

# **Nusantara: Indonesia's Future Capital**

By Cristina García Arranz

October 20<sup>th</sup>, 2023

Nusantara (officially known as the Capital City of Nusantara) is the name given to Indonesia's future capital, which will be located in the province of East Kalimantan, in the island of Borneo. Thus, Nusantara will replace the current capital, Jakarta (officially known as the Special Capital Region of Jakarta), which is located in the island of Java. Indonesia's President Joko Widodo proposed the decision for the new capital back in April 2019. Nusantara is expected to be inaugurated in August 2024, but the whole project will not be completed until 2045.

## **Why is Indonesia moving its capital?**

There are many reasons behind Widodo's decision. First and foremost, Jakarta is facing a severe threat: It is sinking at a rapid rate. This is largely due to the type of soil upon which the city stands, as well as the massive construction that has taken place over the last decades. According to an article in The New York Times, "forty percent of the Indonesian capital now lies below sea level." What's more, 25% of the capital area could be submerged by 2050.

Second, the rising sea level due to climate change, heavy rainfall, and the extraction of groundwater result in continuous flooding problems all throughout Jakarta. In January 2020, several floodings caused dozens of casualties and forced more than 60,000 people to flee their homes and seek refuge in temporary shelters.

Third, with a population close of more than 11 million people in the city and over 30 million in the greater metropolitan area, Jakarta is overcrowded. Residents encounter constant traffic congestion and suffer from high levels of water and air pollution (namely derived from transportation and the gases emitted by industrial activity and coal fired power stations). In 2019, Greenpeace Southeast Asia ranked Jakarta and Hanoi (Vietnam) as Southeast Asia's two most polluted cities.

Fourth, more than 56% of the total population of Indonesia lives in Jakarta. This has led to an uneven economic development across Indonesia. Last but not least, the island of Java is under the permanent threat of volcano eruptions (out of the 129 active volcanoes spread across Indonesia, 45 are located in Java).

## **The Capital City of Nusantara**

"Nusantara" was chosen as the name for the future capital for its meaning, "archipelago" (in ancient Javanese), thus reflecting Indonesia's geography (with more than 17,000 islands). The new capital is presented as Indonesia's first carbon-neutral city by 2045, and the world's first

sustainable forest capital. This green metropolis will run on renewable energy and be comprised of 70% green space, combating climate change and enhancing biodiversity.

On May 5<sup>th</sup>, 2023, the Asian Development Bank (ADB) and Nusantara National Capital Authority (NNCA) signed a memorandum of understanding for collaboration on the Nusantara project. Mr. Ahmed M. Saeed, the Vice-President (Operations 2) of the ADB, noted: “ADB is pleased to support the NNCA in developing an effective plan to realize its vision for a smart, carbon-neutral forest city.” Nonetheless, Indonesia still needs to attract more private and foreign investment in order to carry on its project, which is estimated to cost US\$30-35 billion.

### **Why choose East Kalimantan as the location for Nusantara?**

The province of East Kalimantan occupies a strategic central position within the Indonesian archipelago. In addition, the presence of a considerably smaller population (in relation to the total population of Indonesia) offers a solution to the overpopulation of Jakarta as well as its water and air pollution problems. Moreover, the island of Borneo faces a minimal risk of disasters in terms of flooding, volcano eruptions, earthquakes, and tsunamis.

However, not everyone is excited with this colossal project. Environmentalists have raised their concerns regarding the partial deforestation of Borneo’s tropical rainforest to build Nusantara, leading to the destruction of the natural habitats of a wide diversity of species including orangutans, rhinos, sun bears, tigers, leopards, and elephants.

### **Sources:**

Beech, H. (2023, May 16). *Indonesia plans on building Nusantara, a new capital city*. The New York Times. <https://www.nytimes.com/interactive/2023/05/16/headway/indonesia-nusantara-jakarta.html>

Davis, R. (2023, May 5). *ADB, Indonesia sign MOU to Develop Nusantara as Carbon-Neutral Forest City*. Asian Development Bank. <https://www.adb.org/news/adb-indonesia-sign-mou-developnusantara-carbon-neutral-forest-city>

Greenpeace Southeast Asia. (2019, March 5). *Latest air pollution data ranks world’s cities worst to best*. Greenpeace. <https://www.greenpeace.org/southeastasia/press/679/latest-air-pollution-data-ranksworlds-cities-worst-to-best/>

John, T. (2020, January 2). *Jakarta floods leave dozens dead and 60,000 displaced*. Cable News Network. <https://edition.cnn.com/2020/01/02/asia/jakarta-floods-intl/index.html>

Lyons, K. (2019, August 27). *Why is Indonesia moving its capital city? Everything you need to know*. The Guardian. <https://www.theguardian.com/world/2019/aug/27/why-is-indonesia-moving-its-capitalcity-everything-you-need-to-know>

Normile, D. (2022, February 3). *Indonesia's utopian new capital may not be as green as it looks*. Science. <https://www.science.org/content/article/indonesia-s-utopian-new-capital-may-not-be-greenit-looks>

World Population Review. (2023). *Jakarta population 2023*. <https://worldpopulationreview.com/world-cities/jakarta-population>

World Wildlife Fund. (n.d.). *Borneo and Sumatra*. <https://www.worldwildlife.org/places/borneo-andsumatra>