Determining the Economic Potential of the East Coast Ogan Komering Ilir Regency

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Abstract

This study examines the economic potential of the East Coast region of Ogan Komering Ilir (OKI), South Sumatra, using a regional planning approach. The primary focus is on the agriculture, forestry, and fisheries sectors, which are considered key drivers of economic growth in the area. The study employs the Klassen Typology to categorize and analyze these sectors based on their growth rates and contributions to the Regional Gross Domestic Product (PDRB). The results indicate that the agriculture, forestry, and fisheries sectors fall into the "rapidly advancing and growing" category, contributing 63.55% to OKI's PDRB and achieving an average growth rate of 3.11% from 2012 to 2021. The spatial planning for the East Coast of OKI has been designed to support the sustainable development of these sectors, with allocations for production forests, rubber and palm oil plantations, as well as aquaculture areas. This research provides strategic recommendations for optimizing land use to enhance regional economic potential and support sustainable development.

Keywords: Economic Potential, Regional Planning, Klassen Typology, East Coast OKI, Spatial Planning

Introduction

Local economic potential plays a crucial role in regional planning, especially in areas rich in natural resources. Ogan Komering Ilir Regency (OKI), South Sumatra, has an Eastern Coastal area that exhibits significant potential in agriculture, forestry, and fisheries. Furthermore, according to Nuraini [1], local potential strongly supports the focus on tourism development due to its specific

place characteristics. Understanding and utilizing these sectors are vital for promoting sustainable economic growth. Local economic development emphasizes optimizing natural and human resources while ensuring that spatial planning aligns with the region's characteristics.

The Eastern Coastal area is an environment abundant in both biotic and abiotic resources. The intensity of land use in this region is also high, utilized for residential areas, fish farming, agriculture, and tourism. According to Nuraini [2], the high intensity of utilization combined with a lack of awareness regarding nature conservation can lead to negative impacts on the physical and social conditions of this area, thereby affecting its vulnerability.

The Klassen Typology is a method frequently used to categorize economic sectors based on their growth rates and contributions to regional Gross Domestic Product (GDP). By applying this typology, planners can identify rapidly growing and superior sectors, allowing development strategies to be focused on these areas. In OKI Regency, sectors such as agriculture, forestry, and fisheries have been identified as key drivers of regional development, contributing significantly to GDP.

This study aims to analyze the economic potential in the Eastern Coastal area of OKI, focusing on strategic sectors and their contributions to regional economic growth. Additionally, this research examines how spatial planning can support the sustainable development of these sectors, thereby optimizing land use to provide sustainable economic and environmental benefits. Through this approach, the study offers recommendations to strengthen the region's economic resilience and sustainability.

Literature Review

1. **Local Economic Potential in Regional Planning**

In regional planning, local economic potential is viewed as a key asset that needs to be identified and utilized optimally. Local economic potential encompasses physical, social, and economic resources that can be maximized to drive regional economic growth. According to Glasson [3], effective regional planning heavily relies on a deep understanding of the unique characteristics of each region, including the ability to identify leading sectors. This understanding includes analyzing natural, social, and economic conditions, as well as the potential resources available. Therefore,

the identification of local economic potential not only includes established sectors but also sectors that have significant opportunities for development, even if they have not yet been fully developed. The development of the local economy involves selecting and developing leading sectors believed to have the greatest economic impact on a region. Arsyad [4] explains that leading sectors are those with the potential to grow faster and contribute significantly to the Regional Gross Domestic Product (PDRB) of the region. These sectors not only create job opportunities but also enhance the region's competitiveness on a broader scale. The theory of local economic development outlines that leading sectors should be identified based on two main factors: comparative advantage and competitive advantage. Comparative advantage refers to the potential of available natural resources, while competitive advantage encompasses supporting factors such as market access, infrastructure, and workforce capability. Each region has unique characteristics that affect the suitability of the economic sectors to be developed. McHarg [5] suggests that regional planning should be based on an understanding of the physical and ecological characteristics of the region. With this approach, the resulting planning will be more efficient and relevant to the actual conditions of the region. Analyzing physical characteristics involves studying factors such as topography, climate, and land use patterns. In this context, characteristic-based planning enables local governments to determine the sectors most suitable for the existing natural conditions and resources.

Successful local economic development has a positive impact on the social welfare of the community in a region. Arsyad [4] notes that local economic development approaches can increase income and job opportunities, thereby contributing to the reduction of poverty levels and economic disparities between regions. When local potential is optimally utilized, the region becomes more self-reliant and less dependent on external supplies or labor.

2. Klassen Typology in Regional Development

Klassen typology is an analytical method in regional planning aimed at categorizing economic sectors based on their contributions and growth rates. Through this classification, planners can identify the economic sectors that play a crucial role in regional growth, enabling a deeper understanding of the local economic structure and facilitating the prioritization of specific sectors in regional planning. According to Klassen, economic sectors can be classified into four main quadrants: rapidly advancing and growing sectors, advanced but depressed sectors, fast-growing

sectors, and relatively lagging sectors. This classification is based on two main variables: the sector's contribution to the Regional Gross Domestic Product (RGDP) and the sector's growth rate. As an analytical tool, this method is highly beneficial for regional planners and policymakers as it provides an analytical foundation for understanding the dynamics of economic sectors. By dividing sectors into four categories, Klassen typology allows planners to design more targeted strategies, whether through additional support, revitalization, or economic diversification. Each category has different characteristics and policy needs, making this classification an important guide for evidence-based decision-making.

Furthermore, Klassen typology offers a useful analytical framework for regional planners to understand the economic structure of an area and identify sectors with significant growth potential. This analysis enables planners to formulate more effective economic development strategies. For instance, rapidly advancing and growing sectors classified in Quadrant I can be directed to obtain fiscal incentives and other policy support to sustain their growth. Meanwhile, fast-growing sectors in Quadrant III can focus on enhancing production capacity and investments to accelerate their economic contributions in the future. With this approach, Klassen typology facilitates optimal planning and resource allocation at the regional level, thereby supporting the creation of sustainable and directed economic development.

Research Methodology

This research adopts two main analytical techniques: competitive sector analysis and environmental potential analysis, focusing on land cover [7][8][9]. Through this approach, the study aims to understand the local economic potential in Ogan Komering Ilir Regency (OKI) and its impact on spatial planning. The competitive sector analysis is conducted to evaluate the current conditions and growth projections of strategic sectors in OKI, such as agriculture, forestry, and fisheries. This process includes a causal analysis, which assesses these sectors based on performance indicators, including their contributions to the Regional Gross Domestic Product (PDRB) and sector growth.

After understanding the conditions and projections of the competitive sectors, the study proceeds to analyze the environmental conditions, particularly land cover in the East Coast region of OKI. This research identifies how the characteristics of land cover can support or hinder the growth of competitive sectors and their role in resource management. With information from the competitive

sector analysis and land cover conditions, the study compares these findings with the spatial pattern plans that have been established for the East Coast region of OKI. This analysis aims to provide strategic recommendations for sustainable spatial planning, considering both economic potential and environmental conditions [8][9].

Results

Economic growth is defined as the development of activities within the economy that leads to an increase in the production of goods and services in society and enhances community prosperity. The rate of economic growth is viewed through the growth of GDP/PDRB in a given area. PDRB is also used to measure economic progress as a result of regional development in South Sumatra Province and Ogan Komering Ilir Regency. Based on the analysis of the economic growth rate in South Sumatra Province, it shows that:

1. The economic growth rate (LPE) of South Sumatra Province from 2012-2021 averages 3.80%.
2. The sector with the highest LPE is the Information and Communication sector, with an average of 7.56%.
3. The sector with the lowest LPE is the Agriculture, Forestry, and Fisheries sector, with an average of 2.86%.

In Ogan Komering Ilir Regency, the analysis of the economic growth rate indicates that:

1. The economic growth rate (LPE) of OKI from 2012-2021 averages 4.38%, which is above the growth of South Sumatra, which only reached 3.80%.
2. The sector with the highest LPE is the Information and Communication sector, with an average of 12.29%.
3. The sector with the lowest LPE is the Agriculture, Forestry, and Fisheries sector, with an average of 3.11%.

For more clarity regarding the Economic Growth Rate of South Sumatra Province and Ogan Komering Ilir Regency, please refer to the following table:

Table 1. Gross Regional Domestic Product (PRDP) Growth of South Sumatra Province, 2013-2021

Business Field/Industry (Billion Rupiah)		PDRB (Million Rupiah)									
		2012	2013	2014	2015	2016	2017	2018	2019	2020*)	2021**)
A	Agriculture, Forestry, and Fisheries	42.557.300,00	44.794.971,00	46.612.029,96	48.287.680,59	48.942.642,85	49.518.878,36	50.674.278,25	52.366.834,80	53.281.525,02	54.834.530,27
B	Mining and Quarrying	50.359.966,93	51.512.648,39	53.234.720,93	55.330.266,66	57.303.521,22	60.398.350,31	65.887.882,26	71.234.499,21	68.330.867,25	71.984.325,06
C	Manufacturing Industry	41.596.612,20	42.703.113,65	44.653.618,99	47.066.752,44	49.998.125,09	53.270.826,33	56.146.099,99	58.852.893,28	59.276.640,84	60.640.501,22
D	Electricity and Gas Supply	188.642,07	194.950,70	224.094,52	232.288,09	272.531,39	286.980,25	312.381,48	344.537,66	395.092,67	417.836,12
E	Water Supply, Waste Management, Waste, and Recycling	256.183,84	260.366,00	277.892,24	296.429,27	300.907,63	313.343,80	338.297,93	363.538,47	381.081,66	363.215,13
F	Construction	25.781.394,60	27.207.921,00	28.374.729,65	28.393.621,43	30.862.675,76	33.616.272,08	35.496.014,09	36.680.679,73	36.678.561,31	36.671.659,98
G	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	22.137.413,76	22.665.546,00	23.675.111,72	24.520.210,25	26.650.805,46	28.699.601,03	31.020.239,63	33.569.007,23	33.117.582,94	35.035.235,91
H	Transportation and Warehousing	3.952.948,23	4.091.036,00	4.384.744,01	4.813.177,68	5.150.738,40	5.581.775,84	5.992.538,46	6.489.739,66	6.106.404,98	5.993.071,51
I	Accommodation and Food Service Activities	2.646.191,72	2.605.772,00	2.752.586,36	3.024.309,72	3.331.901,76	3.603.378,33	4.077.197,50	4.702.700,45	4.363.549,21	4.556.736,67
J	Information and Communication	6.745.405,68	6.823.742,00	7.380.635,07	8.021.408,23	8.572.556,10	9.294.877,68	10.013.076,61	10.829.106,00	12.214.332,34	12.951.753,08
K	Financial and Insurance Services	5.856.816,00	6.136.698,53	6.374.809,64	6.651.744,50	7.139.397,75	7.333.382,73	7.464.184,29	7.356.776,52	7.477.614,02	7.790.888,56
L	Real Estate	6.202.102,35	6.407.788,00	6.873.106,54	7.360.891,69	7.982.190,44	8.567.363,88	9.248.358,87	9.990.876,93	10.214.868,04	10.807.856,68
MN	Business Services	230.841,60	239.149,00	253.966,50	265.172,79	282.412,19	304.817,63	333.793,64	365.731,09	358.137,30	360.296,74
O	Government Administration, Defense, and Compulsory Social Security	7.599.756,01	7.242.876,00	7.762.397,62	8.576.393,18	8.584.346,65	9.133.732,62	9.380.103,27	9.482.149,34	9.877.174,56	10.260.456,16
P	Education Services	5.665.304,34	5.889.131,56	6.863.227,46	7.405.478,61	7.612.252,98	7.628.058,42	7.835.390,39	8.206.203,84	8.082.903,80	8.613.701,87
Q	Health and Social Work Activities	1.500.465,33	1.496.077,00	1.637.904,33	1.757.347,93	1.779.202,97	1.835.973,68	1.882.929,34	2.063.117,36	2.272.237,17	2.400.137,34
R,S,T,U	Other Services	1.970.381,00	1.903.261,00	1.962.195,98	2.041.702,57	2.091.192,14	2.183.400,08	2.381.302,38	2.566.360,79	2.700.643,56	2.725.726,46
	PDRB ADHK South Sumatra	233.907.211,20	232.175.047,83	243.297.771,50	254.044.875,63	266.857.400,76	281.571.013,06	298.484.068,40	315.464.752,38	315.129.216,66	326.407.928,77

Source: Analysis, 2024

Table 2. Rate and Contribution of Economic Growth in South Sumatra Province (%) for 2013-2021

Business Field /Industry (billion rupiah)		Economic Growth Rate (%)									Average (%)	Economic Growth Contribution (%)										Average (%)
		2013	2014	2015	2016	2017	2018	2019	2020	2021**)		2012	2013	2014	2015	2016	2017	2018	2019	2020*)	2021**)	
A	Agriculture, Forestry, and Fisheries	5,26	4,06	3,59	1,36	1,18	2,33	3,34	1,75	2,91	2,86	18,19	19,29	19,16	19,01	18,34	17,59	16,98	16,60	16,91	16,80	17,89
B	Mining and Quarrying	2,29	3,34	3,94	3,57	5,40	9,09	8,11	(4,08)	5,35	4,11	21,53	22,19	21,88	21,78	21,47	21,45	22,07	22,58	21,68	22,05	21,87
C	Manufacturing Industry	2,66	4,57	5,40	6,23	6,55	5,40	4,82	0,72	2,30	4,29	17,78	18,39	18,35	18,53	18,74	18,92	18,81	18,66	18,81	18,58	18,56
D	Electricity and Gas Supply	3,34	4,95	3,66	7,32	5,30	8,85	10,29	14,67	5,76	6,48	0,08	0,08	0,09	0,09	0,10	0,10	0,10	0,11	0,13	0,13	0,10
E	Water Supply, Waste Management, Waste, and Recycling	1,63	6,73	6,67	1,51	4,13	7,96	7,46	4,83	(4,69)	4,03	0,11	0,11	0,11	0,12	0,11	0,11	0,11	0,12	0,12	0,11	0,11
F	Construction	5,53	4,29	0,07	8,70	8,92	5,59	3,34	(0,01)	(0,02)	4,05	11,02	11,72	11,66	11,18	11,57	11,94	11,89	11,63	11,64	11,23	11,55
G	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	2,39	4,45	3,57	8,69	7,69	8,09	8,22	(1,34)	5,79	5,28	9,46	9,76	9,73	9,65	9,99	10,19	10,39	10,64	10,51	10,73	10,11
H	Transportation and Warehousing	3,49	7,18	9,77	7,01	8,37	7,36	8,30	(5,91)	(1,86)	4,86	1,69	1,76	1,80	1,89	1,93	1,98	2,01	2,06	1,94	1,84	1,89
I	Accommodation and Food Service Activities	(1,53)	5,63	9,87	10,17	8,15	13,15	15,34	(7,21)	4,43	6,44	1,13	1,12	1,13	1,19	1,25	1,28	1,37	1,49	1,38	1,40	1,27
J	Information and Communication	1,16	8,16	8,68	6,87	8,43	7,73	8,15	12,79	6,04	7,56	2,88	2,94	3,03	3,16	3,21	3,30	3,35	3,43	3,88	3,97	3,32
K	Financial and Insurance Services	4,78	3,88	4,34	7,33	2,72	1,78	(1,44)	1,64	4,19	3,25	2,50	2,64	2,62	2,62	2,68	2,60	2,50	2,33	2,37	2,39	2,53
L	Real Estate	3,32	7,26	7,10	8,44	7,33	7,95	8,03	2,24	5,81	6,39	2,65	2,76	2,82	2,90	2,99	3,04	3,10	3,17	3,24	3,31	3,00
M, N	Business Services	3,60	6,20	4,41	6,50	7,93	9,51	9,57	(2,08)	0,60	5,14	0,10	0,10	0,10	0,10	0,11	0,11	0,11	0,12	0,11	0,11	0,11
O	Government Administration, Defense, and Compulsory Social Security	(4,70)	7,17	10,49	0,09	6,40	2,70	1,09	4,17	3,88	3,48	3,25	3,12	3,19	3,38	3,22	3,24	3,14	3,01	3,13	3,14	3,18
P	Education Services	3,95	16,54	7,90	2,79	0,21	2,72	4,73	(1,50)	6,57	4,88	2,42	2,54	2,82	2,92	2,85	2,71	2,63	2,60	2,56	2,64	2,67
Q	Health and Social Work Activities	(0,29)	9,48	7,29	1,24	3,19	2,56	9,57	10,14	5,63	5,42	0,64	0,64	0,67	0,69	0,67	0,65	0,63	0,65	0,72	0,74	0,67
R,S,T,U	Other Services	(3,41)	3,10	4,05	2,42	4,41	9,06	7,77	5,23	0,93	3,73	0,84	0,82	0,81	0,80	0,78	0,78	0,80	0,81	0,86	0,84	0,81
	PDRB ADHK South Sumatra	(0,74)	4,79	4,42	5,04	5,51	6,01	5,69	(0,11)	3,58	3,80											

Source: Analysis, 2024

Table 3. PRDP Growth of Ogan Komering Ilir Regency for 2013-2022

Business Field	PDRB (Million Rupiah)									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Agriculture, Forestry, and Fisheries	9.657.902,40	10.166.158,40	10.508.901,50	10.887.254,30	11.132.141,20	11.419.754,00	11.738.425,20	12.151.088,10	12.264.317,70	12.717.271,20
Mining and Quarrying	131.501,70	139.543,80	148.109,40	159.348,30	171.024,00	185.628,20	214.144,30	239.936,30	231.331,90	236.516,60
Manufacturing Industry	643.158,80	691.239,70	739.453,40	794.261,20	880.538,20	986.928,80	1.144.849,40	1.263.213,10	1.255.164,70	1.291.358,40
Electricity and Gas Supply	3.709,70	3.957,60	4.302,90	4.493,90	5.268,10	5.526,40	5.812,80	6.242,10	7.001,40	7.436,90
Water Supply, Waste Management, Waste, & Recycling	2.174,70	2.329,40	2.484,30	2.648,00	2.687,50	2.797,20	3.020,40	3.289,70	3.605,90	3.616,80
Construction	1.282.952,70	1.424.812,30	1.515.252,90	1.574.335,40	1.722.323,00	1.888.434,30	2.002.118,10	2.149.638,20	2.134.568,10	2.146.916,50
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	1.064.460,40	1.146.056,80	1.283.757,20	1.386.009,50	1.549.838,60	1.699.361,50	1.878.715,60	2.041.673,60	1.981.130,50	2.104.757,20
Transportation and Warehousing	62.906,00	68.215,90	73.994,40	82.951,00	90.219,20	99.695,10	109.373,60	119.072,20	110.896,80	112.144,70
Accommodation and Food Service Activities	75.529,80	82.891,60	88.919,90	99.578,30	113.488,10	126.517,70	141.158,30	151.193,80	144.331,20	151.194,80
Information and Communication	48.344,10	56.627,20	64.510,50	73.827,30	82.265,60	91.734,40	100.449,00	112.440,00	128.804,30	136.742,30
Financial and Insurance Services	153.135,50	167.318,00	174.237,80	182.171,80	197.397,60	202.741,90	204.490,20	205.221,50	206.334,00	209.009,30
Real Estate	182.238,50	199.205,70	216.458,00	231.847,80	258.577,00	281.883,20	304.490,30	331.742,20	335.201,60	342.388,80
Business Services	8.183,10	8.829,90	9.505,60	10.063,60	10.934,00	11.978,70	12.952,50	14.187,20	13.950,20	14.121,50
Government Administration, Defense, and Compulsory Social Security	625.492,00	668.130,70	716.559,70	792.242,30	791.569,80	879.052,90	905.512,40	922.414,00	932.275,20	942.449,00
Education Services	194.244,10	214.703,80	253.302,00	276.954,50	288.863,50	295.564,40	307.510,20	323.947,20	325.404,90	335.980,30
Health and Social Work Activities	21.996,70	23.350,00	25.629,70	27.571,20	27.927,40	28.853,10	29.577,40	31.505,80	34.378,50	35.492,70
Other Services	72.657,50	72.462,20	77.435,60	81.490,10	87.395,30	95.470,60	103.127,30	113.764,10	119.517,20	122.082,40
PDRB ADHK	14.230.587,80	15.135.833,10	15.902.814,90	16.667.048,50	17.412.458,10	18.301.922,50	19.205.726,90	20.180.568,90	20.228.214,10	20.909.479,40

Source: Analysis, 2024

Table 4. Economic Growth Rate of Ogan Komering Ilir Regency (%) for 2013-2021

	BUSINESS FIELD/INDUSTRY (billion rupiah)	Economic Growth Rate (%)									Average (%)	Economic Growth Contribution (%)										Average (%)
		2013	2014	2015	2016	2017	2018	2019	2020	2021**)		2012	2013	2014	2015	2016	2017	2018	2019	2020*)	2021**)	
A	Agriculture, Forestry, and Fisheries	5,3	3,4	3,6	2,2	2,6	2,8	3,5	0,9	3,7	3,1	67,87	67,17	66,08	65,32	63,93	62,40	61,12	60,21	60,63	60,82	63,55
B	Mining and Quarrying	6,1	6,1	7,6	7,3	8,5	15,4	12,0	-3,6	2,2	6,9	0,92	0,92	0,93	0,96	0,98	1,01	1,12	1,19	1,14	1,13	1,03
C	Manufacturing Industry	7,5	7,0	7,4	10,9	12,1	16,0	10,3	-0,6	2,9	8,2	4,52	4,57	4,65	4,77	5,06	5,39	5,96	6,26	6,21	6,18	5,36
D	Electricity and Gas Supply	6,7	8,7	4,4	17,2	4,9	5,2	7,4	12,2	6,2	8,1	0,03	0,03	0,03	0,03	0,03	0,03	0,03	0,03	0,03	0,04	0,03
E	Water Supply, Waste Management, Waste, & Recycling	7,1	6,6	6,6	1,5	4,1	8,0	8,9	9,6	0,3	5,9	0,02	0,02	0,02	0,02	0,02	0,02	0,02	0,02	0,02	0,02	0,02
F	Construction	11,1	6,3	3,9	9,4	9,6	6,0	7,4	-0,7	0,6	6,0	9,02	9,41	9,53	9,45	9,89	10,32	10,42	10,65	10,55	10,27	9,95
G	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	7,7	12,0	8,0	11,8	9,6	10,6	8,7	-3,0	6,2	8,0	7,48	7,57	8,07	8,32	8,90	9,29	9,78	10,12	9,79	10,07	8,94
H	Transportation and Warehousing	8,4	8,5	12,1	8,8	10,5	9,7	8,9	-6,9	1,1	6,8	0,44	0,45	0,47	0,50	0,52	0,54	0,57	0,59	0,55	0,54	0,52
I	Accommodation and Food Service Activities	9,7	7,3	12,0	14,0	11,5	11,6	7,1	-4,5	4,8	8,2	0,53	0,55	0,56	0,60	0,65	0,69	0,73	0,75	0,71	0,72	0,65
J	Information and Communication	17,1	13,9	14,4	11,4	11,5	9,5	11,9	14,6	6,2	12,3	0,34	0,37	0,41	0,44	0,47	0,50	0,52	0,56	0,64	0,65	0,49
K	Financial and Insurance Services	9,3	4,1	4,6	8,4	2,7	0,9	0,4	0,5	1,3	3,6	1,08	1,11	1,10	1,09	1,13	1,11	1,06	1,02	1,02	1,00	1,07
L	Real Estate	9,3	8,7	7,1	11,5	9,0	8,0	9,0	1,0	2,1	7,3	1,28	1,32	1,36	1,39	1,49	1,54	1,59	1,64	1,66	1,64	1,49
MN	Business Services	7,9	7,7	5,9	8,6	9,6	8,1	9,5	-1,7	1,2	6,3	0,06	0,06	0,06	0,06	0,06	0,07	0,07	0,07	0,07	0,07	0,06
O	Government Administration, Defense, and Compulsory Social Security	6,8	7,2	10,6	-0,1	11,1	3,0	1,9	1,1	1,1	4,7	4,40	4,41	4,51	4,75	4,55	4,80	4,71	4,57	4,61	4,51	4,58
P	Education Services	10,5	18,0	9,3	4,3	2,3	4,0	5,3	0,4	3,2	6,4	1,36	1,42	1,59	1,66	1,66	1,61	1,60	1,61	1,61	1,61	1,57
Q	Health and Social Work Activities	6,2	9,8	7,6	1,3	3,3	2,5	6,5	9,1	3,2	5,5	0,15	0,15	0,16	0,17	0,16	0,16	0,15	0,16	0,17	0,17	0,16
R,S,T,U	Other Services	-0,3	6,9	5,2	7,2	9,2	8,0	10,3	5,1	2,1	6,0	0,51	0,48	0,49	0,49	0,50	0,52	0,54	0,56	0,59	0,58	0,53
	PDRB ADHK South Sumatra	6,4	5,1	4,8	4,5	5,1	4,9	5,1	0,2	3,4	4,4											

Source: Analysis, 2024

Regional economic growth is also viewed through the growth of Gross Regional Domestic Product (GRDP), which indicates the total value added from goods and services produced by various production units in a region over a specific period (usually one year). The results of the GRDP projection analysis in Ogan Komering Ilir Regency until the end of the planning year can be seen in the table below:
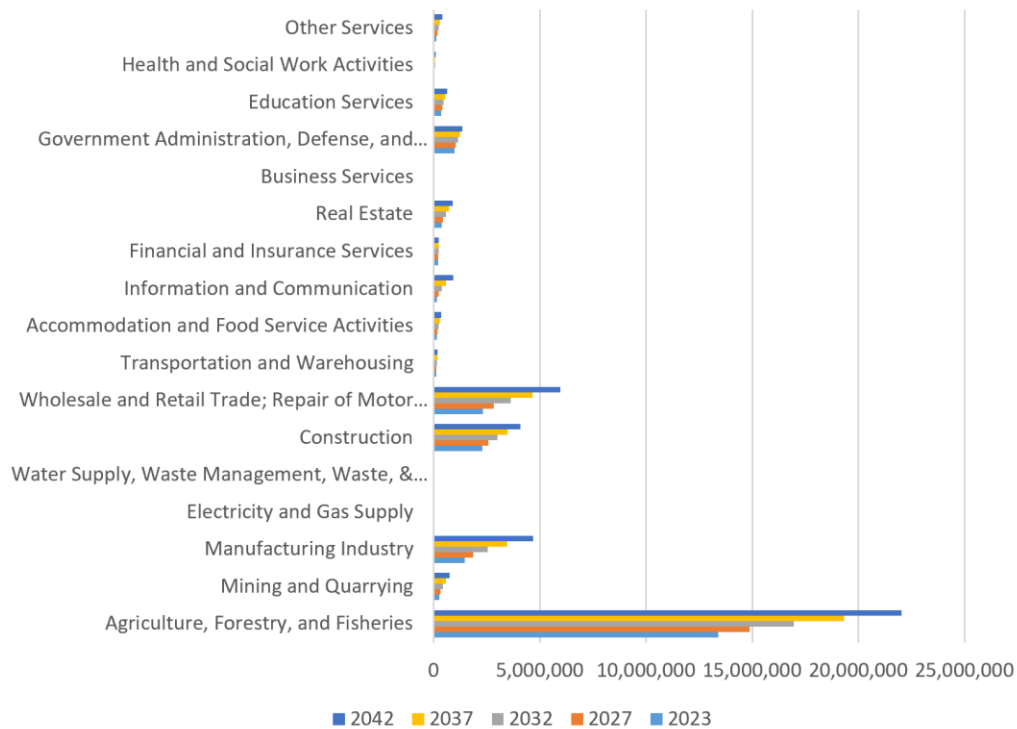
Table 5. Economic Growth Rate of Ogan Komering Ilir Regency (%) for the Years 2013-2021

Business Sector	GRDP/PRDP PROJECTION for Ogan Komering Ilir Regency				
	2023	2027	2032	2037	2042
A Agriculture, Forestry, and Fisheries	13.399.945	14.877.200	16.954.849	19.322.648	22.021.118
B Mining and Quarrying	263.921	328.624	432.245	568.540	747.812
C Manufacturing Industry	1.460.057	1.866.448	2.537.018	3.448.508	4.687.474
D Electricity and Gas Supply	8.535	11.240	15.858	22.373	31.566
E Water Supply; Waste Management, and Recycling	4.076	5.178	6.982	9.415	12.695
F Construction	2.282.198	2.578.871	3.004.520	3.500.423	4.078.177
G Wholesale and Retail Trade; Repair of Vehicles and Motorcycles	2.324.319	2.834.543	3.632.597	4.655.340	5.966.033
H Transportation and Warehousing	118.245	131.458	150.071	171.318	195.574
I Accommodation and Food Service	164.157	193.511	237.692	291.959	358.616
J Information and Communication	163.845	235.231	369.675	580.960	913.004
K Financial Services and Insurance	212.188	218.692	227.103	235.837	244.907
L Real Estate	375.277	450.834	567.018	713.144	896.929
M,N Business Services	15.254	17.800	21.588	26.181	31.752
O Government Administration, Defense, and Social Security	975.204	1.044.168	1.137.272	1.238.677	1.349.124
P Education Services	357.401	404.427	472.004	550.872	642.919
Q Health Services and Social Activities	39.143	47.608	60.808	77.668	99.203
R,S,T,U Other Services	136.971	172.416	229.887	306.515	408.685
PRDP at Constant Prices	22.293.942	25.343.943	29.749.751	34.921.466	40.992.236

Source: Analytical Results, 2024

Based on the GRDP/PRDP projection results in the table above, it indicates that the Agriculture, Forestry, and Fisheries sector is the main and highest sector, as this sector is rapidly advancing and growing in Ogan Komering Ilir Regency. Meanwhile, the Water Supply; Waste Management, and Recycling sector has the lowest contribution to the growth of GRDP/PRDB in Ogan Komering Ilir Regency. For a clearer view of the GRDP/PRDB growth projections in Ogan Komering Ilir Regency, please refer to the following image:

The chart shows a horizontal bar chart with the following sectors (top to bottom):
- Other Services
- Health and Social Work Activities
- Education Services
- Government Administration, Defense, and…
- Business Services
- Real Estate
- Financial and Insurance Services
- Information and Communication
- Accommodation and Food Service Activities
- Transportation and Warehousing
- Wholesale and Retail Trade; Repair of Motor…
- Construction
- Water Supply, Waste Management, Waste, &…
- Electricity and Gas Supply
- Manufacturing Industry
- Mining and Quarrying
- Agriculture, Forestry, and Fisheries

X-axis: 0, 5,000,000, 10,000,000, 15,000,000, 20,000,000, 25,000,000

Legend: ■ 2042 ■ 2037 ■ 2032 ■ 2027 ■ 2023

Figure 1. Projection of GRDP/PRDP Growth in Ogan Komering Ilir Regency for 2023-2042

The Klassen typology is a classification of a sector, subsector, business, or regional commodity by comparing the economic growth of the region with the economic growth of a reference area (or national level) and comparing the share of a sector, subsector, business, or commodity in a region with its average value at a higher level (reference area or national). This Klassen analysis will provide comparative information between the contributions and growth of both economic sectors and subsectors. There are four typologies that explain the position of a sector or subsector in the Klassen analysis:

a. Quadrant I: Areas with relatively high growth and per capita income (high growth and income). This area is referred to as a fast-growing and advancing area;

b. Quadrant II: Areas categorized as advanced but under pressure (high income but low growth);

c. Quadrant III: Areas categorized as rapidly developing (high growth but low income);

d. Quadrant IV: Areas that are relatively lagging (low growth and low income).

Table 6. Determining Classification in the Klassen Typology

Sector Contribution	Sector Growth	
	gi>=g	gi<g
si>=s	Advanced and rapidly growing sector	Advanced but Pressured Sector
si<s	Potential sector or one that can still grow rapidly	Relatively Underdeveloped Sector

Where:

gi = growth of the analyzed sector

g = growth of the reference sector

si = contribution of the analyzed sector

s = contribution of the reference sector

Based on the results of the Klassen typology analysis using data from 2012 to 2021, it shows that in Ogan Komering Ilir Regency (OKI) and South Sumatra Province:

The agricultural, forestry, and fishery sectors, as well as government administration, defense, and mandatory social security, are classified as fast-growing and advancing sectors.

The dominant sectors in OKI and South Sumatra Province are rapidly developing sectors.

The relatively lagging sector in OKI and South Sumatra Province is the Electricity and Gas Supply sector.

For further clarification regarding the results of the Klassen typology analysis according to GRDP in Ogan Komering Ilir Regency and South Sumatra Province, please refer to the following table:

Table 6. Determining Classification in the Klassen Typology

Business Field	Ogan Komering Ilir (OKI) Regency		South Sumatera		OKI-South Sumatra Comparison		KLASSEN TYPOLOGY	
	Contribution	GRDP/PRDB Growth Rate	Contribution	GRDP/PRDB Growth Rate	GRDP/ PDRB	GROWTH RATE	Class	Notes
Agriculture, Forestry, and Fisheries	63,55	3,11	17,89	2,86	1	1	I	Fast-Advancing and Fast-Growing Sector
Mining and Quarrying	1,03	6,86	21,87	4,11	0	1	III	Rapidly Developing Sector
Manufacturing Industry	5,36	8,15	18,56	4,29	0	1	III	Rapidly Developing Sector
Electricity and Gas Supply	0,03	8,10	0,10	6,48	0	0	IV	Relatively Lagging Sector
Water Supply, Waste Management, Waste, & Recycling	0,02	5,86	0,11	4,03	0	1	III	Rapidly Developing Sector
Construction	9,95	5,96	11,55	4,05	0	1	III	Rapidly Developing Sector
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	8,94	7,96	10,11	5,28	0	1	III	Rapidly Developing Sector
Transportation and Warehousing	0,52	6,79	1,89	4,86	0	1	III	Rapidly Developing Sector
Accommodation and Food Service Activities	0,65	8,15	1,27	6,44	0	1	III	Rapidly Developing Sector
Information and Communication	0,49	12,29	3,32	7,56	0	1	III	Rapidly Developing Sector
Financial and Insurance Services	1,07	3,56	2,53	3,25	0	1	III	Rapidly Developing Sector
Real Estate	1,49	7,31	3,00	6,39	0	1	III	Rapidly Developing Sector
Business Services	0,06	6,32	0,11	5,14	0	1	III	Rapidly Developing Sector
Government Administration, Defense, and Compulsory Social Security	4,58	4,74	3,18	3,48	1	1	I	Fast-Advancing and Fast-Growing Sector
Education Services	1,57	6,39	2,67	4,88	0	1	III	Rapidly Developing Sector
Health and Social Work Activities	0,16	5,50	0,67	5,42	0	1	III	Rapidly Developing Sector
Other Services	0,53	5,98	0,81	3,73	0	1	III	Rapidly Developing Sector

Source: Analysis, 2024

The East Coast Area of Ogan Komering Ilir Regency consists of five main sub-districts that play a crucial role in the region's economic development. These sub-districts are Air Sugihan, Pangkalan Lampam, Tulung Selapan, Cengal, and Sungai Menang. Each sub-district has unique characteristics and potential natural resources that support key sectors such as agriculture, forestry, and fisheries. The optimal management and utilization of resources in these sub-districts are expected to strengthen the East Coast area's contribution to the overall economic growth of Ogan Komering Ilir Regency.
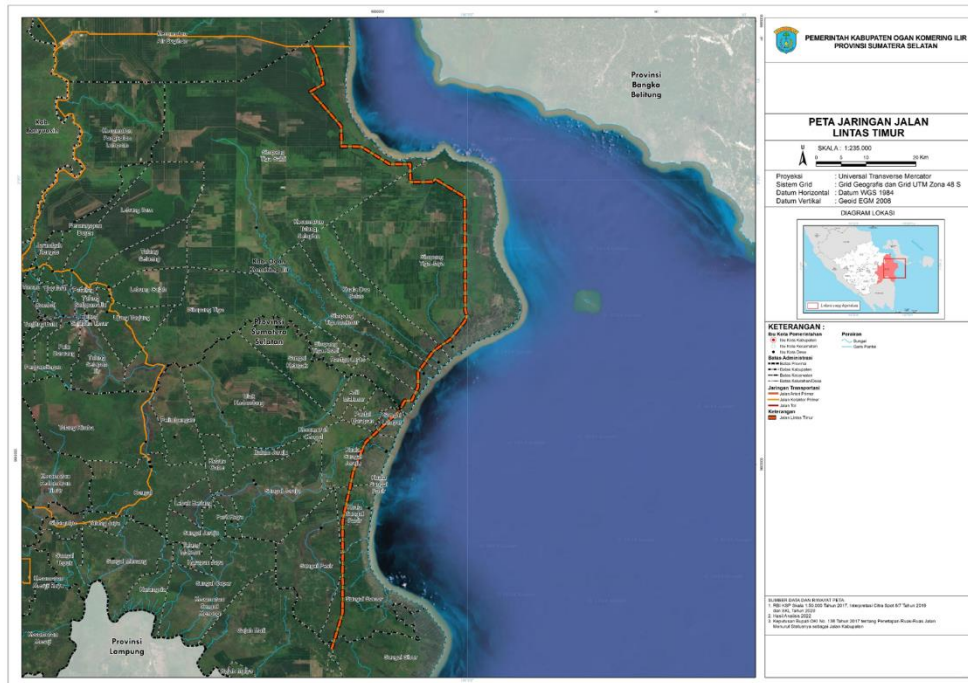
Figure 2. Map of the East Coast Area, Ogan Komering Ilir Regency

Ogan Komering Ilir Regency (OKI) features a variety of land cover types distributed across different regions, including production forests, plantations, wetlands, and shrimp farms. In the East Coast area, the dominant land cover consists of production forests and plantations, with a significant area of shrimp farming. This land cover dominance highlights the role of natural resources as a primary foundation for an economy that has the potential for further development to support strategic sectors in the region.

Table 7. Area of Land Cover Types in Ogan Komering Ilir Regency in 2021

No	Land Cover	Area (Ha)	Percentage (%)
1	Industrial Buildings	945,82	0,06
2	Village Residential Buildings	18.339,84	1,07
3	Urban Residential Buildings	798,82	0,05
4	Lakes	2.729,65	0,16
5	Secondary Mangrove Forest (Medium Density)	12.012,99	0,70
6	Secondary Mangrove Forest (High Density)	12.474,84	0,73
7	Plantation Forest	370.883,71	21,72
8	Roads	904,72	0,05
9	Mixed Gardens	119.576,73	7,00
10	Horticultural Fields	18.606,77	1,09
11	Rubber Plantations	240.145,48	14,07

12	Palm Oil PlantationsSawit	250.604,56	14,68
13	Interior Swamps	7.435,07	0,44
14	Rice Fields with Continuous Rice	55.264,44	3,24
15	Shrubland	522.897,21	30,63
16	Rivers	7.098,59	0,42
17	Fish Ponds	66.116,47	3,87
18	Vacant Land	513,29	0,03
	Total Area (Ha)	1.707.349,01	100,00

Source: Analysis, 2024

The relationship between land cover area and the potential of the agriculture, forestry, and fisheries sectors in the Eastern Coast of OKI Regency can be analyzed through the Klassen Typology. Based on this analysis, the agriculture, forestry, and fisheries sectors are categorized as "Fast Advancing and Fast Growing" (Quadrant I), contributing 63.55% to the Gross Regional Domestic Product (GRDP) with a growth rate of 3.11%. Production forests and plantations support the forestry sector through the utilization of timber and forest products. Meanwhile, rubber and palm oil plantations play a crucial role as primary commodities that support the agricultural sector, and the shrimp farming areas in the Eastern Coast contribute significantly to the fisheries sector by providing aquaculture products that bolster food security and the local economy.
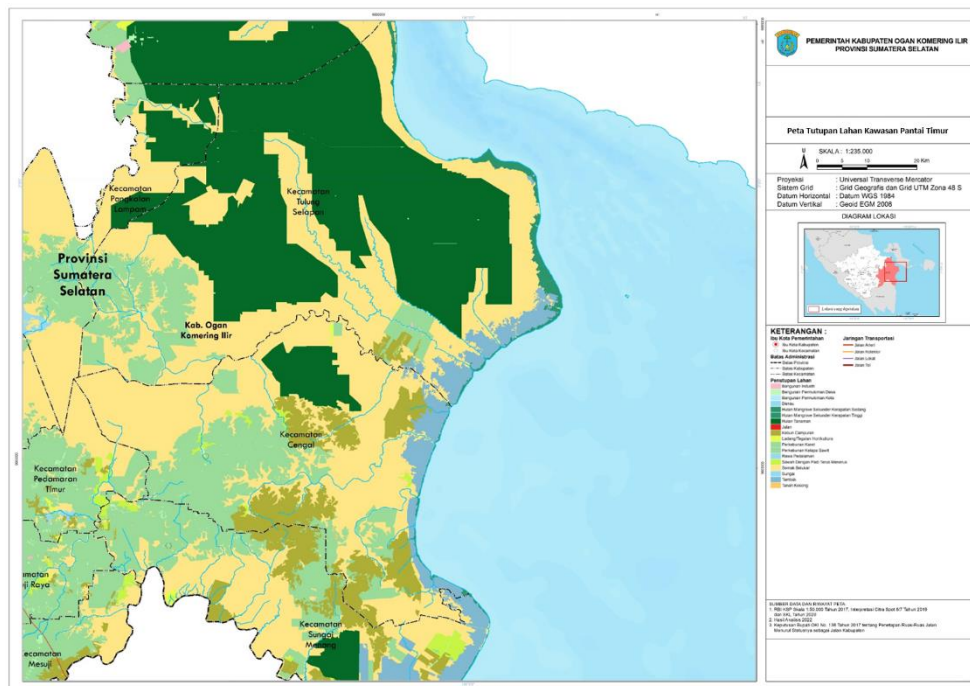

Figure 3. Land Cover Map of the Eastern Coast, OKI Regency, 2021

The Eastern Coast of OKI Regency is characterized by regional features and natural resources that support strategic sectors, particularly agriculture, forestry, and fisheries. To optimize this potential, the local government has developed a spatial planning scheme to allocate land appropriately so that these primary sectors can develop sustainably. This spatial planning scheme focuses on the utilization and protection of natural resources, supporting the growth of sectors identified as "Fast Advancing and Fast Growing" based on the Klassen Typology.

The spatial allocation of the Eastern Coast of OKI is predominantly designated for production forests, covering about 50% of the total land area, to support sustainable forestry activities and significant forest product production within the local economy. Additionally, approximately 33.3% of the land is allocated for plantations, supporting the production of key commodities such as rubber and palm oil. Wetlands and swamp areas, covering about 3.87%, are also optimized for aquaculture. This spatial arrangement demonstrates a focus on optimizing the potential of natural resources in the Eastern Coast of OKI to support the main economic sectors that contribute significantly to the GRDP and exhibit a substantial growth rate.

Table 7. Area of Spatial Planning Types in the Eastern Coast

Spatial Planning Plan	Luas (Ha)	Luas (%)
Water Bodies	3.933,05	0,325
Horticultural Areas	463,50	0,038
Protected Forest Areas	97.069,88	8,010
Permanent Production Forest Areas	609.593,48	50,304
Convertible Production Forest Areas	20.002,20	1,651
Peatland Protection Areas	518,33	0,043
Tourism Areas	26,01	0,002
Aquaculture Areas	15.418,60	1,272
Plantation Areas	403.634,13	33,308
Local Protection Areas	4.341,10	0,358
Rural Residential Areas	8.245,22	0,680
Urban Residential Areas	183,41	0,015
Industrial Designated Areas	4.246,39	0,350
Food Crop Areas	29.599,32	2,443
Wildlife Sanctuaries	14.551,52	1,201
Grand Total	1.211.826,15	100,000

Overall, the spatial pattern of the East Coast region of OKI provides optimal support for key sectors categorized as "Fast-Developing and High-Growth." The allocation for production forests allows for the utilization of timber and other forest resources, while the allocation for plantations strengthens the agricultural sector through increased production of leading commodities. The

aquaculture areas in the wetlands also provide adequate space for fish farming, supporting local food security and the economy of the community.
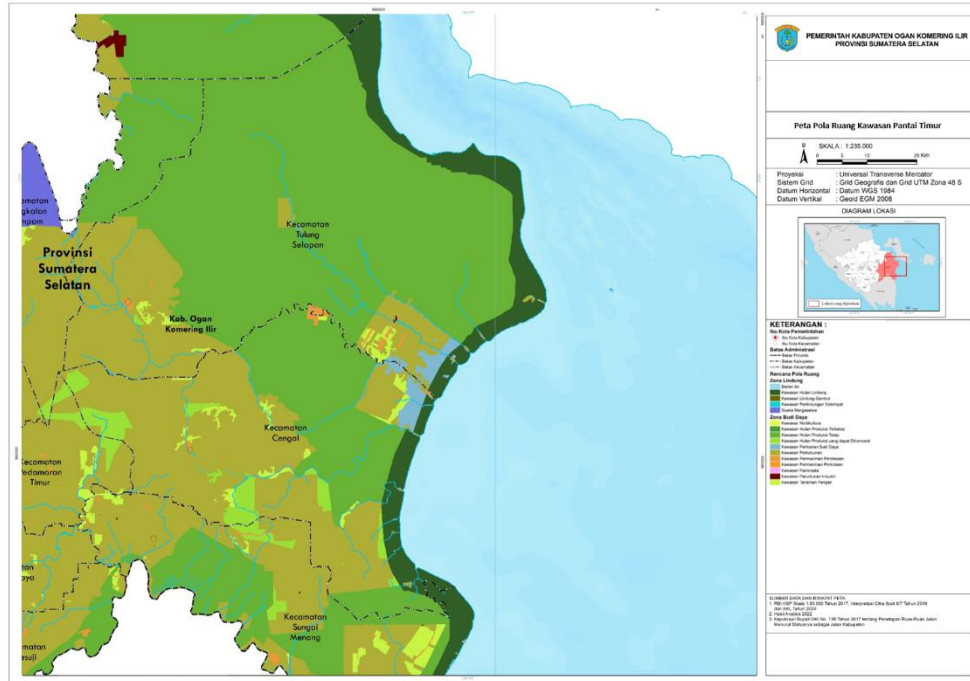
Figure 4. Spatial Planning Map of the East Coast Region, OKI Regency, 2021

Conclusion

Ogan Komering Ilir (OKI) Regency has shown significant economic growth in the agriculture, forestry, and fisheries sectors. Based on the analysis of the economic growth rate, these sectors experienced an average growth of 3.11% from 2012 to 2021, which is higher than the average growth of similar sectors in South Sumatra Province, which stands at 2.86%. Through the Klassen Typology analysis, these sectors are positioned in Quadrant I as "Fast-Developing and High-Growth Sectors," thanks to their high contribution to the Gross Regional Domestic Product (GRDP) of OKI Regency, which reaches 63.55%.

These leading sectors are supported by the dominant land cover characteristics in the East Coast region of OKI. The majority of the land consists of production forests (21.72%), rubber plantations (14.07%), palm oil plantations (14.68%), and shrimp farms (3.87%). The spatial planning for the East Coast region allocates approximately 50% of the total land for permanent production forests to support sustainable forestry activities. Additionally, about 33.3% of the land is allocated for plantations, which reinforces the agricultural sector with key commodities such as rubber and palm

oil. The allocation of aquaculture land in the wetlands is also significant, creating adequate space to support the local fisheries sector.

The utilization of land cover that aligns with the physical conditions of the region serves as a foundation for supporting these strategic sectors. The spatial planning in the East Coast region of OKI effectively optimizes the potential of the agriculture, forestry, and fisheries sectors. By utilizing forest land, plantations, and aquaculture according to the spatial planning allocation, these leading sectors can be further strengthened.

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