JAKARTA, INDONESIA
JUNE 9-11, 2015

Seizing the urban moment

NEW CITIES SUMMIT
2015

JAKARTA

SESSION SUMMARIES & VIDEOS

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On behalf of the New Cities Foundation, I am delighted to present this ebook about the fourth edition of the New Cities Summit which took place from 9-11 June 2015 in Jakarta, Indonesia’s vibrant capital city.

The next three decades will see the largest increase in the world's urban population in human history. By the middle of this century, 6.5 billion people will live in cities, up from 4 billion today. Indonesia and South East Asia are at the very center of this story, experiencing among the most rapid rates of urbanization in the world.

This unprecedented demographic shift to cities is leading to a wave of investments in urban services and infrastructure on a scale we have never before seen. Coupled with extraordinary technological innovation, this presents us with huge new opportunities to shape a better world for future generations.

This urban moment comes at a time of both peril and possibility. The state of the global environment calls for much more resolute action and better stewardship of our natural resources. This is where resilient and sustainable cities can truly lead the way. The global economy is stuttering in many areas, failing to create enough fair-paying jobs for the many. Here too, cities offer new opportunities for entrepreneurs and innovators to create new models from which the business giants of tomorrow will emerge. Technology is driving innovation everywhere, and yet it must deliver on its promise in more sustainable and meaningful ways. Cities are where these promises can be made real.

We must therefore seize this urban moment by placing cities at the heart of our agenda of growth and development around the world.

This fourth edition of the Summit was a resounding success. We were honored to welcome over 800 participants from 50 countries for a fascinating week of debate on our shared urban future.

We have tried to capture most of the insights, inspirations and case studies from the Summit into this e-book. We hope you find this material useful as you think about how you can help seize the urban moment.

Sincerely,

John Rossant
Chairman
New Cities Foundation
Click here to watch the Summit highlights film
Governor Basuki Tjahaja Purnama of Jakarta kicked off the Summit by outlining the five challenges the Indonesian capital faces, and the schemes being used to overcome them.

First is corruption. Cities are spending more than ever; therefore it is vital to ensure that the funds go to the right place. In Jakarta, “If you don’t bribe [officials] they are fairly slow and you don’t know when everything is accomplished,” the Governor said.

To tackle this problem, the City government merged its public services into one-stop shops, with CCTV cameras focused on employees’ faces to watch them as they work. “It might be a little bit cruel, but that’s the culture, we have to force them,” he added.

Second, as the City grows, it is increasingly important to keep track of the government’s payroll. Jakarta is taking back the management of some services from the private sector, such as cleaning the rivers and managing city waste. This means it can directly monitor employees using GPS, ensuring that they are at work and delivering value for money.

The third core issue is livability. The City is massively increasing its number of parks. Six parks were built this year, 54 will be built next year, and 150 will be built in 2017, he pledged. A projected population of twelve million people needs somewhere to relax and play, added the Governor. The parks also need to be designed to serve both young people and the elderly, so the Government is consulting citizens to discover their needs.

Fourth is the issue of education and health benefits. The City tries to provide benefits in kind for its poorest citizens, like free health insurance, schooling support, books and housing, but these often end up getting sold on to the middle classes. Data has helped stop this: the city now ties everything to a citizen’s ID card so it is impossible for them to sell benefits on.

Finally, as anyone who has ever visited Jakarta will know, transportation is a major challenge. The roads are filled with cars, trucks, taxis and an increasing throng of motorcycles. The City is trying to build a light railway as soon as possible. Equally, the private buses tend only to drive during peak hours, sitting idle when it is uneconomical for them to pick up passengers. The City is now taking action by establishing its own companies to run routes on a regular basis.
The Urban Moment

“Many countries have yet to seize their urban moment,” said Greg Lindsay, Senior Fellow at the New Cities Foundation. For example, by 2050, India will have a higher urban population than the combined population of Brazil and Indonesia, he said. Thailand will have an urban population of 44 million – higher than the population of Argentina today.

It is impossible for a country to become a developed nation without urbanization. Yet while urbanization is intertwined with economic growth, it also comes with great challenges. For example, “cities with populations in the billions will be the first to feel the impact of rising sea levels.”

As cities grow, their governments are gaining power on the world stage, reshaping the global order. “Mayors are the ones who are ruling the world,” he said.

However, mayors cannot govern with a top-down approach, Lindsay warned. His key message was that cities must allow their citizens to shape them. “If we’re going to create an opportunity for people in cities to seize the urban moment… We need to recognize the people building their own homes and allow them the resources to build their own cities.”

Cities are not just created by urban planning, but by citizens planning out their own areas. Tokyo after World War Two decentralized a huge amount of planning down to its citizens so that the city could quickly rebuild. “They did not have the resources to rebuild everything themselves, so they allowed people to carve out their own spaces.”

Growing cities need to find a way to support the redevelopment of their slum areas and include the residents of those localities. “This is how cities have always developed,” he said.

Seizing the Urban Moment

The urbanization story so far has focused on developed countries, said Reuben Abraham of the IDFC Institute. However, “urbanization over the next 35 years is a developing country problem,” he asserted.

While participants at the Summit understand the crucial importance of cities, that is not necessarily the case for certain leaders in developing countries, he stated. For example, in a recent talk with five heads of African countries, only one of them thought that cities were more important than rural areas – Paul Kagame of Rwanda. “We need to make the case for why cities are important,” Abraham said.

Abraham also noted that while technology is important in cities, they should not “put the cart before the horse.” Tackling crime and governance are fundamental. It should be about “doing smart things in cities, rather than smart cities.”

Michel Crochon of Schneider Electric reminded delegates that seizing the urban moment requires organizations to restructure. City governments “become very siloed,” he said, but “collaboration is a change of mindset.” All departments and agencies “need to have a shared vision” to achieve success.

Meanwhile, Peggy Liu of the Joint US China Collaboration on Clean Energy said that cities should look beyond traditional sources of advice. “We’ve learned in China that you can’t just have architects or clean energy experts looking at infrastructure.” She called upon cities to “cast a much wider net” to understand the culture and “story” of a city. “Bring in the movie people, the visual storytellers,” she said. “What does culture mean? How do we make the space vibrant, have a soul?”

Tuty Kusmarati said that Jakarta is reforming its planning processes to be less top-down and more inclusive. “We have to do smart work… for the 10 million citizens of Jakarta. We have to listen to them personally,” she said. “We are planning for bottom-up processes started from a community level.” Ideas are crowdsourced by citizens and then pass through various levels of city government.

Equally, when it comes to infrastructure projects, the city is looking for private sector partnerships to speed up processes and better serve citizens. Examples include the building of parks and the implementation of water projects in the north of the city.
City of Opportunity: Case Study on Jakarta

Jakarta is an extraordinary urban laboratory, was the premise of this session. As one of the fastest growing cities in the world, and a rising hub of economic and cultural activity, it faces huge opportunities – but also major challenges. Four experts met to discuss how Jakarta is seizing the urban moment, in a panel chaired by Joe Cochrane, Indonesia Correspondent of the International New York Times.

Lana Winqyanti, Expert, Ministry of Public Works, Indonesia, emphasized that access to safe, clean water only reaches 70% in urban areas, whilst sanitation only reaches 60%. Further, there is a huge population living in 1,000 hectares of slums and new slums keep emerging. These areas are not integrated into public transportation plans.

Sarwo Handayani, Director, Governor’s Team for Development Acceleration, City of Jakarta, said that Jakarta is learning from the example of Hong Kong and prioritizing high-density development around Mass Rapid Transit stations. This stops urban sprawl, and puts homes near public transport links.

Further, the city is reclaiming land by the waterfront. This is intended to help cope with climate change – the city recently suffered terrible flooding – and also to build tourist attractions, providing a new source of income. The work will be done in partnership with the private sector, said Sarwo Handayani.

Peter Kindel, Partner – Head of Urban Design, Skidmore, Owings and Merrill LLP, emphasized that there should be a “long range vision” for infrastructure development projects. He emphasized the importance of building mixed-use districts. In short, he advocated greater interaction between the transportation systems and land use patterns”.

The panel’s moderator, Joe Cochrane of the International New York Times, went on to ask whether local governments are still struggling to cope with the influx of people immigrating to Indonesian cities. Winqyanti stressed that the situation is improving because governments are building housing nearer to industrial areas. For instance, the Ministry of Public Works and Housing is creating more low-income housing in collaboration with the private sector.

Cochrane also raised the topic of second and third-tier cities. Do these local governments have the capacity to meet local urbanization needs? The city of Solo is a positive example, said Winqyanti. It has seized urbanization as an opportunity to rebuild its economy. Whilst Solo’s population is 600,000 at night, it can soar up to one million during the day when street vendors and informal sector markets come into town. Solo has succeeded in accommodating these workers by providing public housing and slum improvement. The City has also relocated slum areas at the riverbank to safer areas.

But what about the future for Jakarta? Shinta W. Dhanuwardoyo of Bubu.com pointed to the role of the Internet of Things, big data and citizenship apps in shaping a better city. She noted that the Governor of Jakarta has already made headway by introducing Qlue and CROP, smartphone applications allowing residents and civil servants alike to detect and solve urban problems collaboratively.

Home: Making Housing Affordable on a Large Scale

Ika Lestari Aji, Head of Jakarta’s Housing and Building Department, kicked off this session by sharing her city’s vision on housing.

Looking after and empowering people will always be the top priority for the City of Jakarta, Aji said. Current projects include the construction of apartments for low-income workers and clearing the slum areas especially along the river. The City has benefited from the support of central government as well as private institutions, she added.

Speed is central to the housing challenge, argued Ashwin Mahesh of Mapunity. City governments simply cannot keep up with demand. Altering the governance model and involving more citizen participation in planning processes would help solve this, he argued.

Alastair Parvin of WikiHouse shed light on the UK housing challenge. He argued that housing systems are failing not only in emerging economies but also in the developed ones. The UK is the sixth richest country in the world, yet many people still cannot afford basic housing.

But what about the future for Jakarta? Shinta W. Dhanuwardoyo of Bubu.com pointed to the role of the Internet of Things, big data and citizenship apps in shaping a better city. She noted that the Governor of Jakarta has already made headway by introducing Qlue and CROP, smartphone applications allowing residents and civil servants alike to detect and solve urban problems collaboratively.

The panel’s moderator, Sara Schonhardt of the Wall Street Journal, concluded by asking the panelists to share their thoughts on Jakarta’s future housing plans. Ashwin Mahesh asserted that the planned construction could not realistically keep up with Jakarta’s population growth. It would be more worthwhile for the city to channel more investment into other sectors such as education and welfare, he said. The priority should be to build a more cohesive urban society where the mid to upper class are more hospitable to low income communities.
"It’s not about which technologies will fulfill their promise to cities, it’s more about which technology won’t", asserted Schneider Electric’s Charbel Aoun at the start of this session.

Technological advances have had a dramatic effect on the urban world, giving rise to the ‘smart city’ with its exciting promises of efficiency and practicality. However, certain key problems need to be addressed as we speed towards this vision of technologically enabled cities.

Charbel Aoun asserted his firm belief that technology can and will revolutionize the way people build and manage cities. Where cities used to give solutions to citizens, the advent of technology has led to a role reversal with citizens giving solutions to cities. Old traditions must come to terms with the new to fully integrate technology into city life, he argued.

In Dong Cho of Seoul Innovation Bureau brought to light the importance of smartphone technology in the future of cities. Already, over 60% of citizens are using smartphones. This number is growing every day in numerous developing countries. Smartphones can now deliver a range of services to help in people’s everyday lives as well as feed data back into the system.

Stephanie Huf of Ericsson stressed the importance of affordable and accessible technology. Cities throughout the world have varying levels of ICT, causing imbalances in services such as emergency response, traffic and communication networks, and other issues. With more economical technology, each citizen can have an abundance of services in the palm of their hand. Additionally, making technology readily available to the masses will add to usable data, resulting in more accurate information and more effective responses.

The crucial role of video cameras and video streams in cities was highlighted by Florent Peyre. Their purpose is not necessarily for surveillance, but rather to observe and gather useful data and patterns formed within the city. Video feeds can allow cities to observe how people interact with available facilities. In time, this can help recognize patterns and assess how effective the said facilities actually are, Peyre argued.

An Indonesian perspective was offered by Setiaji, Director of Jakarta’s Smart City Project, who argued that the spotlight should shine on the people rather than on technology, which is merely a facilitator of smart cities. The priority should be to find ways for people to adapt to new technology, he said.

Ultimately, implementing an array of new technologies can give rise to concerns regarding privacy. However, the panelists argued that when used correctly, the benefits outweigh the concerns. It is imperative to draw a line between data gathering and infringement of privacy. To successfully integrate technology into cities it is important to employ full transparency and gain audience trust.

As cities grow, so does their demand for water. However, as demand grows, clean water is becoming scarcer and new sources increasingly harder to come by. This panel discussed core challenges as well as solutions to combat the water impending crisis.

Carla May Beriña-Kim, Executive Director, Manila Water Foundation addressed the need for water companies to hold untreated water. The topic of wastewater management was brought to light. The panelists discussed core challenges as well as solutions to combat the water impending crisis.

Chaouni Projects. This new system should be more sustainable, energy efficient and cost effective than today’s inefficient and wasteful water system. She went on to say that the current level of water infrastructure is worryingly outdated, and suggested replacing it with a dual system that would be more sustainable, energy efficient and cost effective than today’s inefficient and wasteful water system.

To conclude, the panelists agreed that water itself should be free of charge as it is a vital commodity, but that it is the services associated with water, such as filtration and treatment, which should be charged. The panel closed with a compelling assertion from Beriña-Kim: “You’d be surprised how personal water is to communities.” The preceding discussion certainly illustrated this.
Unlocking the Grid: Solutions for Urban Mobility

Which city has the worst traffic in the world? Greg Lindsay, the panel’s moderator, began by asserting his opinion that Istanbul ranks number one in this domain.

Sutanto Soehodho, Deputy Governor for Trade, Industry and Transportation of Jakarta, added that Jakarta is often ranked as having the worst traffic in the world. Along with flooding, traffic is one of Jakarta’s key challenges. The prime reason for congestion is the population’s dependency on private vehicles.

In Jakarta, the number of vehicles on roads grows by 500 units of cars and 1,000 units of motorcycles per day. Roads occupy a mere 6.4% of space in the metropolitan region, with a growth of only 0.01% per year. Compared to the growth in the number of vehicles, the expansion of roads cannot catch up. Commuters increasingly opt for motorcycles, which are cheaper to buy and offer a faster way to get around. However, they are not a viable solution and create a whole different set of problems, Soehodho warned.

“There is no alternative to creating a high quality yet affordable mass transport system. An approximate 50% decrease in traffic is guaranteed as soon as the LRT and MRT starts,” he promised.

Mohd Asharuddin of the Malaysia Prime Minister’s Department confirmed that better public transportation is crucial. Kuala Lumpur is home to one third of Malaysia’s population, and shares some of Jakarta’s transport challenges. Solving the issue will take clear political will for government to prioritize public transportation in the national agenda. The introduction of MRT could lead to other public transport solutions. Stronger collaboration between the public, government and transport agencies should be fostered as soon as possible.

David Allen of Bombardier asserted that trains are the most effective solution for public mass transit. To bring that to a local level, the challenge is to encourage commuter rail systems that link to urban circulators, that link to buses, taxis, bicycles and walkways, to provide an ease in transit. This means an integrated mobility framework that enables citizens to move from A to B in the most efficient way possible. The challenge for policy makers is to determine which connective investments meet the mobility needs of citizens and yield the highest returns for the city.

Nori Sri Ayati PURNOMO, President Director, Blue Bird Group Holding

Sutanto Soehodho, Deputy Governor for Trade, Industry and Transportation, City of Jakarta

Mandiri

Moderator

Greg Lindsay, Senior Fellow, Mobility Initiative, New Cities Foundation

Inclusivity, Empowerment and Models of Governance

How can citizens be empowered to make cities more inclusive? How can they be given the tools to generate new models of governance? How can cities become laboratories for change? These were some of the focal questions of this workshop, hosted in partnership with Ashoka.

The session began with Lynna Chandra’s case study on Rachel House, the NGO founded in 2006 to provide healthcare services for children with cancer and HIV. In order to launch the project she had to appeal to the medical profession and also create a wider understanding among the community. Rachel House offers a homecare service, placing an emphasis on family support. Using the tagline “Everyone Can!”, the NGO calls upon the public to play a more active role in the healthcare ecosystem.

Gamal Albinsaid followed by giving an equally inspiring presentation on Garbage Clinical Insurance (CGI), a micro-insurance plan which turns community resources, in this case garbage, into free access to medical care. Albinsaid designed an innovative and creative project to help all people, including the poorest, to obtain access to healthcare in Indonesia. With 60% of the local population lacking health insurance coverage, and half earning below US $2 a day, this micro-insurance plan has become a stepping stone to saving lives. The garbage is subsequently recycled, which means that the project deals with two core issues simultaneously: environment and healthcare.

Moderator Vishnu Swaminathan introduced the work of Ashoka in India. He highlighted the housing problem the country is experiencing as real estate prices are increasing and not enough social housing units are built each year.

A more interactive conversation followed, with participants choosing one out of three tables to join where specific topics were being discussed. They then spent the next 30 minutes working together to address three major issues: inclusivity, empowerment and models of governance.

Led by Albinsaid, the group focusing on inclusivity examined the pivotal role of the democratic process, which can be an empowerment tool in policy making. The key is to understand what strategy to use to persuade people to join and participate.

Participants discussing empowerment with Chandra analyzed the role of business. They agreed that information is key to empowering communities. Businesses are a good starting point, with employees acting as an efficient channel of communication. The obstacle, however, remains the distrust that exists between government, civil society and businesses, and the lack of dialogue.

Finally, the discussion on models of governance led by Swaminathan gave rise to an important problematic: citizens are more comfortable in solving problems themselves rather than reporting them. In general, citizens are last in the chain without any authority to choose how money is spent. In the future, citizens can and should be more involved for the development of their cities.
A perennial favorite of the New Cities Summit, WhatWorks gives the floor to urban innovators who are transforming an industry or an area of public service delivery.

Five innovators told their stories on day one of the Summit:

Nadiem Makarim introduced GO-JEK – an app to provide motorcycle taxi (ojek) drivers in the city with regular work as couriers and drivers. GO-JEK started as the bike equivalent of a taxi-hailing app. It has quickly become a successful way of transporting goods around the city when most commuters are in the office and ojek drivers are sitting idle. 75% of ojek drivers’ time in Jakarta was underutilized before this service found a new use for it. Ojek drivers can now find work 24 hours a day and are earning more than twice the minimum wage. Further, Jakartans can cut their travel time significantly across the city’s congested roads by using GO-JEK.

Rose Broome told the story of HandUp – a San Francisco-based site that allows citizens to give donations directly to homeless people after reading their stories online and watching video interviews with them. People are registered on the site only after being referred by local non-profit partners who understand the needs of those living in economically precarious conditions. This prevents fraud and ensures that donations go to genuinely needy people who now have a way of telling their story and in return receiving support in the form of funds and words of encouragement from donors.

In the developing world, some of the poorest people live near rubbish dumps and trawl through garbage to sell valuable recyclable goods – said Prashant Mehra of I Got Garbage. The average life expectancy of rag-pickers is 39 years, and infant mortality is one in three. However, these people are also helping cities become more sustainable by recycling old products. I Got Garbage is an IT platform that employs rag-pickers in India, and creates new business models that helps raise their income, while addressing urban India’s trash-related environmental problems. It provides a sustainable employment model by allowing companies and homes to employ rag-pickers to manage waste. It also helps rag-pickers to start their own micro-businesses.

Emily Brooke explained the evolution of her London-based tech startup, Blaze. The company sells an innovative new cycling light specifically for urban bicyclists that shines a bike-shaped laser in front of drivers to show that a cyclist is in their blind spot. It is helping make cycling safer in cities – an important development that will cut emissions and encourage healthier lifestyles. The product has seen massive demand from cyclists on crowdfunding sites like Kickstarter.

Finally, Suraj Gedkha introduced SokoText, a Nairobi-based service that helps micro-entrepreneurs with grocery stalls based in slums and low income areas in Nairobi, Kenya. SokoText provides an SMS-based pre-ordering platform through which the micro-entrepreneurs place daily orders for produce. The orders are procured from farmers around the city and are ready for collection every morning at SokoText outlets based in city neighborhoods. This system cuts down the need for the micro-grocers to travel for hours to obtain their daily produce from the city center, saving them time and up to 10% of their daily income in transportation costs.
Five more innovators took to the stage on day two of the Summit. A mix of government and private sector solutions, they ranged from city transformations to social assistance schemes.

In Paris, a City Hall-led initiative, Reinventing Paris, is helping the city find new ways to develop and re-imagine its infrastructure. Marion Waller explained that previously, the city sold off land purely on the basis of the highest bidder. Now, it is setting innovation as a key criterion in any sale for a pilot group of 23 municipal sites. This is encouraging the growth of creative industries, and ingenious approaches to developing space such as the construction of new areas over the top of motorways.

Gamal Albinsaid of Garbage Clinical Insurance set out a scheme to help the poorest people in Indonesia gain medical insurance and health care in return for their refuse. Often, slum communities are creating vast amounts of waste, but much of it can be reused. The project buys health insurance for slum residents on mass, ensuring economies of scale, and is funded by recycling community waste. Health insurance is a huge problem in the country, where 50% of the population earns under US$2 per day.

Jessica Ruas Quartara explained how Air Huerta has helped residents in Lima find an ingenious source of clean water, thereby overcoming massive pollution in the water supply. A giant advertising billboard has been fitted with a simple technology that purifies the natural humidity in the air to provide clean drinking water to the community. Not only do urban residents have a supply of fresh potable water, the billboard has now been upgraded to enable hydroponic urban farming that grows hundreds of heads of organic lettuce for the community.

Tomi Alakoski told the story of Me & MyCity, an education innovation based on the Finnish primary school curriculum. The Me & MyCity learning environment is a miniature town where students work in a profession and function as consumers and citizens as part of society.

Etienne Turpin explained the mission of PetaJakarta, a social media platform that crowdsources real-time information from local Jakarta residents at a time of crisis and natural disaster. For example, at the time of recent floods, the best information about water levels in the city was gathered by looking through photographs shared on Twitter. These often have coordinates attached to them, creating data that is faster and more accurate than official sources, and allows the city’s emergency management services to respond more quickly and efficiently to those needing help.
Ahead of the Summit, the New Cities Foundation and the World Bank’s Connect4Climate invited young Indonesian innovators to propose projects to address Jakarta’s mobility and traffic challenges. The Challenge rewards the most effective solutions that improve traffic congestion, reduce greenhouse gas emissions, reduce air pollution, and improve safety and accessibility.

Three finalists presented their projects onstage for a chance to win a share of the US$20,000 prize money that will be awarded to each team to implement their projects.

First Prize (US$10,000) was won by Squee Mobile App, a sharing app that unifies pedestrians and cyclists to travel together on shorter, safer non-motorized routes across Jakarta’s urban kampongs (villages). Arlene Nathania from Squee, Jakarta Urban Challenge winner said: “We believe that our concept [...] will enhance our accessibility, freedom of movement, and create a social value in mobility.”

Second Prize (US$6,000) was won by Jalan Aman (Safe Passage). It is a mobile application that focuses on the safety of female commuters, allowing users to share their location, report incidences of assault and access information on safe transportation options from other users. “A lot of the Jalan Aman proposal is based on our personal experience of commuting on Jakarta streets,” commented Paulista Surjadi from Jalan Aman, who presented their project at the Summit. “They have been challenging and frightening ever. We aim to offer a targeted solution to this issue.”

Third Prize (US$4,000) was won by Cyclist Urban System, a plan to create dedicated “cyclist hubs” across Jakarta, where cyclists can park their bikes, get dressed, buy refreshments, repair their bikes, obtain first aid assistance and route information, and eventually rent bikes.
**Animatng Our Public Spaces**

This session was held in partnership with the Global Cultural Districts Network (GCDN). Participants discussed contemporary strategies to create space for citizens, and how to design public spaces with sensitivity.

Gianluca Racana, Director at Zaha Hadid Architects, kicked off with the assertion that “plazas and public spaces change cultural experiences”. He cited the development of a small art gallery in London’s Hyde Park, which was transformed in popularity by adding a café with space to relax on the side.

The key to achieving success, Racana said, is in “ensuring that everyone is pushing in the same direction. Some are doing the artwork, some are doing the software. The problem is that, often, large infrastructure projects are started without listening to the software and the programmatic brief.” He summarized this quite simply: “When we design spaces, we need to know how people will use them.”

Marcus Westbury of Renew Newcastle, Australia, explained how public space can help transform the economic fortunes of a city. Newcastle was a struggling city after the closure of local staple industries caused widespread unemployment and infrastructure degradation. Renew Newcastle approached property owners and asked them to lend their buildings to creative projects who would clean them up and fix them. A vibrant new area emerged with art galleries, events, craft shops and creative industries – helping regenerate the city economy.

“There is a spectacular difference in vacancies in the city between now and when we started,” Westbury said. Some of the stores that launched in these buildings have become a national success, he added. For example, a shop selling graphic designs for skateboarders, launched by two brothers fresh from high school, has now expanded with outlets across Australia.

According to Theresa Famularo, Founder and Producer of Cre8ion in Australia, creative projects need to provide “an ownership of public space. From civic pride, so much more comes. It’s about an ability to inspire”. Leslie Koch, President of The Trust at Governor’s Island, New York City, agreed, adding that tourists are also important to the “mix in the same way that they add to the mix throughout the city,” she noted.

Second, Yunus called for more “social business” approaches to tackling these great challenges. Cities and citizens should run operations as though they are a business, but not seek to make a profit out of them. Instead, funds should be reinvested into the operation to continue to tackle a problem on a bigger scale. “Create a business, so the social business money goes out, does the work, and comes back. Then you can use the money again and again. Charity [money] has one life, but social business money has an endless life.”

**Redesign Economics to Redesign the World**

Professor Muhammad Yunus won the Nobel Peace Prize for his work with Grameen Bank, the microfinancing pioneer that he started in the 1970s. However, his talk at the New Cities was not focused on those initiatives. “I’m always known as the Grameen guy...Grameen means rural, and here I show up in a cities conference,” he joked.

The Nobel Laureate wanted to set out three messages for city leaders:

First, Yunus spoke about the need for cities to completely reinvent themselves and reconsider their operating models. “When we talk about cities, those are the ugly spots because that’s where all the rich people live and all the poorest people live,” he said. “Should we have cities at all? Cities come from a previous kind of thinking: you don’t have infrastructure everywhere, so you put it all in one place,” he added. “The contribution of cities making the world unlivable is enormous. That concept of cities cannot go further – we have to redesign”.

Second, Yunus called for a new approach to unemployment. Everyone should be encouraged to start their own businesses, he said, rather than applying for jobs with big employers. Cities should prioritize infrastructure that helps people start companies, he said – even if those companies will only ever break even.

“We can create a completely new framework in order to create a completely new civilization. It needs to be completely redesigned,” he boldly concluded.

Third, Yunus called for a new approach to inequality, and how to allow those at the bottom to participate. “Social business money has an endless life,” he said. “When we talk about cities, those are the ugly spots because that’s where all the rich people live and all the poorest people live.”

“Should we have cities at all? Cities come from a previous kind of thinking: you don’t have infrastructure everywhere, so you put it all in one place,” he added. “The contribution of cities making the world unlivable is enormous. That concept of cities cannot go further – we have to redesign”.

Professor Yunus was clear: cities cannot be celebrated if they enable massive inequality, and hoover up vast amounts of resources for the benefit of a very few. With massively increasing populations, there is a risk of growing challenges and resource consumption, without the promised benefits of urbanization.
Can Cities Really Save The World?

Has too much hope been placed on cities? Four experts assembled to address this question, in a discussion moderated by Nick Clark, Environment Editor at Al Jazeera English.

Greg Lindsay, Senior Fellow at the New Cities Foundation, suggested that the session title was based upon the assumption that the world is only half urbanized. He proposed a different perspective, where the world is seen as completely urbanized – with rural areas integrated as support systems to a city-led global society.

“Rather than thinking about the city as an island, we really need to think about cities as a delta that move vast amounts of people,” he said.

Resource consumption from agriculture, logistics and other areas are not currently showing up in urban calculations, Lindsay warned, causing over-optimism about the benefits of large cities.

The Mayor of Colombo added: “70% of the population is going to live in cities, but they are not geared for those challenges.” He added: “You cannot discourage the people coming, but the people who are living in the cities themselves do not find the facilities [they need].

The problem of urbanization is not one for cities alone, said Mayor Muzammil. It requires the assistance of national governments, international organizations and private companies to help build the technology, infrastructure and support networks that will enable city leaders to cope.

Siddhartha Sengupta of the State Bank of India noted that cities have to save the world” because urbanization is inescapable. He called for three concepts. First, sustainability. Cities must use a sustainable amount of carbon, and also have an economic model that lasts – learning from the boom and bust of Detroit. Second: scalability. Cities must be able to cope with expansion and do so in a measured manner. Third is social justice. Cities must tackle the vast inequality between rich and poor to prevent social problems and collapse.

Patrik Regardh, Head of Strategic Marketing at Ericsson, argued that technology can help with these challenges, particularly scalability. Technology allows organizations to act in a “fundamentally different way: Much faster, much leaner, much more distributed,” he said. They can also allocate resources more efficiently on a needs basis, he noted, giving cause for optimism.

Nick Clark brought up the topic of climate change. Sengupta responded that “the smart city is not about smart buildings”, but about “how smart it is in an environment-friendly and sustainable way”. He warned that unless there are incentives, and most importantly disincentives, cities will not be built in the right way.

To conclude, Greg Lindsay commented that political governance and economic governance have become completely misaligned with each other. The notion of “the city” has gone far beyond municipal boundaries. The question of how to realign governance should be treated urgently, he argued.

Secondary Cities

Midsize cities will account for the largest share of urban growth in the next few decades. This session brought together mayors and academic experts to discuss how secondary cities can set themselves apart in a world of mass urbanization.

“There is a very big drop-off between the labor pool of major cities and secondary cities,” noted Parag Khanna, Managing Partner of Hybrid Reality. How do cities compete to get investment and meet their own local needs for growth?

Mohammad Ramdhan Pomanto, the Mayor of Makassar, Indonesia, said that his city is pitching itself as the logistics hub of Indonesia. It is well located within the vast Indonesian archipelago, so that “if you live in Makassar, you can go anywhere”, he argued.

However, Pomanto noted that the big problem for Makassar is that, while it is growing at 9.23% per year, infrastructure is not following economic growth. Secondary cities in Indonesia struggle to get investment from central government, which is too bureaucratic and slow. Public-private partnerships help, but the city still needs much more investment, he said.

Li Tie of the China Center for Urban Development said that subsidiary cities in China are being supported as a way to alleviate pressure on the main cities in the country. Shanghai has 9 million commuters coming into the city each day, swelling its population to 20 million in total. The government is looking to divert as many people as possible into secondary cities so that Shanghai and others are not completely overwhelmed.

The Indian government has not, previously taken the same approach, said Ajit Gulabchand of the Hindustan Construction Company. The government ‘romanticized’ rural areas and did not support the development of secondary cities. Now, however, “the government has recognized that urbanization is essential, like China did two decades ago.” He concluded that India has now started making its cities “more livable and centers of manufacturing and services.”
Bridging the Urban Investment Gap

Arvind Satyam, Managing Director, Global Business Development, Internet of Everything Group at Cisco, set the stage by reminding the audience how city representatives throughout the Summit had been crying out for more investment. Transportation, sewages, connectivity and healthcare all need modern infrastructure, which is costly for any government—not especially in developing countries.

The Deputy Mayor of Budapest, Gabor Bagdy, said his city has been fortunate. It can rely on European Union funding to build its infrastructure. “We can tap into European Union finance,” he said, and “we also have the opportunity for the remaining part funded by the EIB [European Investment Bank].”

Cape Town, South Africa, is not in the same position. It could have focused on pursuing projects which appeal to investors, said Deputy Mayor Ian Neilson, but that would not help achieve the city’s broader socio-economic aims, he explained. “We rely on balance sheet funding and on the overall strength of the city. Lenders look at the overall balance sheet rather than a particular project. That means that the city must be well-run,” he said.

Julie Kim, Senior Fellow at the New Cities Foundation, said the problem is not a lack of funding but a lack of “bankable projects.” Cities need to have clear policies, low regulations and credibility in international insurance markets, she said. “The most critical gap is in the early project preparation stage, where cities take their visions and translate them into actual projects for investors,” she noted. More support is required from NGOs and other institutions here.

Najeeb Haider of Citi agreed, noting that it is vital that infrastructure schemes have legal structures that are planned in advance, and that cities have clarity over what is expected in contracts. He also outlined that the key priority for structuring infrastructure financing is the allocation of risks.

Another problem, however, is that some cities face scale issues where they are too small for investment, Kim said. Here, she suggested that they club together to raise “multiple investments for multiple cities.”

Ultimately, “there is no such thing as free money”—and taxpayers should face more of the burden, added Kim. Elena Bourganskaia, Senior Manager – Global Cities at the International Finance Corporation agreed, calling on cities to start charging citizens for water usage so that the money can be invested elsewhere.

Bourganskaia also emphasized that financing of infrastructure should be shared by local government and the private sector. However, among 500 cities in emerging markets, “only 5% have any sort of credit rating that is internationally recognized” whilst in many countries, cities are not allowed to borrow at all. National governments do more to facilitate access of municipalities to capital markets, Bourganskaia argued.

Veni, Vidi, Vici: Cultural Tourism in the Century of Cities

This session was held in partnership with the Global Cultural Districts Network (GCDN), Panelists discussed opportunities and challenges of cultural tourism for cities in an ever globalized world.

Every location has its own DNA, an identity woven within the fabric of each city. Cultural tourism provides a way to bring people together to participate in the euphoria of exploring the world. Alan Chong, Director of the Asian Civilizations Museum in Singapore opened the session by noting the various tensions relevant to cultural tourism in cities: tension between past and present, tourists and locals, and the relationship between the government and cultural tourism.

Firstly, there is the tension between the past and present. Tourism is often bound up in historical culture. Culture comes alive through a manifestation of both the past and the contemporary. It is important to uphold a sense of past traditions, preserve and cultural tourism.

Secondly, there is the tension between tourists and locals. Respect is the focal point in this particular sector. Respect for the locals and their home in which tourists could realize how important the youth could realize how important the past is to our country,” he added.

The word ‘tourist’ is massively evolving”, added JT Singh. Culture is playing an increasingly important role in attracting people to cities. He also warned cities to ask themselves, “Is the message about the city? Or is the city the message?” He argued that cities should not waste money on expensive advertising and branding campaigns. Instead, the focus should be on the heritage of the city itself and the identity of its people.

A city is both a physical space and a historic entity. The physical presence of a city intensifies its character, argued Joe Sidek, Director of George Town Festival in Malaysia.
DiverCity: Difference as an Urban Asset

“How can diversity be an asset?” asked Mathieu Lefevre of the New Cities Foundation at the start of this session.

Cities attract people from diverse communities who come in search of opportunities. It is therefore crucial to understand the concept better. However, since cities do not become diverse in a systematic way, diversity remains a difficult concept to grasp. Each speaker offered a different approach to the issue, bringing in examples particular to his or her city.

Hiroo Ichikawa of Japan’s Mori Memorial Foundation argued that a diverse city appeals to the human senses. He presented diversity among six key elements of an “intangible environment,” the others being efficiency, change and growth, accuracy and speed, hospitality, and safety and security. When ranking cities according to their performance in these areas, Tokyo would reach a higher degree of homogeneity and would not rank high. If security comes first, followed by Vienna. However, Ichikawa also stated that if we had to look at diversity only, Paris would be today’s top city. By contrast, Tokyo struggles with xenophobia, and as an architect, he became obsessed with giving a public space component to the buildings he designed for the unexpected to happen. Looking at Jakarta, he found the variety of spatial typologies fascinating.

Meanwhile, Indonesia University’s Paulus Wirutomo was quick to point out that diversity in Jakarta is not well managed. He pointed towards an “objective exclusion” as the government fails to accommodate citizen participation in development initiatives, and also a subjective one, as people themselves exclude themselves from society. Finally, he suggested that by improving the physical infrastructure within slums, this would reduce the amount of young men who join violent gangs that form the counterculture.

Coming from the heart of the Silicon Valley, Rose Broome, CEO and Co-Founder of HandUp, provided insights into the impact of people moving to San Francisco to work at tech companies. This has led to an increase in housing prices, which have now become the highest in the United States, and the displacement of local communities who cannot afford living costs. Diversity in this context has created a backlash, and conversations about the need to build technology serving the local diverse communities. She mentioned the “need to start thinking as big about diversity and poverty as we do about driving cars and artificial intelligence”.

OMA’s Michael Kokora then shared his personal experience growing up in a mono-cultural environment where you had five types of houses only, and where everyone was white and middle class. He soon felt like running away from his xenophobic cocoon, and as an architect, became obsessed with giving a public space component to the buildings he designed for the unexpected to happen. Looking at Jakarta, he found the variety of spatial typologies fascinating.

Ensuring the Future: Building the Resilient City

Building a resilient city is not an easy task, especially considering the sheer amount of problems any and all cities face on a daily basis.

The workshop’s moderator, Shannon Bouton of McKinsey & Company, began by giving some context on the complexity of resilience challenges and explaining that the workshop would focus on urban flooding – a resilience challenge faced by many global cities.

The audience learned from different case studies offered by the four speakers. Purnomo Dwi Sasongko shared his experiences of flooding seasons in Semarang, a city on the north coast of Java, focusing on efforts to prepare for flooding including community education, challenges the city faces. Priscilla T. Weems then offered similar stories from New Orleans, which is treating water management as an opportunity to address larger social issues. Weems highlighted social stressors such as poor health, violent crime, poverty and education among others that contribute to the negative impact of floods within a community. Jim Jarvie, Director of Mercy Corps Asia and the Asian Cities Climate Change Resilience Network (ACCCRN), then spoke about how governance issues add an extra layer of complexity to resilience planning in Asia. Finally, Anissa Delima Sari, Program Manager for ACCCRN, shared her thoughts on the challenges Asian cities are facing in resilience planning and how the private sector could help address these.

A prevailing concern shared by most of the participants was the role of the private sector during situations like urban flooding and their overall contribution to building a resilient city. Many expressed concerns that the private sector is not as engaged as it needs to be, when public-private partnerships are vital to solving the issue in the long term.

The room was then broken up into four groups, each headed by one panelist. Each group was given a set of questions to spark a brainstorming session about how government and businesses could work together to improve city resilience. The groups then presented several solutions to all participants. These included: identifying private sector champions within communities; breaking down resilience efforts into concrete programs for flood preparedness including local businesses; building new affordable housing in areas away from flooding zones possibly through public private partnerships; and data gathering to make sure people can be more informed.

However, the group collectively acknowledged the difficulty of building private sector cooperation beyond corporate social responsibility due to the differing objectives and language of public and private sectors. Panelists and participants alike agreed that the best way to combat this speed bump would be through transparency and promoting shared value. Additionally, some suggested introducing legislations that would ensure win-win partnerships that would yield greater progress towards the dream of a resilient city.
Many technologists talk about the Internet of Things. However, asked Gareth Mitchell of the BBC World Service’s “Click” radio program, what practical benefits can it bring to citizens of global cities?

Anil Menon of Cisco stressed the healthcare benefits of sensor technology. “If you had sensors that could tell you that you were going to have a heart attack before your body did, you could act. The first symptom of a heart attack is death in 50% of cases,” he said. Equally, cutting-edge technology can help quickly diagnose cancer, he said, and transmit that information to your doctor.

In Bogor City, Mayor Bima Arya Sugiarto said, they are using a connected traffic system to monitor and control traffic flows. Further, “it is open access, for citizens to monitor what is happening”.

Mitchell noted that limited bandwidth could prevent the Internet of Things from quickly expanding in cities. Ivan Cahya Permana of Indonesia’s Telkomsel agreed, noting that the company is lobbying the government to move television to digital so that the analogue frequencies can be reused for new communications.

Anil Menon added that one major challenge when implementing technology in cities is the lack of international standards – for example for water management or police work. “How can you create smart solutions when you don’t have common standards so that you can scale – otherwise every solution becomes a custom project for every city, and smaller cities can’t afford it,” he asserted.

Mayor Bima said that, for government, “building a very integrated platform is the most challenging part”. Most agencies are divided into silos, but the Internet of Things requires them to work in new ways. Equally, the government needs to include people more, Bima asserted. “Last week I met a young man who invented a very interesting app, which is [an interactive] map for Bogor”, he said. “I invited them to City Hall and asked them to present their ideas. I said to them: We don’t have money but I like your idea. How about this, we are going to announce your invention, we are going to expose your map, and I think you are going to benefit because you can ask people to advertise.” The city government wants to help publicize other app developers as well.
Global Cultural Districts Network

The Global Cultural Districts Network (GCDN) is a federation of global centers of arts and culture that fosters co-operation and knowledge-sharing among those responsible for conceiving, funding, building, and operating cultural districts. It is an initiative of the New Cities Foundation, Dallas Arts District, and AEA Consulting. Each year, the GCDN curates cultural conversations at the New Cities Summit. This year, the GCDN also hosted a pre-conference devoted to the topic of cultural districts:

Cultural Districts: Why All This Activity?

Adrian Ellis, Director of GCDN, led a discussion on the growing trend of cultural districts in cities across the world. He explained that many cities have turned to the creation of these projects as a way to assert their identities and compete in an ever-globalized world. AEA Consulting has identified that some $US250 billion has been committed to investment in arts districts around the world in the next fifteen years. These projects are difficult to get right and expensive to get wrong.

Finding the Balance: Cultural Districts Within Their Communities

Moderator: Catherine Cuellar, Chief Executive Officer, Dallas Arts District
Panelists: Marina Guo, Director of International Programs at the School of Creative Studies, Shanghai Theatre Academy
           Eric Lefebvre, Director of Strategic Development, Quartier des Spectacles
           Carroll Joynes, Senior Fellow, Harris School of Public Policy, University of Chicago

In this session, Eric Lefebvre of the Quartier des spectacles Partnership discussed the revitalization efforts behind the creation of the Quartier des Spectacles in downtown Montreal, and how this was made possible by ongoing collaborative efforts between the public and private sectors.

Marina Guo of the School of Creative Studies, Shanghai Theatre Academy presented two case studies of cultural districts in Shanghai: Tianzifang and the Shanghai Theatre Academy’s plan to develop a cultural campus.

Carroll Joynes, Senior Fellow of the Harris School of Public Policy at the University of Chicago, provided examples of lessons learned from the recent building boom of cultural infrastructure across the United States.

For more information about joining the Global Cultural Districts Network as a founding member, visit www.gcdn.net or contact info@gcdn.net
Discover our Summit blog series, with posts by speakers, collaborators and the New Cities Foundation team, tackling different aspects of this unprecedented urban moment.

Access them all on our website:

www.newcitiesfoundation.org/blog/
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