

Press Release

Ministry of National Development Planning/Bappenas Hosts National Dialogue on New State Capital

JAKARTA – The Ministry of National Development Planning/Bappenas held the "Menuju Ibu Kota Negara Masa Depan" (Towards a Future Capital City) discussions on Thursday (16/5). The goal of the event is to outline the plans and information regarding the development and transfer of a new State Capital (IKN) to experts and industry figures who can be of assistance.

During the dialogue, Minister Bambang Brodjonegoro explained that transferring the capital city from Jakarta to a location outside of Java is aimed at closing the gap of economic disparity between Java and other islands. "We have seen how unequal economic development and population distribution is on other islands. Because of this, developing a new State Capital would require extensive planning regarding urban development so that the economic disparity issue can be addressed. If we do nothing, we get nothing. That is why we must prepare plans from now," the Minister said.

The strategies on developing the State Capital's urban areas and its surrounding cities will be carried out using inspiration from other non-Java cities, namely Medan, Palembang, Banjarmasin, Denpasar, Makassar and Manado. In addition, development of special economic zones (SEZ) and industrial estates (KI) will also be part of the new State Capital's development.

Minister Bambang outlined the plans for the new State Capital following a visit with President Joko Widodo to several potential locations in Central and Eastern Kalimantan. "If the new State Capital were to be built in Kalimantan, then it must be developed with urban forest and green city plans in mind. We care very much about its environment and therefore, we must design the new city to accompany the area's natural aspects," explained the Minister.

Financing the relocation of the State Capital will rely on four schemes, namely the State Budget for the construction of a new State Palace, Parliamentary and Judiciary complexes, military and police buildings, strategic land and green open spaces. The others will take funds from State-Owned Businesses (BUMN) to improve airports and ports, the Government-Business Cooperation Scheme (PPP) for the development of the main infrastructure, educational facilities, medical facilities, correctional facilities and their infrastructures, and also from the private sector for the construction of universities, health facilities, tourism facilities and scientific complexes.

The experts present at the discussions include Ruang Waktu's Chief Knowledge Worker Wicaksono Sarosa, Bandung Institute of Technology (ITB) Associate Professor Ibnu Syabri, the University of Indonesia's Head of Demographics Turro Selrits Wongkaren, Trisakti University urban planner Yayat Supriatna, Indonesian Institute of Sciences (LIPI) Head Researcher of Geotechnology Danny Hilman Natawijaya, the Indonesian Real Estate Association Chairman Soelaeman Soemawinata and the Head of the Urban Planners Association Bernardus Djonoputro.



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