

## Press Release

# ***Bappenas Holds National Dialogue on South Kalimantan's Potential as New Capital City Location***

**BANJARBARU** – The Ministry of National Development Planning/Bappenas held a national dialogue on relocating Indonesia's State Capital (IKN), titled "Towards a Future Capital: Smart, Green, Beautiful and Sustainable" in Banjarbaru, South Kalimantan on Monday (15/7).

The dialogue was held to collect input regarding the readiness of South Kalimantan to become one of the candidate locations for the IKN, apart from East Kalimantan and Central Kalimantan, from the environmental perspective as well as the social and culture perspectives.

Present at the dialogue were the Ministry of National Development Planning/Bappenas' Deputy for Regional Development Rudy S. Prawiradinata and South Kalimantan Governor Sahbirin Noor, along with a number of experts.

"It is certain that the capital city will be moved to Kalimantan. Wherever the new capital city is built, the impact it will have on the island will be significant. After this dialogue wraps up, we will continue to Palangkaraya and Balikpapan. The capital city will be moved to the center of the country so that it will be Indonesia-centric and balanced in terms of location. That is why Kalimantan is the region of choice, apart from its vast land area and being relatively safe from natural disasters. The relocation of the nation's capital city will spur growth and equitable development, as well as encourage trade between regions," Deputy Rudy said.

Based on the results of a Cabinet meeting held on April 29, 2019, the President of the Republic of Indonesia Joko Widodo gave directions to choose a third alternative, namely outside of Java, and must be located in the center of Indonesia to facilitate access from all provinces. It must also be able to encourage equity between the Western and Eastern regions of the country.

The criteria for determining the location include:

- 1) Strategic location, geographically located in the middle of Indonesia
- 2) The availability of large land owned by the government or state-owned plantations to reduce investment costs
- 3) The land must be free of earthquakes, volcanoes, tsunamis, floods, erosion and forest fires.
- 4) Availability of sufficient water resources
- 5) Being close to existing developed cities for the sake of efficient infrastructure investment such as access to mobility and logistics facilities, ports and roads
- 6) Low potential for social conflict and open to newcomers
- 7) Meet defense and security perimeters

Until now, the Ministry of National Development Planning/Bappenas is still in the process of completing a study to determine the exact location of the IKN itself. President Joko Widodo will likely announce the chosen location this year.

"South Kalimantan is an alternative to the nation's capital city. South Kalimantan is located centrally on the archipelagic sea lane II (ALKI II) around the Makassar Strait. More amazingly, the area is free of earthquakes and volcanoes. In terms of infrastructure and carrying capacity for the new capital, we have five airports serving the province, namely the Warukin Airport, Syamsudin Noor Airport, Bersujud Airport, Gusti Syamsir Alam Airport and Mekar Putih Airport. We also have the Samudra Port, Trisakti National Port, Stagen Port and Mekar Putih International Port. Other infrastructure at the ready include railways and highways,"

Governor Sahbirin Noor explained.

"The Governor of South Kalimantan often said that wherever the IKN will be in Kalimantan, it will still benefit the entire island as a whole, especially from an economic point of view. For example, we've become a provider of rice for the IKN. If there is a capital city, it is easier for us to sell it. Also, the Banjar people are 'fighters', meaning that whenever they see opportunity, they will seize it by selling and trading. I don't see any disadvantages of having the capital city being here," said the Head of South Kalimantan's Regional Development Planning Agency (Bappeda), Nurul Fajar Desira.

There will be two scenarios regarding the planned relocation of civil servant workers to the new capital. To accommodate all relevant civil servants to a new city, a land area of 40,000 hectares is required, as the number of relocated workers will likely reach 1.5 million people. Also, through the correct scheme, around 30,000 hectares of land can be populated by up to 870,000 relocated workers. The first scenario would require Rp 466 trillion, while the second will require Rp 323 trillion.

Regarding the environmental aspects, Deputy Rudy conveyed that the theme of the new State Capital will be a "green city".

"The IKN will be built as a forest city. We want to maintain Kalimantan's status as the lungs of the world. Currently, there is only one city in the world that claims to be a 'green city' officially, and that is London. London was not originally a 'green city' but it was later designed and developed into one," he explained.

Furthermore, former Indonesian Minister for the Environment and former Minister of Technology and Research Gusti Muhammad Hatta noted that South Kalimantan met the criteria for environmental readiness, although there are still some things that require attention.

"When it comes to the environment, there are keywords that cannot be separated, namely carrying capacity and capacity. In Jakarta, the carrying capacity is relatively lower than Kalimantan. But what we still have to pay attention to are forest and peatland fires. It takes the utmost seriousness of all related parties as well as needing proactive and preventive measures in order to avoid them," he explained.

Regarding the social and cultural aspects, Taufik Arbain, a Social and Governmental Studies Professor at Lambung Mangkurat University, delivered his findings regarding the demographic, sociological and anthropological aspects of the relocation.

"If the capital city is moved to South Kalimantan, there will be an additional 1.5 million people coming into the area, adding to the 4.2 million people already in the province, bringing the population up to 5.7 million people. What we need to prepare for is how many people will inhabit the area and what effects will mass migration bring to the region. Regarding whether or not the Banjar community is open enough to new migrants, there is currently no facts or data that indicate possibilities of major conflict. The Banjar do not feel powerless, as all political and economic power lies with them. The sense of representation of the South Kalimantan people towards their figures creates a sense of being represented. For the lower middle class, there is also no sense of being marginalized. Regarding the socio-cultural experience, they understand that when they are in another person's home, they are accepted. So, there is no need to be afraid about whether the migrants will degrade religious and customary values," Taufik said.

Lambung Mangkurat University Rector Sutarto Hadi said that the university will be separated into five locations come 2025, with one location at the IKN. Doing so will encourage South Kalimantan to be able to prepare quality human resources in South Kalimantan to support the capital city relocation.

"Human capital is a central issue in the IKN relocation. The people of South Kalimantan are highly resilient. We can prepare them. From an academic and intellectual standpoint, we support the IKN. The Affirmation

Program was also developed to encourage the improvement of education in the region, especially for the Meratus Dayak people," he explained.

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