



## **Strengthening Rural and Regional Economic Competitiveness Triggering Purworejo Regency Economic Growth through Tourism-Based Kutoarjo Transit Node Development**

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### **Abstract**

The railway transport node in Kutoarjo, serving the southern route of Java, is an excellent opportunity for Kutoarjo's economic growth. Kutoarjo, located in the administrative area of Purworejo Regency in RTRW of Central Java Province belongs to Purwomanggung regional system covering Purworejo Regency, Wonosobo Regency, Magelang Regency, Magelang City, and Temanggung Regency. An international airport is also being built in Kulonprogo Regency, Special Region of Jogjakarta Province, which will be integrated with the existing stations in Purworejo Regency, explicitly located in Kutoarjo sub-district, Kutoarjo Station. The construction of NYIA (New Yogyakarta International Airport) in Kulon Progo is an excellent opportunity for the rise and trigger for Kutoarjo. However, the current condition of the existing Kutoarjo station is not optimal and does not significantly give added value to the economy either in Kutoarjo or Purworejo. Kutoarjo Station is only a temporary transit point, and there is no other object which can make visitors want to stop longer in Kutoarjo. This study aims to formulate a management development of Kutoarjo as a transit city that can contribute to mobilizing the economy in Purworejo Regency and its surrounding areas. The analysis is conducted by considering movement patterns, development of transit areas, supporting sectors and policies. Based on the analysis results, it can be seen that the development of transit area using seamless tourism concept requires  $\pm 1.4$  ha of land around Kutoarjo station, which is still included in 200 meters (walkable) radius. Result of study reveals that the development of node transit is supported by a potential tourism sector. The implication of this transit area development is the absorption of labor force in 2038 as many as 12,213 people. Besides, there is an economic increase of PAD (LGR) of 55.7% which eventually leads the LGR (PAD) reach IDR. 2.328.129.852.138 in 2039.

Keywords: economic increase; node transit development; Purworejo; Tourism

### **1. Introduction**

The existence of a railway transportation node in Kutoarjo sub-district, which serves the southern line of Java Island is a great opportunity for the economic improvement of Purworejo Regency, especially for Kutoarjo sub-district. Kutoarjo Subdistrict is the second sub-district possessing the highest density level in Purworejo Regency, i.e., 1586 residents/ km<sup>2</sup> in 2016. It is also explained in Purworejo Regency's detailed spatial plan (RTRW) that Kutoarjo subdistrict is located in a very strategic area, Kutoarjo Urban Area – Purworejo. In spatial structure, it can be seen that there is an agglomeration area between Purworejo Subdistrict and Kutoarjo subdistrict which results in a plan to make them a Local Activity Center (LAC/PKL). As this is supported by a strategic position and adequate infrastructure, the economic

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condition is expected to progress with rapid growth. In regional constellation, this area is the intersection of arterial roads connecting cities in West Java to cities in South Central Java as well as cities in Special Region of Yogyakarta Province. Therefore, Kutoarjo should have an important contribution in supporting economic growth at regency level and even at provincial level as well as being LAC.

Kutoarjo Subdistrict located in the administrative area of Purworejo Regency belongs to Central Java RTRW, which is categorized in the provincial strategic area (KSP) with Purwomanggung regional system including Purworejo Regency, Wonosobo Regency, Magelang Regency, Magelang City, and Temanggung Regency. This regional system functions as a local and provincial service center. Besides, the plan to develop a train line which will be completed in 2024 connecting Sragen – Solo – Klaten – Jogjakarta – Kutoarjo shall make Purworejo regency play an important role in the regional system. The development of the train line will help the distribution of natural products not only in Purwomanggung area but also in surrounding regencies, i.e. Kebumen Regency and Kulonprogo Regency. Since the natural products in the area will usually be brought directly by middlemen traders at low prices and sold at higher prices in the market.

Besides, an international airport is being built in Kulonprogo Regency, Special Region of Yogyakarta Province, which will be integrated with the stations in Purworejo Regency, especially in Kutoarjo sub-district, i.e. Kutoarjo Station. The airport is called New Yogyakarta International Airport (NYIA). The construction of the NYIA Airport in Kulon Progo is a great opportunity for the rise and attraction of Kutoarjo. However, the current conditions show that the existing Kutoarjo station has not been optimal and does not provide significant added value to the economy both in Kutoarjo and in Purworejo. Moreover, Kutoarjo Station is only a temporary transit place, and there is no other object which can make visitors want to stay longer in Kutoarjo.

This study aims to formulate a management development of Kutoarjo as a transit city that can contribute to mobilizing the economy in Purworejo regency and its surrounding areas. The analysis is conducted by considering movement patterns, transit area development, supporting sectors, and policies.

## 2. Methods

The study used sequential mixed methods strategies, especially sequential transformative strategies (Kusmayadi & Sugiarto, 2000). The strategy is used since the qualitative method will be carried out at the analysis stage for the first time to identify the area, which will be presented as a study of the transit city. The next stage is a qualitative method by interviewing several relevant stakeholders. Figure 1 described the research stage undertaken.

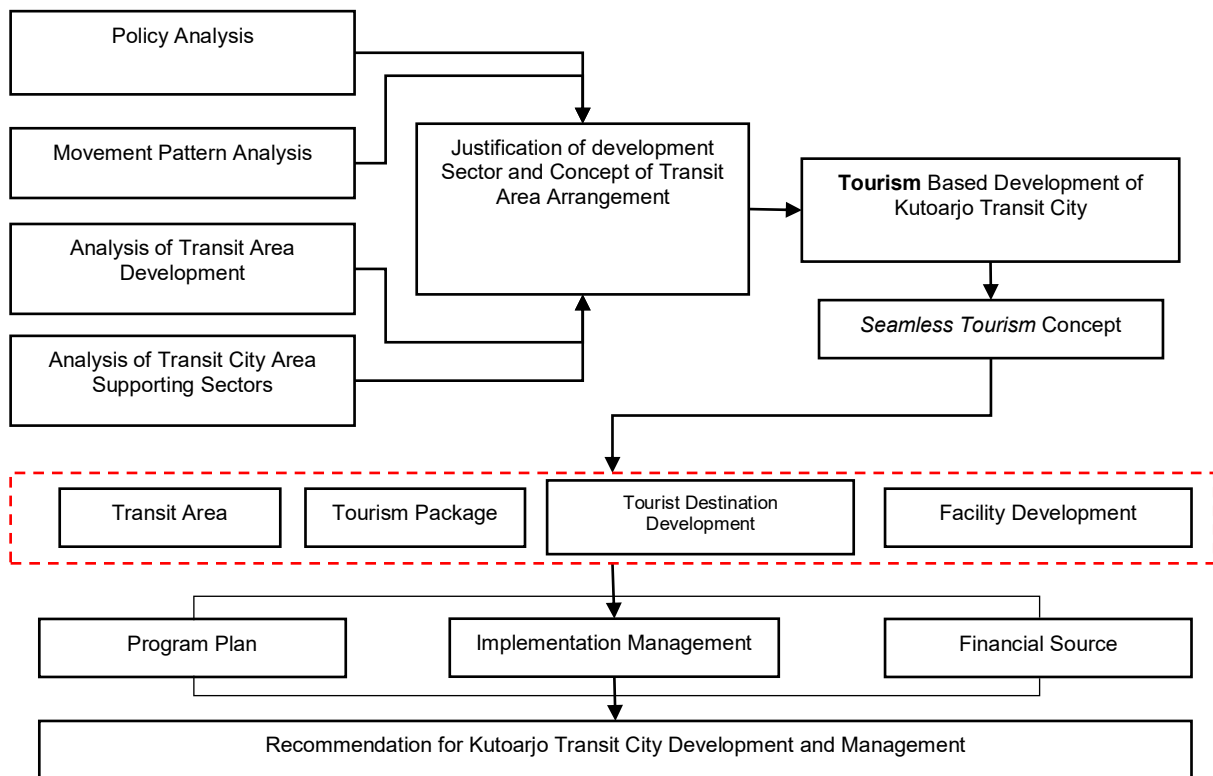


Figure 1. Scheme of Research Method

The scope of the discussion in this research is divided into three parts, which are compiled based on the linkages of Purworejo Regency as a part of Purwomanggung KSP. Also, it is based on the justification of the area selection around Purworejo regency which has the same administrative unit (regency

government). These regencies are arranged based on their location which is influenced by railway line existence crossing Kutoarjo subdistrict. These regencies are Kebumen Regency and Kulonprogo Regency (see Figure 2).

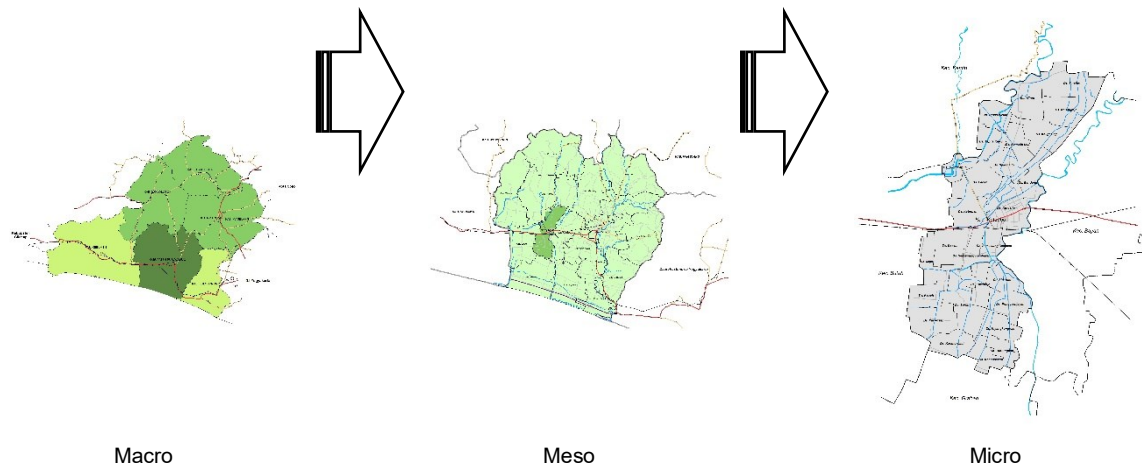


Figure 2. Map of Research Scope

### 3. Result and Discussion

#### 3.1 Analysis of Development and Transit Area Arrangement Concept

Transit City Several stages are conducted in the analysis of development and transit area arrangement/structuring concept, i.e., policy analysis, movement pattern analysis, analysis of transit area development, and analysis of supporting sectors of the transit city area. The policy analysis is conducted by studying various planning documents related to the development of Kutoarjo area. Some of these documents are National RTRW Year 2008-2028, Central Java Province RTRW Year 2009-2029, Purworejo Regency RTRW Year 2011-2031, RPJP of Purworejo regency Year 2005-2025 and RPJM of Purworejo regency Year 2016-2021.

Policies and Strategies concerning National Regional Spatial Planning are contained in State Government Regulation of the Republic of Indonesia Number 26 the Year 2008 on National Regional Spatial Planning. The National Territory Spatial Plan in the direction of policies and strategies for spatial use of the State. Spatial Planning of Purworejo Regency is based on the National Spatial Plan, i.e. development of national strategic roads, south coast side road from Cilacap – Kebumen –Purworejo – Yogyakarta Border. This road construction plan is intended to facilitate transportation and shipping of goods from Cilacap to Yogyakarta (Table 1). To develop Kutoarjo as a Transit City, it needs supporting sectors to create the movement in Kutoarjo and its surroundings. Several sectors of the area activities to be studied are agriculture, tourism, home industry, trade, and services. From these several sectors, it is necessary to identify which sector is the most potential to support Kutoarjo as a Transit City. Table 2 is a compilation of the development program of the sectors.

All sectors have the same potential and challenges to develop, but to support a significant movement, tourism sector is the most potential one (Saner, Yiu, & Filadoro, 2015). This is based on the potential and direction of the policy program of Purworejo regency government, which is focusing on tourism development based on opportunities obtained by the construction of New Yogyakarta International Airport (NYIA) and the development of Borobudur tourist areas. However, the potential for tourism development requires a comprehensive strategy, i.e. by developing existing tourism spots and supporting them by adequate infrastructure, especially accessibility and transportation (Sihite, 2000). Meanwhile, such other sectors can also support creative industries and services in Kutoarjo city since there are communal industrial activities in some locations. This activity can potentially support tourism activities such as educational tourism objects, while services become one of the main supporters of tourism activities, which can be provided entirely in Kutoarjo (Desky, 2001).

#### 4.2 Development of Tourism-Based Kutoarjo Transit City

Develop a tourism-based Kutoarjo transit city; it uses “**Seamless Tourism**” concept. Seamless or “smooth” according to the Indonesian language dictionary means clean, smooth, no obstacles, running well, honest, and sincere. Clean has a derivative of meanings such as free of dirt, clear, not cloudy, not polluted, and not mixed with other substances so that it is something that gives comfort or gives a sense of comfort. While smooth means there are no obstacles, running well, and has secondary meaning “easy or not difficult to get.” Meanwhile, being honest and sincere is more interpreted as being not exaggerated, not extravagant, so that it seems to be something cheap (affordable). Based on the description, “smooth” means something which can provide convenience to get, provide comfort, and be cheap in all terms. Thus, seamless tourism (Seamless Tourism = Recreation with Easy – Comfortable – Cheap) is defined as tourism activities that provide all forms of convenience and comfort that can reduce the cost of tourists

while visiting and provide affordable shopping prices. Ease provides all forms of convenience, especially in information and transportation access. Today's technological development is very rapid, especially in communication information technology. The most important convenience offered in Seamless Tourism is the ease of transportation, i.e. the ease of tourists moving around, starting from the time of going out of their house until going back home again. The movement occurs without obstacles or problems to reach TDA (DTW), and this is accompanied by easy access to other places or supporting facilities. Comfort, as intended in UNWTO (2010) that tourist destinations in developing countries should provide alternative tours with safety guaranty and security feeling for tourists during their tourism trip. Comfort is not only obtained from the environment or tourism area. However, what is not less important is the convenience of the facilities provided. Besides, it also included comfort in obtaining information, comfort in travel and while in a vehicle, comfort in a place to stay, comfort in enjoying local cuisine, and comfort while shopping in traditional markets. Cheap in this Seamless Tourism Concept is to provide free services to several important public facilities such as free transport services to all TDAs (DTW). With the free service, it is expected that their transportation costs can be diverted to shop for souvenirs or local traditional culinary and souvenirs to bring back home. This will shape their experience to be a recommendation for their relatives who want to travel to the place.

Table 1: Overview of Kutoarjo in RTRW of Central Java Province & Puworejo Regency

Spatial Policy	Spatial Load	Description
RTRW of Central Java Province	Urban system Network system Infrastructure Region  Strategic area	Kutoarjo as LAC which function to facilitate any regency/city or some subdistricts scaled activities Plan of developing commuter line railways Sragen- Solo- Klaten – Jogjakarta – Kutoarjo dan jalur Purwokerto – Kutoarjo Purworejo urban area – Kutoarjo as Strategic area from the perspective of economic growth interest
RTRW of Purworejo regency	Urban system Rural system  Network system infrastructure Region	as LAC (Local Activity Center) Wirun Village in Kutoarjo subdistrict is developed as an urban or peri-urban agricultural area (primary agricultural city) <ul style="list-style-type: none"> <li>• Development of Prembun Kebumen road) and development of Kutoarjo – Purworejo city border road for about 7km length</li> <li>• Development of Kutoarjo – Wonosobo border road for about 33 Km</li> <li>• Development of Grabag – Kutoarjo road for about 12 km</li> <li>• Development of type C bus station</li> <li>• Development of goods transportation terminal</li> <li>• Development of southern line railway infrastructure which connects Kutoarjo – Bandung, Kutoarjo – Jakarta, Kutoarjo – Malang, and Kutoarjo – Surabaya;</li> <li>• Development of double tracks railway line which connects Kutoarjo – Yogyakarta – Solo, and Kutoarjo – Kroya; and</li> <li>• Development of commuter railway system which involves: <ul style="list-style-type: none"> <li>1. Palur – Solo–Klaten- Yogyakarta – Jenar – Kutoarjo route; and</li> <li>2. Purwokerto-Kroya–Kutoarjo route</li> </ul> </li> <li>• Development of Kutoarjo railway station</li> <li>• Development of Bandung, Kutoarjo-Jakarta, Kutoarjo-Malang, Kutoarjo-Surabaya railway infrastructure;</li> </ul>

Source: Authors' Analysis (2018)

On a macro scale, as stated above, Kutoarjo is the only sub-district, which becomes a transit point for two types of public transportation. This very strategic condition has become a huge opportunity for the development of transit cities as well as the surrounding regions considering that the construction of NYIA Airport will have an impact on Kutoarjo, especially those using the railway line. On the micro-scale, the existence of Type B railway station will make Kutoarjo as the main gateway from the southern part of Java Island to some of the TDAs (DTW) around Purworejo Regency and Agwomanggung agglomeration. To capture the great potential through the Tourism sector, from now on, Kutoarjo city must prepare itself to improve the city. One of them is by preparing adequate infrastructure and supporting tourism in Purworejo Regency.

Achievement of the development by tourism-based Purworejo transit city with seamless tourism concept, several conceptual strategies are conducted including: (1) tourism Cluster Development based on geographical conditions and tourism theme development to ensure diverse tourist attractions; (2) tourist Area is developed thematically with a more innovative concept to arouse attractive tourist locations in Kutoarjo and its surroundings; (3) integrating tourism area with transportation node (Kutoarjo railway Station and Kutoarjo bus station) and becomes home for the digital travel ecosystem; providing tour packages with various choices and at affordable prices; and (4) providing competitive services (hotels and culinary), which can provide added value to economic activity in Kutoarjo.

Table 2: Description of Conditions and Potential for Sector Development

No	Sector	Description
1	Agriculture	<ul style="list-style-type: none"> <li>o Agricultural, plantation, and livestock are the basic sectors in Purworejo regency and Kutoarjo subdistrict.</li> <li>o The superior results from the agriculture sector are Rice, Coconut, and Etawa Breed Goat (PE).</li> <li>o Products from the agricultural sector in Purworejo Regency are obtained directly by middlemen traders/ collectors who mostly come from outside Kutoarjo subdistrict and Purworejo regency.</li> <li>o Regarding the transit city, the agricultural sector is considered to be inadequate to support Kutoarjo as a transit city because: <ul style="list-style-type: none"> <li>➢ The frequency of goods and people movement only occurs during harvest.</li> <li>➢ There is no transit activity since the middlemen/collectors from outside the city come to Kutoarjo to collect agricultural products, then they go back bringing the products to their cities.</li> <li>➢ Movement of goods and people does not use the existing transportation, not use transportation node in Kutoarjo, neither bus station nor Railway Station.</li> <li>➢ There is no transfer of transportation modes in the goods or people moving in the agricultural sector</li> </ul> </li> </ul>
2	Tourism	<ul style="list-style-type: none"> <li>o According to the existing conditions, the tourism sector has not yet become a leading sector, as indicated in its contribution to LGR (PAD), which is still below &lt;1%.</li> <li>o In terms of the policy, the tourism sector is a government priority program. This can be seen from the plan to develop a tourism cluster in Purworejo to follow up on the potential of NYIA airport development and Borobudur Authority Agency.</li> <li>o Purworejo Regency has various kinds of tourism potential, such as beach tourism, mountain tourism, and village tourism. Furthermore, the number of visitors in every tourist spot increases. However, tourism in Purworejo Regency is still unable to compete with tourism in the surrounding areas such as Yogyakarta, Magelang and Gunung Kidul. Thus, the tourism development program needs innovative concepts and infrastructure sector support</li> <li>o There are no natural/artificial tourist sites in Kutoarjo yet, but there are several potentials which can be developed, such as: <ul style="list-style-type: none"> <li>➢ The potential of rafting water tourism by utilizing the flow of Sampu-Semawung-Daleman rivers</li> <li>➢ Potential of cultural/historical tourism (heritage area) which was determined as a strategic-based culture in Purworejo regency</li> <li>➢ Tourism potential based on creative industries (ethnic shoes, bird cages, blacksmiths)</li> </ul> </li> <li>o Besides, Kutoarjo station cannot yet be said as the entrance for tourists because tourism destination in Purworejo has not been able to attract domestic and foreign tourists.</li> <li>o Tourist movement embryo entering Kutoarjo station by their external tourist destinations such as Borobudur and Dieng temples can be well used by Kutoarjo since this movement activity can trigger the emerging several tourist travel agents in Kutoarjo which serve passengers to their tourism destination.</li> <li>o However, the potential and tourism development policies are still very concerning only to the tourism sector because tourism is very potential to be developed, which considers the development around Purworejo.</li> <li>o Development of tourism sector is very feasible to consider since tourism development is substantial, such as increasing the country's foreign exchange, opening business opportunities, increasing employment, increasing public and government income, encouraging regional development, preserving culture and customs, increasing people's intelligence, improving physical and spiritual health, as well as reducing social conflict.</li> <li>o From the previously mentioned points, it is concluded that there is a tourism potential to encourage the development of Kutoarjo as a city</li> </ul>
3	Creative home industries	<ul style="list-style-type: none"> <li>o Contribution of processing industries to LGR (PAD) is 4.82%</li> <li>o Availability of secure investment licensing procedures and easy access to licensing information</li> <li>o Purworejo regency has many production types of small and medium-sized industries</li> <li>o Locations Grouping of Similar Industries</li> <li>o Institutions of Industrial Actors and support from Village Government</li> <li>o Limitations of regency Government in facilitating the existing 14,553 MSMEs (UMKM).</li> <li>o Capital and Marketing</li> <li>o SME (UKM) Branding Target</li> <li>o The target of increase is 5% / year (Based on Strategic Plan for UMKM and Cooperative Services year 2016-2021)</li> </ul>
4	Trade & Service	<ul style="list-style-type: none"> <li>o From district-scale analysis, trade and service sectors account for 45.1%. Similarly to the results of LQ value calculation, this sector obtains LQ&gt; 1 (base) value.</li> <li>o In the regency scale, Kutoarjo has passed several main routes which have links with the surrounding regency areas such as Magelang, Wonosobo, Kulon Progo, and Kebumen. The route functions as access to primary mobility and distribution of agriculture and goods trade between sub-districts within Purworejo Regency</li> <li>o Kutoarjo city is located extending from west to east, starting from Kalianyar Bridge to Kali Jali Bridge. The North of the city is a hill known as Mount Tugel, and there is a railroad track in the south of the city. Consequently, the places in Kutoarjo city are easy to reach because there are many public transportation routes.</li> <li>o The rapid development of Kutoarjo Sub-district and the increase in its activity are huge market potentials in the non-agricultural commodities trade.</li> <li>o In facing the completion of NYIA construction (New Yogyakarta International Airport) in Kulon Progo regency, which is planned to operate in 2019, Purworejo regency government begins to improve itself, especially in tourism destinations and trade.</li> </ul>

Source: Authors' Analysis (2018)

### 4.3 Management of Kutoarjo Transit City Development

As a city planned to become a tourism-based transit city, Kutoarjo should also be supported by renewing the face of the city (Kutoarjo Station Area) in order to provide a new experience and a striking impression for both the visitors and residents who come and will leave Kutoarjo. In the process of developing the city, the centers of public activities and urban economies such as *alun-alun* (squares), traditional markets, bus station/terminals, railway stations, shops, or trade areas are very important embryos of urban space structures. The city structure causes the distribution of activities functions to be formed and followed by the existing transportation system. Therefore, it is highly possible if the railway station building and its environment undergo changes or development to meet the service needs as an implication of the increase in the number of railway transportation (train) users.

In general, Calthorpe (1993) defines that the development of a transit node area is a “mixed-use community which encourages people to live near transit services and to reduce their driving dependence.” The transit node area is apparently to be within a 300-meter radius of Kutoarjo railway Station. Meanwhile, The railway station itself is located on the corridor of Jalan Merpati, Semawung Daleman and Keluto Villages, Kutoarjo subdistrict.

As a transit city which utilizes tourism potential surrounding it, Kutoarjo needs to provide a place utilizing the momentum of transport mode shifts from train to the next transportation mode in order to apply the concept of Seamless Tourism, i.e., to provide convenience, comfort, and savings in spending costs on traveling. Referring to the concepts of convenience, comfort, and cheapness (cost-effective), there are three alternative locations to be analyzed based on two approaches, they are: regional boundaries determined by legislation (government regulation) as an area developed as a transit area and location which has potential as a growth point for the development of TOD concept and is characterized as fast-growing areas (Handayeni & Ariastita, 2014; Ketut Dewi Martha Erli Handayeni, 2014; Replogle, 2006). Figure 3 explain three alternative locations in Kutoarjo Railway Station.

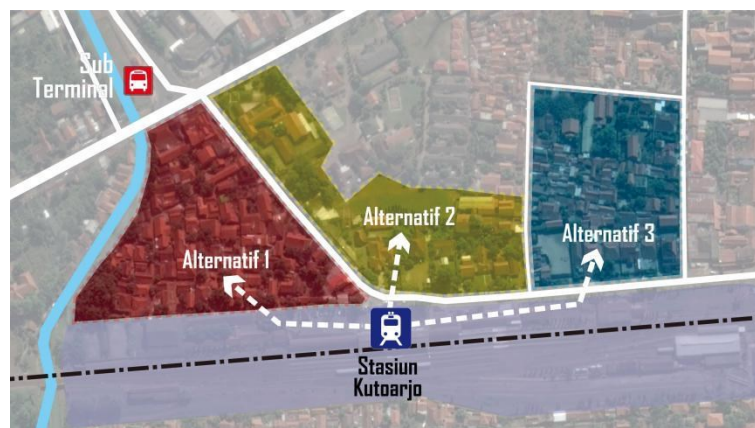


Figure 3. Map of development land Alternatives

In determining the initial location as a placement point for supporting tourism activities in Kutoarjo, the first thing to do is to choose a location that possesses the least possibility of causing social conflict. By considering two things, i.e. density or land density and ownership in each location choice. Then, the second alternative is chosen as the starting point for the placement of facilities supporting seamless tourism activities. The advantages of this area are low density to medium density area with 14,000 m area and owned entirely by the government. This is what makes the land in the second alternative more likely to be used as a planning area for the realization of the planning with no more than five years of development. Also, the location determination at the first alternative is only to facilitate non-tourist train users who are waiting for public transportation.

Deciding the building located on the site is adjusted to the Seamless Tourism concept which considers ease and comfort in reaching service facilities after leaving the railway station building. In other words, the determination in the location of the site starts from the railway station building as the starting point of tourist movements. Based on the analysis results related to the Seamless Tourism concept, tourists will firstly be served with public open spaces so that they obtain being relaxed, comfortable, and calm impression after a long journey. After they have arrived in public areas or open spaces, tourists can access information centers, retails, three-star hotels, one-stop service offices, and culinary areas (see Figure 4).



Figure 4. An embodiment of Kutoarjo Transit Node Zone/Area

The tourism sector is an important supporter of Kutoarjo transit city activities, so it is necessary to plan a tour package. In preparing the Tourism Package plan, it needs to consider several aspects such as a number of tourists, road networks and existing public transportation routes. The concept of tour packages will be made based on the offered tourist destinations. Tour packages are arranged based on the existing conditions and development potential in each tourist destination which have been clustered. The division of clusters as explained in the previous subchapter is based on geographical proximity that aims to improve each other. From the distribution of these clusters, not all tourist destinations are included in the package. Then, several leading tourist destinations will be selected based on the interest of visitors who come there and the development potential which can be done (see Figure 5).

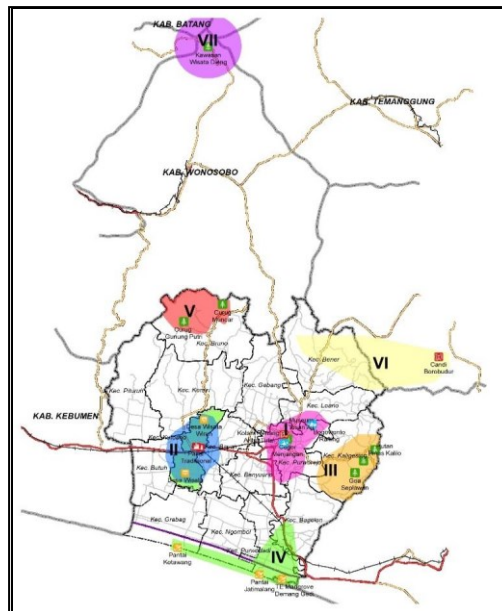


Figure 5. Map of Leading Tourism Destination Cluster Distribution

The tour packages offered will be divided into two types based on the length of visitors' transit time, i.e., long-stay transit and short-stay transit. Long stay transits are visitors who make transit more than one day, while short-stay transit is visitors who transit less than one day. Based on the number of tour packages offered, it is necessary to develop a scheme related to the need for transportation modes that serve the visitors. The concept or scheme for providing transportation will begin as the construction phase of Kutoarjo transit city area has completed, i.e., in 2019-2022. Table 3 is the scheme of transportation mode.

Table 3: Scheme of Transportation Mode

Year	Description
2022 - 2026	It is the initial period of a promotion, so the transportation mode provided is free for visitors who will make a transit. The target for this first period is to be able to serve 100% of visitors who want to make a transit. At the beginning of the period, the tour package will only be opened for a short stay transit, considering that it is still the beginning of the promotion, and it is assumed that no visitors will make an extended stay transit (transit for a long time).
2027 - 2031	The transportation mode is still free, and a route has been opened for visitors who will make long stay transits due to an increasing number of visitors caused by the presence of NYIA. Besides, the visitors coming at the weekend presumably decreases to 80% with the assumption that visitors begin to come and do transit during weekdays on which there are ± 4% of visitors who come in each day.
2032 – so on	The mode of transportation is not free anymore. In this period, the manager or the government will get a ticket retribution fund.

Source: Authors' Analysis (2018)

The development of a tourism-based transit city will positively affect several sectors. Accordingly, this paper will discuss the implications of the development of Kutoarjo transit area on land-use changes, labor force, infrastructure, and economy. Table 4 explain a summary of the analysis results of the implications.

Table 4: Implication of Kutoarjo Transit City Development

Sector	Implication	Description
Land Use Change	Land need to develop Transit area: 14.890 m <sup>2</sup>	Land acquisition or Land Procurement 14.890m <sup>2</sup> x IDR 763.089 = IDR 11.362.395.210 <i>Ruislag Mechanism &amp; Payment Compensation</i>
Labor Force	Labor Force Need 2016 = 0 people 2039 = 12.213 people	Providing qualified human resources through vocational high school
Infrastructure	Clean water 10.896.595 ltr/day water waste 6.810.372 ltr/day waste 205.119 ltr/day Energy 23.568.301 VA	Supply improvement : • Raw Water source • Communal WWTP (wastewater treatment plant/ IPAL) • Waste system • Renewable energy source
Economy	LGR/PAD increase : 2016 → 201.408.936.102 2039 → 454.532.026.312 Residents' direct income : 2019 → 454.693.077.312 2039 → 3.103.810.397.850	LGR/PAD increase = 55,7% Direct Impact = 84,9%

Source: Authors' Analysis (2018)

#### 4.4 Program Indication & Feasibility Analysis

The program of Kutoarjo transit city development is planned for 20 years period consisting of 3 main programs, namely: construction of the transit area, construction of tourist destinations, and the implementation of Purworejo romance event (festival). Table 5 shows the details of the program.

Table 5: Program Indication

No	Program/Activity Plan	Implementation Period	Government (IDR. Million)	Private (IDR. Million)	Amount (IDR. Million)
1	<b>Development of Transit Area</b> (Making RTBL Technical Documents, RTBL Regional Regulation, Establishment of Transit Zone Authority Agency, Land Acquisition, Designing information system and tour packages promotion); (Widening the road and the constructing pedestrian ways and drainage of Jl, Merpati and P. Diponegoro, Constructing TPKPU, Constructing Tourist Information Building); (activity of Planning, Physical Revitalization of Kutoarjo Station Buildings, green open space (RTH) Arrangements, Trader socialization activities in the railway station);	Period 1	14 % or IDR 1.394-	86% or IDR 69.969-	IDR 81.363,-
2	<b>Development of Area and Pokdarwis (Tourism Aware Groups) in Tourism Destination area (DTW)</b> Jati Malang beach, Ketawang beach, Mangrove education park, Seplawan Cave, Kalilo pine forest, mount Gajah, Jeger Menjangan hilltop, Muncar waterfall, Gunung Putri, waterfall Bogowonto	Period 2-4	33 % or IDR 10.050,-	67 % or IDR 20.550,-	IDR 30.600,-



Table 5 Continued

No	Program/Activity Plan	Implementation Period	Government (IDR. Million)	Private (IDR. Million)	Amount (IDR. Million)
	Rafting, Arta Tirta, Tosan Aji museum, Suren tourism village, Wirun tourism village, Kutoarjo, tourism village, Revitalization Program of Kutoarjo traditional market, procurement and maintenance of transportation mode.				
3	<b>Purworejo Romance Festival</b> Arranging tourism calendar, development activities for cultural and tourism promotion, tourism development programs based on MDI creative economy, tourism marketing, and information development programs, partnership development programs.	Period 2-4	20 % or IDR. 19.526,-	80 % or IDR. 75.735,-	95.261,-

Source: Authors' Analysis (2018)

In the program implementation, all types of activities are carried out by the Cooperation between the Government and Business Entities (KPBU), i.e. between the government of Purworejo Regency and the Transit Area/Zone Management Agency. As seen in the table, the implementation of an activity program plan, as well as the investment, is generally carried out both from the private sector or the manager and the government from Purworejo regency. For more details, see Table 6.

Table 6: Details of Program Indications

No	Year	Limit (IDR, Million)	Completion Target	Activity Plan
<b>A. Development of Transit Area</b>				
1	2019 (Year 1)	24.526	27,7%	<ol style="list-style-type: none"> <li>1. Arranging RTBL Technical Documents,</li> <li>2. Establishing Transit Area Authority Agency,</li> <li>3. Land Acquisition by cooperation scheme of government agencies,</li> <li>4. Land Acquisition by cooperation scheme of private institutions</li> <li>5. Design of information systems and tour package promotions,</li> <li>6. Planning for Revitalizing Kutoarjo Railway Station Building,</li> <li>7. OGS/RTH (Open Green Space) management,</li> <li>8. Socialization activities for Trader within the the railway station.</li> </ol>
2	2020 (Year 2)	27.512	58,8%	<ol style="list-style-type: none"> <li>1. RTBLRegional Regulation,</li> <li>2. Private Land Acquisition</li> <li>3. Design of information systems and tour package promotions,</li> <li>4. Physical Activity of Kutoarjo Railway Station Building Revitalization</li> </ol>
3	2021 (Year 3)	35.458	98,9%	<ol style="list-style-type: none"> <li>1. Design of information systems and tour package promotions,</li> <li>2. Training and improving the quality of services for the culinary merchant community</li> <li>3. coordination of cultural attractions preparation,</li> <li>4. coordination of increasing internet network capacity,</li> <li>5. Physical activity (improvement of road width, Pedestrian and Drainage, TPKPU, TIC, Three Star Hotels, RTP, Souvenir Outlets, Outdoor Cafe)</li> </ol>
4	2022 (Year 4)	438,40	99,3%	<ol style="list-style-type: none"> <li>1. Design of information systems and tour package promotions,</li> <li>2. Procurement of Transportation Modes,</li> <li>3. Merchant /traders relocation activities,</li> <li>4. Procurement of Jalan Merpati and P. Diponegoro Street Furniture Corridors.</li> </ol>
5	2023 (Year 5)	577,64	100,0%	<ol style="list-style-type: none"> <li>1. Design of information systems and tour package promotions,</li> </ol>
	Amount	88.512,04		
<b>B. Development of Tourism Destination Area (TDA/DTW)</b>				
1	2019 – 2023 (Stage 1)	9.800	32%	<b>Development Program of TDA</b> : Ketawang Beach, Mangrove, Seplawan Cave, Kalilo Pine Forest, Mount Gajah, Geger Menjangan Hill Top, Muncar waterfall, Gunung Putri waterfall, Bogowonto Rafting , Artha Tirta, Tosan Aji museum, Suren Tourism Village, Wirun Tourism Village, Kutoarjo Tourism Village, Revitalization
2	2024 – 2028 (Stage 2)	9.400	63%	
3	2029 – 2033 (Stage 3)	6.300	83%	
4	2034 – 2038 (Stage 4)	5.100	100%	

Table 6 Continued

No	Year	Limit (IDR, Million)	Completion Target	Activity Plan
	Amount	30.600		Program of Kutoarjo city Traditional Market
<b>C.</b>	<b>Purworejo Romance Festival</b>			
1	2019 – 2023 (Stage 1)	3.523	5%	➢ Promotion development of Culture and Tourism
2	2024 – 2028 (Stage 2)	12.327	23%	➢ MDI (Media, Design and Information and Technology) Creative Economy Based Tourism Development Program
3	2029 – 2033 (Stage 3)	19.720	53%	➢ Marketing and Tourism Information Development Program
4	2034 – 2038 (Stage 4)	31.966	100%	➢ Partnership Development Program
	Amount	67.536		

Source: Authors' Analysis (2018)

Based on financial benefit analysis, it can be described that the level of rate interest return is 83% higher than the interest rate used in the project, which is 12%. This project will break even at six years, 3 months (2024). Based on all indicators, it can be concluded that this project is feasible to be implemented.

Also, Social Benefit analysis was conducted to find out the benefits obtained by the government. It is seen that the rate of return on interest rates is 64.21% higher than the interest rate used in the project, i.e. 10%. This project will break even at seven years one month (2025). Thus, based on all indicators, it can be concluded that this project is feasible to conduct.

#### 4. Conclusion

According to previous analysis elaboration, it can be concluded that Kutoarjo Transit Area Development activity plan is feasible to implement. In addition to implementing the arranged plans, there are several things which must be considered or implemented by the stakeholders involved, such as (1) development and management in tourism destination locations must consider the construction, management, and implementation activity; (2) there must be good cooperation among stakeholders involved, especially the governmental agencies, according to their duties and functions; (3) cooperation between regions (regencies) is necessary. Purworejo Regency can establish cooperation with several other surrounding areas to support several general objectives of regional autonomy and to get benefit from regional (inter-regencies) cooperation; (4) control of development in Kutoarjo is needed to do by revising Kutorajo Urban Spatial Planning Plan in order to consider the existence of transit node area development; (5) the plan also needs to be followed up in arranging Building and Environmental Management Plan (RTBL); (6) the government can cooperate with other parties for financing the program, especially with private sectors; and (7) the government needs to empower the (surrounding) community by reviving tourism aware groups (*Pokdarwis*).

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