

**THE EFFECT OF EUROPEAN UNION TIMBER
REGULATION AND DIGITAL TRADE FACILITATION
ON INDONESIA'S WOOD DECKING EXPORTS IN THE
EUROPEAN UNION MARKET**

THESIS



By:
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FACULTY OF AGRICULTURE
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Received on the date
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FOREWORD

All praise and gratitude are devoted to Allah SWT, the Most Gracious and the Most Merciful, for His blessings, guidance, and grace, which enabled the author to complete this thesis entitled “The Effect of European Union Timber Regulation and Digital Trade Facilitation on Indonesia’s Wood Decking Exports in the European Union Market”.

This thesis was prepared as one of the academic requirements for students of the Agribusiness Study Program, Faculty of Agriculture, Universitas Pembangunan Nasional “Veteran” Jawa Timur, in completing the undergraduate study program. The completion of this thesis would not have been possible without the support, guidance, and assistance of various parties. In particular, the author would like to express sincere appreciation to the supervisors, Dr. Ir. Taufik Setyadi, M.P. and Dr. Risqi Firdaus Setiawan, S.P., M.P., for their direction, suggestions, and guidance throughout the thesis preparation process. Therefore, on this occasion, the author would like to express gratitude to all parties who have provided support and assistance in the completion of this thesis, including:

1. Prof. Dr. Ir. Wanti Mindari, M.P., as the Dean of the Faculty of Agriculture, Universitas Pembangunan Nasional “Veteran” Jawa Timur.
2. Prof. Dr. Ir. H. Syarif Imam Hidayat, M.M., as the Head of the Agribusiness Department, Faculty of Agriculture, Universitas Pembangunan Nasional “Veteran” Jawa Timur.
3. Dr. Ir. Nuriah Yuliati, M.P., as the Coordinator of the Undergraduate Agribusiness Study Program, Faculty of Agriculture, Universitas Pembangunan Nasional “Veteran” Jawa Timur.

4. The author would like to express the deepest gratitude to Dr. Ir. Taufik Setyadi, M.P., as the Main Supervisor, for his guidance, direction, suggestions, and patience throughout the process of completing this thesis. Every piece of advice and correction has become an important part of the author's learning process in understanding this research more deeply. The author sincerely appreciates the time, attention, and knowledge that have been given, which greatly helped the author complete this thesis properly.
5. The author would also like to express sincere gratitude to Dr. Risqi Firdaus Setiawan, S.P., M.P., as the Co-Supervisor, for his guidance, suggestions, motivation, and attention during the process of completing this thesis. His supervision has greatly helped the author improve each part of the research, especially in arranging ideas to be more focused and systematic. The author is truly grateful for the patience, support, and knowledge that have been given until this thesis could be completed.
6. All lecturers and academic staff of the Agribusiness Study Program, Faculty of Agriculture, Universitas Pembangunan Nasional "Veteran" Jawa Timur, for the knowledge and assistance given during the study period.
7. The author would like to express the deepest gratitude to the beloved parents, Alm. Mr. Bambang Sutikno and Mrs. Yunifa Supriyanti, who have always been the source of prayers, strength, and the greatest reason for the author to keep moving forward. Thank you for the endless love, sacrifices, advice, and support given throughout every process of the author's life. This achievement would not have been possible without the sincere prayers and unconditional love that have always strengthened the author, especially during the difficult moments in completing this thesis.

8. The author would also like to express sincere gratitude to the beloved sibling, M. Erryco Ilhamsyah, who has been one of the sources of encouragement for the author. Thank you for the presence, support, and prayers which, although simple, have meant so much in helping the author remain strong and complete this process. Hopefully, this achievement can become a shared motivation and pride for the family.
9. The author would like to express sincere gratitude to the beloved grandmother, Mbah kun, who has always given prayers, love, and care to the author. Her prayers and support have become a special source of strength for the author in going through the process of completing this thesis. Thank you for the warmth and sincerity that have always reminded the author that she has never walked alone.
10. The author would also like to express sincere gratitude to the fellow struggle friends who have become family without blood ties, Chibby, Zalsa, Iim, and Naafisa. Thank you for being present throughout this journey, both in moments full of motivation and in times when the author felt tired and almost gave up. Thank you for the laughter, support, help, prayers, and togetherness that made the process of completing this thesis feel lighter. Your presence has become a meaningful part of this journey, not only in the academic process but also as an emotional source of strength for the author. May all the kindness, struggles, and prayers we have shared become beautiful memories that the author will always be grateful for.
11. The author would also like to express sincere gratitude to Beatrice M.C. Napitupulu, a friend from the early days of college who has accompanied the author through the process of adapting, learning, and growing throughout

university life. The author also thanks Syamroxy Reza, a friend from Formasi, who always brought laughter, encouragement, and cheerful moments that made the thesis-writing process feel lighter and more colorful.

12. The author would also like to express sincere gratitude to the friends of Golongan Wong #Mantep, namely Hafiedz, Hayu, and Fanny, who have always given support in every condition, both in moments of sadness and laughter. Thank you for the care, encouragement, stories, and togetherness that made this journey feel less lonely. Your presence has become one of the beautiful colors in the long process of completing this thesis.
13. The author would also like to thank herself for surviving this far. Thank you for continuing to move forward, even in moments of tiredness, doubt, and almost giving up. Thank you for staying strong in silence, completing each step of a process that was not always easy, and still believing that every struggle would eventually reach its end. May this achievement serve as a reminder that the author once went through difficult days, yet still managed to complete this journey with responsibility and strength.

The author realizes that this thesis still has limitations and is far from perfect. Therefore, constructive criticism and suggestions are highly expected for the improvement of this thesis. The author hopes that this thesis can provide useful information and give positive contributions to readers and related parties who need it.

Surabaya, June 2026

Author

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*PENGARUH REGULASI EUTR AND DIGITAL TRADE FACILITATION
TERHADAP EKSPOR KAYU DECKING INDONESIA DI PASAR UNI EROPA*

Vania Maulinda Aururoh, Taufik Setyadi, Risqi Firdaus Setiawan

ABSTRACT

This research examines the effect of the European Union Timber Regulation (EUTR) and the Digital Trade Facilitation (DTF) phase on the export value of Indonesian wood decking in the European Union market. The study focuses on Indonesia's wood decking exports to five major destination countries in the European Union, namely the Netherlands, Germany, France, Italy, and Belgium, during the 2005–2024 period. A quantitative approach was applied using panel data regression. The dependent variable in this study is the export value of wood decking, while the main independent variables are the EUTR dummy and the DTF phase dummy. The model also includes control variables, consisting of the real GDP of destination countries, the real exchange rate, and export price. Based on the model selection results, the estimation was conducted using the Random Effect Model (REM). The findings reveal that EUTR has a negative and significant effect on the export value of Indonesian wood decking to the EU market. This result suggests that EUTR implementation is associated with higher requirements for legality, traceability, and document compliance, which may put pressure on export performance. Meanwhile, the DTF phase shows a positive direction of effect, although it is not statistically significant. This indicates that the strengthening of digital trade facilitation tends to support exports, but has not been strong enough to directly explain the increase in wood decking export value. The control variables show that the real GDP of destination countries and the real exchange rate have a positive and significant effect, while export price has a negative but insignificant effect. Overall, the findings indicate that Indonesian wood decking exports to the EU market are influenced by the interaction between timber legality regulations, trade procedure efficiency, and the economic conditions of destination countries.

Keywords: European Union Timber Regulation; Digital Trade Facilitation; Exports; Wood Decking; European Union; Panel Data.

TABLE OF CONTENTS

	Page
STATEMENT LETTER.....	iii
FOREWORD	iv
ABSTRACT.....	viii
TABLE OF CONTENTS	ix
LIST OF TABLES	xii
LIST OF FIGURES	xiii
LIST OF ATTACHMENTS	xiv
I. INTRODUCTION	1
1.1. Background.....	1
1.2. Problem Formulation	11
1.3. Research Objectives.....	12
1.4. Research Benefits.....	12
II. LITERATURE REVIEW	14
2.1. Previous Research.....	14
2.1.1. Timber Legality Regulation.....	19
2.1.2. Determinants of Wood Product Exports	20
2.1.3. Digital Trade Facilitation	21
2.2. Theoretical Studies.....	22
2.2.1. International Trade.....	22
2.2.2. Determinants of Export Value.....	28
2.2.3. Characteristics of Processed Wood Products (Decking).....	33
2.2.4. Trade Regulation in the Forestry Sector	35
2.2.5. Digital Trade Facilitation (DTF).....	40

2.3. Conceptual Framework	42
2.4. Hypothesis.....	46
III. RESEARCH METHODS	47
3.1. Research Time and Place	47
3.2. Data Collection Methods	47
3.2.1. Data Type	47
3.2.2. Data Source.....	48
3.3. Data Analysis Methods	48
3.3.1. Specification of Research Models and Variables.....	49
3.3.2. Panel Data Estimation Model Selection	51
3.3.3. Model Feasibility and Validity Testing	53
3.3.4. T Test and Coefficient Interpretation	55
3.4. Operational Definition	56
IV. RESULTS AND DISCUSSION.....	58
4.1. Timber Export Overview Decking Indonesia in the EU Market	58
4.2. Wood Export Panel Data Analysis Decking Indonesia.....	65
4.2.1. Panel Data Model Selection.....	66
4.2.2. Classical Assumption Testing	67
4.2.3. Random Effects Model Estimation Results	70
4.2.4. Model Statistical Tests	73
4.3. Discussion of Estimated Results	75
4.3.1. The Effect of the European Union Timber Regulation.....	76
4.3.2. The Effect Digital Trade Facilitation	78
4.3.3. The Effect of Control Variables	81
V. CONCLUSIONS AND SUGGESTIONS	87

5.1. Conclusions.....	87
5.2. Suggestions	87
BIBLIOGRAPHY	89
APPENDIX.....	95

LIST OF TABLES

Number	Title	Page
1. 1	Comparison of Export Value of Wood Products (x Billion USD).....	3
1. 2	Value and Volume of Wood Decking to Five EU Destination Countries	5
2. 1	Previous Research.....	14
3. 1	Data Types and Sources	48
4. 1	Market Share of the European Union 2005-2024	62
4. 2	Panel Data Model Selection Results	66
4. 3	Multicollinearity Test Results	68
4. 4	Heteroscedasticity Test Results.....	68
4. 5	Normality Test Results	69
4. 6	Autocorrelation Test Results	69
4. 7	Random Effect Model Estimation Results.....	70
4. 8	Partial Test Results.....	74
4. 9	Results of Estimation of Variables of the EUTR.....	76
4. 10	Results of Estimation of Digital Trade Facilitation Variables.....	78
4. 11	Results of Estimation of Control Variables	81

LIST OF FIGURES

Number	Title	Page
1. 1	Export Value of Forest Products (USD Billion).....	2
1. 2	Export of Indonesian Forestry Products to the European Union	4
1. 3	DTF Composite Index in Indonesia	10
2. 1	International Trade Concept Curve	26
2. 2	Frame of Mind.....	45
4. 1	Development of the Export Value (USD Billion)	59
4. 2	Indonesia's Wood decking Exports in the EU Market (USD).....	60

LIST OF ATTACHMENTS

Number	Title	Page
1	Data Regresi Panel	95
2	Chow Test Results	98
3	Hausman Test Results	98
4	LM Test Results (Lagrange Multiplier)	98
5	Multicollinearity Test Results	98
6	Heteroscedasticity Test Results	99
7	Autocorrelation Test Results	99
8	Normality Test Results	99
9	Analysis Results Random Effect Model (REM)	100
10	Letter of Agreement Journal.....	101