INTEGRATED REGIONAL DEVELOPMENT PLANNING |
INDONESIA’S EXPERIENCE
(The Case of Surabaya Madura Region)

Andreas Suhono
CENTER FOR STRATEGIC STUDIES
MINISTRY OF PUBLIC WORKS
REPUBLIC OF INDONESIA
I. OVERVIEW OF INDONESIA EXPERIENCE IN RDP
a. Demography, geography and social
  - Archipelagic country (± 17,000 islands)
  - Diversity on culture
  - Unbalance distribution of population (60% in Java with only 7% of total area)

b. Regional problems
  - Unbalance economic production
  - Income inequality
  - Inequal opportunity among islands

People welfare and National unity? or Fragmentation

Regional Development is important for Indonesian Development
Period 1945 – 1966
- Promote development in selective potential area to exploitation of natural resources

Period 1967 – 1998
- Promote development area through transmigration and infrastructure development
- Enhancing regional development by establishing spatial law (1992)
  * National spatial plan
  * Provincial spatial plan
  * Regency/ City spatial plan

(Note: central government had significant role for regional development)

Under centralistic role of central government, Indonesia had opportunity to develop an integrated development planning and program in small scale and city scale such as Kampong Improvement Program (KIP).

This KIP program was aimed to reduce poverty with community empowerment and to improve healthiness of slum areas started from Jakarta.

From the success of KIP, the government then started to work on urban projects assisted by multilateral and bilateral agencies with more components involved under integrated development approaches (Hendropranoto, 1985).
**Period 2000 – until now**

- Continuing the previous approach in the climate of decentralization
  - Law no. 25/2004 on National development planning system
  - Law no. 17/2004 on Finance
  - Law no. 26/2008 on National spatial planning

Local government (Prov, Regency, city free to allocate budget development)

The key aspects of regional development strongly depend on the interaction of rational planning and politics, and leadership
The Grand strategy of the national and regional development planning → (1) The spatial structure strategy and (2) spatial system strategy to guide the way of national development objectives to be achieved in comprehensive, holistic and integrated approach.

The Spatial structure strategy includes the development of national urban system, transportation, energy, telecommunication, and water resources infrastructure network system (Infrastructure networking).

The Spatial system strategy includes the need to preserve and protect conservation areas, and to develop the productive regions such as potential and prospective areas with prospective and economic potential sectors, and to recognize the national strategic regions or areas.

There are about 76 strategic regions or areas have been identified across the nation. Among others are Jabodetabek region (Greater Jakarta), Gerbangkerto Susila Region (Greater Surabaya), Kedungsepur region (Greater Semarang), and many others.

Strategic regions function as a growth center to distribute economic activities within national territory.
VISION OF 2025

NATIONAL MEDIUM TERM PLAN 2010-2014

<table>
<thead>
<tr>
<th>Economic Growth</th>
<th>Average 6.3 – 6.8 percent/annum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before 2014 grew 7 persons, in 2014 around 7-7.7 persons.</td>
<td></td>
</tr>
<tr>
<td>Inflation</td>
<td>Average 4 - 6 percent/annum</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>5 – 6 percent end of 2014</td>
</tr>
<tr>
<td>Poverty rate</td>
<td>8 – 10 percent end of 2014</td>
</tr>
</tbody>
</table>

2011

GDP~ US$ 850 billion
Income/capita:
US$ ~ 4.800-5.000

2014

GDP: US$ ~ 1,2 trillion
Income/capita:
US$ ~ 13.000 – 16.100
(high income country)

2025

GDP: US$ 3.8 – 4.5 trillion
Income/capita
US$ ~ 13.000 – 16.100
(high income country)
### Indonesian Midterm Development Objectives 2010-2014

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Growth</td>
<td>5.7%</td>
<td>5.5%</td>
<td>6.3%</td>
<td>6.0%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Unemployment</td>
<td>11.24%</td>
<td>10.28%</td>
<td>9.11%</td>
<td>8.39%</td>
<td>7.87%</td>
</tr>
<tr>
<td>Poverty</td>
<td>15.97%</td>
<td>17.75%</td>
<td>16.58%</td>
<td>15.42%</td>
<td>14.15%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Growth</td>
<td>6.2%</td>
<td>6.5%</td>
<td>6.5%</td>
<td>6.7%-7.4%</td>
<td>7.0%-7.7%</td>
</tr>
<tr>
<td>Unemployment</td>
<td>7.1%</td>
<td>6.5%</td>
<td>6.4%-6.6%</td>
<td>6.0%-6.6%</td>
<td>5%-6%</td>
</tr>
<tr>
<td>Poverty</td>
<td>13.3%</td>
<td>12.4%</td>
<td>10.5%-11.5%</td>
<td>9.5%-10.5%</td>
<td>8%-10%</td>
</tr>
</tbody>
</table>
MP3EI as part of Indonesian National Development’s

Dynamics
- Global environment (crisis 2008, BRICS, dll.)
- International commitment (G20, APEC, FTA, ASEAN, Climate Change)
- Local social-economic changing

Environments Action Plan MP3LI

Spatial Planning
National Long-Term Development Plan (RPJPN)

National Long-Term Development Plan (RPJPN)
2005 - 2025

National Medium-Term Development Plan (RPJMN)
2010 - 2014

MoPW Strategic Plan 2010 - 2014


Requirement to Accelerate National Economic Transformation

Indonesia Economic Development Roadmap

Economic Corridor Infrastructure Roadmap (MP3EI)

Focus/Real/Measurable
- New Initiatives
- Coordination
- Integration

GHG - NAP
Reducing Emission from Deforestation and Forest Degradation (REDD)

Source: Indonesia Economic Development Acceleration and Expansion

Private Investment and PPP

Poverty Reduction MP3KI

Source: Indonesia Economic Development Acceleration and Expansion
MP3EI MAIN STRATEGIES

“Main Strategy Operationalized within Strategic Initiatives”

- Potential development through economic corridor
- Strengthen National Connectivity
- Accelerate ability of national human resources and technology

- Encourage Enterprise Investment, National Private Sector, and FDI in large scale within 22 main economic activity (encourage investment realization through accelerating problem solving)

- Sincronize National Action Plan & Revitalization of Real Sectors Performance (determination schedule of completion of national regulation and national main infrastructure)

- Development of Center of Excellence within each economic corridor (encourage human resources and technology development for strengthen competitiveness)
MP3EI TARGET: QUALIFIED AND INCLUSIVE GROWTH

INDICATOR
INCOME/CAPITA OF COMMUNITY IN THE CORRIDORS (PROJECTION OF MP3EI)
→ INCLUSIVE!!

<table>
<thead>
<tr>
<th>E. C. Sumatera</th>
<th>USD 2,375 (20.3%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>E. C. Jawa</td>
<td>USD 2,540 (21.7%)</td>
</tr>
<tr>
<td>E. C. Kalimantan</td>
<td>USD 3,783 (32.3%)</td>
</tr>
<tr>
<td>E. C. Sulawesi</td>
<td>USD 998 (8.5%)</td>
</tr>
<tr>
<td>E. C. Bali-NT</td>
<td>USD 1,139 (9.7%)</td>
</tr>
<tr>
<td>E. C. Papua-Kep. Maluku</td>
<td>USD 866 (7.4%)</td>
</tr>
</tbody>
</table>

Income/capita (2014): $4,702
Income/capita (2010)

Preparation 2010: $3,000
Acceleration 2015: $5,300
Sustainability 2020: $9,000
MP3EI 2025: $14,900
Sustainability 2030: $22,500
Sustainability 2035: $30,400
Sustainability 2040: $38,500
Sustainability 2045: $46,900

MP3EI PROJECTED INCOME/CAPITA OF COMMUNITY IN THE CORRIDORS

E. C. Sumatera: USD 2,375 (20.3%)
E. C. Jawa: USD 2,540 (21.7%)
E. C. Kalimantan: USD 3,783 (32.3%)
E. C. Sulawesi: USD 998 (8.5%)
E. C. Bali-NT: USD 1,139 (9.7%)
E. C. Papua-Kep. Maluku: USD 866 (7.4%)

MP3EI 4,702
Private 51%
Government 10%
SOE 18%
Mix 21%
**Eight Main Programs and 22 Main Economic Activities in MP3EI**

**Eight Main Programs in MP3EI:**

1. Agriculture
2. Mining
3. Energy
4. Industrial
5. Marine
6. Tourism
7. Telecommunication
8. Strategic Area

**22 Main Economic Activities**

- ICT
- Shipping
- Textiles
- Food-Beverages
- Steel
- Defence Equipment
- Palm Oil
- Rubber
- Cocoa
- Animal Husbandry
- Timber
- Oil and Gas
- Coal
- Nickel
- Copper
- Bauxite
- Fishery
- Tourism
- Food-Agriculture
- Sunda Straits Strategic Area
- Transportation Equipment

Source: MP3EI
TOTAL INVESTMENT (REAL SECTOR AND INFRASTRUCTURE) PROJECTION IN MP3EI 2010-2014

Indications of Investment in 6 Economic Corridors

<table>
<thead>
<tr>
<th>Corridor</th>
<th>IDR Trn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sumatra</td>
<td>714</td>
</tr>
<tr>
<td>Java</td>
<td>1,290</td>
</tr>
<tr>
<td>Kalimantan</td>
<td>945</td>
</tr>
<tr>
<td>Sulawesi</td>
<td>309</td>
</tr>
<tr>
<td>Bali - Nusa Tenggara</td>
<td>133</td>
</tr>
<tr>
<td>Papua - Kep. Maluku</td>
<td>622</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,012</strong></td>
</tr>
</tbody>
</table>

% investment per Corridor: 18% Sumatra, 32% Java, 24% Kalimantan, 8% Sulawesi, 3% Bali - Nusa Tenggara, 15% Papua - Kep. Maluku

Investment Indications Value Based on Investor:
- Private: 51%
- Government: 10%
- SOE: 18%
- Mix: 21%

Source: MP3EI
REAL SECTOR INVESTMENT PROJECTION IN MP3EI 2010-2014

Indications of Investment in Main Economic Activities (IDR Tn)

Source: MP3EI
• Total amount of investment for all infrastructure projects 2010-2014 period in the MP3EI indicated 1,786 trillion IDR.
• Within 2012-2014 period, total projects that will be developed are 805 projects.
THE DEVELOPMENT OF ECONOMIC CORRIDOR
Based On Sectoral And Regional Capacity

EC. SUMATERA THEME
Center for Production and Processing of Natural Resources As The Nation’s Energy Reserves

EC. KALIMANTAN THEME
Center for Production and Processing of National Mining and Energy Reserves

EC. SULAWESI THEME
Center for Production and Processing of National Agricultural, Plantation, Fishery, Oil and Gas, and Mining

EC. JAWA THEME
Driver for National Industry and Service

EC. BALI – NUSA TENGGARA THEME
Gateway for Tourism and National Food Suppport

EC. PAPUA – KEP. MALUKU THEME
Center for Development of Food, Fisheries, Energy, and National Mining
Indonesia's Economic Corridor Development. The development of main economic activities in the centers of economic growth accompanied by strengthening the connectivity between economic centers, the location of the main economic activities and supporting facilities.
The integration of National Logistic System, National Transportation System (multi mode transportation; ports, airports, roads, railways master plan) and local development plan.

This framework considers island, geography, economy, and demography condition.
Development of Int. Hub Port. (Kuala Tanjung and Bitung) and Int. Hub Airport (Hasanuddin and Kualanamu) will encourage the growth of community economy within the region outside Jawa Economic Corridor; reduce ecological stress of Java Island, develop logistic independency, and create Indonesia as a maritime country.

“… Locally integrated and globally connected”
MP3EI IMPLEMENTATION STAGES

2011
Phase 1: Quick-wins Implementation
- To establish and function MP3EI committee
- Preparing Action Plans regarding regulations, debottlenecking, permits, incentives, infrastructure development and implementation of investment commitments (quick-wins)
- The establishment of International hubs: seaports and airports
- Strengthening research and development institutions in every corridor
- Human resource development for the corridor’s main economic activities

2015
Phase 2: Strengthen Economic & Investment Bases
- Accelerate the development of long-term infrastructure projects
- Strengthen the innovation ability to increase competitiveness of main economic activities
- Improve economic governance in various fields
- Expand the development of industries creating added value

2020
Phase 3: Sustainable Growth Implementation
- Maintaining sustainable national competitiveness
- Expanding high-technology adaptation for future sustainable development

2025
“Center for Production and Processing of Natural Resources As The Nation’s Energy Reserves”

Main Commodity
- Palm Oil ➔ Focus on upstream industry through harvest enhancement and mature plantation conversion
- Rubber ➔ Harvest enhancement and downstream industry expansion
- Coal ➔ Enhancement mining production

Economic Activity Center and Port
- Mebidangro Metropolitan ➔ Kuala Tanjung Port
- Palembang Metropolitan ➔ Tanjung Api-Api Port
- Dumai ➔ Dumai dan Kuala Enok Port

Public Work Infrastructure
- Medan-Kualanamu-Tb. Tinggi Toll Street (60 km), Palembang – Indralaya Toll Street (22 km), Medan – Binjai Toll Street (15.8 km), Pekanbaru – Dumai Toll Street (135 km), and Bakauheuni-Terbanggi Besar Toll Street (100 km)
- Sp.Inalum – Kuala Tanjung Street (17 km), Kws. Sei Mangke-Sp.Mayang Street (3 km), Dumai Port Access (76 km), Belawan Access (8 km), Kualanamu Access (8 km), Jambi Ringroad (23.6 km), Muaraenim-Palembang Street (174.9 km), and other segment for Eastern Trans Sumatera
- SPAM Bandar Lampung 500 l/s (IPA+Pipa), SPAM Limapuluh city 50 l/s, dan SPAM Industrial Area Dumai-Tj.Buton-Kuala Enok 30 l/s
- Karian DAM 10.000 l/s
Main Commodity
- **Food Product**: Focus on solving the problem for capitalization domestic demand.
- **Textile**: Capture domestic market from import and strengthen as chosen production source country.
- **Transportation Equipment Industry**: Develop capability for higher value added.
- **Telematics, Shipyard, Defense Equipment, and Petrochemical**

Main Economic Activity and
- **Jabodetabek Metropolitan**: Tj.Priok Port
- **Semarang Metropolitan**: Tj. Emas Port
- **Gerbangkertosusila Metropolitan**: Tj. Perak Port
- **Bandung Raya Metropolitan**
- **Kawasan Pantura lainnya**

Public Works Infrastructure
- **Trans Jawa Toll Road**: (617 km) and Non-Trans Jawa Toll Road (745.95 km) and Jabodetabek Toll Road (271.82 km)
- **Umbulan Water Conveyance**: 4,000 l/s
- **IPA Jatiluhur**: 5,000 l/s
- **Kanal Tarum Barat Rehabilitation**: (+ 5,000 l/s)
- **Jatibarang Dam**: 1,050 l/s
- **SPAM Bekasi City**: 300 l/s and Kab. Bekasi 450 l/s
- **SPAM Semarang**: 1,050 l/s
- **SPAM Tangerang** (IPA Sepatan): 900 l/s
Main Commodity
• Oil and Gas → Exploration to reach stabilization of production growth
• Palm Oil → Increase harvest production, and shifting to higher value added product
• Coal → Increase production by developing infrastructure that support mining activity

Main Economic Activity and Port
• Pontianak-Samarinda → Port
• Tayan-Mempawah-Pontianak
• Batulicin-Kotabaru
• Maloy, Sampit-Bagendang, Pangkalan Bun-Kumai

Public Works Infrastructure
• Balikpapan-Samarinda toll road (99 km)
• Sei Pinyuh-Sei Duri road, (98.5 km), Tayan-Pontianak road, (263.8 km), Samarinda-Bontang-Sangatta-Maloy road (304.5 km), dan Sampit-Sp.Runtu-Pangkalan Bun-Kumai road (277.6 km)
• Tayan dan Pulau Balang Bridge
• Intake dan Palingkau Raw Water Transmision 220 l/s (Kalteng)
• SPAM Eastern Pontianak (300 l/s)
• Increase Capacity Banjarmasin Water Clean Instalation 1000 l/s

Source: MPAEI Document

“Center for Production and Processing of National Mining and Energy Reserves”
“Center of Production and Processing of National Agricultural, Plantation, Fishery, Oil and Gas. and Mining”

Main Commodity
- Foodstuffs (Paddy dan Corn) ➔ Enhance productivity and guarantee national food security
- Plantation (Cocoa) ➔ Shifting to higher value added product
- Fishery ➔ Reduce the capture of marine fisheries, dan develop akuakultur production
- Nickel Mining ➔ Enhance semi-finished nickel export

Main Economic Activity and Port
- Makassar ➔ Makassar Port
- Mamuju ➔ Belang-Belang Port
- Manado-Bitung ➔ Bitung Port
- Kendari

Public Works Infrastructure
- Manado-Bitung Toll Road (30,86 km)
- Kendari – Asera Road (125,4 km), Siwa-Pare-Pare-Barru-Maros-Makassar Road (312,9 km), Parigi-Poso-Tentena-Tindantana Road (293,2 km), Kolaka-Lasusua Road (279,8 km), Majene-Tapalang-Mamuju Road (143,1 km), dan Atinggola-Maelang-Kaiya Road (121,5 km)
- SPAM Bitung City 40 l/s, SPAM Makassar City dan SPAM Makassar Industry 1.000 l/s,
“Gateway for Tourism and National Food Support”

Main Commodity
- Tourism ➔ Enhance tourism visit and expenditure. Utilize Bali a gateway to promote visit to other tourism location.
- Agriculture and Livestock ➔ Enhance land productivity and develop product activity until downstream

Main Economic Activity and Port
- Sarbagitaku Metropolitan ➔ Tj. Benoa, Gilimanuk, dan Padang Bai Port
- Lombok ➔ Lembar Port
- Kupang ➔ Tenau Port
- Labuan Bajo ➔ Labuan Bajo Port

Public Works Infrastructure
- Nusa Dua-Ngurah Rai-Benoa Toll Road (10 km)
- Benete-Sp. Negara Road (72,1 km-Bali), Tohpati-Kosamba, Road (11,8 km-Bali), Lombok International Airport Access Road (NTB), Ende-Maumere-Magepanda Road (172,6 km-NTT), Bolok-Kupang-Oesapa Road (59,4 km-P.Timor), dan Dompu-Raba-Lb.Bajo Road (159,2 km-NTB)
- Titab DAM (359 l/s-Buleleng) dan Pandanduri DAM (27 juta m³-Lombok)
- IPA Petanu 300 l/s dan IPA Kupang Regency 100 l/s

Sumber: MPAEI Document
Main Commodity
- Mining (Copper and Gold) → Encourage new location of mining exploration with infrastructure support.
- Encourage forward integration through downstream production activity.
- Agriculture and Plantation → Enhance production through MIFEE and creating higher value added products.

Main Activity Economic and Port
- Merauke → Merauke Port and MIFEE Port (Wanam)
- Jayapura → Jayapura Port
- Morotai → Morotai Port
- Sorong → Sorong Port
- Timika → Pomako Port

Public Works Infrastructure
- Development of Morotai clean water installation 13 l/s
- Intake dan Teluk Umar (Nabire) Raw Water Transmission 150 l/s
- SPAM Timika City 200 l/s
- Rehabilitation irrigation transmission of Pulau Buru dan Seram
**PLANNED OF MP3EI PROJECTS GROUNDBREAKING IN YEAR 2011**

<table>
<thead>
<tr>
<th>Indonesia Economic Corridor</th>
<th>Number of Projects</th>
<th>Investment Value (IDR Billion)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Infrastructur</td>
<td>Real Sector</td>
<td>Infrastructur</td>
</tr>
<tr>
<td>Sumatera</td>
<td>15</td>
<td>14</td>
<td>26,856.40</td>
</tr>
<tr>
<td>Java</td>
<td>22</td>
<td>22</td>
<td>99,945.50</td>
</tr>
<tr>
<td>Kalimantan</td>
<td>6</td>
<td>13</td>
<td>11,433.33</td>
</tr>
<tr>
<td>Sulawesi</td>
<td>6</td>
<td>9</td>
<td>1,094.02</td>
</tr>
<tr>
<td>Bali-NT</td>
<td>11</td>
<td>2</td>
<td>10,534.00</td>
</tr>
<tr>
<td>Papua-Maluku Islands</td>
<td>13</td>
<td>5</td>
<td>8,165.50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>73</strong></td>
<td><strong>65</strong></td>
<td><strong>158,028.75</strong></td>
</tr>
</tbody>
</table>

**REALIZATION OF MP3EI PROJECTS GROUNDBREAKING IN YEAR 2011**

<table>
<thead>
<tr>
<th>Indonesia Economic Corridor</th>
<th>Number of Projects</th>
<th>Investment Value (IDR Billion)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Infrastructur</td>
<td>Real Sector</td>
<td>Infrastructur</td>
</tr>
<tr>
<td>Sumatera</td>
<td>15</td>
<td>14</td>
<td>26,856.40</td>
</tr>
<tr>
<td>Java</td>
<td>22</td>
<td>20</td>
<td>99,945.50</td>
</tr>
<tr>
<td>Kalimantan</td>
<td>6</td>
<td>11</td>
<td>11,433.33</td>
</tr>
<tr>
<td>Sulawesi</td>
<td>6</td>
<td>5</td>
<td>1,094.02</td>
</tr>
<tr>
<td>Bali-NT</td>
<td>11</td>
<td>2</td>
<td>10,534.00</td>
</tr>
<tr>
<td>Papua-Maluku Islands</td>
<td>13</td>
<td>5</td>
<td>8,165.50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>73</strong></td>
<td><strong>57</strong></td>
<td><strong>158,028.75</strong></td>
</tr>
</tbody>
</table>
### PLANNED OF MP3EI PROJECTS GROUNDBREAKING YEAR 2012

<table>
<thead>
<tr>
<th>Indonesia Economic Corridor</th>
<th>Number of Projects</th>
<th>(IDR Billion)</th>
<th>Total</th>
<th>Investment Value (IDR Billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Infrastructur</td>
<td>Real Sector</td>
<td>Infrastructur</td>
<td>Real Sector</td>
</tr>
<tr>
<td>Sumatera</td>
<td>6</td>
<td>10</td>
<td>11,390.00</td>
<td>12,841.57</td>
</tr>
<tr>
<td>Jawa</td>
<td>18</td>
<td>9</td>
<td>63,834.00</td>
<td>10,635.00</td>
</tr>
<tr>
<td>Kalimantan</td>
<td>14</td>
<td>13</td>
<td>6,792.58</td>
<td>91,031.46</td>
</tr>
<tr>
<td>Sulawesi</td>
<td>7</td>
<td>1</td>
<td>11,353.00</td>
<td>4,138.80</td>
</tr>
<tr>
<td>Bali-NT</td>
<td>3</td>
<td>2</td>
<td>2,971.00</td>
<td>1,540.00</td>
</tr>
<tr>
<td>Papua-Kep.Maluku</td>
<td>3</td>
<td>2</td>
<td>3,984.00</td>
<td>45,460.00</td>
</tr>
<tr>
<td>Total</td>
<td>51</td>
<td>37</td>
<td>100,324.58</td>
<td>165,646.83</td>
</tr>
</tbody>
</table>

### REALIZATION OF MP3EI PROJECTS GROUNDBREAKING YEAR 2012

<table>
<thead>
<tr>
<th>Indonesia Economic Corridor</th>
<th>Number of Projects</th>
<th>(IDR Billion)</th>
<th>Total</th>
<th>Investment Value (IDR Billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Infrastructur</td>
<td>Real Sector</td>
<td>Infrastructur</td>
<td>Real Sector</td>
</tr>
<tr>
<td>Sumatera</td>
<td>4</td>
<td>8</td>
<td>10,720.00</td>
<td>6,144.54</td>
</tr>
<tr>
<td>Jawa</td>
<td>17</td>
<td>8</td>
<td>61,934.00</td>
<td>9,953.00</td>
</tr>
<tr>
<td>Kalimantan</td>
<td>14</td>
<td>13</td>
<td>6,792.58</td>
<td>91,031.46</td>
</tr>
<tr>
<td>Sulawesi</td>
<td>7</td>
<td>1</td>
<td>11,353.00</td>
<td>4,138.80</td>
</tr>
<tr>
<td>Bali-NT</td>
<td>2</td>
<td>2</td>
<td>202.00</td>
<td>1,540.00</td>
</tr>
<tr>
<td>Papua-Kep.Maluku</td>
<td>3</td>
<td>0</td>
<td>3,984.00</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>47</td>
<td>32</td>
<td>94,985.58</td>
<td>112,807.80</td>
</tr>
</tbody>
</table>
### PLAN OF MP3EI PROJECTS GROUNDBREAKING IN YEAR 2013

<table>
<thead>
<tr>
<th>Koridor Ekonomi</th>
<th>Number of Project</th>
<th>Nilai Investasi (Rp. Milyar)</th>
<th>Total</th>
<th>Nilai Investasi (Rp. Milyar)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Infrastruktur</td>
<td>Sektor Riil</td>
<td>Infrastruktur</td>
<td>Sektor Riil</td>
</tr>
<tr>
<td>Sumatera</td>
<td>14</td>
<td>5</td>
<td>47,251.16</td>
<td>20,781.03</td>
</tr>
<tr>
<td>Jawa</td>
<td>17</td>
<td>14</td>
<td>193,475.00</td>
<td>20,853.00</td>
</tr>
<tr>
<td>Kalimantan</td>
<td>6</td>
<td>9</td>
<td>31,021.00</td>
<td>84,210.65</td>
</tr>
<tr>
<td>Sulawesi</td>
<td>13</td>
<td>9</td>
<td>8,099.44</td>
<td>15,436.00</td>
</tr>
<tr>
<td>Bali-NT</td>
<td>4</td>
<td>5</td>
<td>12,488.00</td>
<td>66,888.00</td>
</tr>
<tr>
<td>Papua-Kep.Maluku</td>
<td>1</td>
<td>5</td>
<td>3,500.00</td>
<td>202,480.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>55</strong></td>
<td><strong>47</strong></td>
<td><strong>295,834.60</strong></td>
<td><strong>410,648.68</strong></td>
</tr>
</tbody>
</table>

**Note:**
MP3EI Team is still doing some efforts to realize the MP3EI projects year 2013
II. SURAMADU INTEGRATED REGIONAL DEVELOPMENT
Based on the Government Regulation No 26/2008 on the National Spatial Plan, this Surabaya Madura Region is part of National Strategic Region (NSR) Gerbangkertosusila (GKS), Surabaya and Madura are considered as an example of two sub-regions with imbalance of development.

There is a complexity in the economic development, socio-cultural and environment dealing with the nature people of Madura under the political behaviour of East Java.

Madura sub region is considered poor compared to Surabaya sub region. Even though both are located in the same province (East Java Province), Madura Island is a less developed region in the East Java province, while Surabaya has relatively more industrialized and modernized.

The dream is by connecting these two areas, the government can accelerate East Java Province’s development to boost up economic growth as well as to make spatial distribution of welfare becoming better started by building the Suramadu Bridge (Finished in 2009).
Madura Island is relatively less developed region in East Java
- Potency: vacant land, manpower, oil and gas.

Lack accessibility to GKS

Suramadu Bridge Development

- GKS second largest metropolitan in Indonesia
- GKS center of industry (34% of national industrial estate), technical education center
- Second largest sea port

Spill over industrial activities to Madura Island

Madura Island Development needs to be accelerated
This bridge of 5.4 km length is the longest bridge in Indonesia. Having the bridge, Madura Island is no longer separated physically from the East Java Province, and travelling time from Madura to Surabaya decrease significantly from 1.5 hours (by ferry) to become 15 minutes (by bridge).

The Madura population is about 3.64 million with the area nearly 5.300 sqkm with a quite of potential economy such as fishery, salt production, husbandry such as cow and goat, and tobacco plantation.

Madura is inhabited with maduranese with their own culture that is strongly rooted in Islamic values. Within maduranese, it is known three pillars of leadership: Bapa and Ebuh (father and mother), Kyai (religious teacher), and rato (government).

The Maduranese demands that the decision making in the development process should involve these three pillars. On the otherhand, Eastern Java inhabited by Javanese which is industrialized and modernized.

The challenge is that character and condition of Surabaya Municipality and Madura Island are relatively different. If the approach of integration of regional development is succeed, then the government will have been more confidence in developing the other regions across the nation.
Government established Suramadu Regional Development Board (SRDB) through Presiden Regulation No. 27/2008.

The Objective of development is to accelerate Suramadu Regional Development becoming one of economic growth center in East Java.
INSTITUTIONAL SUPPORT: THE BOARD OF SURAMADU REGIONAL DEVELOPMENT

TASK OF THE SRDB

❖ To prepare master plan of regional infrastructure development;
❖ To manage the operationalization of the Suramadu Bridge as toll road and the toll road of Outer Eastern Ring Road of Surabaya connecting Juanda airport in Surabaya and Tanjung Perak harbor;
❖ To manage the operationalisation of the container port in northern part of Bangkalan in Madura;
❖ To develop and manage Three development areas: i). Development area of 600 ha adjacent to the bridge on the Surabaya side, ii). Development area of 600 ha adjacent to the bridge on the Madura side, and iii). Development area of 600 ha on the northern part as united with the container port;
❖ To facilitate one roof system of licensing; To facilitate regional infrastructures, utilities and promote skilled manpower in order to prepare industrilisation in Madura Island.
**Vision:** Becomes one of the economic growth center of East Java and a node of national transportation by sustaining local culture value

**Mission:**

- Accelerating the HRD resources of the region including Maduranese; facilitate the development of infrastructure network, urban and growth centers, also potential area development through integrated programs (inter sectors), and program development assistances in the region.

- Accelerating strategic and potential developments, supporting the management of infrastructure and business, the development management of strategic areas with the local authority and supporting related infrastructures as necessary to push the regional economy, social, and conserve the regional environment.

- Capacity building of organization, development of competency and professionalism of human resources.

**Masterplan of Suramadu Regional Development consists:** Integrated of sectoral activities on development areas, regional infrastructure and social & HRD development.; at regional level → coordination tool for regional infrastructure development; at area level (3 development areas) → coordination tool for area development. The MP is function as a tool for coordination among sectoral agency related to accelerate Suramadu Regional Development at local and central government.
Connectivity of area development, cities and inlet – outlet gate Establishment

- Identification potential area as area development (through analysis of: carrying capacity, existing regencies spatial plan)
- Identification of strategic key sector within potential area
- Identification infrastructure network system to support area development

The need for regional infrastructure development and investment of social and environments

Identification the need for regional infrastructure development

- Comparing connectivity and regional infrastructure existing need of regional infrastructure
- Formulation the regional infrastruktur (roads, ports, water drinking, water resources, power for Madura island and power for small islands) and manpower;
- Formulation of real sectors investment development and
- Formulation of program for Social Cultural and HRD
- Formulation of program for environments

By analysing the development of areas and regional infrastructure needs, social-culture behaviour and the need of environmental conservation, the investment program of development can be formulated including the formulation of regional and local infrastructure needs, social cultural and environment infrastructures.
CONNECTIVITY OF DEVELOPMENT AREA, CITIES AND INLET-OUTLET GATES
The plan is used as a tool for coordination among sectoral agencies related to the acceleration development of Suramadu region at local, provincial and central government.

The masterplan is outlining the frameworks of integrated development in the region. The masterplan provides the key information of the region, the economic potency and condition, social culture and environment conditions; the policy and regulation; and the program agenda of development.

From the economic side, the plan consists of sectoral and regional infrastructure development program activities and development area that integrate and enforce one with another functionally considering the social cultures empowerment, and environmental carrying capacity.

The strategy of development in the plan of Suromadu region was adopting the policy of national, provincial and local to promote economic and social factors of potential areas in the region and to conserve environments by adopting local development strategy.

The strategy to support key sectors, the supporting utilities and local infrastructure, and skilled labor.

The integration of local area development is created through functionally and spatially connecting the locations of key sectors and local infrastructure and utilities.

Synchronizing the spatial arrangement of these elements into local spatial plan and local development plan.
Bridge Area Development in Surabaya Side (spatial plan)

LAND USE OF DEVELOPMENT AREA OF SURABAYA SIDE

1) The main function of the area is as a node connecting regional infrastructure in Madura and Surabaya.

2) Designated activities:
   i. Trade and service
   ii. Tourism with the theme "waterfront city"
   iii. Settlements
   iv. Government offices

<table>
<thead>
<tr>
<th>No.</th>
<th>Zone</th>
<th>Area (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Trade and service area/CBD</td>
<td>115.84</td>
</tr>
<tr>
<td>2</td>
<td>Office areas</td>
<td>17.59</td>
</tr>
<tr>
<td>3</td>
<td>Tourism area (waterfront city)</td>
<td>85.70</td>
</tr>
<tr>
<td>4</td>
<td>Settlement area</td>
<td>28.26</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>247.39</td>
</tr>
</tbody>
</table>
Bridge Area Development in Surabaya Side (spatial plan)

LANDUSE OF DEVELOPMENT AREA OF SURAMADU SIDE

1) The area functions as the gate of Madura Island and as a sub-growth center of Madura Island.

2) Designated activities:
   i. Industry
   ii. Trade and Service
   iii. Settlement
   iv. Tourism

<table>
<thead>
<tr>
<th>No.</th>
<th>Zona</th>
<th>Area (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Industrial Areas</td>
<td>322</td>
</tr>
<tr>
<td>2</td>
<td>Tourism Areas</td>
<td>21</td>
</tr>
<tr>
<td>3</td>
<td>Settlement Areas</td>
<td>116</td>
</tr>
<tr>
<td>4</td>
<td>CBD (Trade, Service, and Offices)</td>
<td>53</td>
</tr>
<tr>
<td>5</td>
<td>Rest Area</td>
<td>68</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>580</td>
</tr>
</tbody>
</table>
Special Areas United with Container Port in the Northern Madura (spatial plan)

LANDUSE OF DEVELOPMENT AREA UNITED WITH CONTAINER PORT IN THE NORTHERN MADURA

1) The area functions as industrial areas and warehouse supporting the development Tanjung Container Port Modung – Buluh Pandan.

2) Designated activities:
   i. Industry and warehouse
   ii. Trade and service
   iii. Settlement
### THE SURAMADU REGIONAL DEVELOPMENT PLAN

#### Total Investment

<table>
<thead>
<tr>
<th>Investment</th>
<th>the 1st 5 years</th>
<th>the 2nd 5 years</th>
<th>the 3rd 5 years</th>
<th>15 years (2024)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>7.503</td>
<td>15.163</td>
<td>6.365</td>
<td>29.031</td>
</tr>
<tr>
<td></td>
<td>(0.7503)</td>
<td>(1.5163)</td>
<td>(0.6365)</td>
<td>(2.9031)</td>
</tr>
<tr>
<td>Private sectors</td>
<td>15.715</td>
<td>82.936</td>
<td>95.059</td>
<td>193.710</td>
</tr>
<tr>
<td></td>
<td>(1.5715)</td>
<td>(8.2936)</td>
<td>(9.5059)</td>
<td>(19.3710)</td>
</tr>
<tr>
<td>Total</td>
<td>23.218</td>
<td>98.099</td>
<td>101.424</td>
<td>222.741</td>
</tr>
<tr>
<td></td>
<td>(2.3218)</td>
<td>(9.8099)</td>
<td>(10.1424)</td>
<td>(22.2741)</td>
</tr>
</tbody>
</table>

By implementing the plan and investment combining with other public investment, the regional economic growth during 15 years (2011-2024) will be accelerated.

It is predicted that economic growth would increase from 5.3% in 2010 become 8% in 2024.
The plan of regional development of Suromadu shows the efforts to integrate the main sector of economy, social and environment.

The plan shows that some conservation’s areas should not be touched and need to be preserved for sustainability such as water resources, catchment areas, rivers, ground water, embung (ponds), and the forest in the middle of island.

The social culture should be empowered and educated to reduce conflict between the local people (such as sunni against syiah). The economic potency of Madura and Greater Surabaya need to be push up by opening more investor and creating a business like environment and increasing connectivity of urban and growth centers to the provincial urban center.

The elaboration across the sectors and institutions in the national level, provincial dan local during implementation. The institution involved which responsible to related sectors at national level is Ministry of Transportation, Industry, Trade, Stated own enterprise, National Land Agency, Public Works, Home Affair, Finance, National Planning Board. At Provincial level, is the Governor of East Java, Mayor of Surabaya and all bupatis in Madura.
The Leadership of related local government of Suramadu and commitment on the regional development objectives, and the implementation

To build good cooperation among the government and related stakeholders

To have understanding with the ulama (Spiritual Leaders) and the society for the acceleration of the development.

Participatory planning and community involvement in the planning process and the process during implementation to ensure the society that the development of infrastructure and industrial zone will not harm the religious life of the Maduraness.

Communication and understanding with the local people to make sure that the plan and activities are in line with the local priorities and the bigger picture of National Development

Understanding and acceptance of local government bureaucracy to the plan prepared together.

The creation of a conducive climate for investment by synchronizing regulations and easing permits related to business development.

The Policy of incentive for the investment in public infrastructure and utilities and real sectors investment.

Institutionalization of environmental principles in local governance in Madura and Surabaya whether in planning and implementation process
In the case of Suromadu the main challenges of implementing the IRDP is making clear communications and transparent policies. Maduranese is very sensitive people and may be not very tolerant in anything. They are only follow the three pillars as mentioned before.

Elected Bupati or Mayor under the decentralization policy feel that they are having full autonomy not appointed by the Governoor (the head of the province). The coordination of implementation chaired by the Governoor seem not very effective. Each local leader especially Bangkalan and Surabaya consider that the plan does not accommodate his or her political interests which is against the previous consensus. The decision process become stagnant for a while and cause delay.

Local leaders especially Bangkalan and Mayor of Surabaya were not very cooperative in the implementation process. There is a fear of that Integrated planning might reduce their ultimate power of control although the public is now waiting the result of development.

Agreement of role sharing between local governments and implementing agency on how permits for development is conducted in Suramadu.

The value of land for infrastructure and development areas for industrial and business activities are rising quickly may become another constraint.
III. CLOSING REMARKS
Under Rio+20, it is understood by many of us that Integrated regional development planning (IRDP) is the key approach in balancing the development and achieving sustainable development toward “the future we want”.

In realistic world, we always have a Master Plan, but unfortunately sometime we don’t have a Master Control. It is a challenge how you could formulated master control rationally in democratic and decentralized environments

Without proper power to control, implementation always is always facing difficulties. A good planning in any way needs to gain support from politicians and leaders. If planners cannot gain supports from politicians, they should become politicians (Alonso, 1963)

The governments in the future should become a trusted institution (Good Governance). When the people feel neglected by the governments, it will be difficult to create any program especially related with Integrated Regional Development)

The Government of Indonesia so far still optimistic with the decentralization policy as regulated by the Law no 32/2004, although some of the detail policy need to be improved to ensure that we have a good governance system and to enhance the current democratic political system.
To day, the role of local government becomes stronger and important. With a good leader, there is a hope of people to trust that the government will lead the way of having a better satisfaction or even happiness.

This kind of phenomena now is still possible. The new govenor of Jakarta (Mr. Jokowi) is one example that people giving trust. We need a leader that willing honestly to serve the people, the city citizen. The people respect to the leader who respect the people (Jokowi, 2013). This phenomena is giving new hopes that differences can be united.

If we believe to the goal (the shared goal) and safety journey together to go there (a better place). The integrated regional approach shows the lesson learned that conflict should be managed transparently, so people will know what is happening. People do not like a corruption when many people live in poverty.
ABOUT JAKARTA FLOODING
LAUT

WADUK PLUIT
WADUK SETIABUDI
WADUK MELATI
WADUK ANCOL
WADUK RAWA BADA

Daerah Rencana Pengaliran Dengan Mekanisme (Sistem Folder)
Main Drain
Daerah Cukup Tinggi Pengaliran dengan Grafitasi

K. Mookervart
K. Angke
K. Pesanggrahan
K. Grogol
K. Krukut
K. Baru Barat
K. Ciliwung
K. Baru Timur
K. Cipinang
K. Sunter
K. Buaran
Stage 1 (protection to 2020)
Stage 2 (protection to 2030)
Stage 3 (protection after 2030)