

Riau Inline Presentation

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1. Introduction

Riau - a short name but always gives big meaning to its time - past and present. The long history of the Malays always mentions Riau as one of the centers of civilization of the Malayan culture. Even the national language - Indonesia – has been uprooted from the wealth of the Riau Malay.

Being a part of the Republic of Indonesia, Riau is one of the most important areas in the country's economy - supported by abundant natural resources and strategic location in the middle of one of the busiest trading routes in the world – the Strait of Malacca. With an area of approximately three-hundred-and-thirty-thousand square kilometers and more than three-thousand islands, Riau is the second largest province in Indonesia.

Covered by a tropical climate, Riau also possesses vast land area. Spread along the east coast of Sumatra, tropical forests grow flourishly bringing in valuable biological wealth. The capital city is Pekanbaru, which consists of fifteen regency areas and autonomous cities.

2. Five economic strengths

Riau economy is driven by five economic strengths - mining, forestry, agribusiness, heavy industries, and tourism. With the enactment of Law number twenty-two, nineteen-ninety-nine, which assigns extended autonomy to the region, Riau is growing significantly - outpacing its neighboring provinces.

As trading moves to natural oil, Riau has attracted investors from America and Europe through Caltex, Shell, and Mobil Oil. Presently, it is contributing more than sixty percent of Indonesia's oil products, with a production level of seven-hundred-and-fifty thousand barrels per day.

Natuna islands in South China Sea still have a deposit of approximately two-hundred-billion cubic meters of natural gas, and the island of Bintan contains the largest deposit of bauxite.

There are still plenty of other minerals with huge amount of deposit, such as gold, diamond, granite, quartz sand, iron stone, andesit, diorit, as well as pumice.

Riau also has developed as the biggest prime production center of CPO in Indonesia, through palm oil, pulp, and paper.

Plantations and agribusiness dominate more than three-million hectares of land. With palm oil, rubber, coconut, and various kinds of fruits as the prime commodities, they provide big opportunities for the processing industries and their downstream industries.

On the other hand, the waterways that cover an area of more than six-hundred-thousand square kilometers, provide a large potential of reserve in fisheries, in the form of fish catching - with a potential of one-point-five-million tons per year especially in the South China Sea - processing industries, and hatchery.

Riau has also developed as an industrial region with its centers in Batam, Bintan, Karimun, Siak, and Pelalawan. Within these areas, there are Lobam industrial estate and Siak Industrial Zone.

Furthermore, Riau offers immense economic returns from tourism industry. With popular destinations such as Lagoi Resort in Bintan Island and Muara Takus Temple in Siak, alongside other exotic places in Batam, Karimun, Dumai, and Pekanbaru, it commands the third largest growth in tourism, after Bali and Jakarta.