

Indonesia



Sectors: Multi-sector, Transport, Water & Waste

Cities: Denpasar, Greater Surabaya and Jakarta

Green Cities, Infrastructure and Energy Programme (GCIEP) capabilities: Finance and investment, Strategy and analysis, Institutions and capacity

UK Delivery Partners: Transport for London, National Infrastructure & Service Transformation Authority



Members of the GCIEP team with officials on a site visit to a new metro tunnel in Jakarta. © GCIEP

The challenge

Indonesia faces significant urban and infrastructure challenges due to rapid urbanisation, traffic congestion and limited public transport. Frequent flooding, poor drainage and land subsidence impact major cities. There is also a significant infrastructure funding gap which requires increased investment from both public and private sources to accelerate urban development. Despite ongoing improvements, such as public transport expansions and flood control measures, significant support to the Indonesian Government is still vital. This support is needed to facilitate sustainable planning and investment, to reduce emissions and enhance resilience, connectivity and the quality of life in urban areas.

GCIEP's solution

In Indonesia, GCIEP is working alongside key government institutions to prioritise, plan, develop and finance critical urban infrastructure transport and water projects that promote inclusive and sustainable economic growth. This work is delivered across three strategic initiatives.

1. Establishing national sustainable infrastructure planning, appraisal and financing practices

GCIEP aims to increase climate resilience and improve connectivity, productivity and the quality of life for residents in targeted cities and provinces. It does this in collaboration with the Indonesian Ministry for National Development Planning, Bappenas, to strengthen institutional practices and approaches towards project prioritisation, monitoring and financing of National Development Projects and projects from Sustainable Urban Mobility Plans (SUMP).

GCIEP supports Bappenas in strengthening its prioritisation and monitoring practices for projects of national priority. This includes working with Bappenas to identify funding and financing options for strategic infrastructure projects through a Project Funding and Financing Options Framework. GCIEP is helping scale the framework's use and develop it into a digital tool and detailed application for a selected project from the National Development

Plan. Additionally, GCIEP will assist Bappenas to prioritise and monitor projects based on criteria for National Strategic Priority (PSN) status, ensuring they drive economic growth, job creation and equitable development. GCIEP is also developing monitoring metrics and a dashboard to track progress of PSN Projects while focusing on institutional strengthening to ensure these tools are effectively integrated into Bappenas.

Next, GCIEP focuses on creating a standard framework for appraising SUMP projects proposed to Bappenas from various sub-national governments. This framework, developed with provincial governments, strengthens and standardises the institutional processes and will be piloted with Surabaya SUMP proposed projects, with support from Transport for London.

By developing these frameworks, tools and processes, GCIEP aims to enable climate-smart outcomes, mitigate social risks and enhance infrastructure impact across Indonesia.

Expected results

Working with the Government of Indonesia to prioritise and identify viable financing and funding options for National Strategic Priority (PSN) Projects and Sustainable Urban Mobility Plans (SUMPs), will lead to accelerated investment in energy, mobility, water and waste management solutions for local communities.

2. Low-carbon, integrated, resilient transport planning in Surabaya

GCIEP is enhancing climate resilience, connectivity and quality of life in Surabaya by improving transport planning and financing. Key actions include capacity building on urban mobility planning, identifying priority urban mobility projects, with developing a transit-oriented development (TOD) roadmap, laying the groundwork for an Integrated Transport Authority (ITA), and developing a feasibility study on urban rail for Surabaya.

GCIEP also promotes best practices in TOD to support equitable, low-carbon public transport, developing a roadmap for TOD in one selected station. Additionally, GCIEP, with support from Transport for London (TfL), lays the foundation for an ITA through stakeholder coordination and regulatory proposals.

GCIEP is strengthening Surabaya's ability to integrate, plan and finance transport projects across the Metropolitan Surabaya Area support from TfL.

This includes building stakeholder capacity to prioritise impactful

projects, enhance connectivity and integrate transport modes. This capacity building incorporates knowledge transfer on innovative transport approaches from TfL, alongside co-developing a vision for urban mobility and a priority project list from the Surabaya SUMP.

Finally, GCIEP is conducting a feasibility study to improve access to inclusive, low-carbon and climate-resilient public transport solutions. The study identifies the most desirable and viable urban rail transit system and evaluates the financial viability of the project, proposing routes, operational frameworks, infrastructure designs and transit system technology to improve accessibility in Surabaya.

Expected results

Working with East Java provincial government and city government stakeholders to develop capacity in sustainable transport planning and financing, and create robust foundations for an Integrated Transport Authority, will result in more efficient and effective urban mobility for residents.

3. Resilient and adaptive approaches to sustainable water management in Surabaya and Denpasar

GCIEP is working with Greater Surabaya and Denpasar to better assess Flood Risks posed in both cities, and improve drainage and water management planning in Surabaya. This includes reviewing the Surabaya Drainage Masterplan for required updates with the aim to enhance climate resilience and upgrade city infrastructure.

Expected results

Building the capacity of the provincial government to plan drainage infrastructure and flood management systems, will make urban districts and communities less vulnerable to in-land and coastal flooding.

GCIEP is also creating multiple opportunities for international businesses, including involving UK entities in downstream work, particularly the financing and implementation of strategic infrastructure projects. For example, there may be opportunities for UK agencies and private sector entities in consulting, planning, design and engineering, as well as for UK Export Finance.



Secretary of State, David Lammy, on a visit to the Jakarta LRT (Light Rail Transport). © GCIEP

GCIEP is a demand-driven initiative focused on sustainable green cities and climate-resilient infrastructure in lower-income countries. As the flagship programme of the UK's Centre of Expertise for Green Cities, Infrastructure and Energy, GCIEP supports the UK Government's mission to accelerate investment in, and delivery of, infrastructure and urban development that is responsible, reliable, inclusive, low-carbon and climate-resilient.

A significant proportion of GCIEP's work is carried out in six priority countries: Ghana, Indonesia, Philippines, Mozambique, Vietnam and Zambia, where a Deep Offer programme provides long-term, systemic interventions focused on transformative change and infrastructure financing.

In Indonesia, GCIEP is working as part of a wider portfolio of programming, finance and collaboration between the UK and Indonesia as part of the MELAJU partnership that was launched in 2025.

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