



Virtual Event 15-18 June 2020  
**2020 Asia-Pacific  
Statistics Week**

Leaving no one and nowhere behind

## Measuring Exports of Manufacturing Services in Indonesia

Action Area A ( SA1)

**Engaging Users and Investing in Statistics**

Presenter:

**Purwaningsih**

**BPS-Statistics Indonesia**

#apstatsweek2020



#apstatsweek2020



Virtual Event 15-18 June 2020

## 2020 Asia-Pacific Statistics Week

Leaving no one and nowhere behind

# What is manufacturing services?

MSITS 2010: manufacturing services on physical inputs owned by others includes activities such as processing, assembly, labelling and packing that are undertaken by enterprises that do not own the goods

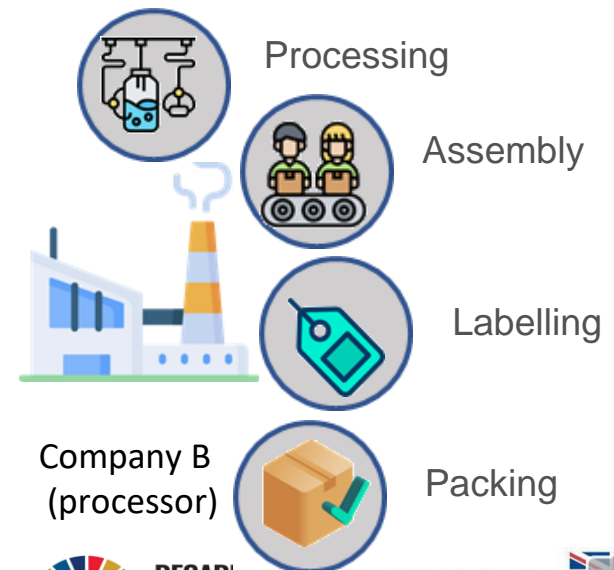


Company A  
(owner)

Goods to transform



Processed Goods





Virtual Event 15-18 June 2020

## 2020 Asia-Pacific Statistics Week

Leaving no one and nowhere behind

### Why is it important?

- Manufacturing services statistics is one of key tool in trade negotiations and policies.
- Manufacturing services are also crucial in the modelling of potential effect of specific trade arrangement on domestic economies variables such as production, prices, and employment.
- The statistics is needed by Indonesian policy makers such as Ministry of Trade and Ministry of National Development Planning

This paper aims to provide an overview of how BPS collects information about the export of manufacturing services statistics and how to literate the data source (Customs DG and exporter) about the important of the data.



Virtual Event 15-18 June 2020

## 2020 Asia-Pacific Statistics Week

Leaving no one and nowhere behind

# Export Customs Declaration:

### In 2012-2015:

- BPS sounded to Customs DG the need of the information about manufacturing services in Customs Declaration.
- Ministry of Trade need data about manufacturing services and GVC
- BPS, Central Bank of Indonesia, and Ministry of Trade conducted some meetings with Customs to some items in the custom declaration



Virtual Event 15-18 June 2020

## 2020 Asia-Pacific Statistics Week

Leaving no one and nowhere behind

# Export Customs Declaration:

## In 2016:

- Customs responded by adding a new question about manufacturing services or “makloon” (*from Dutch language*)

DATA TRANSAKSI EKSPOR			
31.	Bank Devisa Hasil Ekspor	:	
32.	Jenis Valuta	:	
33.	FOB	:	
34.	Freight	:	
35.	Asuransi (I/N/DN)	:	
36.	Nilai Maklon (Jika Ada)	:	

## In 2016-2017:

- Literacy and socialization to exporters the important of the data, but still voluntary to fill in.

## In 2018:

- BPS got data from Customs



Virtual Event 15-18 June 2020

# 2020 Asia-Pacific Statistics Week

Leaving no one and nowhere behind

## Integration in Annual Manufacturing Survey

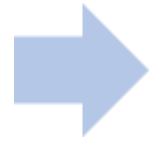
In 2014 Subdirectorate of Export Statistics BPS conducted a pilot survey about Goods for Processing



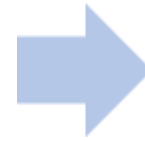
Results



127 samples



26 documents



Conclusions ?



#apstatsweek2020



Virtual Event 15-18 June 2020

## 2020 Asia-Pacific Statistics Week

Leaving no one and nowhere behind

# Integration in Annual Manufacturing Survey

### In 2015:

- Subdirectorate of Export Statistics integrating a variable in the Annual Manufacturing Survey Questionnaire 2014.
- Annual Manufacturing Survey covers all large and medium sized companies that are listed in BPS Manufacturing Directory.
- The variable was put on Part IV, point 15.b **Manufacturing services received from a foreign country**

**BAGIAN/PART IV. PENDAPATAN/PENERIMAAN LAIN YANG DITERIMA SELAMA TAHUN 2014**  
*OTHER INCOME RECEIVED DURING 2014*

**15. Pendapatan dari jasa industri (makloon)/Manufacturing services received**

a. Dari dalam negeri/From domestic

b. Dari luar negeri/From a foreign country

Sub Total/Sub Total

Nilai/Value  
(Rp)

.000

.000

.000



#apstatsweek2020



Virtual Event 15-18 June 2020

## 2020 Asia-Pacific Statistics Week

Leaving no one and nowhere behind

# The Benefits of Integration Variable

- Reducing the cost
- Reducing respondents burden
- Get a better response rate

## Data Availability:

- 2014
- 2015
- 2017 ( In 2016 there was no Annual Manufacturing Survey because there was Economic Census)



#apstatsweek2020





Virtual Event 15-18 June 2020

## 2020 Asia-Pacific Statistics Week

Leaving no one and nowhere behind

# The Results of Data Compilation

From Annual Manufacturing Survey

Description/Year	2014	2015	2017
Total Manufacturing Services (million US\$)	1 324.7	2 269.2	2 701.6
Total Export Value (million US\$)	175 980.0	150 366.3	168 828.2
% Total Manufacturing Services to Total Export	0.75	1.51	1.60

Another information from the annual manufacturing survey: in 2017, manufacturing services was mainly produced in manufacture of wearing apparel (27.85 percent), manufacture of computer, electronic and optical products (14.58 percent), and manufacture of basic metals (13.52 percent).



#apstatsweek2020



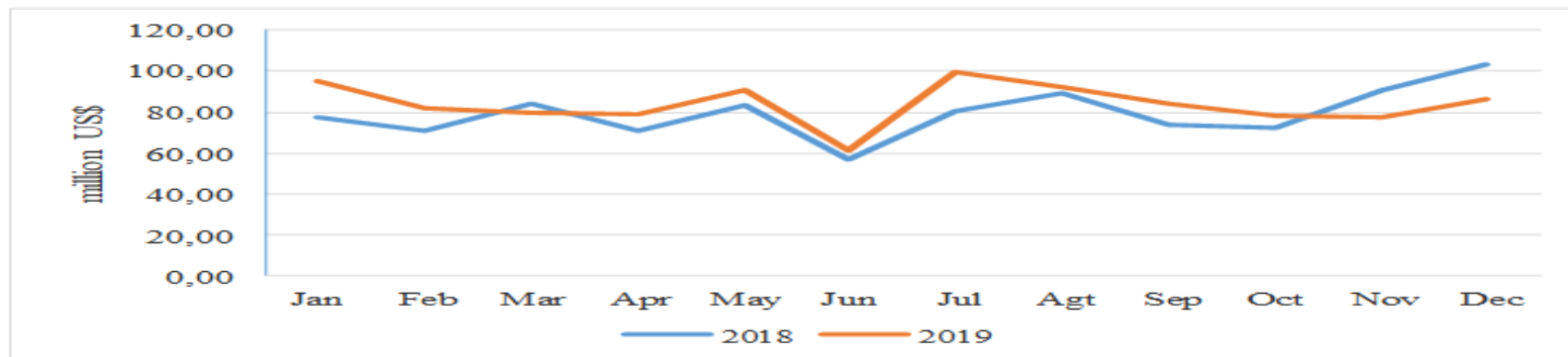
Virtual Event 15-18 June 2020

## 2020 Asia-Pacific Statistics Week

Leaving no one and nowhere behind

# The Results of Data Compilation

## From Customs Declaration



- ❑ The share of total manufacturing services from export customs declaration to total export in 2018 was 0.53 percent, then in 2019 increased to 0.60 percent. The significant gap between the manufacturing services from customs value and the manufacturing services from the annual manufacturing survey value is very possibly from the uncovered area in PPFTZ Batam.
- ❑ Another information : In 2019, the most destination countries were United States, Japan, and South Korea.



Virtual Event 15-18 June 2020

## 2020 Asia-Pacific Statistics Week

Leaving no one and nowhere behind

### **The Weaknesses of Annual Manufacturing Survey:**

- Could not be broken down to country destination
- Low response rate

### **The Weaknesses of Export Customs Declaration:**

- There is one area in Indonesia that not covered (PPFTZ Batam)
- Validity of the data

### **Next Plan**

1. Combine the result of the Annual Manufacturing Survey and the result of Export Customs Declaration
2. Challenge: No identity key that connect both data sources.



#apstatsweek2020



Virtual Event 15-18 June 2020

## 2020 Asia-Pacific Statistics Week

Leaving no one and nowhere behind

# Conclusion

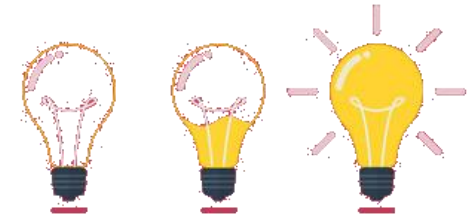
- By integrated a variable in existing Annual Manufacturing Survey, the manufacturing services fees obtained from foreign countries can be measured. It can be known that trend in the Indonesia's manufacturing services export is increasing from year to year, indicating that Indonesia's participation in GVC is increasing.
- The information about manufacturing services is very useful for policymakers, especially in trade policies. So data collecting of this variable through integration survey have to be continued.
- In the future, BPS plan to combine data from Annual Manufacturing Survey and Export Customs Declaration.



Virtual Event 15-18 June 2020

## 2020 Asia-Pacific Statistics Week

Leaving no one and nowhere behind



### TIPS FOR EMPOWERING STATISTICAL SYSTEM:

- Investing time and efforts to meet user needs in very important area by building good relationship with all stakeholders
- Maximizing the use of existing data source
- Literate the data source



#apstatsweek2020

--THANK YOU--

