

SUMMARY

Indonesia is the world's leading producer and exporter of Crude Palm Oil (CPO), with China as one of its key export destinations. However, Indonesia's CPO export volume to China during 1993–2023 has fluctuated due to various global and domestic economic factors. Therefore, this study aims to examine the effects of international CPO prices, domestic CPO production, China's GDP, and sunflower oil prices as substitute goods on Indonesia's CPO export volume to China.

A quantitative approach is applied using multiple linear regression (OLS) on time-series data from 1993–2023, sourced from BPS, the World Bank, the Directorate General of Plantations, and FRED. The analysis includes classical assumption testing and significance testing to assess both partial and simultaneous impacts of the variables.

The findings reveal that domestic CPO production and China's GDP have a positive and significant influence on Indonesia's CPO export volume, indicating that increased production capacity and China's economic growth support higher exports. Meanwhile, international CPO prices are found to be insignificant, and sunflower oil prices show a positive but insignificant effect on exports.

These results highlight the need to enhance production capacity and efficiency in the palm oil industry, while strengthening trade relations with China. Additionally, market diversification and close monitoring of substitute vegetable oil price movements are crucial to mitigate global market uncertainties.

Keywords: exports, China, prices, production, GDP, prices of substituted goods,