

Equitable Maritime-Based Investment in Kepulauan Riau: Evaluation of Policy and Regional Development Direction

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ABSTRACT

This study examines the issue of unequal maritime-based investment distribution in Kepulauan Riau, an archipelagic province with strategic economic potential due to its proximity to international shipping routes, cross-border trade networks, port infrastructure, and marine-based resources. Although Kepulauan Riau has recorded significant investment growth, investment realisation remains concentrated in Batam, while outer-island districts such as Natuna, Anambas, and Lingga continue to face limited capital inflows, weak infrastructure, and low integration into regional value chains. This study aims to evaluate the direction of investment policy and its contribution to equitable regional development in Kepulauan Riau. Using a qualitative descriptive approach, the study analyses secondary data from the Kepulauan Riau Province Investment and One-Stop Service Agency for 2021–2025, supported by policy review and regional development analysis. The findings show that Batam consistently dominates provincial investment realisation, while Bintan and Karimun experience fluctuating growth and outer-island districts remain structurally marginal. The results also indicate that investment inequality is influenced by uneven connectivity, limited logistics infrastructure, weak investment promotion, insufficient downstream industries, and fragmented institutional coordination. The study concludes that equitable maritime-based investment requires a shift from a Batam-centred growth model toward a spatially inclusive development strategy through thematic economic zones, regional investment potential mapping, infrastructure acceleration, green investment, strengthened investment coordination, and local community integration into maritime value chains.

Keywords: Maritime Investment, Regional Equity, Blue Economy, Investment Policy

INTRODUCTION

Kepulauan Riau occupies a strategic position in Indonesia's maritime economic geography because its development trajectory is shaped by the interaction between archipelagic connectivity, cross-border trade, port infrastructure, marine resources, and investment concentration. As a province located near major international shipping lanes and adjacent to Singapore and Malaysia, Kepulauan Riau has long been viewed as a maritime gateway for industrial expansion, logistics services, tourism, fisheries, and export-oriented manufacturing. However, the central issue examined in this article is not

merely the growth of investment in maritime-based sectors, but the extent to which such investment produces equitable regional development across the province's island-based territories (Ananda et al., 2024; Muhammad, 2023; Samin & Poti, 2022).

This issue is important because maritime investment often tends to cluster in already-developed urban-industrial nodes such as Batam, Bintan, and Karimun, while outer-island districts may remain structurally dependent on limited infrastructure, smaller markets, and weaker institutional capacity. Similar studies on port investment, maritime logistics, and archipelagic economic development show that maritime infrastructure can generate local economic effects, but its benefits depend heavily on connectivity quality, governance arrangements, and the spatial distribution of development opportunities (Afiatno & Joyoutomo, 2024; Amin et al., 2021; Karimah & Yudhistira, 2020)

Therefore, the evaluation of investment policy in Kepulauan Riau must move beyond aggregate growth indicators and examine whether investment direction supports balanced development among coastal communities, small islands, and strategic industrial zones. Recent research on maritime governance and port systems in Indonesia emphasizes that fragmented governance and unequal infrastructure capacity remain key barriers to realizing integrated archipelagic development (Rahayu et al., 2024; Sunitiyoso et al., 2022; Utama et al., 2024).

The broader academic debate on blue economy and maritime development also shows that investment policy cannot be separated from questions of social equity, environmental sustainability, and institutional accountability. In many coastal and island regions, the blue economy has been promoted as a framework for combining economic growth with sustainable use of marine resources, but its implementation may become overly market-driven when equity concerns are not integrated into planning and evaluation.

For Kepulauan Riau, this debate is highly relevant because maritime-based investment is expected not only to increase regional income, but also to improve livelihood opportunities, strengthen local value chains, and reduce dependence on a few dominant growth centers. Thus, the originality of this article lies in its attempt to position maritime investment as an evaluative policy issue: how far investment policy has been directed toward equitable regional development rather than merely toward sectoral growth or capital accumulation. This perspective is consistent with contemporary studies that argue for stronger equity principles, integrated assessment frameworks, and locally responsive blue economy governance (Croft et al., 2024; Shiiba et al., 2022; Trenggono et al., 2025).

In the context of Kepulauan Riau, investment policy must also be understood through the province's specific spatial structure. Batam has become the main industrial and logistics hub, Bintan has developed through tourism, manufacturing, and special economic zones, while Karimun plays an important role in shipyard activity and maritime industry. At the same time, Natuna, Lingga, and Kepulauan Anambas possess strategic marine resources but face greater development constraints due to distance, limited infrastructure, and higher logistics costs.

This uneven spatial structure creates a policy challenge: investment growth may appear positive at the provincial level, yet its distributive effect can remain limited if outer-island economies are not integrated into maritime value chains. Studies on island vulnerability, transport accessibility, and infrastructure investment demonstrate that

island-based development requires tailored policy instruments that are sensitive to geographic fragmentation, economic scale, and connectivity gaps (Amin et al., 2024; Lessy et al., 2025; Wardana et al., 2025).

The urgency of this issue is also reflected in the relationship between maritime investment and regional competitiveness. Ports, logistics centers, industrial zones, and marine-based production systems can stimulate regional economies by lowering transaction costs, expanding market access, increasing employment, and improving inter-island trade. However, these benefits are not automatic because investment outcomes depend on whether policy frameworks provide adequate coordination between national investment priorities, provincial development planning, local government capacity, private-sector participation, and community-based economic needs. In this regard, maritime-based investment in Kepulauan Riau requires evaluation not only in terms of realization value, but also in terms of its ability to generate inclusive growth, strengthen small and medium enterprises, support coastal livelihoods, and improve access to infrastructure for less-developed island districts.

Literature on regional infrastructure, coastal development, and Indonesian investment policy shows that the developmental impact of investment is strongest when physical infrastructure is accompanied by institutional coordination, spatial planning, and social inclusion mechanism (Solihin et al., 2024; Wijaya & Camba, 2025; Yuslimi et al., 2023). BPS data indicate that Kepulauan Riau's economy remains significant within Sumatra's regional economy, with 2024 GRDP at current prices reaching Rp352.44 trillion and GRDP at constant 2010 prices reaching Rp209.94 trillion. The province recorded economic growth of 5.02 percent in 2024, slightly lower than 5.16 percent in 2023, while its GRDP contribution to Sumatra in the fourth quarter of 2024 reached 7.42 percent. These figures confirm that Kepulauan Riau has a strong macroeconomic foundation, but they also underline the need to examine whether such growth is spatially inclusive across districts and municipalities.

In addition, BPS data on GRDP per capita show visible differences among selected regencies, with Natuna recording a much higher per capita GRDP than Bintan and Karimun in 2023, indicating that regional development evaluation should pay attention not only to total output but also to territorial variation in economic structure and welfare potential. This strengthens the relevance of using an equity-oriented maritime investment framework in evaluating the direction of regional development policy in Kepulauan Riau (Nguyen et al., 2024; Arifanti et al., 2025; Kurniawan et al., 2026).

Table 1. Selected Economic Indicators of Kepulauan Riau Based on BPS Data

No.	Indicator	Year	Value	Interpretation for Maritime-Based Investment Policy
1	GRDP at current market prices	2024	Rp352.44 trillion	Shows the overall economic scale of Kepulauan Riau as a strategic maritime province
2	GRDP at 2010 constant market prices	2024	Rp209.94 trillion	Indicates real economic capacity after controlling for price changes
3	Economic growth	2024	5.02%	Reflects continued growth, although slightly below 2023 growth

No.	Indicator	Year	Value	Interpretation for Maritime-Based Investment Policy
4	Economic growth	2023	5.16%	Provides comparison for evaluating recent growth moderation
5	Contribution to Sumatra's GRDP	2024	7.42%	Confirms Kepulauan Riau's important role in Sumatra's regional economy
6	GRDP per capita at current market prices: Karimun	2023	Rp65.299 million	Indicates lower relative per capita economic output among selected maritime districts
7	GRDP per capita at current market prices: Bintan	2023	Rp165.561 million	Shows stronger economic capacity linked to industrial and tourism-based development
8	GRDP per capita at current market prices: Natuna	2023	Rp278.008 million	Reflects high per capita output, partly associated with resource-based economic structure

Source: Compiled from BPS-Statistics of Kepulauan Riau Province, 2025.

The data above suggest that the direction of maritime-based investment in Kepulauan Riau should be evaluated through two interconnected dimensions: growth performance and distributional fairness. Growth performance is reflected in the province's ability to maintain positive economic expansion and contribute significantly to Sumatra's economy, while distributional fairness concerns whether the benefits of maritime investment reach districts with different infrastructure capacities, geographic conditions, and economic bases.

This article therefore argues that investment policy should not only prioritize areas with the highest immediate return, but also support maritime connectivity, logistics access, downstream processing, and local economic participation in outer-island districts. Such an approach is necessary to avoid a development pattern in which maritime investment reinforces existing spatial hierarchies rather than reducing them. Studies on fisheries governance, coastal livelihoods, and sustainable blue economy policy emphasize that equitable maritime development requires institutional arrangements that connect investment incentives with local welfare, ecological protection, and community participation (Ananta & Cabral, 2026; Endarto et al., 2025; Halimatussadiyah et al., 2023).

Based on this background, the author's approach in this article is evaluative and policy-oriented. The discussion focuses on how maritime-based investment policy in Kepulauan Riau can be assessed in relation to regional development direction, especially in terms of spatial equity, institutional coordination, infrastructure readiness, and the integration of local economic actors into maritime value chains. The article does not treat investment merely as a financial indicator, but as a governance instrument that can shape the future structure of regional development.

By combining the concepts of equitable development, maritime connectivity, blue economy governance, and regional policy evaluation, this article seeks to contribute to the academic discussion on how archipelagic provinces can design investment strategies that are economically productive, socially inclusive, and territorially balanced. Therefore, the central argument developed in this article is that equitable maritime-based

investment in Kepulauan Riau requires a development direction that strengthens growth centers while simultaneously expanding opportunities for outer-island regions through integrated infrastructure, fair policy incentives, and locally grounded maritime economic planning.

METHODOLOGY

This study uses a descriptive qualitative approach because this approach allows researchers to understand social realities in depth through the interpretation of data and the context of events, rather than simply through numbers and statistics. As explained, qualitative research emphasises the process of meaning, understanding phenomena, and interpreting data in detail and in layers (Creswell & Creswell, 2018). Using this approach, the phenomenon of investment inequality in the Kepulauan Riau Province can be described reflectively through the analysis of text data and written information.

On the other hand, the design of this study is descriptive, because descriptive research is oriented towards providing a systematic description of facts or events without manipulating the variables within them (Chesbrough et al., 2006). The purpose of this study is to describe the actual conditions of investment distribution and economic policy directions in the Kepulauan Riau Province. This approach was carried out by collecting, examining, and interpreting various secondary data sources from official agencies and relevant publications.

The main data sources are official documents and reports published by the Kepulauan Riau Provincial Statistics Agency (BPS), the Kepulauan Riau Investment and Integrated Services Agency (DPMPTSP), and the Investment Coordinating Board (BKPM). These reports contain information on economic growth, investment realisation, and the distribution of leading sectors in the Kepulauan Riau region. In addition, this article also considers the latest developments reported in the national economic media and official government websites to reinforce the context of the policies currently in place.

The analysis used in this study is descriptive qualitative, combining empirical data, policy review results, and analytical interpretations of regional economic development dynamics. Through this approach, the discussion focuses on mapping investment inequality, the challenges of development- s in the archipelago, and the policy strategies pursued by local governments to create equitable and sustainable investment distribution. The main objective of this method is to produce a comprehensive and contextual description of investment equity in the Kepulauan Riau. In this way, the method is expected to provide a realistic picture of the regional economic situation, as well as serve as material for reflection and recommendations for policy makers to strengthen the direction of economic development that is more inclusive and equitable throughout the Kepulauan Riau.

RESULTS AND DISCUSSION

1. Investment Concentration and the Initial Pattern of Regional Disparity in Kepulauan Riau

The evaluation of maritime-based investment in Kepulauan Riau demonstrates that regional investment distribution remains highly concentrated in Batam City as the province's dominant economic growth centre (Akbar et al., 2022). This concentration is closely related to Batam's long-established position as an industrial, logistics, trade, and export-oriented area supported by more advanced infrastructure than other island

districts. The availability of industrial estates, port facilities, transportation networks, and business services makes Batam more attractive to both foreign and domestic investors (Brown & Head, 2020; Nielsen et al., 2017). Meanwhile, other districts such as Natuna, Anambas, Lingga, and Karimun still face structural limitations in infrastructure readiness, logistics efficiency, investment promotion, and institutional capacity. Therefore, the main issue is not only the size of investment entering the province, but also the uneven spatial distribution of investment benefits across the archipelagic territory of Kepulauan Riau.

This investment concentration confirms that the regional economic structure of Kepulauan Riau is still shaped by the dominance of a single growth pole. Batam has become the main destination for investment because it provides lower investment risk, faster licensing services, and better access to regional and international markets. In contrast, the hinterland and outer-island districts possess substantial maritime potential but have not yet been able to convert that potential into large-scale investment. This creates a gap between areas that are institutionally and infrastructurally ready for investment and areas that still require stronger government intervention. As a result, investment growth at the provincial level does not automatically reflect equitable regional development.

The 2021 investment realisation data show the early pattern of this disparity. Batam recorded Rp14.88 trillion in total investment, making it the largest contributor to provincial investment realisation. Bintan followed with Rp6.11 trillion, while Karimun recorded Rp2.69 trillion. In contrast, Anambas, Lingga, and Natuna remained far below these levels, with investment values below Rp1 trillion. This pattern indicates that the investment structure was already concentrated in the more established industrial and urban areas. The low realisation in outer-island districts also suggests that maritime potential in these regions had not yet been supported by sufficient infrastructure, downstream industries, or investment facilitation.

The composition of foreign direct investment and domestic investment in 2021 also reflects the uneven investment ecosystem across the province. Batam had the highest number of foreign and domestic investment projects, indicating that investors were more confident in entering areas with mature business ecosystems. Bintan also showed relatively strong performance, particularly through foreign investment, while Karimun demonstrated moderate industrial potential. However, Natuna, Anambas, and Lingga had much smaller investment values and project numbers, showing that the province's investment distribution remained limited to a few dominant regions. This confirms the need for a more affirmative investment policy that can expand investment opportunities beyond Batam and Bintan.

The 2021 data are important because they provide a baseline for understanding the persistence of regional investment inequality in the following years. Although Kepulauan Riau is an archipelagic province with diverse maritime resources, investment realisation still followed the logic of infrastructure concentration and market proximity. Regions with stronger connectivity attracted more capital, while regions with weaker access remained marginal. This shows that equitable maritime-based investment cannot rely solely on market mechanisms. It requires targeted policy intervention, especially through infrastructure development, investment incentives, and regional investment mapping.

Table 2. Investment Realisation in 2021

District / City	Foreign Direct Investment (Rp)	Domestic Investment (Rp)	Total	Foreign Investment Projects	Domestic Investment Projects
Bintan	5,466,983,140,000	648,247,600,000	6,115,230,740,000	256	173
Karimun	2,265,533,100,000	434,172,700,000	2,699,705,800,000	73	296
Anambas	53,319,200,000	12,152,800,000	65,472,000,000	5	67
Lingga	89,060,000	293,682,300,000	293,771,360,000	3	71
Natuna	-	44,020,400,000	44,020,400,000	8	93
Batam	7,360,883,460,000	7,519,910,300,000	14,880,793,760,000	1,650	1,845
Tanjungpinang	91,000,340,000	816,499,600,000	907,499,940,000	9	491
Total	15,237,808,300,000	9,768,685,700,000	25,006,494,000,000	2,004	3,036

Source: Kepulauan Riau Province Investment and One-Stop Service Agency, 2025.

The 2022 data show that investment concentration remained persistent, although there were slight variations in regional achievement. Batam again became the main contributor with Rp13.23 trillion, reaching 96 percent of its target. Bintan recorded Rp3.45 trillion, while Lingga showed an interesting achievement by reaching 300 percent of its target, mainly from domestic investment. However, this achievement did not significantly alter the broader structure of inequality because Batam still dominated the provincial investment landscape. This indicates that isolated achievements in smaller districts need to be supported by sustained investment ecosystems if they are to become alternative growth centres.

Table 3. Investment Realisation in 2022

District/City	Foreign Direct Investment (Rp)	Domestic Investment (Rp)	Total	Target	Achievement (%)
Bintan	2,407,965,875,000	1,045,446,800,000	3,453,412,675,000	3,920,000,000,000	88
Karimun	251,706,175,000	293,570,400,000	545,276,575,000	1,710,000,000,000	32
Anambas	7,154,910,000	12,397,400,000	19,552,310,000	150,000,000,000	13
Lingga	921,270,000	538,302,100,000	539,223,370,000	180,000,000,000	300
Natuna	817,950,000	21,168,600,000	21,986,550,000	200,000,000,000	11
Batam	10,717,333,375,000	2,521,304,800,000	13,238,638,175,000	13,750,000,000,000	96
Tanjungpinang	17,593,100,000	385,234,000,000	402,827,100,000	550,000,000,000	73
Total	13,403,492,655,000	4,817,424,100,000	18,220,916,755,000	20,460,000,000,000	89

Source: Kepulauan Riau Province Investment and One-Stop Service Agency, 2025.

2. Fluctuation of Investment Realisation and the Persistence of Unequal Regional Growth

The investment realisation pattern in 2023 shows that the disparity between Batam and other districts remained significant. Although the total provincial investment reached Rp20.16 trillion, the distribution of investment was still heavily centred in Batam. Batam recorded Rp15.62 trillion, while Bintan reached Rp3.03 trillion. Other districts, including Karimun, Anambas, Lingga, and Natuna, remained far below these values. This condition indicates that the province's investment structure had not yet experienced substantial diversification. Investment outside Batam was still limited and did not demonstrate a strong enough trend to reduce regional inequality.

The 2023 data also show that several regions failed to meet their investment targets. Bintan achieved 61 percent of its target, Karimun only reached 17 percent, Lingga reached 20 percent, and Natuna reached 33 percent. Anambas performed relatively better by reaching 74 percent of its target, supported by increased interest in marine tourism. However, this achievement was still small in absolute value compared to Batam's

investment realisation. This confirms that target achievement alone must be interpreted carefully, because a region may appear to perform well in percentage terms while still contributing only a small portion to total provincial investment.

Table 4. Investment Realisation in 2023

District/City	Foreign Direct Investment (Rp)	Domestic Investment (Rp)	Achievement	Target	Achievement (%)
Bintan	2,039,607,240,000	995,566,700,000	3,035,173,940,000	5,000,000,000,000	61
Karimun	215,137,240,000	336,342,300,000	551,479,540,000	3,200,000,000,000	17
Anambas	169,593,200,000	16,496,400,000	186,089,800,000	250,000,000,000	74
Lingga	13,059,520,000	37,057,900,000	50,117,420,000	250,000,000,000	20
Natuna	11,481,840,000	105,615,300,000	117,097,140,000	350,000,000,000	33
Batam	8,819,457,640,000	6,801,522,400,000	15,620,980,040,000	20,000,000,000,000	78
Tanjungpinang	39,912,640,000	564,022,000,000	603,934,640,000	950,000,000,000	64
Total	11,308,249,320,000	8,856,623,200,000	20,164,872,520,000	30,000,000,000,000	67

Source: Kepulauan Riau Province Investment and One-Stop Service Agency, 2025.

In 2024, Kepulauan Riau experienced a significant increase in total investment realisation, reaching Rp47.26 trillion. This year marked an important shift because Bintan and Karimun recorded very high investment achievements, each exceeding 300 percent of their targets. Bintan reached Rp12.22 trillion, while Karimun reached Rp8.91 trillion. This increase was mainly driven by large-scale foreign direct investment in processing industries, logistics, and related industrial activities. Nevertheless, Batam remained the largest contributor with Rp25.46 trillion, showing that even when other districts grew rapidly, the province's investment structure was still anchored in Batam.

The 2024 data are significant because they reveal both progress and limitation. On the one hand, the sharp increase in Bintan and Karimun shows that investment distribution outside Batam is possible when regions have adequate industrial potential, strategic projects, and investor interest. On the other hand, Anambas, Lingga, and Natuna still recorded low realisation and remained far below their targets. This suggests that investment redistribution is not occurring evenly across all regions. Instead, investment expansion tends to move from Batam to nearby or relatively more prepared areas, while more remote island districts continue to face structural barriers.

Table 5. Investment Realisation in 2024

District/City	Foreign Direct Investment (Rp)	Domestic Investment (Rp)	Achievement	Target	Achievement (%)
Bintan	11,284,298,378,216	939,796,060,855	12,224,094,439,071	3,500,000,000,000	349
Karimun	8,488,794,457,489	425,331,647,529	8,914,126,105,018	2,600,000,000,000	343
Anambas	21,112,304,863	7,798,198,608	28,910,503,471	200,000,000,000	14
Lingga	72,308,563,094	14,187,092,762	86,495,655,856	200,000,000,000	43
Natuna	12,995,012,557	5,117,104,000	63,212,116,588	200,000,000,000	32
Batam	17,303,383,284,224	8,158,643,668,180	25,462,026,953,034	28,000,000,000,000	91
Tanjungpinang	62,477,070,772	420,842,663,133	482,959,713,905	660,000,000,000	73
Total	37,244,469,071,215	10,017,356,415,728	47,261,825,486,943	35,360,000,000,000	134

Source: Kepulauan Riau Province Investment and One-Stop Service Agency, 2025.

In 2025, the province recorded total investment realisation of Rp48.90 trillion. Batam again became the dominant investment destination with Rp33.84 trillion, while Bintan recorded Rp13.54 trillion and exceeded its target by 150 percent. In contrast, Karimun and Natuna experienced sharp declines in target achievement, each reaching only 8 percent. Anambas and Lingga also remained below their targets. This condition

demonstrates that the investment increase in Kepulauan Riau has not yet produced a stable and evenly distributed regional investment structure. The province still depends heavily on Batam, while investment performance in other districts remains inconsistent.

Table 6. Investment Realisation in 2025

District/City	Foreign Direct Investment (Rp)	Domestic Investment (Rp)	Achievement	Target	Achievement (%)
Bintan	12,760,668,252,631	783,533,811,706	13,544,202,064,337	9,050,000,000,000	150
Karimun	303,441,561,171	449,437,121,404	752,878,682,575	9,050,000,000,000	8
Anambas	59,921,609,763	17,054,463,368	76,976,073,131	500,000,000,000	15
Lingga	78,029,046,626	46,765,844,257	124,794,890,883	500,000,000,000	25
Natuna	499,253,618	37,891,672,206	38,390,925,824	500,000,000,000	8
Batam	18,808,193,573,810	10,357,568,611,465	33,845,762,185,275	37,390,000,000,000	91
Tanjungpinang	6,366,314,290	516,638,258,370	523,054,572,660	900,000,000,000	58
Total	32,017,119,611,909	16,888,939,782,776	48,906,059,394,685	57,890,000,000,000	84

Source: Kepulauan Riau Province Investment and One-Stop Service Agency, 2025.

The overall pattern from 2023 to 2025 shows that investment growth in Kepulauan Riau remains vulnerable to spatial imbalance. Bintan and Karimun can grow rapidly in certain years, but their investment performance is not yet consistently sustained. Meanwhile, Natuna, Anambas, and Lingga continue to occupy a marginal position in the provincial investment structure despite their strong maritime potential. This finding indicates that the province needs a more systematic investment redistribution strategy. Without such intervention, investment growth will remain concentrated in a small number of regions and will not fully support equitable maritime-based regional development.

3. Policy Evaluation on Investment Equity and Regional Development Governance

The investment imbalance in Kepulauan Riau shows that development policy has not yet fully succeeded in creating equitable investment distribution across the province. Although investment realisation continues to increase at the provincial level, the benefits remain uneven because are still concentrated in areas with better infrastructure and stronger institutional readiness (Bao et al., 2023). This condition demonstrates that investment policy cannot be evaluated only by total investment value. It must also be assessed based on its ability to create balanced regional growth, expand opportunities for outer-island districts, and strengthen local economic participation. Therefore, equity must become a core indicator in evaluating investment policy.

The Provincial Government of Kepulauan Riau has initiated several policy instruments to address investment inequality, including investment incentives, investment facilitation, and regional promotion. One important policy direction is the provision of fiscal and non-fiscal incentives for investors, especially those willing to invest in regions with limited infrastructure. These incentives may include local tax relief, regional levy reduction, licensing facilitation, and support for investment land access. In principle, such incentives are relevant because investors often perceive outer-island districts as high-risk areas due to higher logistics costs, limited utilities, and smaller markets.

However, the effectiveness of investment incentives depends on the readiness of each region to provide reliable investment information and administrative support. Incentives will not produce strong results if they are not accompanied by accurate investment potential maps, clear land status, infrastructure planning, and responsive

licensing services. In many outer-island districts, investors still face uncertainty related to transport access, energy supply, land availability, and the feasibility of supply chains. This means that investment facilitation must be integrated with broader regional development planning. Investment policy should not only invite investors, but also prepare regions to become investable locations.

The establishment of a Regional Investment Acceleration Team is also important for improving investment governance. This team can function as a coordination mechanism between provincial government, district and municipal governments, technical agencies, licensing institutions, and the central government. Its role should include identifying investment barriers, accelerating licensing processes, synchronising data, and preparing investment-ready projects. In an archipelagic province such as Kepulauan Riau, coordination is essential because investment barriers often involve multiple sectors, including transportation, energy, spatial planning, marine affairs, environment, and local economic development.

Nevertheless, coordination institutions must be supported by adequate authority and technical capacity. If the Regional Investment Acceleration Team only functions as a formal administrative body, its ability to resolve investment barriers will remain limited. It should be strengthened as a single window investment coordination platform that can guide investors from the initial interest stage to project implementation. This mechanism is especially important for investors interested in regions outside Batam, because these regions require more intensive facilitation. Strong coordination can reduce bureaucratic fragmentation and increase investor confidence in outer-island investment opportunities.

Policy evaluation also shows that investment equity requires stronger alignment between provincial development priorities and district-level economic potential. Each district has different leading sectors, so investment policy should not use a uniform approach. Natuna requires policy support for energy downstreaming and fisheries processing; Anambas requires marine ecotourism development; Lingga requires fisheries industrialisation and agro-maritime investment; Karimun requires industrial and logistics strengthening; Bintan requires tourism-manufacturing integration; and Tanjungpinang requires service-based maritime support. A more differentiated policy approach will enable investment facilitation to respond to the specific characteristics of each region.

4. Strategic Direction for Equitable Maritime-Based Regional Development

The future direction of maritime based investment in Kepulauan Riau should be based on the principle of spatial justice. This means that investment policy should not only strengthen existing growth centres, but also create new growth nodes in underdeveloped island districts (Putri & Afnira, 2024; Samin et al., 2025). Batam should remain an important industrial and logistics hub, but its dominance must be complemented by the development of alternative economic centres in Bintan, Karimun, Natuna, Anambas, Lingga, and Tanjungpinang. This direction is necessary to ensure that investment growth contributes to more balanced regional development rather than reinforcing existing disparities.

A key strategy is the development of thematic economic zones based on local advantages. Natuna can be positioned as an energy and fisheries processing zone, Anambas as a marine ecotourism zone, Lingga as an agro-maritime and fisheries industrial zone, Karimun as a maritime logistics and industrial zone, Bintan as a tourism

and manufacturing integration zone, and Tanjungpinang as an urban service and maritime governance support zone. This thematic approach allows each region to develop a clear economic identity and investment profile. It also helps investors understand the specific opportunities offered by each district.

Infrastructure acceleration must become the foundation of equitable investment. Regions outside Batam require stronger port facilities, inter-island transportation, electricity networks, digital connectivity, clean water, cold storage, and logistics systems. Without these basic facilities, investment incentives will not be sufficient to attract investors. Infrastructure development should therefore be prioritised in regions with strong maritime potential but weak investment realisation. In this context, Natuna, Anambas, and Lingga require more affirmative infrastructure support to reduce investment risk and increase economic competitiveness.

Green investment should also become a major direction for regional development. Kepulauan Riau has significant potential for renewable energy, sustainable fisheries, marine ecotourism, environmentally friendly logistics, and low-carbon industrial development. This approach is important because global investment trends increasingly prioritise environmental, social, and governance principles. For an island province, green investment is not only an environmental agenda, but also a strategy to protect coastal ecosystems and ensure long-term economic sustainability. Sustainable maritime investment can generate economic benefits while preserving the ecological foundation of local communities.

Equitable investment must also involve local communities and small economic actors. Investment should not only be measured by capital inflows, but also by its contribution to employment, local supplier networks, skills development, and community welfare. Therefore, investment policy should require stronger linkages between investors and local economies. This can be achieved through local labour absorption, vocational training, small and medium enterprise partnerships, and community-based business development. Without local participation, investment may increase regional output but fail to improve the welfare of communities living in the investment location.

CONCLUSION

Research on investment equity and economic justice in the Kepulauan Riau Province shows that regional development dynamics still face fundamental challenges. Although Kepulauan Riau recorded high economic growth of 7.14 per cent in the second quarter of 2025, this growth has not been able to create equitable welfare across regions. The city of Batam remains the centre of economic activity, contributing 63 per cent of the province's total investment, while other districts such as Natuna, Anambas, Lingga, and Karimun have not yet received proportional benefits.

The analysis shows that the imbalance in investment distribution is caused by unequal infrastructure, weak inter-island connectivity, lack of promotion of regional investment potential, and ineffective coordination of licensing management. In fact, each region outside Batam has its own unique potential, such as Natuna's natural gas, Anambas' marine tourism, Lingga's fisheries, and Karimun's industrial area. However, this potential has not been developed into a strategic strength to attract investors.

Furthermore, efforts to equalise investment in the Kepulauan Riau Province require stronger collaborative commitment between the central government, provincial government, and district/city governments. Local governments need to strengthen

bureaucratic capacity, improve licensing governance, and ensure the availability of accurate data as a basis for *evidence-based policy making*. The development of new growth centres in the archipelago must be accompanied by improvements in basic infrastructure, supply chain integration, and more aggressive and targeted investment promotion strategies. With consistent policy support, coordination between levels of government, and adaptation to global investment trends such as green investment and digital transformation, the Kepulauan Riau Province has the opportunity to accelerate equitable development and reduce inter-regional disparities in a sustainable manner.

Thus, equitable investment in the Kepulauan Riau can only be achieved if policies are directed not only at increasing economic growth but also at ensuring the equitable distribution of development benefits. Green investment, sustainable development, and the development of new growth centres in areas outside Batam are key strategies for achieving inclusive and equitable economic development.

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