

## ABSTRACT

*Indonesia is the second largest plywood exporter in the world after China. Major destination countries play an important role in Indonesia's plywood exports, as most plywood products are exported to these countries. This study aims to evaluate the competitiveness of Indonesian plywood in the international market, focusing on 10 major destination countries: Japan, USA, South Korea, Malaysia, Saudi Arabia, Australia, UK, China, Singapore and Germany. In addition, the study also analyzed the factors affecting plywood exports over the period 2013 to 2022 using a gravity model approach.*

*The analysis was conducted by considering variables such as Indonesia's GDP, destination countries' GDP, economic distance, price, exchange rate, and Revealed Comparative Advantage (RCA) index. The methods used include RCA analysis to measure the comparative advantage of Indonesian plywood, as well as panel data regression using the Fixed Effect Model (FEM) to evaluate the effect of each variable on plywood exports.*

*The results show that Indonesia's plywood exports are significantly affected by economic distance and RCA index positively. In contrast, price and exchange rate have a negative and significant effect on exports. On the other hand, Indonesia's GDP and destination country's GDP do not have a significant effect on exports. This study highlights the importance of maintaining price and exchange rate stability, as well as increasing comparative advantage to strengthen Indonesia's plywood competitiveness in the global market.*

***Keywords: Plywood exports, gravity model, RCA, panel data regression***