

Press  
Release

## ***Ministry of National Development Planning/Bappenas Holds Public Consultation Meeting on the Draft IKN Bill***

**JAKARTA** – The Ministry of National Development Planning/Bappenas held a Public Consultation on the State Capital Draft Law (RUU IKN) at the Aryaduta Hotel in Jakarta on Wednesday (15/1) to further strengthen and solicit input from various parties in the context of improving the draft law before its submission to the House of Representatives (DPR).

Currently, the IKN Bill is included as part of the government's 2020-2024 National Legislation Program longlist due to the fact that it is considered a priority bill for stipulation in 2020 by the government and the DPR. The State Capital's (IKN) preparation, construction and the transfer efforts will be carried out by the designated authority before being taken over by the IKN Management Agency. The working relationship between the Head of the Management Agency and the governors is designed to be as equal and coordinative as possible, with the division of government affairs being regulated specifically to avoid any overlaps in authority.

"The IKN Bill will also regulate and identify which state institutions will move to the new State Capital and which will remain in Jakarta. The institutions that plan to stay in Jakarta include Bank Indonesia, the Financial Services Authority (OJK), and the Insurance Deposits Corporation (LPS), as well as the Business Competition Supervisory Commission (KPPU) and institutions related to investment coordination," explained the Ministry of National Development Planning/Bappenas' expert staff member for Institutional Relations and Chair of the Institutional and Regulatory Working Group Coordination Team for the IKN Transfer Preparation Diani Sadia Wati.

The new State Capital, located in East Kalimantan province, will cover an area of 256,142.74 hectares and will be designated as its own province, which itself will dedicate 56,180.87 hectares to being the National Strategic Core Area, run by the future President-appointed City Manager. Meanwhile, the IKN province itself will fall under the jurisdiction of the future Governor of the IKN Province and will encapsulate an area of up to 199,961.87 hectares. The government plans to officially begin transferring the capital city status from Jakarta to the IKN by the first semester of 2024.

"The concept of the New State Capital (IKN) as directed by the President and the results of the Bappenas' studies must be integrated into the development plans so that the city itself can achieve the distinction of being one of the best cities on Earth: modern, sustainable, and world-class while still reflecting the identity of both the Indonesian nation and our national Pancasila ideology," Diani explained.

Previously, President Joko Widodo conveyed to the House of Representatives the results of the study and application plans for moving the capital city, which concluded that the most ideal location was East Kalimantan, precisely located within the Kutai Kartanegara Regency and part of the Penajam Regency. After the successful transition of the capital city, Jakarta will still remain a development priority and will continue to be developed as an international business and economic center.

The transfer will take effect in stages and is being prepared by the IKN Authority Agency appointed by President Joko Widodo. The sources of financing in the context of moving the capital include the State Budget (APBN), the government-business cooperation scheme (KPBU), the State Property Management Board and various private sector funding.

The Public Consultation on the Draft Law on the IKN was part of a series of cross-stakeholder discussions in

preparation for the capital city's transfer.



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