



A Review of the Concept of People's Housing Savings Reviewed from the General Principles of Good Governance

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ARTICLE INFO

Keywords: Tapera, Good Government, Social Welfare, Housing

Received : 01 April 2025

Revised : 16 April 2025

Accepted: 17 May 2025

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ABSTRACT

Tapera was established to help the people. However, workers consider the 3% funding cut to be detrimental. This can answer the question of how the idea of public housing savings is seen from the principles of good governance. This research aims to increase knowledge about the concept of public housing savings by looking at the general principles of good governance. Doctrinal law research is carried out using a legislative approach. This tapera program is considered non-transparent because it uses unclear terms to explain how funds are used. Workers felt disadvantaged by the deduction of tapera funds, so they filed a material appeal to the constitutional court. The Tapera program was then evaluated because the concept was similar to the three million houses program.

INTRODUCTION

According to the state prosperity theory, the government functions as a legislative institution to maintain the public interest and realize society. However, the applicable law limits the government in carrying out its duties. If we look at the function of government in this Welfare State, one of the legal products is Law Number 4 of 2016 concerning People's Housing Savings. This law was created to create equality in Indonesia and create social welfare for the Indonesian people.

According to Article 1 number 1 of Law Number 4 of 2016 concerning People's Housing Savings, People's Housing Savings, or Tapera, are funds that are saved by participants periodically for a certain period of time. These funds are only used for housing financing and/or returned after the membership period ends. The purpose of tapera is to support citizens' rights to decent housing, so that the people of Foam can have decent and cheap houses with the existence of tapera.

Tapera participants themselves consist of Indonesian employees and immigrants who have a visa to work in Indonesia for at least six months and have paid deposit. For workers and self-employed workers, there is a 3% savings discount. For workers, this 3% deduction is only taken 2.5% of their salary, and 0.5% from the employer. In contrast to self-employed, self-employed workers must voluntarily give 3% of their salary. Government Regulation Number 21 of 2024 concerning the Implementation of Public Housing Savings explains this.

The fourth paragraph of the Preamble to the Constitution of the Republic of Indonesia in 1945, which states that "... produce Tapera Law. general welfare. This law is expected to improve social welfare by meeting the housing needs of citizens to build an independent, independent, productive, and complete Indonesia. In addition, tapera is also another option to support people's housing financing.

However, in accordance with Article 10 of Law Number 30 of 2014 concerning Government Administration, the government is limited to carrying out these tasks with the standard of authority set by law.

Making and formulating laws and regulations is one of the responsibilities of the government. The government formulated Law Number 4 of 2016 concerning Public Housing Savings as a legal product that comprehensively regulates Public Housing Savings because Indonesia does not yet have a special law that comprehensively regulates Public Housing Savings before it was passed. However, Law Number 4 of 2016 concerning Public Housing Savings has caused both positive and negative responses among people.

One of the legal issues we faced was Tapera, which required every worker and self-employed to participate by paying a contribution of 3% of wages (2.5% for workers and 0.5% for employers). Law Number 4 of 2016 and Government Regulation Number 21 of 2024 regulate this responsibility. Employers and trade unions, however, rejected this obligation as it was considered financially disruptive, especially amid poor economic conditions and declining purchasing power. This salary cut is considered to reduce workers' income and reduce

employment. This can also cause companies to reduce their consumption and investment. Application Number: 134/PUU-XXII/2024 states this.

The researcher will seek answers to the question: How is the concept of public housing savings seen from the basis of good governance? As a result, this study is expected to increase knowledge about ideas about people's housing savings by looking at the general basics of good governance.

LITERATURE REVIEW

Legal Study of Tapera Implementation

Access to decent housing is a basic human need protected by Article 28H paragraph (1) of the 1945 Constitution. The problem is that not everyone has access to financing to get a house. The inequality of these conditions is mainly influenced by unequal income factors. The government has issued Law Number 4 of 2016 concerning Housing Savings which was followed up with Government Regulation Number 25 of 2020 concerning the Implementation of Public Housing Savings (Tania et al., 2021).

The need for a house is also one of the benchmarks for welfare. This is in line with the 4th paragraph of the Preamble to the 1945 Constitution (hereinafter abbreviated as the 1945 Constitution) which states that "... and to establish a government of the State of Indonesia that protects the entire Indonesian nation and all Indonesian bloodshed, and to promote the general welfare, educate the life of the nation, and participate in the implementation of a world order based on independence, lasting peace, and social justice...". The state's goal is then also reflected in the fifth point of the Pancasila Silas, which is to realize social justice for all Indonesian people. Pancasila and the preamble to the 1945 Constitution as the basic norm of the state animates all joints of the life of state administration, gives direction on the form of the state, the ideal of state law, the foundation of state administration so that the state as a community or organization has a clear goal and will guide towards what is aspired to.¹ To realize the general welfare, the role of the state is needed as the concept of the material law state or the welfare state.

Given the importance of the need for housing, the United Nations (UN) institution lists the right to housing as a Human Rights as contained in Resolution 217A of the Universal Declaration of Human Rights dated December 10, 1948, especially in Article 25 paragraph (1).⁵ In addition, the protection of the right to housing as a human right is also regulated in a number of laws and regulations in Indonesia, including: (1) Article 28H paragraph (1) of the 1945 Constitution; (2) Article 40 of Law Number 39 of 1999 concerning Human Rights, that "everyone has the right to live and live a decent life"; (3) Article 11 Paragraph (1) of the International Covenant on Economic, Social, and Cultural Rights which has been ratified by Law Number 11 of 2005 concerning the Ratification of the International Covenant on Economic, Social, and Cultural Rights; and (4) Article 26 of the International Covenant on Civil and Political Rights which was ratified by Law Number 12 of 2005 concerning the Ratification of the International Covenant on Civil and Political Rights.

The Role of the Government in the Provision of Public Housing

The government's role is to encourage an increase in people's purchasing power for housing and facilitate people's access to housing financing sources that are balanced with the provision of affordable housing. To help people access housing, the government organized a housing savings program with the promulgation of Law Number 1 of 2011 concerning Housing and Residential Areas (hereinafter abbreviated as Law 1 of 2011). In Article 123 paragraph (1) letter b, that the deployment and fertilization of funds for the development of housing financing systems and residential areas includes housing savings funds. Meanwhile, the definition is stated in the explanation section that what is meant by "housing savings are deposits that are made periodically within a certain period of time, whose withdrawal can only be made according to certain conditions agreed upon in accordance with the agreement, and used to get access to credit or financing for the construction and repair of houses, as well as home ownership from financial institutions"

The implementation of housing savings is further regulated in the law as referred to in Article 124 of Law 1 of 2011. On the order of this article, the government issued Law Number 4 of 2016 concerning Public Housing Savings (Tapera Law) which was promulgated on March 24, 2016 while the implementing regulations of the Tapera Law were regulated by Government Regulation Number 25 of 2020 (PP Tapera) on May 20, 2020. At the stage of forming regulations regarding Public Housing Savings (Tapera), the government has ignored the provisions of the law where in Law 1 of 2011 it is stated that implementing regulations (including the Tapera Law) are stipulated no later than 1 (one) year after promulgation. The Tapera Law was only promulgated in 2016, which was 6 years after it was ordered. Then in Article 81 of the Tapera Law, it is ordered that implementing regulations (including the Tapera PP) be stipulated for a maximum of 2 (two) years since they were promulgated. But the Tapera PP was only promulgated in 2020, 4 years later after the Tapera Law ordered. The formation of these regulations is considered to be non-compliant with the principles of the formation of laws and regulations, especially the principles of enforceability,⁸ the principle of openness, and the principle of usefulness and profitability (Tania, 2021).

Housing Policy in Indonesia

Housing is everyone's need, and it's a problem for those on low incomes. This is an urgent issue along with rapid population growth. Indonesia, with more than 270 million people in 2023 and 56% of them living in urban areas, the need for affordable housing is increasing (BPS, 2023). The program to build 3 million housing units for low-income people (MBR) faces various challenges, including land availability, access to financing, and government policies that are not yet fully supportive. The availability of land is increasingly limited, especially in major cities in Indonesia, where land prices have increased dramatically (Mutaqi et al., 2024). In addition, despite the existence of subsidy programs such as the Housing Financing Liquidity Facility (FLPP), many MBRs have difficulty accessing financing due to low income and lack of collateral (Prasetyono, 2016).

Each government changes, bringing changes in policies on the provision of housing, especially housing for low-income people. The government has tried to implement various policies in line with the dynamics of existing changes. The One Million Houses program initiated by the government in 2015 is one of the significant efforts to overcome the housing crisis. According to Susilawati (2018), this program aims to provide homes for 1 million families every year, with 70% of the units built targeted for MBR. However, despite this commitment, the realization of the program is often hampered by various factors, including coordination between relevant agencies, at the central or regional levels, and also between the relevant government and the private sector. In the context of housing policy, it is important to understand that housing is not just a physical need, but is also an integral part of social and economic development. According to data from the Central Statistics Agency (BPS) in 2020, around 11.4 million households in Indonesia still live in uninhabitable houses. This shows that there is a significant gap in the provision of decent housing for the community. Therefore, housing policies must pay attention to sustainability and inclusivity aspects, and involve community participation in project planning and implementation (Priyono & Silalahi, 2025).

Another problem that is an obstacle in housing development is the availability of land. Mutaqi et al. (2024) noted that in major cities such as Jakarta and Surabaya, land prices have increased significantly, becoming expensive and difficult for MBR to access. This limited land availability is not only due to high market demand, but also to spatial policies that often do not support the development of affordable housing. This automatically causes developers to prefer to build commercial projects that provide greater returns than MBR housing, thus reducing the number of housing units available for MBR. And statistically, the housing needs for MBR are generally in urban areas with relatively large populations and economic centers. Housing development requires land that must have easy access to community activity centers, such as areas where they work, schools, hospitals, which must at least be accessible by proper public transportation. Development that does not consider land accessibility will not have a positive impact on meeting housing needs for MBR. Some of the possible realities are vacant housing that is not in demand by MBR.

METHODOLOGY

This research was conducted using a doctrinal law research method, and a legislative approach was used. In analyzing these regulations, researchers gather legal materials by looking at various legal journals, legal documents, and expert opinions to find solutions to legal problems. Peter Mahmud Marzuki said that doctrinal research is similar to normative legal research in that both are used to improve arguments so that new theories or concepts are created to help solve legal problems.

RESEARCH RESULT AND DISCUSSION

The globally recognized institutions defined good governance as "governance for sustainable human growth" in its 1999 policy document. According to the definition given by the United Nations Development Program

(UNDP), "good governance is a cooperative and beneficial relationship between states, the private sector, and society." From this definition, the author concludes that good governance is the state's focus on the growth of the public sector that supports each other, effective and efficient governance that aims for the benefit of the community based on the principles of public welfare. This is in line with the definition of "good government" created by the United Nations Development Program (UNDP).

Policies made or issued by the government will have a significant impact on society, so it is expected that the implementation of such policies will have a positive impact on society. Certainty, usefulness, and fairness are essential elements of policies created to mitigate their negative impacts. Government policies must meet several criteria, namely: (1) transparency, meaning that each stage involves the public; (2) the legal basis; (3) objectives; (4) success metrics; and (5) whether or not it conflicts with other policies. If government is not seen as an important factor in government policy, society will not be an important factor in government policy. Community support and participation as components that affect the success of government policies. Since Indonesia adheres to a people-centered democratic system, it must provide the public with the opportunity to participate in the policy-making process. The Indonesian people must participate in policy-making to demonstrate their stewardship of good governance. To achieve good governance, it is necessary to develop clear, real, and appropriate government accountability by referring to the general principles of good governance.

Jeremy Bentham built a theory of utilitarianism, or utility, to help them make policy. This theory of utility is centered on the legal goal: to achieve happiness through the provision of benefits to society. How much an action produces happiness is a measure that determines whether it is good or bad. To create a policy, actual circumstances must be used, which include several options, so that it can be predicted whether the policy is successful in delivering benefits or requires a reassessment. Basically, utilitarianism is an understanding of morality that argues that actions that are considered good are actions that are beneficial, beneficial, and beneficial, while actions that are considered bad are actions that cause suffering and loss. According to utilitarianism, this is unfortunate because everyone wants happiness rather than suffering.

Actually, regulations that limit investment in trust funds have actually existed for a long time in Indonesia, especially in the Ministry of Finance. Prior to this, there have been various models of community fund management that differ in their autonomy. For example, the Civil Servant Housing Savings Advisory Board is very limited in its resource management, while the Employment Social Security Administration Agency has a more flexible plan. For other public fund management institutions, such as PT Dana Tabungan dan Asuransi Jasa Negeri and the Health Social Security Organizing Agency, similar provisions also apply. The Public Housing Savings Law also contains similar provisions to ensure the same principle in the management of public trust funds, considering that this investment restriction was previously not regulated at the legal level. In a housing savings program, the stage of utilization of funds is the

most important because here it must be ensured that each participant will receive his or her rights after actively participating in the program for a certain period of time. As a result, the law must explicitly specify the types of benefits promised to participants. One of the most important advantages is the ownership of a first home, which is the main goal of this national savings program. To ensure that the rights of participants are guaranteed, the law should establish requirements for those who are entitled to receive the benefits of housing funds, time limits for the disbursement of participant rights, and regulations on how funds are distributed in stages. This is done to ensure that participant benefits are provided fairly and on time while maintaining the liquidity of the housing savings management institution.

According to Triono Junoasmono, Director General of Public Works and Housing Infrastructure Financing at the Ministry of Public Works, the main goal of the Tapera Law is to ensure that housing is available, accessible, affordable, and sustainable for the entire Indonesian population. This is in accordance with the state's obligation to fulfill the rights of its citizens to a place of residence, which is regulated in Article 28H paragraph (1) of the State Law of the Republic of Indonesia. This goal is achieved through the application of the three principles above. According to him, the basis of mutual cooperation lies in how the Tapera Fund is managed. In this situation, not all Tapera Participants who have saved can receive Tapera financing. On the other hand, Participants with the status of Low-Income Communities (MBR) will be assisted by other Participants who are more capable through the management of collective savings consisting of Tapera funds used for housing financing. This concept produces distributive justice in housing financing because it is better able to help the less fortunate. This is achieved by participating in savings that are meant to provide inexpensive funds for the long term. In addition, funds are collected to meet the housing needs of participants who belong to the low-income community (MBR) group at affordable prices. This mutual cooperation is not just an economic idea; It is an example of the values of social solidarity that places common well-being as a top priority in achieving greater goals.

Workers and independent laborers are required to pay large social security contributions, including Tapera, in contrast to the Confederation of Indonesian Trade Unions (KSBSI). National Union Union, Chemical, Energy, and Mining Workers Union Confederation of All Indonesia Trade Unions, Tourism and Creative Economy Workers Union Confederation of All Indonesia Trade Unions, Independent Electricity Workers Union (PELITA) West Kalimantan, Agricultural and Plantation Workers Union, Agricultural and Plantation Workers Union, Plantation and Plantation Workers Union, Plantation Workers' Union Association, and Trade Union Association In addition, the Petitioners claim that Article 23A, Article 28D, and Article 28H of the 1945 Constitution are contrary to Article 7 paragraph (1), Article 9 paragraph (1), and Article 64 letter a of the Tapera Law. The Petitioners argue that being a member of Tapera is unconstitutional. As a result, the provision is not included in other levies that appear to be taxes and force all Low-Income Community (MBR) or non-MBR workers.

The author argues that the rules used by the tapera program are not profitable because the principle is mutual cooperation to improve the welfare of the community. This is evidenced by Article 34 of the 1945 Constitution of the Republic of Indonesia, which states that the government is responsible for ensuring social welfare. However, as part of Law Number 4 of 2016 concerning People's Housing Savings, employee salaries are deducted by 3% for social welfare. Regarding Law Number 4 of 2016 concerning People's Housing Savings, APINDO conducted a judicial review of the Constitutional Court because of the burden of regulations experienced by workers.

The Tapera program is considered to overlap with the 3 million homes program, which is considered inefficient and unbeneficial. In addition, the Tapera program burdens workers, so workers file a judicial review in response to their rejection. Because this policy does not involve stakeholders, this tapera program is considered not in accordance with regulations. In addition, this tapera rule is unfair to workers and does not explain how the funds will be used. In addition, Tapera is considered similar to previous subsidized housing programs: Tapera is considered similar to previous housing subsidy programs, such as the Housing Financing Liquidity Facility (FLPP), but they use a different method, which actually adds to the problem without solving the problem of a clear housing backlog. Although the primary goal of Tapera's policy is to help low-income people get housing, additional evaluations are needed to ensure transparency, efficiency, and better public acceptance.

More specifically, the purpose of the Public Housing Savings Act is to make workers the main actors in managing the fulfillment of their own and their families' housing needs with the support of employers and governments (central and regional), which will help expand workers' access to the housing financing system and, ultimately, increase people's purchasing power. This law will establish general rules regarding housing savings schemes without eliminating regional autonomy or differences between regions. Rather, it would open the door to more specialized arrangements in the region based on the principles of local wisdom, applied according to local circumstances.

According to Article 7 of Government Regulation Number 21 of 2024 concerning the Implementation of People's Housing Savings, the targets of the tapera program are Civil Servants (PNS), Indonesian National Army (TNI), Indonesian National Police (POLRI), State-Owned Enterprises (BUMN), Regional-Owned Enterprises (BUMD), State Officials, and Independent Workers. The main program of the Prabowo-Gibran cabinet targets informal workers such as traders, in contrast to the 3 million houses program. Although they have different goals, they both have the same goal: to improve social welfare by equalizing society.

On February 6, 2025, the author conducted an interview with the Cirebon City Housing and Settlement Area Office (PERKIM) to determine if they had direct authority over the tapera. Based on the author's interview with Mrs. Linda, one of the PERKIM staff, they only have the authority to take care of permits and public facilities. The author conducted interviews with not only the Cirebon City Settlement and Settlement Area Office (PERKIM), but also with the Public Works

and Spatial Planning Office (PUPR), which has limited authority due to permits. The results of interviews conducted with the two relevant agencies show that they are not directly involved in the management and implementation of the tapera. The Public Works and Spatial Planning Office (PUPR) is only responsible for licensing, while the Housing and Residential Areas Office (PERKIM) is responsible for public facilities and licensing.

One of the Jokowi government's programs is the People's Housing Savings. This program is managed by the Public Housing Savings Agency (BP Tapera), which is a public legal entity that is fully responsible for the management of the tapera funds. The Housing and Settlement Office (PERKIM) and the Public Works and Spatial Planning Office (PUPR) in the regions are also responsible for the provision of tapera facilities even though they do not have direct authority over the tapera. The main task of the Public Housing Savings Organizing Agency (BP Tapera) is to collect participant contributions on a regular basis; managing funds raised through safe and profitable investments; and provide funds for housing financing for eligible participants.

To keep the tapera program running in accordance with the law, the Public Housing Savings Administration Agency (BP Tapera) collaborates with various public institutions such as banks, housing development, and other related agencies. The housing development institution collaborates with the Public Housing Savings Agency (BP Tapera) to provide housing for MBR. In addition, BP Tapera is working on a digital platform "Tapera Mobile" to track progress and prevent fraudulent practices. In addition, the Public Housing Savings Agency (BP Tapera) collaborates with the Ministry of Agrarian and Spatial Planning/National Land Agency (ATR/BPN) to ensure that the subsidized houses built meet feasibility standards. Strengthening institutional governance is very important so that Tapera's main goals can be achieved fairly and sustainably.

CONCLUSION AND RECOMMENDATIONS

Indonesian citizens do not benefit from tapera. Because it uses vague terms to explain how funds are used, this tapera program is considered non-transparent. In addition, the contribution burden is considered to be a burden on employees. In addition, due to its overlap with the three million houses program, the tapera program requires a better evaluation of its certainty, efficiency, and public acceptance. Strengthening institutional governance is very important so that Tapera's main goals can be achieved fairly and sustainably.

ADVANCED RESEARCH

Future research should focus on evaluating the effectiveness, transparency, and public perception of the Tapera program in Indonesia. Studies should investigate the lack of clarity in fund management, the burden of mandatory contributions on employees, and overlaps with existing housing initiatives such as the Three Million Houses program. An in-depth analysis is needed to assess whether Tapera meets its intended goals and how its design affects public trust and participation.

Additionally, research should explore strategies to improve institutional governance and accountability within Tapera. This includes examining mechanisms for transparency, stakeholder communication, and the efficient use of collected funds. By identifying key areas for reform, future studies can support the development of a more equitable and sustainable housing finance system that genuinely benefits Indonesian workers.

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