

# Urban Development: Building Liveable Cities

Annual Report 2024 | GIZ Indonesia and ASEAN





## Building Liveable Cities



Indonesia's rapid economic growth and urbanisation is projected to lead to an urban population of over 220 million, or 70% of the total population, by 2045. This presents great challenges for policymakers to provide accessible public services in cities while decarbonising urban infrastructure.

GIZ supports Indonesia in this endeavour, focusing on:

- Mobility:** Developing sustainable and low-carbon transport solutions which increase the efficiency, effectiveness and equitability of urban mobility
- Circular Economy:** Reducing and managing material and waste streams throughout the value chain, both in organisational terms and via infrastructure solutions.

Another, but less prominent, area of cooperation is Water and Wastewater Management, with the objective of providing access to drinking water and modern sanitation.

## 2024 Highlights

- Waste banks and treatment plants show greenhouse gas emission (GHG) reduction potential. GIZ supported the upgrade and expansion of six waste banks and treatment facilities/TPS3Rs, with 400+ households segregating waste at the source. This helped reduce potential GHG emissions by 753 tons CO<sub>2</sub>eq/year.
- Reference tool for climate friendly waste management developed. We supported the Ministry of National Development Planning (Bappenas) to compile a booklet for developing integrated climate friendly waste management in Indonesia.
- Enhancing municipality solid waste management financial and planning capacity: GIZ helped six municipalities develop 20-year Waste Management Master Plans, leading to local regulations. Through the updated fees, the local government fiscal waste management capacity can increase significantly.
- Private sector on board: GIZ supported coaching clinics and exchanges between the private sector and the Ministry of Environment and Forestry on the Ministry's regulation of waste reduction by producers, helping companies aiming to achieve the target of 30% waste reduction by 2029.

### Circular Economy

With increasing waste generation and resource extraction, the transition from a linear to a circular economy is indispensable for countries to sustainably grow their economies. By building crucial capacities and integrated approaches to enable this transition, we support our partners to address environmental and economic challenges, prioritising resource efficiency, minimising waste and ensuring sustainable use of materials.

We advise on institutional and operational waste management reform by unlocking alternative financing sources through updating local government tariffs and developing extended producer responsibility (EPR) schemes with the private sector. We build essential planning capacities and pilot measures with cities and regencies to identify and prepare community-based and large scale sustainable infrastructure solutions linked to financiers such as development banks.

We recognise that to enhance circularity and tackle pollution the government needs to put in place incentivising framework conditions, so we provide best practices on how to develop these enabling policies to create a level playing field for all, allowing businesses to grow.

### German Indonesian Green Infrastructure Initiative

GII is the flagship project of Indonesian German Development Cooperation in the area of infrastructure development. In close collaboration with our Indonesian partners, we identify, and prepare infrastructure measures, with a strong emphasis on carbon emission reduction.

GIZ has been working hand-in-hand over the last four years with KfW, the German development bank, to prepare projects for financing of up to €2.5 billion. This involves ongoing coordination with Indonesian stakeholders at both national and sub-national levels, facilitated through the Green Infrastructure Initiative National Task Force.

GII targets sectors with a direct impact on people's daily lives, such as enhancing urban public transportation, improving access to clean drinking water, advancing wastewater treatment, and strengthening solid waste management systems.

23 technical studies have been completed across these sectors in six provinces. Three projects in the drinking water, wastewater and solid waste management sectors will be included in Indonesia's Medium-Term Foreign Loan Plan; and one urban public transport in the Long-Term Foreign Loan Plan.

Implementation of these projects is prioritised by the Indonesian Government, with an estimated total investment of more than €300 million for the projects in the water, wastewater, and solid waste sectors, to benefit around 2.4 million people. The remaining 19 studies are in preparation for future investment and collaboration.

### What They Say

Ir Tanozisochi Lase, MSc,  
Director of Sanitation at the  
Ministry of Public Works



*"The model introduced  
by the Green Infrastructure Initiative [GII]/Green  
Infrastructure Development – GID] can be used  
as a reference in developing green infrastructure  
projects in the waste sector, especially by  
considering low-carbon development and gender  
equality."*

Dr Ir Nani Hendiarti, MSc,  
Coordinating Deputy for  
Environment and Forestry  
Management, Coordinating  
Ministry for Maritime and  
Investment



*"The GII programme is a collaborative programme  
between the Indonesian and German governments  
that supports Indonesia's efforts to reduce  
greenhouse gas emissions in a sustainable way."*

### What They Say

Suharto, ATD, MM,  
Minister's Expert Staff on  
Technology and Energy,  
Ministry of Transportation



*"In terms of public transport,  
Batam has now become a self-sufficient city,  
utilising its regional budget to operate several  
public transport corridors under the BTS scheme.  
I believe this is a direct result of the capacity-  
building efforts by the GIZ team, which have  
increased local government commitment to  
improving public transport services."*

*"Transport issues are highly dynamic, making it  
impossible to resolve them entirely. As technology  
evolves and challenges shift, we hope GIZ will  
continue its support. We see GIZ as a key partner in  
addressing Indonesia's transportation challenges."*

### Impact Story

Women, the  
Overlooked Waste  
Warriors



Indonesia's fight  
against waste has  
a hidden strength: its women. Women are not  
just participants, they are also potential leaders  
in creating a cleaner future. Despite traditional  
gender roles limiting their access to resources and  
decision-making, women's untapped potential in  
waste management is key to sustainability.

Since 2021, GIZ has worked with six municipalities  
to boost waste management through community-  
based facilities such as waste banks and TPS3R  
treatment sites. We found women's involvement  
a crucial aspect to be addressed in community  
approaches.

The success of the pilots lay in the extensive  
participation and substantial contribution of women  
across nearly all facets of pilot activities. From  
awareness campaigns to community education and  
waste segregation implementation, around 70% of  
the 254 people engaged were women, positioning  
them as primary actors in local waste management.

This shows women's groups are the backbone  
of community-based waste management,  
outperforming formal services in waste  
collection rates. Their resilience and dedication  
unite communities and help push for a cleaner  
environment through behavioural change and  
advocacy.

Women took on rare leadership roles in some of the  
pilot projects, challenging male dominance. Their  
influence inspired communities to embrace waste  
management practices, boosting collection rates  
and participation.

The engagement of women extends beyond mere  
statistical representation. It unfolds as a narrative  
of empowered communities, sustainable practices,  
and the unwavering commitment of women steering  
the course of waste management in Indonesia.



### Mobility

Urban mobility is key to building inclusive, liveable, and  
climate-resilient cities. However, the transport sector also  
contributes 27% of national GHG emissions, 90% of  
which come from land transport.

Under the Urban Development cooperation area, GIZ  
supports sustainable and low-carbon urban mobility by  
promoting integrated, inclusive, and efficient transport  
systems – primarily through strengthening Bus Rapid

Transit (BRT) systems, regulatory frameworks and  
institutional capacity.

The identification and preparation of infrastructure  
projects is also a key part of our work. Through technical  
advisory, policy development, and targeted training, GIZ  
empowers stakeholders at all levels, ensuring public funds  
deliver long-term impacts and contribute to climate and  
development priorities.

### 2024 Highlights

- Capacity building for inclusive and integrated public transport:** GIZ delivered training for over 150 government officials in Padang, Medan, Surabaya, and Semarang on BRT implementation, financing options, bus electrification, and gender equality, disability, and social inclusion (GEDESI).
- Regulatory advancements in mass transit:** We supported the establishment of Regional Laws on Mass Transit Implementation in Pekanbaru and Batam, improving legal clarity and institutional commitment to urban transport reform.
- Strengthening institutional and technical readiness:** GIZ developed the conceptual report Greater Surabaya Bus Rapid Transit (BRT) and the Surabaya BRT Feasibility Study, covering 304 km across Surabaya, Sidoarjo, and Gresik, in phase 1. We also supported institutional reform and public transport planning in Semarang and Surabaya to accelerate BRT rollout.
- Innovative financing for urban transport:** GIZ facilitated inter-ministerial and regional dialogues on new funding strategies, including application of the Law on Regional Taxes and Levies, to enable cities to go beyond their limited regional budgets.
- International collaboration on bus electrification:** We initiated strategic cooperation between Shenzhen Bus Group and the city governments of Padang and Medan through Urban-Act, promoting low-emission public transport.

# Urban Development in 2024 | At a Glance

## Work Areas



### Mobility

- ① West Java
- ② Central Java
- ③ Special Region of Yogyakarta
- ④ East Java
- ⑤ West Sumatra
- ⑥ North Sumatra
- ⑦ Riau Island
- ⑧ Bali
- ⑨ South Sulawesi
- ⑩ East Nusa Tenggara
- ⑪ Riau

### Circular Economy

- ① West Java
- ② Central Java
- ③ West Sumatra
- ④ Jambi
- ⑤ Bali

## GIZ Indonesia and ASEAN Annual Reports 2024

Read more about our work in 2024 in the following reports:



Introduction to GIZ Indonesia and ASEAN Annual Report



Urban Development



ASEAN



Digital Transformation



Energy Transition



Green Jobs and Vocational Education and Training



Resilient Nature

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As a federally owned enterprise, GIZ supports the German Government in achieving its objectives in the field of international cooperation for sustainable development.

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## Our Commissioning Parties and Clients in 2024

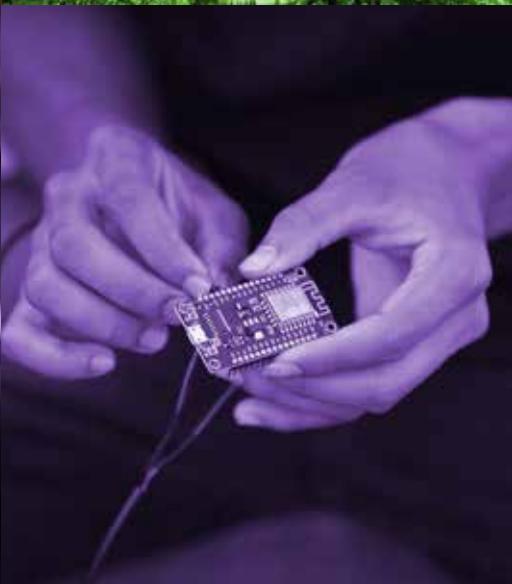
Our work on a bilateral, regional and global level in the area of Urban Development was implemented on behalf of the following commissioning parties jointly with our Indonesian government partners:



## Achieving the SDGs: Urban Development

We are committed to support our partners in achieving the Sustainable Development Goals. Our work contributes to the following SDGs:





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