SUMMARY

DWI ARYANTHI. Development Strategy of Indonesian Palm Oil Industrial Cluster Based International Trade Connectivity. Supervised by ENDANG GUMBIRA SA’ID and SETIADI DJOHAR.

Indonesia is the largest producer and the exporter of palm oil in the world which has three palm oil industrial cluster (POIC) area. POIC Indonesia is located in three regions, Sei Mangkei (North Sumatera), Dumai (Riau), and Maloy (East Kalimantan). Connectivity in these area is not well connected, yet. So, Indonesia must be done transhipment in Malaysia and Singapore to deliver Palm oil product to another country. Based on this, we need a strategy to develop the Indonesian palm oil industrial cluster based international connectivity.

This study aims to identify the actual conditions POIC Indonesia (Sei Mangkei, Dumai, and Maloy), particularly the supporting infrastructure and connectivity in three regions, to determine the factors (internal and external) that influence the development of POIC Indonesia, and formulate strategic priority for developing POIC Indonesia so that it can compete in the global marketplace and Indonesia can be hub port in international trade, especially in Asia. This research uses Model "Diamonds" Porter that has been adopted in accordance with the conditions in the three regions POIC Indonesia, gap analysis, and the Analytical Hierarchy Process (AHP).

Based on the analysis of the main determinants of priority environmental factors in the development of POIC Indonesia are the supporting infrastructure (roads, railroads, and port facilities as well as access to the port and POIC). Actor major determinant in the development of POIC is the government. With the aim of determining the main priority is to create an international connectivity. There are three strategies that can be developed in a cluster development efforts in the Indonesian palm oil industry in the future. The main strategy is needed in the development of the palm oil industry cluster infrastructure improvements. This strategy can be done if the government, private sector, academic, and the public is able to work together and integrated. Comprised of Government in the context of the economy ministry, the ministry of industry and trade, Ministry of sea, PT PELINDO, and local government. Private sector in this context is a company that produces and manages oil palm and shipping line companies.

Keywords: MP3EI, Infrastructure, Palm Oil, Gap Analysis and AHP.