

# Transportation costs in Indonesia exceed global standard: Ministry

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**A**t 12.46 percent of the overall cost of living, Indonesians spend significantly more on transportation than the global average, according to Transportation Ministry data.

The ministry's director general for multimodal transportation and integration, Risal Wasal, said that, ideally, transportation costs should not exceed 10 percent of household budgets, citing a standard set by the World Bank in 2023.

"Such high costs are certainly a burden on the people. Through fare integration and [implementing] an integrated payment system, the burden can be reduced," he said on Tuesday, as quoted in a press release.

In addition to cost pressure, dense traffic also posed a challenge, Risal said, with greater Jakarta alone recording over 75 million daily movements in 2023, according to the Greater Jakarta Transportation Body (BPTJ).

Risal noted that, without proper integration of transportation systems, the high intensity of public mobility could lead to ineffective management, increased travel times and costs.

He went on to say that an integrated transportation system had to be connected to city nodes and food production centers (KSPP) to facilitate not only public mobility but also seamless logistics and distribution of goods.

Risal said digitalizing public transportation payments with a tap-in, tap-out system was crucial for collecting data on passenger traffic.

“That data will serve as a foundation for capacity planning, fares subsidy arrangements and ensuring that public transportation services are truly connected, integrated and sustained,” he said.

An integrated fare system has been implemented in Jakarta for the Transjakarta buses, MRT and LRT trains, allowing for multimodal travel within a 3-hour window at a maximum fare of Rp 10,000 (US\$0.61).

“This fare integration lays the foundation for a broader concept, namely Mobility as a Service (MaaS). Under this concept, various modes of transportation can be planned, booked and paid for on a single integrated platform. This will enable the public to enjoy easier, cheaper and more efficient travel,” he said.

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The director general for multimodal transportation and integration also vowed to widen Jakarta’s transportation network through linkages with services of state-owned railway operator PT Kereta Api Indonesia (KAI),

including PT Kereta Commuter Indonesia (KAI Commuter) and the Greater Jakarta LRT.

KAI recently announced plans for a new train service tailored to the needs of farmers and traders by simplifying the movement of cargo.

“This train is designed to support the mobility of farmers and traders, while at the same time facilitating the transportation of crops and goods more freely, safely and efficiently,” KAI spokeswoman Anne Purba said in a statement on Aug. 19, as quoted by *Bisnis*.

The trains are expected to become a tool to empower rural communities, bridge supply chains and create a more inclusive transportation ecosystem.

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In May, KAI's subsidiary KAI Commuter procured two complete trains from China Railway Rolling Stock Corporation (CRRC), from a contract for eight trains consisting of a total of 96 electric railcar carriages.

KAI Commuter public relations manager Leza Arlan said the newly received trains were the third and fourth of eight ordered and would support Commuter Line services in the Greater Jakarta area.