLTUs or the accelerated termination of their operational life is one of the energy transition strategies in the electricity sector. This has been mandated by Presidential Regulation No. 112 Of 2022 concerning Acceleration of Renewable Energy Development For Power Generation and Regulation of the Minister of Energy and Mineral Resources No. 10 of 2025 concerning the Energy Transition Roadmap in the Electricity Sector. Although detailed details regarding which PLTUs will be retired are not yet available, at least there is a commitment through the international collaboration of Just Energy Transition Partnership to retire early Cirebon 1 PLTU and Pelabuhan Ratu PLTU in West Java.

To follow up on this commitment, the government needs to make a comprehensive assessment of the potential impacts of the planned PLTU retirement, particularly on the community and vulnerable groups. One of the vulnerable groups affected by this plan is PLTU workers, including local communities who have relied on the power plant for their livelihoods. Reflecting on South Africa, the closure of coal mines is expected to directly impact approximately 90,000 coal workers in mining and power generation in Mpumalanga Province.<sup>1</sup> Jika tidak diintervensi dengan pilihan kebijakan yang tepat, maka rencana pemensiunan PLTU, If not intervened with appropriate policy choices, the planned PLTU retirement, which should be a strategic step in promoting energy security and environmental sustainability, will instead create great vulnerability to affected communities, especially workers. On the other hand, Indonesia has the potential to create 2.1 million new jobs and 3.7 million direct jobs from the renewable energy sector by 2030.<sup>2</sup> It is in this context that the

<sup>1</sup> The Presidency Republic of South Africa, *South Africa's Just Energy Transition Investment Plan (JET IP) for the initial period 2023-2027*, [https://assets.bbhub.io/company/sites/63/2022/11/south-africa\\_s-just-energy-transition-investment-plan-2023-2027.pdf](https://assets.bbhub.io/company/sites/63/2022/11/south-africa_s-just-energy-transition-investment-plan-2023-2027.pdf), diakses pada 10 Oktober 2025, hlm. 23.

<sup>2</sup> Global Green Growth Institute, "Employment assessment of renewable energy: Indonesian power sector pathways", *GGGI Country Report*, May 2020, [https://gghi.org/wp-content/uploads/2020/06/Employment-Assessment-of-Renewable-Energy\\_Web\\_final.pdf](https://gghi.org/wp-content/uploads/2020/06/Employment-Assessment-of-Renewable-Energy_Web_final.pdf), accessed on 10 October 2025, p. 30.

narrative of a just transition for affected workers emerges. It is crucial to have a just transition for the workforce by protecting rights and creating sustainable employment and decent work.

Furthermore, although Indonesia currently lacks a policy framework specifically addressing a just transition for workers, it does have the Just Transition Framework - Just Energy Transition Partnership Indonesia, as outlined in the Comprehensive Investment Policy and Plan (CIPP JETP). One of the standards addresses Laborer and Worker Conditions. In this context, the implementation of energy transition is directed to focus on protecting the rights of affected workers, namely:<sup>3</sup>

- (1) Promote fair treatment, non-discrimination, and equal opportunity for workers;
- (2) Foster, maintain, and improve employee-management relations;
- (3) Promote compliance with the laws of national employment and labor;
- (4) Protect workers, including categories of vulnerable workers such as children, migrant workers, workers employed by third parties, and workers in client supply chains;
- (5) Promote safe and healthy working conditions and worker health;
- (6) Avoid the use of forced labor.

Based on above matters, this policy paper aims to analyze gaps in regulations and practices in ensuring the planned retirement agenda for PLTUs, and strives to ensure protection of the rights of affected workers, by referring to the criteria in the CIPP JETP. In this policy paper, the authors focus the research on three PLTUs, namely Cirebon 1 PLTU, Pelabuhan Ratu PLTU, and Paiton PLTU.

With regard to the above, this paper will primarily use the term "worker" to refer to people employed at PLTUs at the research site. The use of this term is not intended to simplify the fact that there is variability in the designation of someone who works and receives wages. However, the term "worker" is used to simplify the writing process while still understanding the term worker as having the same meaning as "laborer," and vice versa.<sup>4</sup>

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<sup>3</sup> JETP Indonesia, *Just Energy Transition Partnership Indonesia: Comprehensive Investment and Policy Plan 2023*, [https://jetp-id.org/storage/official-jetp-cipp-2023-vshare\\_f\\_id-1703731480.pdf](https://jetp-id.org/storage/official-jetp-cipp-2023-vshare_f_id-1703731480.pdf), accessed on October 10, 2025, p. 309.

<sup>4</sup> Almost all legal products related to employment use the term "Worker/Laborer," which implies the use of both terms simultaneously with a synonymous meaning. See: Indonesia, *Law on Trade/Labor Unions*, Law No. 21 of 2000, State Regulation No. 131 of 2000, Supplement to State Regulation No. 3989.

See also: Indonesia, *Law on Employment*, Law No. 13 of 2003, State Regulation No. 39 of 2003, Supplement to State Regulation No. 4279,

See also, sectoral regulations.

## Research Method

### II.

**M** The method used in this research is qualitative, namely empirical research and literature review. The primary sources were results of interviews with affected communities using a sampling method. Secondary sources consisted of relevant documents and legal documents such as laws and other relevant regulations. Sampling at Cirebon 1 and Pelabuhan Ratu PLTUs was carried out because these two PLTUs have received commitments for early retirement through the Just Energy Transition Partnership Indonesia scheme. Furthermore, Paiton PLTU was chosen because the Ministry of Energy and Mineral Resources had early planned to retire Paiton PLTU,<sup>5</sup> although no concrete plans had been made to follow up.

During the data retrieval process, the author team conducted interviews with relevant stakeholders, including:

- Workers:** 15 workers from three PLTUs
- Central government:** Ministry of Manpower, specifically the Manpower Planning and Development Agency.
- Regional Government:** West Java Province Disnakertrans (Manpower and Transmigration Office), East Java Province Disnakertrans, Cirebon Regency Disnakertrans, Cirebon Region III Manpower Supervision UPTD (Regional Technical Implementation Unit).

<sup>5</sup> Firda Dwi Muliawati, "Paiton-Suralaya PLTU Enters the List of Early Retirement Power Plants Before 2030", *CNBC Indonesia*, August 21, 2024, <https://www.cnbcindonesia.com/news/20240821114215-4-565099/pltu-paiton-suralaya-masuk-daftar-pensiun-dini-pembangkit-dahulu-2030>, accessed on October 10, 2025.

## Policy Analysis Related to PLTU Retirement and Its Relation to Protection of Workers Affected by PLTU Retirement

### III.

#### A. Policy Analysis in Energy Sector and Its Relation to Protection of Workers' Rights Affected by PLTU Retirement

In general, policies in the energy sector still very minimum in regulating the relationship between PLTU retirement and the protection of the rights of affected workers. The following is a mapping of regulations in the energy sector:

**Table 1: Energy Sector Policy Mapping and Its Relation to Workers' Rights**

Regulation in Energy Sector	Regulations Related to Protection of the Rights of Workers Affected by Energy Transition
<b>Government Regulation No.79 of 2014 on National Energy Policy</b>	<p>This regulation mandates the Central Government and/or Regional Governments according to their authority to address and resolve energy management issues, one of which relates to job creation arising from the implementation of Energy Transition.</p> <p>However, the KEN (National Energy Policy) does not specifically regulate how to protect the rights of workers affected by the energy transition.</p>
<b>Presidential Regulation No. 22 of 2017 on National Energy General Plan</b>	<p>This regulation mandates that energy management activities must consider work health and safety factors, as well as social impacts. Therefore, it is necessary to improve the implementation of standards and safety in energy supply and utilization.</p> <p>However, the RUEN (National Energy General Plan) does not regulate in more detail how to protect the rights of affected workers, including the role of the Ministry of Manpower in the context of energy transition.</p>

Regulation in Energy Sector	Regulations Related to Protection of the Rights of Workers Affected by Energy Transition
<b>Presidential Regulation No. 112 of 2022</b>	There are no regulations regarding the impacts of energy transition and the protection of workers' rights.
<b>Minister of Energy and Mineral Resources Regulation No. 10 of 2025</b>	<p>The implementation of the just energy transition aspect is one of the criteria that must be considered in accelerating the termination of PLTU operations.</p> <p>Unfortunately, it does not further explain which aspects of the just energy transition serving as indicators. (Article 11 paragraph 2)</p>

From the policy mapping above, it is clear that energy sector policies still do not yet in integrated manner address the protection of workers' rights affected by the energy transition. However, general protection of workers' rights is basically regulated in the law of employment and its derivative regulations. Nevertheless, regulations in the employment sector do not specifically address workers affected by the energy transition. Furthermore, a green jobs roadmap has been developed, among others to address the impacts of energy transition on workers. A more detailed analysis of this will be provided in the next section.

## B. Policy Analysis in Employment Sector Related to Protection of Workers' Rights Affected by the PLTU Retirement

As previously explained, the greatest potential impact of the PLTU retirement is the termination of employment for workers at the companies where the PLTUs will be retired. Therefore, it is important to ensure the protection of these workers' rights. In general, the Law of Employment and its derivative regulations have detailed normative rights for workers. The following is the mapping:

**Table 2: Mapping of Regulations in Employment Sector Relating to Protection of Workers' Rights Affected by PLTU Retirement**

Regulations	Scope of regulations and their relationship to protection of workers' rights affected by PLTU retirement
<b>Law Number 13 of 2003 on Employment as amended by Law Number 6 of 2023 on Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation into Law (hereinafter referred to as Law of Employment)</b>	<p>Regulating worker protection, including:</p> <ul style="list-style-type: none"> <li>• Protection of workers/laborers' basic rights to negotiate with employers,</li> <li>• Protection of work safety and health,</li> <li>• Special protection for female, child and disabled workers/laborers, and</li> <li>• Protection of wages for workers.</li> </ul>

Regulations	Scope of regulations and their relationship to protection of workers' rights affected by PLTU retirement
<b>Law Number 21 of 2000 on Trade/Labor Unions</b>	Regulating the role of labor unions and collective agreements for protecting workers' rights.
<b>Government Regulation Number 37 of 2021 on Implementation of Job Loss Security Program, as amended by Government Regulation Number 6 of 2025, regulating job loss security.</b>	Regulating Security on unemployment for workers at risk of losing their jobs in case of termination of employment.
<b>Minister of Manpower Regulation No. 2 of 2025 on Amendment to Minister of Manpower Regulation No. 15 of 2021 on Procedures for Providing Job Loss Security.</b>	Regulating more specifically the procedures for providing job loss security benefits for workers affected by termination of employment.
<b>Minister of Manpower Regulation No. 6 of 2025 on Implementation of Vocational Training</b>	Regulating vocational training aimed at providing Job Competency, transferring Job Competency, and improving Job competency. This can be utilized by workers affected by termination of employment.
<b>Manpower Circular Letter No. M/6/HK.04/V/2025 on Prohibition of Discrimination in Labor Recruitment Process</b>	Providing protection for workers who are at risk of losing their jobs against discrimination in accessing the job recruitment process.

Regarding the protection of workers affected by PLTU retirement, the main consideration is any rights they should receive upon termination of employment due to retirement. The following outlines workers' rights that should be protected in the context of PLTU retirement:

#### **B.1) Rights to Compensation, Indemnity, and Severance Pay due to Termination of Employment**

In general, the Law of Employment divides the types of employment relationship into fixed-term employment (PKWT) and indefinite-term employment (PKWTT).<sup>6</sup> In addition, there is also outsourcing employment. In this regard, there are differences in the rights that PKWT and PKWTT employees receive in the event of termination of employment. These can be explained as follows:

<sup>6</sup> Indonesia, *Law on Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation into Law*, Law No. 6 of 2023, TG No. 41 of 2023, STG No. 6856, Article 56.

**Table 3. Differences in the Rights of Affected Workers based on the Type of Employment Relationship**

Type of Employment	Reasons for Employment Termination	Worker's Rights
<b>PKWT (Fixed-Term Employment Contract)</b>	<ul style="list-style-type: none"> <li>Death of the worker/laborer</li> <li>Expiration of the Employment Agreement</li> <li>Completion of a specific job</li> <li>A court decision and/or decision by an industrial relation dispute resolution body having permanent legal force</li> <li>Certain circumstances or events stated in the Employment Agreement, Company Regulations, or Collective Labor Agreement that may result in termination of the Employment Relationship.<sup>7</sup></li> </ul>	<ul style="list-style-type: none"> <li>If the employment termination is due to expiration of the employment agreement, <b>there shall be compensation provided to the worker</b></li> <li>If one party terminates the employment relationship before the end of the period stipulated in the PKWT, or the employment termination is not due to the provisions as referred to in Article 61 paragraph (1) of the Employment Law, <b>the worker is entitled to compensation in the amount of the worker/laborer's wages until the end of the employment agreement.</b></li> </ul>
<b>PKWTT (Fixed-Term Work Agreement)</b>	<ul style="list-style-type: none"> <li>The company is conducting a merger, consolidation, take over, or separation of the company and the worker/laborer is unwilling to continue the employment relationship or the employer is unwilling to accept the worker/laborer</li> <li>The company is conducting a downsizing followed by Company Closure or not followed by Company Closure due to the Company experiencing losses;</li> <li>The company is closing due to the Company experiencing continuous losses for 2 (two) years;</li> <li>The company is closing due to force majeure;</li> <li>The company is in a state of suspension of debt payment obligations;</li> <li>The company is bankrupt;</li> <li>There is a request for Termination of Employment submitted by the worker/laborer for the reason that the Employer has committed an act as stipulated in Article 154A of the Employment Law</li> </ul>	<ul style="list-style-type: none"> <li>The employer is obliged to pay <b>severance pay and/or service awards and compensation for rights.</b></li> <li>The calculation of the amount of severance pay is regulated in the Employment Law and more specifically in the Minister of Manpower Regulation No. 2 of 2025 on Amendment to the Minister of Manpower Regulation No. 15 of 2021 on procedures for providing job loss security.</li> </ul>

<sup>7</sup> Indonesia, Law on the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into Law, Article 61.

Specifically for outsourced workers, the employment relationship can be either a PKWT (Fixed-Term Work Agreement) or PKWTT (Fixed-Term Work Agreement).<sup>8</sup> The difference is that the company outsources part of the work implementation to another company through an outsourcing agreement. In this context, the protection of workers/laborers' rights, wages, welfare, and disputes are the responsibility of the outsourcing company, and the outsourcing company should comply with the workers' rights as outlined in the table above.

Based on this division, regarding the retirement of PLTUs, several points need to be considered:

- (1) The provisions regarding termination of employment in the Employment Law cover terminations that occur in all forms of business entities, social enterprises, and other businesses that have management and employ other people by paying wages or other forms of compensation.<sup>9</sup> This means that this **regulation will apply to PLTUs owned by both the state and private.**
- (2) **The reasons for PLTU Termination also need to be clearly identified to know the rights that workers affected by the termination should receive.** In this case, there are several possible reasons for termination of employment in the context of PLTU Retirement, namely:
  - PLTU retirement can be categorized as a condition where the Company is merging, consolidating, or taking over the Company and the workers/laborers are unwilling to continue the Employment Relationship or the Employer is unwilling to accept the Workers/laborers. In this situation, it is still possible for PLTU workers to work at the new employer if the PLTU is taken over by a new company operating in the energy sector. However, the decision to continue the employment relationship from both parties is an important factor in this situation.
  - A PLTU retirement can be categorized as a condition caused by force majeure, although the Employment Law does not further explain what circumstances are categorized as force majeure. However, based on the results of discussions with the Cirebon Regency Manpower Office, the Office views that the PLTU retirement can be categorized as force majeure due to changes in policy.<sup>10</sup>

The differentiation between the types of employment relationships and the reasons for termination of employment then impacts the calculation of entitlement/rights. This can be explained as follows:

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<sup>8</sup> Indonesia, *Law on the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation into Law*, Article 66.

<sup>9</sup> Indonesia, *Law on Employment*, Article 150.

<sup>10</sup> Results of Hearing with the Cirebon Regency Manpower Office on June 26, 2025.

**Tabel 4. Perbedaan Hak Pekerja Terdampak Pemutusan Hubungan Kerja berdasarkan Alasan PHK**

Type of Right	Type of Employment Relationship	Reason For Termination	Calculation
<b>Compensation</b>	PKWT (Fixed-Term Employment Contract)	The reason for termination does not determine the amount of entitlement/rights calculation	<p>The amount of compensation for PKWT which term has not yet expired is calculated based on the Worker/Laborer's length of service.</p> <p>The amount of compensation is awarded according to the following provisions:</p> <ol style="list-style-type: none"> <li>PKWT for 12 (twelve) continuous months, is awarded 1 (one) month's Wages;</li> <li>PKWT for 1 (one) month or more but less than 12 (twelve) months, is calculated proportionally as follows: length of service/12 x 1 (one) month's wages;</li> <li>PKWT for more than 12 (twelve) months, is calculated proportionally as follows: length of service x 1 (one) month's wages.</li> </ol> <p>Wages are basic wages and fixed allowances/ wages without allowances/ basic wages.</p>
<b>Severance pay, reward pay, and compensation of rights</b>	PKWTT (Fixed-Term Work Agreement)	If a Company conducts a merger, consolidation, or separation and the worker/laborer is unwilling to continue the Employment Relationship or the Employer is unwilling to accept the Worker/Laborer, the Worker/Laborer will receive:	<ul style="list-style-type: none"> <li>- severance pay equal to 1 (one) times the provision of Article 40 paragraph 2 (severance pay based on length of service);</li> <li>- length of service reward pay equal to 1 (one) times of the provision of Article 40 paragraph (3) (length of service reward pay based on length of service); and</li> <li>- compensation of rights according to the provision of Article 40 paragraph (4) (annual leave, return fare costs)<sup>11</sup></li> </ul>
		Company takeover resulting in changes to employment conditions and the Worker/Laborer is unwilling to continue the Employment Relationship	<ul style="list-style-type: none"> <li>- severance pay equal to 0.5 (zero point five) times the provision of Article 40 paragraph (2);</li> <li>- length of service reward pay equal to 1 (one) times the provision of Article 40 paragraph (3); and</li> <li>- compensation of rights according to the provision of Article 40 paragraph (4).</li> </ul>

<sup>11</sup> Indonesia, Government Regulation (PP) on Fixed-Term Employment Agreements, Outsourcing, Working Hours and Break Hours, and Employment Termination, PP No. 35 of 2021, SG (State Gazette) No. 45 of 2021, STG (State Gazette Supplement) No. 6647, Article 40.

Type of Right	Type of Employment Relationship	Reason For Termination	Calculation
		Force majeure	<ul style="list-style-type: none"> <li>- severance pay of 0.5 (zero point five) times the provisions of Article 40 paragraph (2);</li> <li>- length of service reward pay of 1(one) time the provision of Article 40 paragraph (3); and</li> <li>- compensation of rights according to the provision of Article 40 paragraph (4).</li> </ul>
<p><b>Job Loss Security (JKP)<sup>12</sup></b></p> <p><b>Job Loss Security is a social security benefit provided to Workers/ Laborers who experience Termination of Employment in the form of cash benefits, access to job market information, and Job Training. Workers can obtain this right if their company has registered them in the social security system.</b></p>	PKWT / PKWTT	Workers/ Laborers experience Termination of Employment, whether based on an indefinite-term or fixed-term employment agreement.	<ul style="list-style-type: none"> <li>- <b>The cash benefits</b> received are 60% of wages (with a wage limit of IDR 5,000,000) for maximum 6(six) months, using the last wage reported by the Employer to Employment BPJS.<sup>13</sup> Cash benefits are provided by Employment BPJS.</li> <li>- <b>Access to job market information benefits</b> are job market information and/or job guidance. This service is provided by the Ministry of Manpower in the form of job vacancy data.<sup>14</sup> Job guidance services are provided in the form of self-assessments and/or career counseling.</li> <li>- <b>Job Training benefits</b> are provided in the form of competency-based training, both online and offline, organized by the Ministry of Manpower.<sup>15</sup></li> </ul>

<sup>12</sup> This Job Loss Security is a social security measure securing workers' rights if their employment is terminated, provided by the state, outside of the company's obligations. See in Indonesia, *Government Regulation on Implementation of Job Loss Security Program*, PP No. 37 of 2021, SG No. 47 of 2021, STG No. 6649, Article 1 number 1.

<sup>13</sup> Indonesia, *Government Regulation on Amendment to Government Regulation Number 37 of 2021 on Implementation of Job Loss Security Program*, Government Regulation No. 6 of 2025, State Regulation No. 14 of 2025, Supplement to State Regulation No. 7093, Article 21.

<sup>14</sup> Indonesia, *Government Regulation on Implementation of Job Loss Benefit Program*, Article 26.

<sup>15</sup> *Ibid*, Article 30.

Type of Right	Type of Employment Relationship	Reason For Termination	Calculation
		<p>Note: The right to JKP benefits will be lost if the worker/laborer does not submit a JKP benefit claim within 6 months of Employment Termination, or death.<sup>16</sup></p> <p>PKWT workers are more vulnerable to not receiving JKP benefits because the JKP system requires a specific time period, which sometimes cannot be met by the PKWT work period.</p>	

## **B.2) The Right to Association and Its Relation to the Role of Trade Unions/Labor Unions in the Context of Protecting the Rights of Workers Affected by the Retirement of the Steam Power Plant**

Basically, trade/labor unions aim to provide protection, defend the rights and interests, and improve the welfare decent for workers/laborers and their families.<sup>17</sup> These unions have the following functions:

1. as a party in the creation of collective labor agreements and the resolution of industrial disputes;
2. as a representative of workers/laborers in labor cooperation institutions according to their levels;
3. as a means of creating harmonious, dynamic, and equitable industrial relations in accordance with applicable laws and regulations;
4. as a means of channeling aspirations in fighting for the rights and interests of its members;
5. as planners, implementers, and persons responsible for worker/labor strikes in accordance with applicable laws and regulations;
6. as the representative of workers/laborers in fighting for share ownership in the company.

The existence of a Labor Union can encourage a Collective Labor Agreement (CLA). CLAs open up workers' bargaining power through trade/labor unions because collective labor agreements are drafted through deliberation. **In the context of PLTU retirement, a CLA can clearly regulate the rights and obligations of workers and labor unions, as well as the rights and obligations of the company, thereby providing legal protections such as wages, welfare, social security (including loss of job security), and other normative rights.** <sup>18</sup>

<sup>16</sup> Indonesia, Government Regulation on Amendment to Government Regulation Number 37 of 2021 on Implementation of Job Loss Security Program, Article 40.

<sup>17</sup> Indonesia, Law on Trade/Labor Unions, Article 1 number 1.

<sup>18</sup> Indonesia, Law on Employment, Article 124.

### **B.3) Right to Access Information and Public Participation Regarding Company Conditions and Potential Termination of Employment**

The planned retirement of PLTUs and its potential for termination of employment need to be communicated to workers from the outset. This is because termination of employment needs to be carried out through several stages, as follows:

- (1) Employers, workers/laborers, trade unions, and the government must strive to prevent termination of employment;
- (2) In the event that termination of employment cannot be avoided, the employer shall notify the worker/laborer and/or the workers' union/labor union of the intention and reasons for the termination of employment.
- (3) If the Worker/Laborer has been notified and refuses the termination of employment relationship, the termination of employment must be resolved through bipartite negotiations between the Employer, the Worker/Laborer, and/or the Worker/Laborer's Union.<sup>19</sup>
- (4) If the bipartite negotiations as referred to in paragraph (3) do not reach an agreement, the termination of employment will proceed through the next stage in accordance with the Industrial Relation Dispute Resolution Mechanism.<sup>20</sup>

This demonstrates that the termination of employment process aims to protect and ensure workers' access to information and the participation of workers or labor unions regarding the certainty of their rights and opportunities. **Therefore, it is important that access to information regarding the company's condition, including the plan for the PLTU retirement, is communicated to workers from the outset.**

### **B.4) Right to Obtain Alternative Employment Without Discrimination**

In accordance with Employment Circular Letter Number M/6/HK.04/V/2025 on Prohibition of Discrimination in Employee Recruitment Process, it is necessary to have protection for workers who are at risk of losing their jobs to avoid discrimination in accessing the job recruitment process. In this regard, it is important to examine how the Government's policies ensure a job market that can accommodate workers affected by the PLTU retirement. In this regard, the Government has developed a roadmap related to green jobs. However, on the other hand, integration between these various roadmaps is important:

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<sup>19</sup> The Constitutional Court of the Republic of Indonesia declared the phrase "shall be conducted through bipartite negotiations between the Employers and the Workers/Laborers and/or the Trade/Labor Unions" in Article 151 paragraph (3) in Article 81 number 40 of the Annex to Law Number 6 of 2023 is contrary to the 1945 Constitution and not legally binding as long as not interpreted, "shall be conducted through bipartite negotiations in deliberation for consensus between the Employers and the Workers/Laborers and/or the Trade/Labor Unions." See Constitutional Court of the Republic of Indonesia, *Constitutional Court Judgment Number 168/PUU-XXI/2023*, Section "Adjudicating" number 19..

<sup>20</sup> The Constitutional Court of the Republic of Indonesia declared the phrase "termination of employment shall be carried out through the next stage in accordance with the industrial relations dispute resolution mechanism" in Article 151 paragraph (4) in Article 81 number 40 of the Annex to Law Number 6 of 2023. 2023 is contrary to the 1945 Constitution and has no binding legal force unless as long as not interpreted, "In the event that bipartite negotiations as referred to in paragraph (3) do not reach an agreement, Employment Termination may only be carried out after obtaining a decision from an industrial relations dispute resolution institution whose decision has been legally binding." See in *Ibid*, Section "Adjudicating" number 20.

**Table 5: Mapping of Policies Related to Job Creation, Especially Green Jobs**

Policy	Drafting Agency	Roadmap Direction	Other Notes
<b>Green Jobs Occupation Map</b>	The Ministry of National Development Planning/ Bappenas, the Ministry of Manpower, the Indonesian Chamber of Commerce and Industry (Kadin), and the National Professional Certification Agency	Serving as a reference for Ministries/Institutions in developing a national certification scheme to ensure and maintain green jobs competencies.	Mandating several integrations with employment policies, such as: <ul style="list-style-type: none"> <li>- Integration of green skills-based curricula and modules into schools, vocational schools, and job training centers</li> <li>- Development of a comprehensive national database on green jobs and the green workforce</li> <li>- Integration of green jobs into job market information systems</li> </ul>
<b>Indonesian Green Workforce Development Roadmap</b>	Ministry of National Development Planning/ Bappenas	To determine the direction and focus of workforce skills and competency development aligning with the needs and development of the green industry.	Sekalipun begitu, belum ada mandat untuk integrasi kebijakan ini dalam Rencana Tenaga Kerja Nasional
<b>National Manpower Plan (RTKN)</b>	Ministry of Manpower	Guidelines for formulating the policies, strategies, and programs of employment development	Not addressing energy transition issues in detail. While the RTKN greatly emphasizes the narrative of the Industrial Revolution 4.0 and Golden Indonesia 2045, it neglects to address employment issues related to the energy transition and green jobs.

A follow-up to the above policies is the importance of integrating policies in the energy sector, development planning, and employment. This is not only to ensure job creation but also to protect the rights of workers affected by the energy transition, particularly those affected by the PLTU retirement.

### C. Energy Transition Policies at Regional Level and Their Relation to Protection of the Workers' Rights Affected by PLTU Retirement

At the regional level, particularly in West Java and East Java, energy-related policies are primarily regulated in the Regional Energy General Plan. West Java has West Java Provincial Regulation No. 2 of 2019, and East Java has ratified its Regional Energy General Plan (RUED) through East Java Provincial Regulation No. 6 of 2019, as amended by East Java Provincial Regulation No. 3 of 2024. Although both regulations have attempted to minimize coal in the primary energy mix by 2025 and 2050, there is no direction or strategy for retiring PLTUs in the two regions.

The energy transition and protection of the rights of affected workers are also not addressed in both regulations. However, both the West Java Regional Energy Agency (RUED) and the East Java Regional Energy Agency (RUED) have directed that a shift to renewable energy is necessary to create domestic jobs. Furthermore, based on East Java Governor Regulation No. 6 of 2019, the East Java Energy and Mineral Resources Agency (ESDM) also has a role in providing guidance and supervision regarding human resource competency in energy management, although the coordination mechanism with institutions authorized to handle this matter has not been detailed.

Furthermore, specifically regarding regional institutions in the employment sector, until now they lack a plan to address the potential wave of layoffs resulting from PLTU retirement.

# Retirement Plan of PLTUs and Its Impact on Workers' Rights Protection: A Case Study of Cirebon-1 PLTU, Pelabuhan Ratu PLTU, and Paiton PLTU

## IV.

### A. General Profile of Workers and Workers' Conditions at the Related Three PLTUs

Based on field findings at the three related PLTUs, four types of workers were identified. This division was based on the type of work, length of service, and wage payment scheme, namely:

- Full-time Workers (PKWTT), namely workers whose employment relationship is not limited by time.
- Contract Workers (PKWT), namely workers whose employment relationship is limited by a specific time period or the completion of a specific job.
- Outsourced Workers (PKWT), namely workers whose work is not directly related to the company's core business and whose work is outsourced to other party or company. Outsourced workers can be either PKWT or PKWTT workers.
- Seasonal Workers, namely workers whose employment relationship is based on the season/weather, or certain conditions. Seasonal workers are categorized as PKWT workers. Generally, these seasonal workers come from the local community around the PLTU.

Field findings indicate that workers have varying employment relationships with their companies. Full-time workers generally apply to workers with a service period of more than five years, while contract workers apply to workers with a service period of less than five years. These two categories apply to workers bound by direct employment relationship with **PLTU operating** companies and with core types of work, such as production operations, electrical technicians, environmental K3, balance of plant (BOP), boiler operators, and ground floor.

However, for outsourced workers, the majority workers are still bound by PKWT (fixed-term contracts), even though their employment service has been for more than five years. These outsourcing companies also serve as labor suppliers for non-core business jobs, such as drivers and security guards, as well as core business jobs such as quality control officers, coal crane operators, and directors.

Furthermore, seasonal worker status only applies to workers who carry out maintenance process during shutdowns or outages at PLTU units<sup>21</sup>. One example is a quality control worker under contract with an outsourcing company. He works during outages, which occur three times a year.

Furthermore, local residents are recruited to perform temporary works during shutdowns, with weekly to monthly work periods. These temporary jobs generally involve maintenance work at PLTUs, such as cleaning turbines and welding. This leads to local dependence on the works provided by PLTUs during shutdowns. As reported by local residents around PLTUs, many of them take seasonal jobs at more than one unit due to the alternating shutdown periods. Once the shutdown is over, these workers typically end up working as casual workers, waiting for the next shutdown. This situation is also due to the fact that the majority of workers in PLTU operating companies are immigrants.

Only a small number of local residents work there. This situation is almost identical at the three sample PLTUs. One reason is that the recruitment process is nationally integrated, allowing anyone to apply, leading to competition at broader scale. As a result, local residents are eliminated and only assigned to seasonal work.

Another reason is that the PLTUs have a deep-rooted relationship with the surrounding communities, and some of the community infrastructures are the result of PLTU companies' CSR.<sup>22</sup>

Furthermore, regarding worker conditions, field findings indicate that conditions vary considerably among the four types of workers described above. Full-time and contract workers are generally provided with normative employment rights, such as **overtime pay, the right to occupational health and safety (K3)** such as personal protective equipment (PPE) and regular annual medical check-ups, the right to associate and appropriate working hours. For outsourced workers, these rights are still relatively fulfilled by the company, although not comprehensively.

Article 59 of the Law of Employment clearly stipulates that seasonal work is included among the jobs that can be contracted with a PKWT (Fixed-Term Employment Agreement). This is further emphasized in Decree of the Minister of Manpower and Transmigration Number KEP-100/MEN/VI/2004 of 2004 on Provisions for Implementation of Fixed-Term Employment Agreements, which states that works required to meet specific orders or targets can be performed under a PKWT as seasonal works. Therefore, there is no reason for companies to treat seasonal workers according to the rights received for workers by PKWT.

<sup>21</sup> Outage is a condition where a unit is not synchronized with the network and is not in a reserved shutdown (not operating because it is not needed by the system). See Akhmad Adnan et al., "Analysis of the EAF and EFOR Reliability Index at PT. Cahaya Fajar Kaltim Power Plant," *Journal of Electrical Technology*, Vol. 14 No. 01, January 2023: 34-38, p. 35.

<sup>22</sup> CSR is short for Corporate Social Responsibility, usually in the form of funding or other forms shared by a company for the environment around its business premises. See in Indonesia, *Law on Limited Liability Companies*, Law No. 40 of 2007, SG No. 106 of 2008, STG No. 4756, Article 1 number 3.

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Berbeda dengan para pekerja yang telah disebutkan sebelumnya, bagi para pekerja musiman, hak-hak tersebut tidaklah dipenuhi. Bahkan, terdapat pekerja musiman semasa *outage* yang jam kerjanya selama 12 jam dan masuk setiap hari tanpa adanya libur. Kondisi kerja tersebut membuat beberapa pekerja mengidap penyakit akibat kerja yang parah hingga kecelakaan kerja. Kondisi demikian tentunya merupakan sebuah pelanggaran ketenagakerjaan.

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## B. Analysis of Gaps in Protection of Workers' Rights Affected by PLTU retirement

### B.1) Impact of PLTU Retirement on Protection of Workers' Rights

Indonesia's planned retirement will undoubtedly impact PLTU workers. These impacts require attention from both the government and companies to protect these rights. Some of the identified impacts are:

- **Impact on Potential Job Losses and Limited Access to Information Related to Job Losses for Affected Workers**

As previously explained, the retirement of the PLTU will certainly have impact of potential job losses on permanent, casual, outsourced, and seasonal workers. In the context of energy transition, these workers are particularly vulnerable and need to have their rights protected. Therefore, it is crucial to fulfill the right to information regarding retirement plans so that workers can prepare themselves and understand their rights.

Unfortunately, field findings indicate that the company has not fully fulfilled the right to information. Workers receive much of the information regarding PLTU retirement from outside the company. Furthermore, transparency of information for workers is the first step towards workers' active involvement in PLTU retirement process. If they are well-informed, workers can participate and play a role in the planning process for PLTU retirement in the labor sector. As a directly impacted subject, PLTU workers need to be able to calculate the risks of PLTU retirement. Suppose that in 2025, workers at the three PLTUs are of productive age in looking for jobs, then if retirement occurs in the next 10-12 years, they will be in their productive working age. **It is feared that PLTU workers who are in their productive working age will have difficulty finding new jobs because they are in their productive working age, not in their productive job-seeking age.**

Furthermore, until now there is no clarity regarding which PLTUs will be retired and what they will be replaced with. Will the land and buildings be converted into a renewable energy generator, or will they be closed immediately, or other possibilities? This uncertainty will undoubtedly significantly impact the fate of workers. In this context, companies are

required to at least have a roadmap and communicate the steps they are taking to ensure certainty for workers.

- **Outsourced and Seasonal Workers Are More Vulnerable Due to Lack of Social and Employment Security**

As explained in the previous section, there are several types of employment relationships commonly recognized in PLTUs. These four types of employment relationships have their own level of risk. Of these four types of employment relationships, outsourced and seasonal workers are most at risk.

Outsourced workers are vulnerable because their employment relationship is not directly with the main company, but with a vendor or labor provider company. Furthermore, seasonal workers also have similar employment relationships. At the site, seasonal workers are found to be bound to vendor companies which are also not bound to vendors. This means that if they are not bound to vendor companies, their vulnerability increases even more if the PLTU retirement of is not carried out with a thorough plan.

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**This occurs because if workers who are not bound to vendors are laid off, they will most likely not be protected from security of fulfillment of severance pay, compensation, or indemnification, because there is most likely no party responsible for paying these rights to workers who are not bound to vendors**

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It is important to emphasize that most seasonal workers are residents who live near the PLTU, and even depend on their seasonal work for their livelihood.

Furthermore, field investigations have shown that workers' normative rights are essentially met. This also applies to the normative rights of outsourced and seasonal workers. However, there are some important points to note. **The employment social security system, specifically the Job Loss Security (JKP) benefit, will be received by workers if they meet the requirements, are aware of it, and claim it.** The requirement to claim JKP benefits is only met if participants have contributed for at least 12 months within the last 24 months and have paid contributions for at least six consecutive months prior to layoff. **Meanwhile, outsourced and seasonal workers have no assurance that their contributions will be paid regularly during this minimum contribution period, as in practice, many vendor companies "whitewash" these outsourced workers' contracts.** Therefore, the Company and the Government need to identify the number of outsourced and seasonal workers at PLTUs and the number of outsourced and seasonal workers. The government needs to ensure social security protection for these affected outsourced and seasonal workers.

## **B.2) Minimal Protection of Freedom of Association Impacts the Weak Bargaining Position of Workers Affected by PLTUs That Will Be Retired**

Currently, the need for having association among PLTU workers has emerged. At least, labor unions have been established at each of PLTU operating companies. For example, at Pelabuhan Ratu PLTU, there are unions at both PT Indonesia Power and PT Indonesia Power Service. At Paiton PLTU, three different companies also have their own labor unions. The presence of labor unions at each company varies in characteristics. Some unions are affiliated with federations while others operate independently.

However, not all companies accommodate freedom of having unions. For example, at Cirebon 1 PLTU, there is no labor union for the reason that it is a national vital object that does not allow the union existence. Furthermore, the majority of outsourcing companies do not facilitate labor union. In fact, one worker was reluctant to join a union for fear of being used as an excuse not to renew his contract. This situation violates every worker's right to have a union as part of human and constitutional rights of citizens. The International Covenant on Economic, Social and Cultural Rights (ICESCR) expressly guarantees the right of everyone to form trade unions and to join trade unions of their choice. Law Number 21 of 2000 on Worker/Labor Unions stipulates that anyone is prohibited from preventing workers from forming, becoming administrators, becoming members, or carrying out labor union activities.

In the context of the energy transition, the presence of labor unions is vital. Their presence is expected to strengthen workers' bargaining power in facing any potential future events. Furthermore, there is currently a legal vacuum specifically regulating worker transition in the energy transition. This can be anticipated by **including clauses regarding plans for addressing energy transition, specifically PLTU retirement and the transition of workers in collective employment agreements (PKB), to serve as binding norms between companies and workers.** Furthermore, labor unions can serve as **a means of distributing and disseminating information on energy transition to workers, given that this information is not yet widely known to PLTU workers.**

## **B.3) Lack of Inventory of the Number of Workers Potentially Affected by PLTU retirements**

Inventorying or collecting data on workers at PLTU retirement is crucial for knowing the actual employment conditions at PLTUs that will be retired. This information is needed by regional labor agencies to address labor issues and early detect potential problems that may arise due to PLTU retirement.<sup>23</sup> This inventory will serve as a reference for workers' normative rights, such as the nominal compensation and job loss security. In addition to normative rights, the data owned can also serve as the materials for stakeholders' planning to ensure the job market availability as alternative post-retirement employment for potentially job losing workers.

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<sup>23</sup> Results of hearing with the East Java Provincial Manpower and Transmigration Office, May 22, 2025.

Unfortunately the government, particularly institutions in the employment sector, currently lacks a comprehensive inventory of data and conditions on workers employed at PLTUs, including PLTUs to be retired. This data collection process can actually be carried out by utilizing the Mandatory Employment Reporting System (WLKP) platform, managed by the Ministry of Manpower. The WLKP is a data and information platform developed by the Ministry of Manpower and is supposed to be a regulatory instrument for mandatory disclosure. Unfortunately, the lack of a sanction mechanism for WLKP reporting makes it appear to be a voluntary instrument.

In addition to WLKP utilization, it is crucial to strengthen the role of regional governments, both provincial and regency (district)/city, in the inventory and data collection of workers at PLTUs, by synchronizing data between the provincial and regency (district)/city governments. In the context of employment inspection, provincial governments have the authority to collect data on company inspections, of both the number of workers and the fulfillment of normative labor rights.<sup>24</sup> Further, regency (district)/city governments also have the authority to conduct inventories of company regulations and fixed-term employment agreements (PKWT), which must be reported by companies in the regency (district)/city to the local Manpower Office. Unfortunately, there is no integrated data collection on the number of workers, the fulfillment of normative rights, and compliance with company regulations, which should serve as a basis for monitoring the protection of workers' rights affected by the PLTU retirement.

Based on the above issues, several aspects need to be strengthened. **First**, it needs to strengthen the WLKP by not only collecting data on the number of workers, gender, whether or not they have disabilities, and contract status, but also inventorying their educational background and certifications, as well as other basic knowledge of the workers. **Second**, it is important to integrate WLKP with the employment supervision system carried out by the Provincial and Regency/City Manpower Offices, as well as the Job Market Information System.<sup>25</sup> With this in mind, it is expected that a comprehensive inventory of affected workers will serve as a basis for the government to early detect potential layoffs due to PLTU retirement, conduct mapping of the number of jobs needed and the workforce available at the time of PLTU retirement.

#### **B.4) Limited Time for Claiming Job Loss Security and Health Security after Employment Termination**

As previously explained, regulations limit claims for job loss security and health security to maximum 6 (six) months since the Employment Termination occurs. This requires to be criticized more deeply, considering the current situation of alternative employment creation. If there is a time limit for accessing job loss security and health security, it is necessary to ensure that the job market for providing alternative employment is ready to face the wave of layoffs. Furthermore, it is also necessary to ensure that human resources who have been dependent on fossil fuel industry

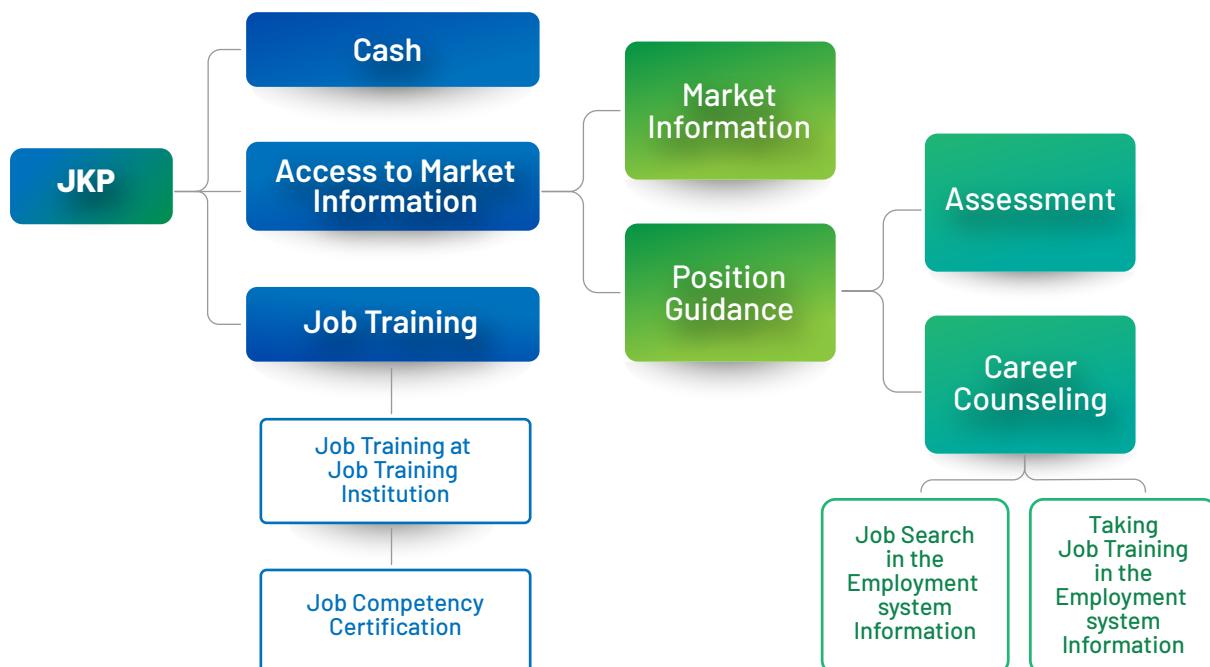
<sup>24</sup> This authority refers to Law on Labor Inspection, and its presence arises within the Provincial Manpower Supervision Technical Implementation Unit (UPTD), which is assigned to oversee regency/city areas. See in Indonesia, Law on Employment, Article 178 paragraph(1).

<sup>25</sup> Center for Employment Data and Information Technology, "Letter Number B-7/910/RK.01/VI/2025", Employment Planning and Development Agency, Ministry of Manpower of the Republic of Indonesia, June 25, 2025.

employment are ready to enter the job market/green jobs. However, encouraging this readiness still faces various challenges.

**First, it is necessary to have certainty in the implementation of career counseling and the availability of a job market that accepts workers affected by PLTU retirement.** Terdapat There are several benefits of Job Loss Security, as outlined below:

**Figure 1. Job Loss Benefit Scheme**



*Source: Extracted from Minister of Manpower Regulation 2/2025*

Instead of the cash benefits provided by the JKP program, workers at PLTUs who will be retired, especially those in the younger workforce, consider their priority need to be the security of replacement employment after the PLTU retirement. Workers aged 20-30, with an estimated retirement date in 2035, will be 30-40 years old. This age is considered a productive working age, but not for job searching. Therefore, ensuring adequate career counseling and good job market access is crucial for PLTU workers

**Second, the forms of access to job loss security have not been well socialized.** As a security, what is more important is how it is implemented. The Ministry of Manpower has developed a platform called *SIAPKerja*, or "Employment Service Information and Application System." However, the question is whether the workers affected by the PLTU retirement must face the job market competitively and compete freely with all existing job seekers, regardless of age, and special conditions? Furthermore, the purpose of the *SIAPKerja* platform itself has not been well-socialized, especially considering the variety of features it offers, such as *Karirhub*, *Skillhub*, *Sertihub*, *Bizhub*,

and *Talenthub*.<sup>26</sup> Therefore, it is crucial that workers affected by PLTU retirement have access to assistance with these forms of Job Loss Security features.

## **B.5) Lack of Policies Related to the Provision of Alternative Employment Opportunities for Workers Affected by PLTU Retirement**

Currently, the provision of alternative employment opportunities has become a discussion topic of the Government. Based on the results of hearing with the Ministry of Manpower, the Government emphasized the importance of reskilling (skill/competency transfer) and upskilling (skill/competency improvement) based on job market needs in the green sector. One of the efforts made is the preparation of the Indonesian Green Workforce Development Roadmap and the Green Jobs Occupation Map within the Indonesian National Qualifications Framework. Nevertheless, several challenges are still found in creating this labor market initiative:

### **(1) Inconsistency in labor market initiatives due to minimum coordination between stakeholders.**

**stakeholders.** Currently, there are various general directives to strengthen and develop training, skills enhancement, and retraining programs and general human resource development within the Indonesia Long Term Strategy Low Carbon and Climate Resilience 2050<sup>27</sup> However, efforts to create green job policies are still fragmented between various ministries, such as the Ministry of National Development Planning (Bappenas), the Ministry of Manpower, the Ministry of Education, Culture, Research, and Technology, the Ministry of Industry, the Ministry of Energy and Mineral Resources, and so on. In addition, green employment development policies have not been fully integrated into national employment policies.<sup>28</sup> Furthermore, the Green Employment Development Roadmap in Indonesia issued by Bappenas should provide an opportunity for integration. This is because the roadmap has mandated several follow-up efforts, such as: integrating green jobs into the job market information system (SIPK), developing a national database that presents comprehensive data on green employment conditions and green workforce with disaggregated data, up to developing a communication platform that facilitates information exchange and inter-institutional planning, as well as the integration of green policies and initiatives across various sectors.<sup>29</sup>

### **(2) Lack of policy interventions for competency provision, competency enhancement, and skills transfer.** Although the need for an additional green workforce in Indonesia is estimated to reach 3 million people in the next five years, job creation alone is not enough. Policy interventions are needed to create a skilled workforce. Unfortunately, current intervention efforts remain inadequate, including among others:

<sup>26</sup> Ministry of Manpower of the Republic of Indonesia, *SIAPKerjaID*, <https://account.kemnaker.go.id/auth/login>, accessed on October 10, 2025.

<sup>27</sup> United Nations, "United Nations Framework Convention on Climate Change (UNFCCC)", *Indonesia LTS LCCR 2050*, [https://unfccc.int/sites/default/files/resource/Indonesia\\_LTS-LCCR\\_2021.pdf](https://unfccc.int/sites/default/files/resource/Indonesia_LTS-LCCR_2021.pdf), p. 117.

<sup>28</sup> Mariska, "Optimizing Green Job Opportunities By Green Workforce Preparation", *Bappenas Working Papers*, Vol. VII No. 3, November 2024, p. 234.

<sup>29</sup> National Development Planning Agency(Bappenas), *Indonesian Green Workforce Development Roadmap*, 2025, [https://perpustakaan.bappenas.go.id/e-library/file\\_upload/koleksi/dokumenbappenas/konten/Dokumen%202025/Konten/02-06-2025%20Fin%20Peta%20Jalan%20Pengembangan%20Tenaga%20Kerja%20Hijau%20Indonesia%20%5BISBN%5D.pdf](https://perpustakaan.bappenas.go.id/e-library/file_upload/koleksi/dokumenbappenas/konten/Dokumen%202025/Konten/02-06-2025%20Fin%20Peta%20Jalan%20Pengembangan%20Tenaga%20Kerja%20Hijau%20Indonesia%20%5BISBN%5D.pdf), accessed on October 10, 2025, pp. 116-117.

- (a) Indonesia's education system has not yet adapted to the needs of the transition. The current curriculum has not fully integrated green economy concepts and sustainable practices.<sup>30</sup>
- (b) Lack of adequate training centers to support workforce needs in the renewable energy sector. For example, only the Serang Vocational and Productivity Training Center (BBPVP) has conducted training on solar panels.<sup>31</sup>

**(3) The limited flow of information about the energy transition with regional employment institutions.**

**Based on the results of interviews with both the West Java and East Java Provincial Manpower Offices, these two institutions are still not sufficiently exposed to the issue of PLTU retirement and energy transition. This indicates an information gap between the central government and the regional governments. This is in contrast to the Cirebon Regency Manpower Office which has been involved in discussions several times with the Cirebon-1 PLTU company and ADB to discuss the PLTU's early retirement plan and discuss future plans. Even so, it is necessary to understand that the Provincial Manpower Office has an important role in ensuring the availability of competent workers in accordance with the needs of the job market, including organizing job training activities, counseling, and facilitating workforce placement. Therefore, the involvement of the Provincial Manpower Office in efforts to create alternative employment opportunities is important.**

## C. Lessons Learned from Efforts to Protect Workers' Rights Affected by Energy Transition: Lessons from Other Countries

Many countries currently working on retiring PLTUs or transitioning to a green economy have adopted various approaches to protecting the rights of affected workers and creating alternative job markets. The following is a comparison of several policies across countries:

Indicator	The Act to Reduce and End Coal Fired Power Plant Germany	Energy Transition Act New Mexico	Taranaki (New Zealand) 2050 Road-Map	Net Zero Economy Authority Act 85/2025 Australia
Energy transition plan	Gradually retiring PLTUs until 2038 with monitoring.	It does not clarify a specific roadmap, but emphasizes the urgency of transitioning to renewable energy and the importance of grid modernization.	By 2050, the focus will be on eliminating coal emissions and developing various energy sources (wind, solar, biofuel, and ocean energy). Furthermore, Carbon Capture Storage will be explored, where possible.	Focus on protecting workers in the coal and gas sectors affected by the Net Zero Emissions plan

<sup>30</sup> *Ibid.*, p. 235.

<sup>31</sup> Results of hearing with the Ministry of Manpower on June 10, 2025. In general, the BBPVP is a unit tasked with vocational training, productivity improvement, competency certification, and consultation and networking improvement in the vocational and productivity training.

Indicator	The Act to Reduce and End Coal Fired Power Plant Germany	Energy Transition Act New Mexico	Taranaki (New Zealand) 2050 Road-Map	Net Zero Economy Authority Act 85/2025 Australia
<b>Worker protection instruments</b>	Giving compensation to workers through transition payments, especially for PLTU or coal mining workers entering their senior years (58 years and older).	<p>Funding is provided to assist affected workers:</p> <ul style="list-style-type: none"> <li>▶ Energy transition displaced worker assistance fund</li> <li>▶ Energy transition Indian affairs fund</li> </ul> <p>The use of these funds is in accordance with bottom-up planning</p>	<ul style="list-style-type: none"> <li>▶ Establish co-design learning activities for young people and retraining for workers, not only technical workers but also workers in managerial roles (e.g., training for HRD of companies to be in transition to identify potential workers to be able to adapt to green jobs).</li> <li>▶ Create spaces for networking to job-finding assistance.</li> </ul>	<p>Establishment of a Net Zero Authority, among others assigned to:</p> <ul style="list-style-type: none"> <li>▶ Support workers affected by the transition to access employment</li> <li>▶ Support affected indigenous communities to participate in and benefit from the transition</li> </ul>
<b>Efforts to create alternative labor markets</b>	N/A	Provision of funds for the Economic Development Assistance Fund. The funds will be used according to an economic diversification plan, involving affected communities down to the grassroots level.	<ul style="list-style-type: none"> <li>◉ Focus economic transformation on tourism, renewable energy, and food</li> <li>◉ Recognize the Maori people's dependence on nature for the creation of economic alternatives, thus ensuring environmental restoration and reforestation..</li> </ul>	N/A
<b>Others</b>	CO2 certificates are no longer required for power plants that will be closed.	The formation of community advisory committees in each affected community, which must be consulted for all decision making, particularly regarding the use of funds.		N/A

Based on the comparison above, there are several lessons to learn:

**1. The importance of a bottom-up approach in efforts to ensure a just transition for workers.**

Reflecting on the comparison above, a just transition is basically rooted in social dialogue, meaningful engagement of stakeholders, and workers' rights. For example, learning from New Mexico, although financial assistance has been provided through the energy

transition displaced worker fund, planning for its use still requires a social dialogue process with a community advisory committee to ensure a bottom-up approach. By this approach, in addition to more inclusive worker engagement, the use of facilities and support is expected to be more targeted according to the needs. In the Indonesian context, institutional support could be encouraged in the form of the formation of task forces at the regional level assigned to fostering social dialogue with affected workers and ensuring that policy choices, facilities, and support are effectively targeted.

**2. The importance of having reliable worker data or inventory as a basis for just transition policy making.**

Worker data or inventory is crucial for identifying different policy interventions. For example, different policy interventions can be implemented based on the worker's productive age. In Germany, providing cash assistance focuses on affected workers entering their senior years (58 years and older). Meanwhile, skills transfer and skills enhancement mentoring approach focuses on workers who are still of productive working age. Further, learning from Taranaki, the policy intervention approach is not only capacity building, but also to create spaces to facilitate connections, collaboration, and resource sharing across regions. This allows workers to connect with job and educational opportunities, and companies can access resources according to their needs. In this regard, the Taranaki roadmap also emphasizes providing material support for workers to assess their own qualifications and credentials, allowing them to determine their development needs and future employment opportunities according to the results of their independent skills identification..

**3. The importance of interventions not only for the company technical workers but also managerial workers.**

To date, workers in managerial roles, such as human resources development, legal, and finance, often feel less impacted by the energy transition. Consequently, efforts to improve skills and transfer skills are often directed at technical workers. The Taranaki 2050 Road Map serves as an example of how a focus on skills improvement is also needed for managerial workers. For example, training for those responsible for recruitment on how to identify skills that are applicable in various occupations and transferable from one job to another.

## Conclusions and Recommendations

### V.

**B**ased on the above explanation, it can be concluded that in responding to PLTU retirement, strengthening policies and capacity for stakeholders are still needed. This is because the existing policies protecting the rights of affected workers are still inadequate, fragmented, and centralized. Furthermore, information flow is still not fully distributed to all parties, particularly affected workers and the Regional Governments.

In general, there are three major categories of issues, summarized from the analysis discussed previously, namely: a) issues related to the protection of workers' rights affected by PLTU; b) issues related to infrastructures or instruments to strengthen the protection of workers' rights affected by PLTU retirement; c) issues related to the provision of alternative employment opportunities, including capacity increase and skills transfer facilities. For that purpose, the following are the recommended strengthening:

Kategori Isu	Permasalahan	Rekomendasi Penguatan
<b>Protection of workers' rights affected by PLTU retirement.</b>	Lack of policies related to the protection of workers' rights affected by PLTU retirement.	<ul style="list-style-type: none"><li>Integrate policies related to the protection of workers' rights affected by PLTU retirement into the National Energy General Plan, Regional Energy General Plan, and National Manpower Plan.</li><li>Integrate assessments related to the protection of workers' rights affected by PLTU retirement into the just transition indicators in ESDM Minister Regulation 10/2025 on Energy Transition Roadmap in Electricity Sector.</li></ul>

Kategori Isu	Permasalahan	Rekomendasi Penguatan
	<p>Lack of clarity regarding the reasons for Employment Termination for workers, which impacts the amount of severance pay, compensation, and other benefits</p>	<p>Certainty is needed regarding the mechanism for employment termination due to PLTU retirement, by guaranteeing the recognition of workers' normative rights based on their work contributions. <b>This can be encouraged through a Circular Letter of the Ministry of Manpower containing the mechanism for employment termination due to PLTU retirement, including any rights required to fulfill.</b></p>
	<p>The large number of outsourced and seasonal workers resulting in minimal protection of job loss security.</p>	<ul style="list-style-type: none"> <li>• <b>Encourage Companies and Regency (District)/City Manpower Offices to identify and inventory the number of outsourced and seasonal workers</b>, as part of early detection of conflict risks.</li> <li>• <b>Encourage Regency (District)/City Manpower Supervision Technical Implementation Units (UPTD) to monitor</b> registration for employment social security programs, followed by formalization of seasonal worker employment relationships.</li> <li>• <b>Encourage the Ministry of Manpower, in coordination with Provincial and Regency (District)/City Manpower Offices, to develop tailored training</b> programs for communities dependent on their lives as outsourced or seasonal PLTU workers to have the skills to enable them to change jobs.</li> </ul>
	<p>Lack of access to worker information regarding the company's plan to retire the PLTU and plans for affected workers</p>	<ul style="list-style-type: none"> <li>• <b>Encourage the Government and companies to engage in social dialogue regarding the PLTU retirement with labor unions and workers</b>, particularly regarding the retirement plan, its timeframe, and the certainty of workers' rights.</li> <li>• <b>Encourage the Government and Companies to involve trade/labor unions in the planning of PLTU retirement</b> to ensure meaningful trade unions participation from the planning stage.</li> </ul>

Kategori Isu	Permasalahan	Rekomendasi Penguatan
	<p>Lack of protection for freedom of participating in unions has weakened the bargaining position of workers affected by PLTU retirement.</p>	<ul style="list-style-type: none"><li>• <b>Encourage the Regency (District)/City Labor Supervision Technical Implementation Unit (UPTD) to monitor</b> that fulfillment of the right to freedom of participating in unions is not violated by companies.</li><li>• <b>Encourage the establishment of Collective Labor Agreements between workers and companies</b> that clearly regulate the rights and obligations of workers and labor unions, as well as the rights and obligations of companies, thereby providing legal protections for wages, welfare, social security, and other normative rights.</li></ul>
	<p>The time limit for claiming Employment Loss Security and Health Security is only six months after termination of employment.</p>	<ul style="list-style-type: none"><li>• <b>Revising Ministerial Regulation 2/2025</b> not to limit the time for accessing job loss security and health security after termination of employment.</li><li>• <b>Active socialization by companies and BPJS</b> regarding the Job Loss Security program.</li></ul>
<b>Strengthening infrastructure or instruments to strengthen the protection of workers' rights affected by PLTU retirement.</b>	<p>Lack of inventory of the number of workers affected by PLTU retirement.</p>	<p><b>Strengthening Mandatory Employment Reporting Infrastructure in Companies, through:</b></p> <ul style="list-style-type: none"><li>• Building collaboration between the Ministry of Manpower (as the WLKP manager), the Provincial Manpower and Transmigration Office (as the employment supervisory officer), and the Regency/City Manpower Office (as the supervisor of Company Regulations and Fixed-Term Employment Agreements) to synchronize and harmonize the most up-to-date labor data.</li><li>• Updating the WLKP program to include disaggregated data, particularly on worker profiles comprehensively (e.g., adding age and education level categories).</li><li>• Integrating WLKP data with data from other ministries/agencies to create a national database that provides comprehensive data on green labor and green job conditions with disaggregated data.</li></ul>

Kategori Isu	Permasalahan	Rekomendasi Penguatan
	<p>Lack of structured data regarding workforce conditions (e.g. age and education level)</p>	<ul style="list-style-type: none"> <li>• Encouraging monitoring of compliance with WLKP reporting, including the option of adding sanctions for companies that do not report WLKP</li> </ul>
	<p>Minimal involvement of local governments in early detection of potential layoffs</p>	<ul style="list-style-type: none"> <li>• <b>Encourage the formation of a cross-institutional Task Force in priority areas affected by PLTU retirement</b> having at least the following authorities of: <ul style="list-style-type: none"> <li>□ Early detection of potential industrial relation disputes arising from PLTU retirement</li> <li>□ Conducting a complete data collection/inventory of worker profiles, including age, educational level, competency, and length of service periodically and continuously, at companies operating PLTUs that will be retired, in accordance with their authorities.</li> </ul> </li> <li>• <b>Capacity building for relevant regional Agencies/ Offices</b> (provincial and regency/city levels) on issues of equitable energy transition, particularly the Manpower Agency, Regional Development Planning Agency (Bappeda), and the Women's and Children's Empowerment Agency.</li> </ul>
	<p>Lack of Government oversight of Company compliance with obligations under the Law of Employment.</p>	<p><b>Encourage district/city labor inspection units (UPTD) to monitor</b> compliance with the Law of Employment.</p>
<p><b>Providing alternative employment opportunities, capacity building facilities, and skills transfer.</b></p>	<p>The priority need of productive-age workers is certainty job replacement after the PLTU retirement, not cash assistance.</p>	<ul style="list-style-type: none"> <li>• <b>Encourage the Ministry of Manpower to collaborate with Companies or labor associations to map the competencies of PLTU workers</b> and the types of competency enhancement available, along with a mapping of available job opportunities.</li> <li>• <b>Encourage the Ministry of Manpower to activate the features</b> of career counseling, job training, and adequate job market information in SIAPKerja.</li> </ul>

Kategori Isu	Permasalahan	Rekomendasi Penguatan
	The form of access to job loss security has not been well-socialized.	<ul style="list-style-type: none"><li>• <b>Encourage the Ministry of Manpower to integrate green jobs into the job market information system (SIPK).</b></li></ul>
	Inconsistencies in labor market initiatives due to minimal coordination between stakeholders.	<ul style="list-style-type: none"><li>• <b>Encourage the Ministry of Manpower to integrate the mandate of the green jobs roadmap into the National Manpower Plan</b>, specifically to develop a roadmap to protect workers affected by PLTU retirement.</li><li>• <b>Establish a more regular and accountable multi-party forum</b> related to potential issues arising from PLTU retirement, including the Ministry of Manpower, Energy and Mineral Resources (ESDM), the Social Security Agency (BPJS), and Regional Governments.</li></ul>
	There is still a lack of adequate Educational curricula and training centers to support workers' transition needs	<ul style="list-style-type: none"><li>• <b>Energy and Mineral Resources and the Ministry of Manpower to increase the Capacity of Vocational Training Centers in the Workforce</b> related to green job training.</li><li>• <b>Building collaboration between the Ministry of Energy and Mineral Resources, the Ministry of Manpower, the Ministry of Primary and Secondary Education, and the Ministry of Industry</b> to design and implement green skills-based curricula and modules in Vocational High Schools (SMK), Polytechnics, Vocational Schools, and Job Training Centers (BLK), and so on.</li></ul>
	Minimum intervention for workers working in the management of companies affected by PLTU retirement	<b>Building mechanisms and cooperation for capacity building programs for managerial workers</b> , e.g. Capacity building for HRD in identifying the transferability of skills of ex-PLTU workers

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