



## **Land Acquisition in the Nusantara Capital City (IKN): Remaining 20%, Who Benefits Most from the Ownership of Concession?**

### **AERIAL VIEW OF THE DEVELOPMENT OF THE NEW CAPITAL CITY NUSANTARA 1**

The continuation likelihood of the IKN Mega Project in East Kalimantan, Nusantara, is growing stronger. The Prabowo Subianto-Gibran Rakabuming Raka pair, advocating for sustainability, currently leads in preliminary assessments based on data from the KPU's SIREKAP. This commitment to sustainability is feared to overshadow efforts to address the ongoing spatial issues in accordance to answering public questions about who benefits from the relocation of the national capital city to Nusantara.

### **The Ecological Scars Behind the New Capital City Mega Project**

In the span of three years (2018-2021), deforestation in the IKN area has reached 18 thousand hectares, with 14,01 thousand of it belonging to production forest, 3,14 thousand hectares in Other Usage Areas, and the rest of it belonging to 807 hectares in Tahura, 9 hectares in Preserved Forest, 15 hectares in other areas. FWI records (2023) explain that throughout 2022 until June 2023, the total deforested area reached 1,663 hectares. Deforestation is interpreted as the conversion of natural forest cover into non-natural forest.

This is also in line with the appearance of land cover changes displayed by the National Aeronautics and Space Administration (NASA) on February 11, 2024.

### **DEFORESTATION DATA IN THE NUSANTARA CAPITAL REGION AREA**

Massive deforestation in the IKN Region has resulted in various negative impacts, such as the loss of flora and fauna habitats, soil erosion, and pollution. Furthermore, future deforestation of natural forests may eliminate the function of the forest to conserve water and soil, microclimate regulation, food sources, and medicines for communities. Deforestation in the IKN Region also worsens Indonesia's commitment situation at the global level to reduce emissions.

On the other hand, fishermen and indigenous communities are losing the sources of their livelihood because they have to compete for space with ongoing projects such as dams, ports, offices, palaces, roads, and airports.



## Between AHY and His New Political Commitment

Agus Harimurti Yudhoyono (AHY) immediately conducted a working visit following his appointment as the Minister of Agrarian Affairs and Spatial Planning/National Land Agency (ATR/BPN) to the IKN region. In Nusantara, AHY revealed that the land acquisition progress for IKN in East Kalimantan has reached 80%. Despite previously showing a firm stance against the IKN project, AHY is now supportive and even admitted that there are still 11 land procurement packages currently in process for IKN. This has led to suspicions that his support for IKN is likely based on political interests and influenced by his position in the government instead of substantial considerations for the project.

The control of space IKN region and East Kalimantan is highly complex, leading to land acquisition in the Nusantara Capital, which leaves only about 50 thousand hectares, likely being done in a closed manner and without meaningful public participation.

The spatial analysis findings by FWi (2023) show that East Kalimantan (Kaltim) is the province with the most "entangled" investment permit conditions. Over two-thirds (69%) of its land is under the control of permits for various space-hungry investments like mining, logging (HPH), industrial timber estates (HTI), and palm oil plantations. Even worse, there are 3.6 million hectares of overlapping permit areas in the region. This "entangled" situation also occurs in the Nusantara Capital region. As much as 51% of land is controlled by various corporations such as plantations, mining, and forestry, leading to overlapping claims.

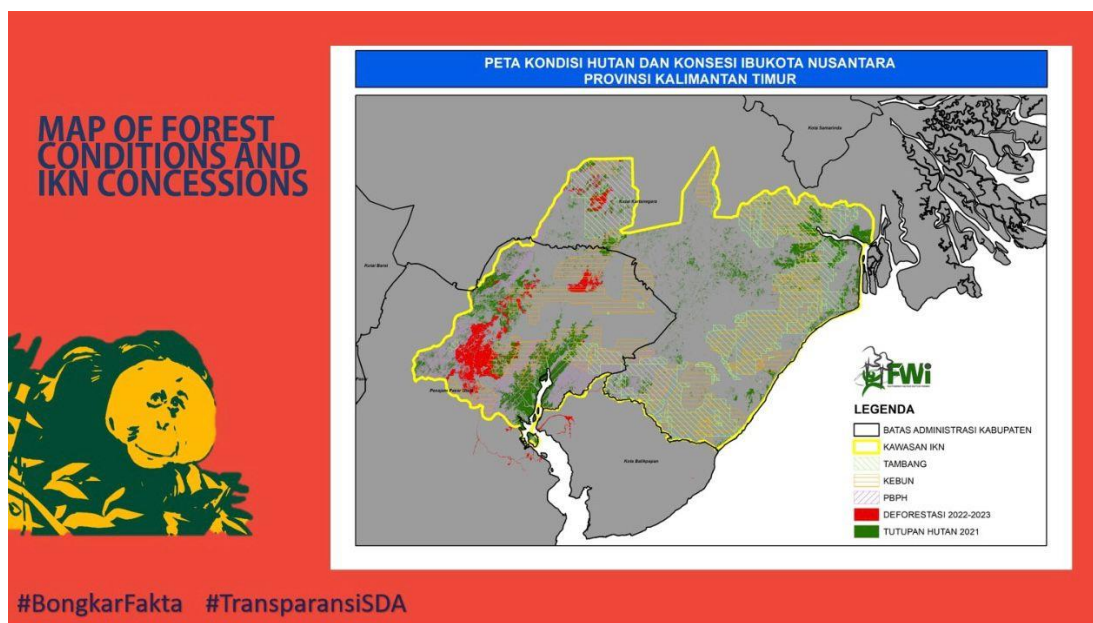


Figure 1. MAP OF NATURAL FOREST CONDITIONS 2022 - JUNE 2023 FOREST CONDITIONS AND CONCESSIONS OF THE ARCHIPELAGO CAPITAL OF EAST KALIMANTAN PROVINCE

## QUOTES

*"The relocation of the Nusantara Capital has become a driver of deforestation, which significantly impacts the environment and the livelihoods of vulnerable communities such as indigenous groups, fishermen, and small-scale farmers. Environmental changes due to infrastructure development have damaged ecosystems on land and in the sea, which are important to them. This includes the indigenous community of the Balik Tribe in East Kalimantan, who have lost their ancestral land due to land acquisition projects.*

*On the other hand, concession owners and big corporations gain significant profits from the development of IKN. Concessions that have obtained business permits in forestry, plantations, and mining, which control 51% of the forests and land in the Nusantara Capital, are those that benefit the most from its development. The development of IKN has become an elitist project that benefits only a few groups, disregarding the fate of small communities and environmental sustainability." According to **Anggi Putra Prayoga from Forest Watch Indonesia.***

