

PRESS RELEASE

Nusantara National Capital Authority

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High Investor Interest in the Development of the Nusantara Capital City

JAKARTA – Nusantara Capital City is a new capital city being developed in Indonesia by the mandate of Law No. 3 of 2022. The city is expected to become a sustainable city that will drive the country's economy in the future and become a symbol of national identity. For the funding, the Indonesian government is committed to providing only 20% of the city's development funds from the state budget, while the remaining 80% will be funded by investors.

The latest data shows that 167 investors have sent a Letter of Intent to participate in the development of Nusantara Capital City. Among them, five investors have received a Letter to Proceed (LTP) from the government to build housing for Civil Servants, namely PT. Summarecon Agung Tbk (SMRA), the Nusantara Consortium (CCFG Corp and RBN), Korean Land and Development, and the Consortium of PT Perintis Trinita Properti Tbk. (TRIN), and PT Nindya Karya (Persero). In addition, the high interest of friendly countries to invest in Nusantara Capital City can be seen from the delegations from Korea, Japan, and Switzerland who have visited Nusantara Capital City to observe the progress of development and explore investment opportunities. Included in the Japanese delegation are businessmen who are active in the construction and housing sector, to observe the progress of development and evaluate investment potential.

To facilitate investment in Nusantara Capital City, the government has issued the Government Regulation No. 12 of 2023 concerning Business Licensing, Business Ease, and Investment Facilities for Business Actors in Nusantara Capital City. The goal of this regulation is to provide greater certainty, opportunities, and participation to business actors to accelerate the development of Nusantara Capital City.

The Chairman of Nusantara National Capital Authority (NNCA), Bambang Susantono, stated that this regulation is designed to make Nusantara Capital City not only a center of government but also an Indonesia-centric economic activity center. He hopes that business actors can help make this city a center for the provision of infrastructure and economic activity that will be the future economic growth locomotive for Indonesia.

“The development of Nusantara Capital City is a large project that requires a large investment and collaboration between the government and business actors. This city is built from scratch on green land, which provides a unique opportunity to create a sustainable and efficient urban environment,” said Bambang.

The investment potential in Nusantara Capital City is huge, with opportunities in various sectors, including housing, transportation, energy, and tourism. The city is also expected to become a center of innovation, with the government planning to establish research and development centers and attract technology companies to the city.

Development Progress is on the Track

The Minister of Public Works and Housing, Basuki Hadimuljono, stated that the physical progress of the development of Nusantara Capital City has reached 25%, and he is optimistic that the relocation of the new capital city can begin in August 2024. Several infrastructure facilities have been built, such as arterial roads, toll roads, dams, waste management, wastewater management, drinking water management, and also landmark of the city, Sumbu Kebangsaan.

Regarding the construction of government offices and the presidential palace, the progress is 5.8% and 8%, respectively. Some parts of Nusantara Capital City, such as the logistic road and Embung Mentawir, have been completed 100%. Moreover, the Sepaku Semoi Dam and the Sepaku River intake in Penajam Paser Utara Regency, East Kalimantan, are targeted to start impounding in June 2023. The Sepaku Semoi Dam can supply raw water needs of 2,500 liters per second, of which 2,000 liters per second are for Nusantara Capital City and the remaining 500 liters per second for Balikpapan.

Meanwhile, the detailed spatial plan map (RDTR) of Nusantara Capital City shows that forested green areas dominate the Central Government Core Area (KIPP) in Nusantara Capital City. The KIPP area will stand on 6,671 hectares of land, most of which will be covered by forests. The forest will stretch from the south, southwest, west, northwest, and north, to the northeast of the KIPP in Nusantara Capital City. Meanwhile, government buildings will be located in the middle of KIPP, and the presidential palace will become the largest complex in the government area.

Bambang Susantono, the Chairman of NNCA, stated that the current progress of the development is an important step for Indonesia in increasing the trust of investors to invest in Nusantara Capital City. "I appreciate all parties, especially colleagues at the Ministry of Public Works and Housing, who have worked hard to build infrastructure in Nusantara Capital City. Significant progress in development will undoubtedly foster the trust of all parties that Indonesia is truly serious about building a new sustainable capital city and will become a driver of Indonesia's future economic growth," said Bambang.

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#Nusantara
#IbuKotaNegara

Nusantara, officially the Capital City of Nusantara is the future Indonesia capital as stipulated and regulated by Law No. 3 of 2022. Located on the east coast of the island of Borneo. Nusantara covers area of almost 4x Jakarta, which is approximately 256,142 hectares and sea covering 68,189 hectares. Nusantara will change the orientation of development to become more Indonesia-centric and accelerate the country's economic transformation. The Nusantara National Capital Authority (NNCA) is the Authority executive to managing and governing the Nusantara. NNCA is a cabinet level-agency formed by Indonesian government, working directly under the President of Indonesia. The Authority will support preparation, construction and final move to Nusantara.
