Relocating the National Capital

Minister of National Development Planning/National Development Planning Agency (BAPPENAS)

55th International ISOCARP Congress – Beyond the Metropolis
Borobudur Hotel, 10 September 2019
Outline

1. The History of Jakarta and the Discourse of the National Capital Relocation
2. Various Problems in Jakarta
3. Why the National Capital must move outside Java Island
4. Economic Impacts of National Capital Relocation
5. Development Equity Strategies
6. Estimated Investment and Financing Schemes
7. Institutional Arrangement
8. Stages of the National Capital Relocation
01 The History of Jakarta and the Discourse of the National Capital Relocation
Indonesia needs a capital city that represents national identity

- Batavia (1619) chosen and built by Dutch East India Company (VOC), as a port city to trade agricultural and plantation products (spices). The VOC established Batavia as the administrative center of government.
- Batavia is a representation of Dutch interests, not the interests of the Indonesian people.

- Indonesia needs a capital city that:
  - represents national identity and unity within the framework of nation and state building; and
  - reflect the diversity of Indonesia.

- This was realized by previous Presidents

1957

1980

2010

2017

Palangkaraya

Jonggol

Jonggol

Palangkaraya

In the middle of the territory of Indonesia and Outside the island of Java
Various Problems in Jakarta
Jakarta and Jabodetabek: Extremely High Urbanization Growth, the Biggest Concentration of Population in Jakarta and Jabodetabekpunjur

In 2013, Jakarta was ranked 10th most populous city in the world (UN, 2013). In 2017 it became the 9th most populous city in the world (WEF, 2017)

### Population (people)

<table>
<thead>
<tr>
<th>City</th>
<th>Population (people)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jabodetabekpunjur</td>
<td>32,775,966</td>
</tr>
<tr>
<td>Jakarta</td>
<td>10,277,628</td>
</tr>
<tr>
<td>Surabaya</td>
<td>2,862,406</td>
</tr>
<tr>
<td>Bekasi</td>
<td>2,733,240</td>
</tr>
<tr>
<td>Bandung</td>
<td>2,490,622</td>
</tr>
<tr>
<td>Medan</td>
<td>2,229,408</td>
</tr>
<tr>
<td>Depok</td>
<td>2,179,813</td>
</tr>
<tr>
<td>Tangerang</td>
<td>2,093,706</td>
</tr>
<tr>
<td>Semarang</td>
<td>1,602,717</td>
</tr>
<tr>
<td>Palembang</td>
<td>1,602,071</td>
</tr>
<tr>
<td>Tangerang Selatan</td>
<td>1,593,812</td>
</tr>
</tbody>
</table>

Source: BPS (2017)

### The world’s most crowded cities

<table>
<thead>
<tr>
<th>City</th>
<th>Population density (people/km²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jakarta, Indonesia</td>
<td>32,775,966</td>
</tr>
<tr>
<td>Dhaka, Bangladesh</td>
<td>20,930,706</td>
</tr>
<tr>
<td>Mumbai, India</td>
<td>20,277,628</td>
</tr>
<tr>
<td>Medellin, Colombia</td>
<td>16,722,408</td>
</tr>
<tr>
<td>Manila, Philippines</td>
<td>15,000,000</td>
</tr>
<tr>
<td>Casablanca, Morocco</td>
<td>11,602,071</td>
</tr>
<tr>
<td>Lagos, Nigeria</td>
<td>9,160,271</td>
</tr>
<tr>
<td>Kota, India</td>
<td>8,906,240</td>
</tr>
<tr>
<td>Abuja, Nigeria</td>
<td>8,829,071</td>
</tr>
<tr>
<td>Singapore</td>
<td>8,703,240</td>
</tr>
</tbody>
</table>

1. Center of Trading: 20% of GDP in the trade sector

2. Center of Financial Services: 45% of GDP in the financial services sector

3. Center of Corporate Services: 68% of the GDP of the corporate service sector

4. Center of Government Administration and Defense: 49% of the GDP of the related sector

5. Center of Educational Services: 27% of GDP in the education service sector

6. Center of Manufacturing Industries: 10% of the GDP of the Manufacturing Industry sector
   (A small percentage because most industries are spread outside Jakarta, namely Bekasi, Karawang and Tangerang)
Jakarta and Jabodetabek:
High Congestion and Poor Air Quality

- 2-3 hour Commuting Time/trip or 4-5 hour/roundtrip
- Road infrastructure ratio 6.2% of total area (ideal: 15%)
- The congestion index is ranked 7th out of 403 cities surveyed in 56 countries (Tomtom, 2018).
- Has the worst gridlock performance with 33,240 stop-start indexes (Pantazi, 2015), causing ineffective communication and coordination between Ministries and Institutions
- High congestion has the potential to cause air pollution
- Economic losses due to congestion increased from Rp. 56 Trillion per year in 2013 (UGM PUSTRAL 2013) to Rp. 65 trillion per year (World Bank 2017)
Jakarta and Jabodetabek
Prone to Annual Floods, Land Subsidence and Sea Level Rise

- **Prone to Flood**, approximately 50% of the Jakarta area has a level of flood security below 10 years (ideal for a large city minimum 50 years).

- **Land Subsidence and Sea Level Rise**
  - Decrease groundwater level in the northern regions on average 7.5-10 cm/year
  - The land subsidence approximately 35-50 cm (2007-2017) where the worst point is in the Cengkareng area of 69 cm and Penjaringan (Pluit) of 94 cm.
  - Seawater level will rise 25-50 cm by 2050. (Tri Nuke P., July 26, 2019, LIPI)
1. PDAM (local water company) only serves 60% of Jakarta households (PAM Jaya, 2018)

2. 40% of Jakarta’s residents use artesian wells

3. 72.31% of Jakarta’s households buy bottled water (BPS, 2016)

4. Water Resources Pollution level in Jakarta
   - 57% of reservoir water is heavily polluted
   - 61% River water is heavily polluted
   - 12% Groundwater is heavily polluted
   - All of Jakarta Bay’s waters are heavily and moderately polluted

5. Land Subsidence and Sea Level Rise
   - As a result of the use of artesian wells, the decline in groundwater levels in the northern regions averaged 7.5-10 cm/year
   - Land Subsidence 35-50 cm (2007-2017) where the worst point is in the Cengkareng area of 69 cm and Penjaringan (Pluit) of 94 cm.
Jakarta and Jabodetabek: Potential Earthquake Threats in Jakarta

“Jakarta Area threatened by volcanic activity (Krakatau, G.Gede) and potential of earthquake-tsunami caused by Southern West Jawa Megathrust and Sunda Straits and earthquake caused by Baribis fault, Lembang fault and Cimandiri fault”
Government's Efforts to Overcome Various Problems in Jakarta: Urban Regeneration (1/2)

**Transportation Management**
- Development of Elevated Loopline / Circular Line 27 km (27 T)
- Construction of the MRT line to 223 km (214 T)
- Development of 116 km length LRT (60 T)
- Development of the Transjakarta route to 2,149 km (10 T)
- Operation of Electronic Road Pricing (ERP)
- Construction of 11 flyovers and 1 underpass
- Construction of 593,231 m of pedestrian sidewalks
- Provision of park and ride
- Development of TOD in 3 points
- Angkot revitalization up to 20,000 units (4 T)

**Clean water management**
- Increased coverage of clean water services to 100% of DKI Jakarta residents (27 T)

**Flood and water supply control**
- The sea wall 3,338 meters
- Construction of 28 reservoirs
- Naturalization and normalization in 13 rivers
- Water governance
- Multipurpose and integrated tunnel

**Waste water and waste management**
- Increased coverage of wastewater network to 100% of Jakarta Capital City residents (69 T)
- Waste management through 4 Intermediate Treatment Facilities

**Total 571 Trillion Rupiah**
- Provision of settlement up to 600,000 units (90 T)
  - Provision of 14,564 units of public vertical housing
  - Improvement of complete public housing infrastructure facilities in 23 locations
  - Maintenance of 15,377 units public vertical housing
  - Provision of 0 Rupiah Down Payment Housing.
**ACTIVITY PLAN AND BUDGET**

1. **Development of Public Transportation:**
   - Construction of the MRT line from 16 kilometers to 223 kilometers: **Rp. 214 trillion**
   - LRT light rail line construction from 5.8 kilometers to 16 kilometers: **Rp. 60 trillion**
   - Transjakarta network expansion to 2,149 kilometers: **Rp 10 trillion**
   - Improvement of 27 km of inner-city railroad: **Rp. 27 trillion**
   - Revitalization of 20 thousand public transport units: **Rp. 4 trillion**.

2. **Clean Water Services**
   - Construction of clean water channels for 100 percent of Jakarta residents: **Rp. 27 trillion**
   - Waste water management: **Rp 69 trillion**.

3. **Flood Disaster Management**
   - Flood mitigation in Jakarta: **Rp. 70 trillion**

4. **Public Housing**
   - Construction of 600 thousand low-cost housing units: **Rp. 90 trillion**.

**FINANCING SOURCES**

<table>
<thead>
<tr>
<th>Source</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>DKI Jakarta Regional Budget (APBD)</td>
<td>32%</td>
</tr>
<tr>
<td>(State Budget) APBN</td>
<td>38%</td>
</tr>
<tr>
<td>Bonds or regional loans</td>
<td>18%</td>
</tr>
<tr>
<td>Private &amp; PPP</td>
<td>12%</td>
</tr>
</tbody>
</table>

Total Rp 571 Trillion

**STAGE OF DEVELOPMENT**

- **Short Term:** 2019–2022
- **Medium Term:** 2022–2025
- **Long Term:** 2025–2030

**Government’s Efforts to Overcome Various Problems in Jakarta: Urban Regeneration (2/2)**
03 Why the National Capital must move outside Java Island
Approximately 57% of Indonesia's population is concentrated in Java.

Java Island has the highest population, 56.56% of the total population of Indonesia, while other regions have a very low population (<10%) except Sumatra Island.

Source: SUPAS (2015)
Economic activity is highly concentrated in Java.

- Economic activity is still **concentrated in Java**, reflected in the share of **Regional GDP 58.48%**.

- Economic Growth in **Western Indonesia** 5.41%, higher than 4.94% in **Eastern Indonesia**.

Source: Badan Pusat Statistik (2018)
Most areas of Java have experienced a crisis in the availability of clean water.
Largest Land Conversion in Java

During the period 2000-2030, the largest amount of built-up land use was found in Java with a downward trend, whereas in Sumatra the conditions tend to be static. This indicates a decrease in the carrying capacity of built land, especially in Java.

There was a decrease of the agricultural land area by 0.93% (in 2013-2016).

Source: KLHS Modelling, Bappenas, 2019
04 Economic Impacts of National Capital Relocation
The Relocation of the Capital City to Outside Java will Encourage Equitable Development

More than 50% of Indonesia's territory will experience an increase in trade flows if the National Capital is moved to a province that has good connectivity with other provinces.

Moving the capital to province outside Java will increase trade between regions:

- **Trade within the province** of the new capital city
- **Inter-provincial trade** in Indonesia:
  - From the Java Island to the Outer Islands Province
  - Between Provinces Outside Java

Trade between Regions in Indonesia will grow and encourage trade between Provinces outside Java.
Relocation of the National Capital to Kalimantan will Increase Investment in the New Capital City and Surrounding Provinces

- Relocation of the National Capital to Kalimantan will increase Investment in the New Capital City and Surrounding Provinces
- The economic linkage of the new capital city province with other Provinces around it will be one of the drivers of investment in other provinces

- Other than that……
  The transfer of the national capital to Kalimantan will increase the output of a number of non-traditional sectors, especially the Service Sector, such as the government sector, the communications sector, hotels, trade, finance, and education.
Other Economic Impacts of Moving the National Capital Outside Java

01 Increase national economic growth by 0.1% - 0.2%;

02 Reducing the gap between income groups, because:

\[ \text{Increase in income from the labor-intensive sector} > \text{increase in income from the capital-intensive sector} \]
\[ (1.37\%) > (0.23\%) \]

03 Reducing disparity between regions, because moving the capital outside Java will:
- Encouraging trade between regions, especially trade between Java and regions outside Java also between regions outside Java
- Encourage investment in the new state capital province and surrounding provinces.
- Encouraging economic diversification, so as to create an economic value added impetus in the non-traditional sector in the province.

04 New capital development investment will have a multiplier effect on the national economy around:

\[ \text{Output Multiplier: } 2.3^* \]
\[ \text{Employment Multiplier: } 2.9^* \]

Sumber: Hasil Analisis Bappenas

*: type II Multiplier
05 Development Equity Strategies
Industrialization through the Development of Special Economic Zones (KEK) and Industrial Zones (KI), and Tourism Outside Java

Strategy:
Economic growth through operationalization and increased investment in growth centers in strategic areas/regions outside Java

Source: Bappenas (2019)
Metropolitan and New City Development

Strategy:
- Encourage the role of Urban/Metropolitan National Strategic Areas (KSN) in supporting regional/island growth
- Development of strategic service sector investment plans for the new metropolitan area
Moving the capital city out of Java will strengthen the function of the National Activity Center (PKN) and Regional Activity Center (PKW) in the eastern region so that it can help reduce the gap between KTI and KBI.
06

Estimated Investment and Financing Schemes
## Estimated Planned Population and Land Requirement

### Scenario I: all State Civil Apparatuses (ASN) are moved, without right sizing the number of ASN

<table>
<thead>
<tr>
<th>Categories</th>
<th>Population (2017)</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive, Legislative and Judiciary</td>
<td>195,550</td>
<td>Estimated number of residents working in state, executive, legislative and judicial institutions</td>
</tr>
<tr>
<td>Indonesian National Army and Police (TNI/POLRI)</td>
<td>25,660</td>
<td>The scenario of partially moved Executive, Legislative, Judicial, TNI and POLRI family members</td>
</tr>
<tr>
<td>Executive, Legislative, Judicial, TNI and POLRI family members 4 people per family</td>
<td>884,840</td>
<td>Each employee has 4 family members estimated</td>
</tr>
<tr>
<td>Economic agents</td>
<td>393,950</td>
<td>Estimated number of residents active in supporting economic sectors</td>
</tr>
<tr>
<td><strong>Total population</strong></td>
<td><strong>1,500,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Scenario II: the number of State Civil Apparatuses (ASN) will be reduced with the right sizing policy

<table>
<thead>
<tr>
<th>Categories</th>
<th>Population (2017)</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive, Legislative and Judiciary</td>
<td>111,510</td>
<td>Estimated number of residents working in state, executive, legislative and judicial institutions</td>
</tr>
<tr>
<td>Indonesian National Army and Police (TNI/POLRI)</td>
<td>25,660</td>
<td>The scenario of partially moved Executive, Legislative, Judicial, TNI and POLRI family members</td>
</tr>
<tr>
<td>Executive, Legislative, Judicial, TNI and POLRI family members 4 people per family</td>
<td>480,244</td>
<td>Each employee has 4 family members estimated</td>
</tr>
<tr>
<td>Economic agents</td>
<td>184,150</td>
<td>Estimated number of residents active in supporting economic sectors</td>
</tr>
<tr>
<td><strong>Total population</strong></td>
<td><strong>870,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Source:** BPIW, BKN, Kemen.PAN-RB & Polri

**Scenario I:**
- All State Civil Apparatuses (ASN) are moved, without right sizing the number of ASN.
- Total population: 1,500,000
- Land requirement: 40,000 Ha

**Scenario II:**
- The number of State Civil Apparatuses (ASN) will be reduced with the right sizing policy.
- Total population: 870,000
- Land requirement: 30,000 Ha
## Estimated Funding for the National Capital

<table>
<thead>
<tr>
<th>No.</th>
<th>Infrastructure Needs</th>
<th>Scenario I</th>
<th>Scenario II</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Main Functions</strong>: State Palace, State Institution Offices (executive, legislative, judiciary), Strategic Buildings of Army and Police.</td>
<td>65,4 T</td>
<td>38,3 T</td>
</tr>
<tr>
<td>2</td>
<td><strong>Supporting Functions</strong>: ASN/POLRI/TNI Service Houses, Education &amp; Health Facilities, Non-ASN Shelter</td>
<td>243,5 T</td>
<td>163,9 T</td>
</tr>
<tr>
<td>3</td>
<td><strong>Supporting Functions</strong>: basic infrastructures and Facilities, Green Open Space</td>
<td>149,2 T</td>
<td>114,8 T</td>
</tr>
<tr>
<td>4</td>
<td>Land Procurement Needs</td>
<td>8,0 T</td>
<td>6,0 T</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>Rp 466 T</strong> (USD 32,9 Billion)</td>
<td><strong>Rp 323 T</strong> (USD 22,8 Billion)</td>
</tr>
</tbody>
</table>

Excluding Other costs related to Moving the National Capital: Government operational costs during the construction period; Government operational costs during the transition period.
Financing Scheme
Public Private Partnership and private sector are expected to be the main sources of financing

Funded by STATE BUDGET (APBN) to finance
- Basic service infrastructures
- The President’s Palace
- Strategic buildings of the Army and Police
- Official residence for civil servants, Army and Police
- The land acquisition
- green open space
- Military base

Funded by PPP to finance
- The executive, legislative and judiciary buildings
- Main infrastructures (other than those covered by the APBN)
- Educational and health facilities
- Museums
- Supporting facilities and infrastructure

Funded by PRIVATE to finance
- Public housing
- Tertiary institutions
- Science-techno park
- Airports, seaports and toll roads
- Shopping mall
- MICE
# The National Capital Relocation Funding Sources

<table>
<thead>
<tr>
<th>Sources</th>
<th>Funding Composition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Government Funding</strong></td>
<td>19.2%</td>
<td>Rp89.4 T</td>
</tr>
<tr>
<td></td>
<td>State Budget (APBN)</td>
<td>Ministry / Institution Expenditures</td>
</tr>
<tr>
<td><strong>Government &amp; Private (PPP)</strong></td>
<td>54.4%</td>
<td>Rp253.4 T</td>
</tr>
<tr>
<td></td>
<td>PPP Availability Scheme</td>
<td>Payment: Utilization of assets / State Property (in Jakarta &amp; the new National Capital)</td>
</tr>
<tr>
<td></td>
<td>User-charge PPP Scheme: Project Cashflow</td>
<td>Potential revenue is mainly through the utilization of assets / State-Owned Property managed during the concession period.</td>
</tr>
<tr>
<td></td>
<td>Other Alternatives: Government / Municipal Bonds</td>
<td>Issuance of government bonds and municipal bonds.</td>
</tr>
<tr>
<td><strong>Private &amp; SOEs</strong></td>
<td>26.4%</td>
<td>Rp123.2 T</td>
</tr>
<tr>
<td></td>
<td>Participation of State Capital</td>
<td>PMN Assignment to road infrastructure SOEs.</td>
</tr>
<tr>
<td></td>
<td>Equity / Loan / Bond</td>
<td>Pure private investment through banks (loans) and capital markets (stocks and corporate bonds).</td>
</tr>
</tbody>
</table>
Alternative Sources of State Budget (APBN) Financing

- **Borrow and use**, a maximum of 5 years and can be extended once
- **Build-Up Handover/Build-Up Handover (BOT/BTO)**, maximum of 30 years, cannot be extended
- **Rent**, a period of 5 years
- **Utilization Cooperation (KSP)**, a period of 30 years, 50 years for infrastructure
- **Infrastructure Provision Cooperation (KSPI)**, a period of 50 years and can be extended

**Non-Tax State Revenue (PNBP)**

Revenue from management of State Property/Regional Property

Gov Regulation No 27/2014
Management of State/Regional Property
- Regulation of Ministry of Finance No. 78/2014 on Procedures for the Implementation of Utilization of State Property
- Regulation of Ministry of Finance No. 57/2016 on Procedures for the Implementation of Leasing State Property
Financing Strategies

**PPP “dual contract”**
The private sector can build projects that are financially-feasible (housing, drinking water facilities) on condition that they also work on projects that are less financially-feasible (non-toll roads, government office buildings).

**Optimization of asset management in Jakarta and the New Capital City**
Utilization of State Property can be in the form of Leasing, Utilization Cooperation (KSP), Build-Use-Transfer (BGS)/Build-Transfer-Use (BSG) and Cooperation in Providing Infrastructure (KSPI).

**Consortium of SOEs and private companies**
- SOEs has more "skin in the game"

**Government/Municipal bonds (Government Agency Bonds)**
- New capitals tend to be centers of high-tech / clean industry & have high tax compliance

Source: BCA Research Team, 2019, modified
Incentives to Attract Private Sectors Participation

Build Operate Transfer

- Construction is funded and / or carried out by private parties
- The private sector earns income from operating public facilities
- Private transfer ownership / operations to the government after the concession period ends

Direct Reimbursement Scheme

The government pays the private sector through two mechanisms:

- **Viability gap fund (VGF)** – payment at once in advance
- **Availability payment (AP)** – periodic payments

Risk Guarantee Scheme

Incentives that reduce the risk borne by the private sector:

- **Construction risk** - joint construction with SOEs
- **The revenue risk is lower than expected** - covered by the government
- **Legal and political risks** - guarantees of regulation

Source: BCA Research Team, 2019, modified
07 Institutional Arrangement
Institutional Scenario of State Capital Relocation

- It is necessary to establish a **National Capital Development Authority** which reports directly to the President, with authority to:
  - Manage investment funds for the construction of new capitals and collaborate with SOEs and the private sector through the PPP scheme.
  - Manage investment assets in the new capital region and lease these assets to government agencies and third parties.
  - Manage the process of transferring government assets in Jakarta to finance investment in the construction of a new capital city.

- The tasks of the Authority in the **preparation and construction** of a new capital city include:
  - Arranging the structure and urban land use as well as detailed components of the city design.
  - Build infrastructure and government buildings and state institutions, employee housing, commercial areas and other public facilities.
  - Control the construction process of urban facilities and infrastructure.
  - Manage and maintain buildings and other public facilities.

- It is necessary to establish a **Board of Trustees/Supervisory Board** of the Authority.
The Concept of Organizational Structure of the National Capital Development Authority

CHAIRMAN OF AUTHORITY AGENCY

PRESIDENT

CHAIRMAN OF AUTHORITY AGENCY

Corporate / Legal Secretary

Deputiy of Audit & Quality Assurance

SUPERVISORY COMMITTEE

Deputiy of Finance

Deputy of Urban Services

Deputy for Construction and Maintenance

Deputy of Spatial Planning and Parks

Deputy for Urban Planning

Deputy of Cooperation Services

• Chairman: Minister of NDP/Head of Bappenas
• Member: All Ministers, and Governors in Kalimantan
Stages of the National Capital Relocation
Implementation Timeline of The National Capital Relocation

2017-2019: Completion of The Study

2020: Preparation of Regulations and Institutions, arrangement of City Master Plan and Regional Technical Plan.

2021: Regional DED preparation, and Ground Breaking for the Development of the New National Capital

2022-2024: Development of Central Government Core Areas and part of National Capital Regions

2024: The beginning of National Capital Relocation
THANK YOU
ANNEXES
Criteria and Analysis of Determination of State Capital Locations
Selection Criteria for New Capital City

- **Strategic Location**, geographically located in the middle of Indonesian territory to represent equity and encourage the acceleration of the development of Eastern Indonesia region/KTI (Indonesian Centric)

- **Availability of vast land**, owned by the government/SOEs to reduce investment cost.

- Land must be **free from disaster hazards**: earthquakes, volcanoes, tsunamis, floods, erosion, as well as forest and peatland fires.

- **Availability of sufficient water resources** and free from environmental pollution.

- **Close to the existing city** that has developed for the efficiency of the initial infrastructure investment.
  - Mobility/Logistic access: airports, ports, and roads;
  - The availability of deep sea ports is very important to realize Indonesia as a maritime country through inter-island sea highway connectivity;
  - The level of drinking water, sanitation, electricity and communication networks is sufficient to be developed

- **Low Social Conflict Potential**, and has open culture towards migrants and has a minimal negative impact on local communities.

- **Meet the defence and security perimeter** especially (a) to minimize the vulnerability of State; (b) safeguard its territorial; (c) help to gain Regional and International Affairs; (d) not too close to national border areas.
# The assessment result of the prospective locations of the National Capital

## Central Kalimantan

**Advantages:**
- Have access to Tjilik Riwut Airport (Tertiary Collection Hierarchy)
- Earthquake free
- 97.04% of the delineation area is classified as an area which is safe from flooding
- Not directly adjacent to the national boundary
- The availability of vast land with 70% of the status of conversion production forests (free of concessions) and production forests with Natural Forest concessions

**Disadvantage:**
- The location far from the sea port is around ± 6 hours
- Availability of groundwater resources is limited, only river water is available
- In most delineation areas, peat layers are vulnerable to forest and land fires
- The demographic structure is relatively homogeneous

## South Kalimantan

**Advantages:**
- Located right in the middle of Indonesia based on a 5-line analysis
- The location of the delineation was passed by ALKI II around the Makassar Strait
- Within the scope of national road services
- 70% of the delineation area is classified as low vulnerability to floods
- Safe against earthquake and forest fires
- Historically, there have never been social conflicts

**Disadvantage:**
- The location is far from the airport around ± 6.5 hours and far from the port around ± 7 hours
- Land availability is plantation HGU (community land acquisition)
- Low surface water quality and low carrying capacity of groundwater

## East Kalimantan

**Advantages:**
- Close to 2 major airports in Balikpapan and Samarinda
- Close to Balikpapan–Samarinda Toll Road access
- Close to Semayang Harbor, Balikpapan
- Availability of energy and clean water network infrastructure
- Heterogeneous demographic structures, most of which are immigrants
- The location of the delineation was passed by ALKI II around the Makassar Strait
- Free from natural disasters and forest fires
- Not directly adjacent to the national boundary
- Having the availability of land with HTI status, production forests with HTI concessions and production forests that are free of concessions

**Disadvantage:**
- Flood prone areas near the upstream watershed
- Availability of low dan medium ground water resources
- The limited development land on the east side is due to the dense existing investment in coal and oil and gas mining.
- There is potential for coal fires in the Tahura and Samboja regions
- The likely impact of the North Sulawesi Megathrust, on the East Coast of Kalimantan
Lesson Learned
New York ➔ Washington D.C

Mulai di desain tahun 1791, namun baru diimplementasikan pada tahun 1922

- **Sebagai pusat bisnis dan keuangan**

- **Populasi masih tetap meningkat**
  - Tahun 1800: 586.050 orang
  - Tahun 1900: 7.268.894 orang
  - Tahun 2018: 19.542.209 orang

- **GDP per capita:**
  - Tahun 1997: $49.045
  - Tahun 2003: $54.756
  - Tahun 2016: $64.579

- **Sebagai pusat pemerintahan**

- **Populasi terus meningkat dari awal pemindahan**
  - Tahun 1800: 8.144 orang
  - Tahun 1900: 278.718 orang
  - Tahun 2018: 702.455 orang

- **GDP per capita:**
  - Tahun 1997: $131,417
  - Tahun 2003: $152,623
  - Tahun 2016: $160,472

Jarak: 369 km
Brasilia

5 Tahun
Mulai pembangunan tahun 1956; Peresmian tahun 1960

- Sebagai pusat bisnis dan keuangan

- Populasi masih tetap meningkat
  - Tahun 1960: 4.493.182 orang
  - Tahun 2000: 11.306.768 orang
  - Tahun 2019: 13.374.275 orang

- GDP per capita:
  - Tahun 2010: $8.102,57
  - Tahun 2012: $9.752,34
  - Tahun 2016: $12.476,53

- Hanya sebagai pusat administrasi pemerintahan

- Populasi terus meningkat dari awal pemindahan
  - Tahun 1960: 136.643 orang
  - Tahun 2000: 2.931.823 orang
  - Tahun 2019: 4.558.991 orang

- GDP per capita:
  - Tahun 2010: $13.845,53
  - Tahun 2012: $15.250,06
  - Tahun 2016: $19.469,63

Jarak: 934 km
Rio de Janeiro
Kuala Lumpur  

Putrajaya

1996 – 2001 (5 tahun untuk pusat pemerintahan)

- Sebagai pusat bisnis dan keuangan

- Populasi masih tetap meningkat
  - Tahun 2000: 4.176.469 orang
  - Tahun 2010: 5.809.953 orang
  - Tahun 2019: 7.780.301 orang

- GDP per capita:
  - 10.722 USD (2007)
  - 12.253 USD (2009)

- Jarak: 25 km

- Hanya sebagai pusat administrasi pemerintahan

- Populasi terus meningkat dari awal pemindahan
  - Tahun 2000: 12.240 orang
  - Tahun 2010: 72.413 orang
  - Tahun 2018: 90.000 orang

- GDP per capita:
  - 10.722* USD (2007)
  - 12.253* USD (2009)

*Data statistic makro-ekonomi Putrajaya termasuk dalam Wilayah Persekutuan (state) Kuala Lumpur

(Source: ceicdata.com)
Seoul

Dibangun secara bertahap sejak 2009, rencana selesai secara keseluruhan 2030

- Seoul tetap menjadi pusat ekonomi yang maju
- Hanya sebagai pusat administrasi pemerintahan

- Populasi masih tetap meningkat:
  - Tahun 2002: 10.280.523 orang
  - Tahun 2012: 10.442.426 orang
  - Tahun 2018: 10.049.607 orang

- Populasi terus meningkat dari awal pemindahan:
  - Tahun 2002: 83.063 orang
  - Tahun 2012: 115.701 orang
  - Tahun 2018: 319.066 orang (target 2030: 500.000 orang)

- GDP per kapita:
  - Tahun 2013: 28.589,71 USD
  - Tahun 2014: 29.434,54 USD

- GDP per kapita:
  - Tahun 2013: 46.263,61 USD
  - Tahun 2014: 52.764,25 USD

Jarak: 137 km
### Karachi

Jarak: 1.434,9 km

4 tahun (1959 -1963), pada masa jabatan Presiden Ayub Khan

<table>
<thead>
<tr>
<th>Sebagai pusat ekonomi dan bisnis</th>
<th>Pusat administrasi murni hingga 1980-an, kemudian berkembang menjadi pusat bisnis dan perdagangan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Populasi masih tetap meningkat</strong></td>
<td><strong>Populasi terus meningkat dari awal pemindahan</strong></td>
</tr>
<tr>
<td>• Tahun 1960: 1,853,325 orang</td>
<td>• Tahun 1960: 45.408 orang</td>
</tr>
<tr>
<td>• Tahun 2000: 9,825,295 orang</td>
<td>• Tahun 2000: 568.689 orang</td>
</tr>
<tr>
<td>• Tahun 2019: 15,741,406 orang</td>
<td>• Tahun 2019: 1.095.064 orang</td>
</tr>
</tbody>
</table>

Populasi terus meningkat dari awal pemindahan
- Tahun 2000: 3,567,444 orang
- Tahun 2010: 5,220,217 orang
- Tahun 2015: 6,218,322 orang

GDP per kapita: 32.372 USD (2013)

Populasi masih tetap meningkat
- Tahun 2000: 2,500,000 orang
- Tahun 2010: 3,430,700 orang
- Tahun 2015: 4,336,145 orang

GDP per kapita: 31.273 USD (2013)

Sebagai ibu kota negara dan pusat kota yang modern dan high-tech

Sebagai kota terpenting kedua yang diperuntukan sebagai kota bisnis dan entry point untuk Ibadah Haji