

ABSTRACT

Coffee is one of the leading commodities that plays an essential role in the plantation sector for international trade. This study aims to analyze the factors influencing the export value of Indonesian coffee (HS 0901) to seven destination countries that are part of the Organization of Islamic Cooperation (OIC). The countries considered in this study include Egypt, Malaysia, Morocco, Saudi Arabia, the United Arab Emirates, Algeria, and Turkey, all of which import coffee from Indonesia annually.

This research analyzes the impact of economic distance, real exchange rates, domestic production, competitiveness, COVID-19, and halal certification on the export value of Indonesian coffee. The data used in this research consists of Indonesian coffee export values (HS 0901) from 2015 to 2022. A quantitative research approach with panel data regression using the Random Effect Model (REM) is employed. The results of the simultaneous test (F-test) show that all independent variables collectively have a significant effect on the export value of Indonesian coffee. The results of the partial test (t-test) indicate that economic distance and COVID-19 have a significant negative impact, while the real exchange rate have a negative but insignificant effect on the export value of Indonesian coffee. The coefficient of determination (R^2) confirms that the independent variables effectively explain the variation in the dependent variable. These findings provide strategic insights for Indonesia in strengthening its coffee exports (HS 0901) to seven OIC member countries.

Keywords: Coffee Export Value, Panel Data, Random Effect Model (REM).