Strengthening Urban Connectivity through Buy the Service Program in Indonesia
Current **Transport** Situation

Reshaping the Indonesian Cities

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**Fuel Inefficiency**
Increasing public spending and volume of fuel imports by the government

**Loss of Time**
Lost of productive time to do commuting and other trips

**Economic Loss**
Economic losses resulting from all the externalities caused by the traffic jams

**Environment**
Transportation is the 2nd largest contributor to GHG emissions from the energy sector in Indonesia

**Traffic Accidents**
74% of traffic accidents that occur in Indonesia are from 2- and 3-wheeled motorized vehicles

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**THE COSTS OF POOR TRANSPORTATION SYSTEM**
The potential for population and urbanization in accelerating the economic growth is constrained by traffic congestion. The increase in motor vehicles ownership along with the increase of population and urbanization rate poses a significant challenge for transport sector in Indonesian cities.

INDONESIAN POPULATION WILL LIVE IN URBAN AREA BY 2045

70%
Mindset Shift
Leaving the Old Era, Heading towards the New Era

Private vehicles are comfortable but proven to have multiple negative impacts to various sectors.

Public transportation is convenient, safe, affordable and accessible to all classes of society.

Decreasing quality of life

The city becomes livable for all people.
Photo taken on August 7, 2021 during the strict COVID-19 measure (PPKM) period in Java - Bali

There are 23,000 – 30,000 daily passengers during July – August 2021, many of the ‘Teman Bus’ passengers are economically and socially vulnerable people.

This shows reliable public transport services are necessary.
Urban Mass Transportation is a **public good**, so the Government is the **bearer of the risk** in providing the services. The **Buy The Service program** is implemented by ‘purchasing services’ (for now with a 100% subsidy) from operators with agreed service level/minimum service standard.

**ACHIEVING SDGS**
Regular and Reliable Bus Services

Due to the urgency of improving public transportation in Indonesia, the Buy The Service Program prioritizes regular bus services with high service standards.

In collaboration with the Regional Government, the supporting infrastructure are provided including bus stops, bus stations, and etc.
Using ‘virtual stop points’ to know where closes bus stops, schedules, get off/on the buses at all stopping points
NUMBER OF PASSENGER IN 2021 (As of 17 August 2021)

6.231.839 Passengers

PALEMBANG
- 4 Routes
- 649.346 Pax
- 2.500 pax/day

SURAKARTA
- 4 Routes
- 1.536.930 Pax
- 8.500 pax/day
- 6 Routes (Feeder)
- 810.029 Pax
- 4.000 pax/day

MEDAN
- 5 Routes
- 1.619.267 Pax
- 8.000 pax/day

YOGYAKARTA
- 3 Routes
- 432.896 Pax
- 2.000 pax/day

DENPASAR
- 4 Routes
- 1.183.371 Pax
- 6.200 pax/day (Weekdays)
- 8.500 pax/day (Weekend)
More than 50% of ‘Teman Bus’ are women. The bus service provides comfort and safety for women and children to actively participate in the society.
STRATEGY OF BUY THE SERVICE PROGRAM

Push Strategy
To encourage people to get out of private transportation

Pull Strategy
To attract people to take public transport

Space & Time Management
Private Vehicle Access

Mass Transport
Urban

Street Space Design
Parking Space Arrangement
Time-based Demand Management
Risks borne by the Governments
Government Grants Licenses to Operators with SPM and sanctions mechanism
Priority To Transportation In Order To Have The Best Service
BUSINESS PROCESS OF BUY THE SERVICE

DIRECTORATE OF ROAD TRANSPORT

Payment Request → PPK BTS Management → Contract → Payment of Services

SERVICE SUPERVISION

BTS MANAGER

Setup
Organizing
Implementation
Supervision

OPERATOR

Execute supervised SPM with IT System

IT-BASED MONITORING AND IMPLEMENTATION

Dir. RT (PPK)

BTS MANAGER

DATA & INFORMATION

MONITORING
THANK YOU
TERIMA KASIH

Kementerian Perhubungan Republik Indonesia

Direktorat Jenderal Perhubungan Darat