IMPORT REALIZATION WITH FISCAL FACILITIES DURING COVID-19 PANDEMIC AT CUSTOMS OFFICE TMP JUANDA

Agung Budilaksono[1]
Purnomo[2]

[1]Customs and Excise Department, Polytechnic of State Finance STAN, Indonesia
[2]Directorate General of Customs and Excise, Indonesia

Email: *budilaksono1000@pknstan.ac.id*
Email*: 3301180082.purnomo@gmail.com*

ARTICLE INFORMATION

ABSTRACT:

This study aims to examine the interaction between the use of fiscal facilities provided by the government and the realization of imports of health goods in the Customs Office TMP Juanda area of East Java, in connection with the issuance of PMK No. 34/PMK/04/2020 and the scarcity of health goods needed for handling Covid-19. The analytical method used in this study uses the Granger causality analysis method, descriptive and field survey. The data used comes from the Customs Office TMP Juanda, with the observation period being carried out when the pandemic began to spread in East Java, namely between April and October 2020. The results of data processing showed that there was no causal relationship between the use of fiscal facilities and the realization of imports of health materials. From the resulting model, it shows that the variable realization of imports in the previous 2 months has a significant negative effect on the realization of imports this month, meaning that if the need for health goods in the past has been met, it will reduce imports of health goods at this time.

1. INTRODUCTION

Research Background

Cases of the new coronavirus (Sars-CoV-2), which causes COVID-19, were identified in East Java in March 2020. There were 93 confirmed cases and 17 patients recovered. In the following month, April 2020, there was an increase in confirmed cases of COVID-19 to 951 cases, 165 patients were declared cured or as much as 17.03 percent.

As reported by the electronic media CNBC Indonesia, April 28, 2020 edition, East Java became the area with the highest number of positive cases of COVID-19 or the coronavirus after DKI Jakarta. The number of positive patients in East Java increased by 61 people, bringing the total positive cases to 857 people. The government said it was necessary to break the chain of adding positive COVID-19 cases through the implementation of Large-Scale Social Restrictions (PSBB), specifically for the East Java region, focusing on the Surabaya, Sidoarjo, and Gresik areas.

East Java recorded the newest cases of COVID-19 in Indonesia on Friday, June 26, 2020. At that time, East Java had shifted the position of DKI Jakarta. Based on data released by the COVID-19 Task Force on July 27, 2020, at 12.00 WIB, of the total COVID-19 patients which reached 100,303, the most patients occurred in the East Java region which reached 20,812 people, followed by DKI Jakarta as many as 19,592 people and South Sulawesi. as many as 8,991 people.

Figure 1. The Development of New Covid-19 Cases in the East Java Region
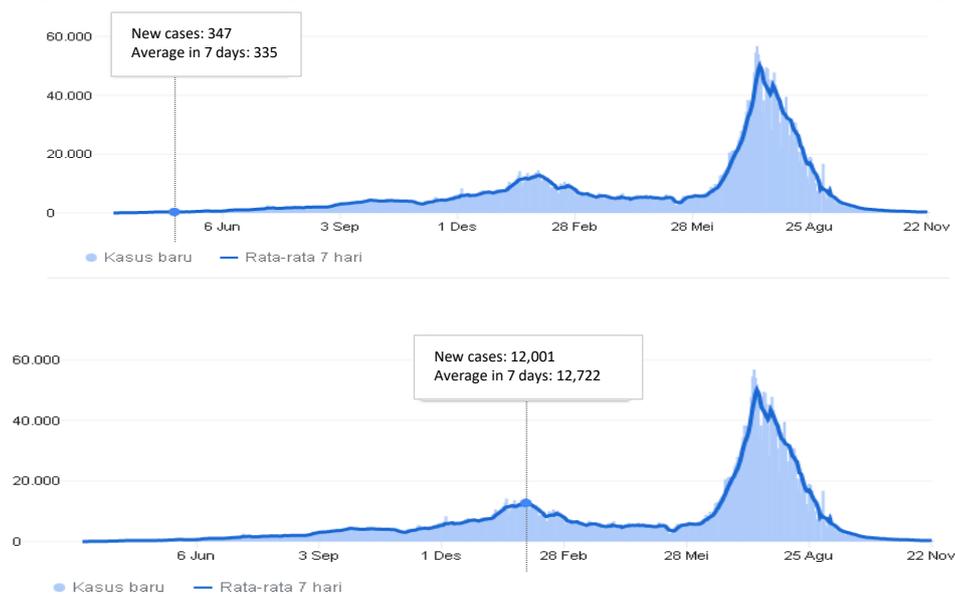

Source: COVID-19 Task Force (2020)

The Central Statistics Agency (BPS) as quoted by Liputan6.com, June 16, 2020 edition reported that East Java recorded an increase in the value of exports and imports of medical devices in May 2020 due to the high number of COVID-19 cases. The increase in imports of medical devices mainly occurred in finished goods. The most significant increase in imports occurred in rapid test kits which reached 1,648 percent, namely from USD 126,828 in April 2020 to USD 2,217,360 in May 2020. Furthermore, the increase in imports of personal protective equipment (PPE) increased by 493 percent, from USD 146,184 to USD 866,234, as well as media or virus transfer tools also increased by 251 percent from USD 9,508 to USD 33,380. Next, safety glasses rose 187 percent from USD 68,104 to USD 195,189, and hand sanitizers rose 141 percent from USD 293,812 to USD 709,350.

In general, due to the COVID-19 pandemic, the value of imports recorded by East Java Province in May 2020 reached USD 1.26 billion or decreased by 30.21 percent compared to April 2020, while the value of exports in May 2020 decreased by 8.25 percent compared to April. 2020, from USD 1.37 billion to USD 1.25 billion.

Figure 1. Graph of PPE Import Value Coming through Juanda Airport 2020
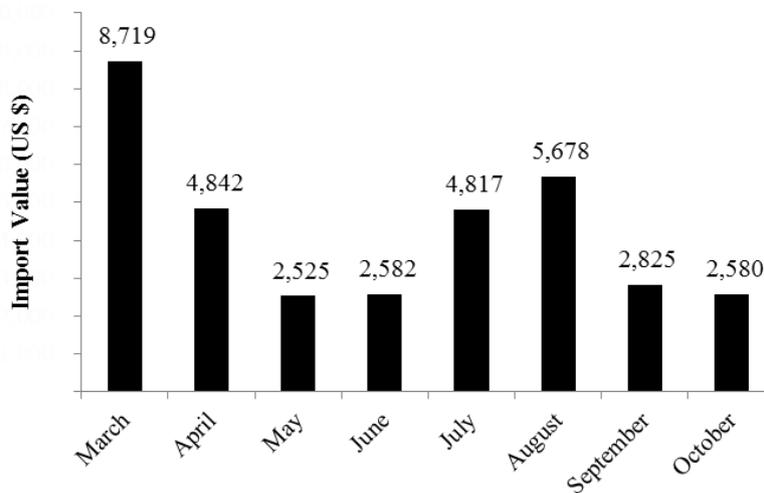


Source: Central Bureau of Statistics (2020)

Prices affect a person's purchasing decisions so that the purchase of imported goods will also depend on the price of imported goods offered. The price offered will also depend on the amount of the import duty rate that is set. Therefore, the provision of import duty on goods will affect the price offered for imported goods. The more attractive the

price of imported goods offered, the greater the potential for consumption of these goods. Large consumption of imported goods will increase the realization of a country's imports.

Latipov., et al (2017) conducted research on the threshold value of exemption from import duties in America and China, and found that if the government wants the smooth flow of trade, then the government will set a high threshold value for exemption of import duties, but if the government wants If the revenue is large, then the threshold value for exemption from import duty is lowered.

The need for medical devices and vaccines during the Covid-19 pandemic is very high. Therefore, the government seeks to facilitate the flow of trade in these goods by providing fiscal facilities through the issuance of Minister of Finance Regulation (PMK) No. 34/PMK/04/2020 concerning Provision of Customs and/or Excise Facilities and Taxation on Imported Goods to handle the Corona Virus Disease 2019 (COVID 19) Pandemic. This facility is intended to accelerate the import of medical equipment needed in the context of accelerating the handling of the Covid-19 pandemic. The provision of these facilities is expected to facilitate the implementation of imports and ease the burden of import levies in terms of taxation, so as not to hinder the process of fulfilling the need for Personal Protective Equipment (PPE) for medical personnel who currently require a lot of PPE as soon as possible.

Figure 2. Fiscal Facilities Provided by the Government

During the Covid-19 Pandemic
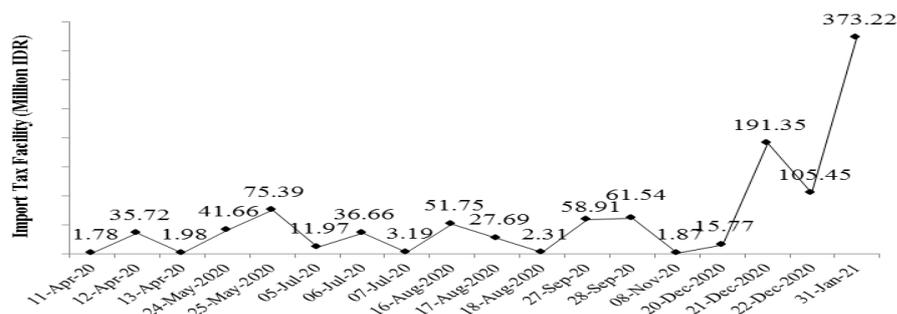
Source: Processed from Covid-19 Facility Statistics PMK Scheme No.34/PMK.04/2020 and its amendments at Customs Office TMP Juanda

From Figure 2, it can be seen that there has been a dynamic movement in the value of the import fiscal facility provided by the government since April 2020, where Covid-19 in Indonesia has been detected since March 2020. This facility has experienced ups and downs, but the trend tends to increase.

Research Question

From this picture, to see the effectiveness of government policy, it is necessary to look at the interaction between the provision of facilities and the realization of imports that occur, whether fiscal facilities for imports encourage an increase in imports of medical devices and vaccines or does the opposite occur, instead imports encourage an increase in the utilization of the government's imported fiscal facilities.

2. LITERATURE REVIEW

Import

According to Government Regulation No. 29 of 2021 concerning the Implementation of the Trade Sector, Article 1 states that import is an activity of entering goods into the customs area. Surono (2015) said that an item is said to be an imported item if it has entered the customs area. When the incoming means of air, land, or sea transportation cross the Indonesian customs area by carrying goods, they are de facto declared as imported goods.

According to Susilo in Negara (2019), imports can also be interpreted as the activity of entering goods from one country (overseas) into the customs area of another country. This means that these imports involve two countries. The two countries involved do not have to be on behalf of the government of that country but on behalf of the company carrying out import activities. However, both of them still have to comply with regulations governing import activities, both in terms of procedures, documents, and fees to be paid.

Krugman (2000) said that several things affect the import of goods, namely (i) there is a need for goods that cannot be fulfilled domestically or cannot be produced, and (iii) there is a supply of domestic goods that have not met existing needs.

The chairman of the East Java Pharmaceutical Entrepreneurs Association (GP Pharmacy) as quoted by Harian Bisnis.co.id, July 8 2020 edition, said that the development of the pharmaceutical industry was a very significant development during the pandemic, for example, vitamin products for endurance have increased almost 10 times, from the previous one. previously only 10%, increased his contribution to 90%. This represents a remarkable development. Coupled with the realization of the Ministry of Health spending in the second semester of 2020 which has only been realized at 1.53%

of the total budget of Rp.75 trillion. With the existing conditions, it is estimated that the pharmaceutical industry in East Java by the end of 2020 will grow above 10%. The number of pharmaceutical industries in East Java currently amounts to between 30-35 companies which have a contribution of 30% of the national pharmaceutical industry.

East Java's economic development has decreased in line with the development of Covid-19 cases in East Java. In the 1st quarter of 2020, the economy in East Java still grew positively by 3.04%, but since the onset of covid-19 in March 2020 the economy has experienced a drastic decline. Where in the second-quarter economic growth fell to -5.32%. However, with the government's policy response that seeks to expedite trade, it has paid off. Where in the 3rd quarter the decline in economic growth has been reduced to only -3.75%, and the peak of the reduction in the decline in economic growth occurred in the 4th quarter to only -2.19%. With the government's New Normal policy that has been in place since June 1, 2020, there are signs of improving import activity.

Customs and/or Excise and Taxation Facilities on Imported Goods To Handle the Corona Virus Disease 2019 (Covid-19) Pandemic in Indonesia

The Ministry of Health, as quoted by Kontan.co.id, July 15, 2021 edition, reminded the need to encourage the pharmaceutical and medical device industry in Indonesia, considering that this industry is an industry that is very much needed in the future, given the continued emergence of the Covid-19 problem, which is marked by the emergence of new variants. quite lethal. Therefore, the existence of a breath of fresh air from government policies that can facilitate the flow of trade in this sector is an illustration of the government's alignment with the importance of this industry.

The Ministry of Finance has issued PMK No. 34/PMK.04/2020 to provide customs and/or excise facilities as well as taxation on imported goods to handle the Covid-19 pandemic. This facility is fiscal provided to help accelerate the entry of goods used to deal with the Covid-19 pandemic. Types of facilities provided include: (i) Exemption of BM and/or Excise; (ii) VAT and PPnBM are not collected; and (iii) Exempted from PPh article 22.

Import activities of these goods may be through consignments, passenger goods, or large PIB. Imports through bonded zones, bonded warehouses, bonded logistics centers, free zones, special economic zones (KEK), and companies receiving KITE facilities are also entitled to these facilities.

To obtain customs and/or excise and taxation facilities, an application may be submitted to the Minister of Finance through the Head of the Customs and Excise Office at the entry or exit of goods. Exempted from the provisions of submitting an application for the import of consignments with a customs value not exceeding FOB USD 500.00 (five hundred US Dollars) per consignee per shipment and settled by using a Consignment Note (CN), or passenger luggage with customs value not exceeding FOB USD 500.00 (five hundred US Dollars) per person for each arrival and settled by using a Customs Declaration.

It is hoped that this fiscal facility will greatly assist the industry in producing domestic medicines and medical devices so that dependence on foreign goods can be gradually reduced.

Import Facility Relationship with Import Realization

Milner et al. (2008) found in their research that improved trade facilitation had a positive impact on trade flows which in turn increased state revenues. The fiscal stimulus issued by the government will stimulate the industry to increase its import activities considering that during the COVID-19 pandemic in 2020 in Indonesia, the national industry was still unable to provide the needs for medical devices and vaccines to deal with the Covid-19 problem. Therefore, the provision of fiscal stimulus will be a breath of fresh air for the health industry in Indonesia. In line with this, research conducted by Aryana (2011) also found the results that the realization of import duty receipts increased when the volume of imports also increased.

Therefore, it can be concluded that the provision of government fiscal facilities for health goods to deal with the Covid-19 problem in Indonesia will encourage an increase in the volume of imports of health goods in Indonesia.

3. RESEARCH METHODS

This study will use the Granger causality analysis method, to see the interaction between customs facilities and import realization, whether customs facilities encourage the realization of imports or vice versa, import realization encourages the realization of customs facilities utilization.

Granger causality analysis method is a method that looks at the causal relationship between two interacting variables. Granger's causal relationship model, in general, is as follows:

$$Xt = \sum_{i=1}^{m} ai\, X_{t-1} + \sum_{j=1}^{n} bj\, Y_{t-j} + ut \qquad\qquad \text{(eq.1)}$$

$$Yt = \sum_{i=1}^{r} ci\, Y_{t-1} + \sum_{j=1}^{s} dj\, X_{t-j} + vt \qquad\qquad \text{(eq.2)}$$

ut and *vt* are error terms that are assumed to contain no serial correlation and *m = n = r = s*.

After that, the F test was carried out to test the existing hypothesis.

$$F = \frac{(RSSr - RSSur)/m}{RSSur/(n-k)} \qquad\qquad \text{(eq.3)}$$

F distribution with m and (n-k) degrees of freedom (df). In this case, m is the number of lagged variables X and k is the number of parameters estimated in the unrestricted regression equation. RSSur is the Unrestricted residual sum of squares.

F-stat : > F-table = Ho rejected and Ha accepted

F-stat : < F-table = Ho is accepted and Ha is rejected

Ho : There is no causal relationship between realisasi impor dengan pemberian fasilitas fiscal impor barang kesehatan

Ha : There is a causal relationship between realisasi impor dengan pemberian fasilitas fiscal impor barang kesehatan

Data and data sources

Observational data used in this study is observational data for 6 months after the COVID-19 pandemic in Indonesia, from April to October 2020. The data source comes from Customs Office TMP Juanda, East Java. The choice of this observation period was to see the effectiveness of the customs facilities provided in the early days of the covid-19 pandemic, where the health industry in Indonesia at that time was not yet able to provide the health goods needed for handling COVID-19 in Indonesia, so the government's response was This needs to be evaluated, whether to get a good enough response from the national health industry or not. In this study, a short-term lag of 2 months was used.

4. ANALYSIS AND DISCUSSION

Data Processing Hasil

To find out the Granger causality relationship between the realization of imports and the fiscal facilities provided by the government, the following 2 equations will be tested:

$$\text{Import}_t = a + a_1 \text{Fiscal}_{t-1} + b_1 \text{Import}_{t-1} + b_2 \text{Import}_{t-2} + U1_t \qquad \text{(eq.4)}$$

$$\text{Fiscal}_t = c + d_1 \text{Fiscal}_{t-1} + d_2 \text{Fiscal}_{t-2} + e_1 \text{Import}_{t-2} + U2_t \qquad \text{(eq.5)}$$

Import_t	=	Realized imports of health goods recorded at the Juanda Customs Service Office in the current month (Rp)
Import_{t-1}	=	Realization of imports of health goods in the previous 1 month (Rp)
Import_{t-2}	=	Realization of imports of health goods in the previous 1 month (Rp)
Fiscal_t	=	Realization of the utilization of health goods import fiscal facility in the current month (Rp)
Fiscal_{t-1}	=	Realization of the utilization of fiscal facilities in the previous 1 month (Rp)
Fiscal_{t-2}	=	Realization of the utilization of fiscal facilities in the previous 2 months (Rp)

In equation (eq.4), we will see how the Granger causality relationship between Fiscal_{t-1}, Import_{t-1} and Import_{t-2} to Import_t. While equation (eq.5) will see how the relationship between Fiscal_{t-1} and Fiscal_{t-2} and Import_{t-2} to Fiscal_t. In the first stage will be tested equation (eq.4) with a maximum lag-2 without Fiscal_{t-1}

$$\text{Import}_t = a + b_1 \text{Import}_{t-1} + b_2 \text{Import}_{t-2} + U1_t \qquad \text{(eq.6)}$$

The results of data processing are as follows:

Table 1. Model Summary [b]

Model	R	R Square	Adjusted R Square	Standard Error of the Estimate	Durbin-Watson
1	.953[a]	.909	.818	8769907.31709	3.496

a. Predictors: (Constant), Import_{t-2}, Import_{t-1}

b. Dependent Variable: Import_t

Table 2. ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1536082486410059.500	2	768041243205029.800	9.986	.091[b]
	Residual	153822548700861.500	2	76911274350430.750		
	Total	1689905035110921.000	4			

a. Dependent Variable: $Import_t$

b. Predictors: (Constant), $Import_{t-2}$, $Import_{t-1}$

Table 3. Coefficients [a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	110167770.027	19116971.372		5.763	.029
	$Import_{t-1}$	-.006	.217	-.006	-.029	.979
	$Import_{t-2}$	-.905	.206	-.954	-4.405	.048

a. Dependent Variable: $Impor_t$

The result of restricted residual sum of squares (RSSr) is 153,822,548,700,861,500

Next, the following equation will be tested::

$$Import_t = a + a_1 Fiscal_{t-1} + b_1 Import_{t-1} + b_2 Import_{t-2} + U1_t \qquad \text{(eq.4)}$$

The results of data processing are as follows:

Table 4. Model Summary [b]

Model	R	R Square	Adjusted R Square	Standard Error of the Estimate	Durbin-Watson
	.996[a]	.991	.965	3848764.61853	1.206

a. Predictors: (Constant), $Fiscal_{t-1}$, $Import_{t-2}$, $Import_{t-1}$

b. Dependent Variable: $Import_t$

Table 5. ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1675092046022102.800	3	558364015340700.940	37.694	.119[b]
	Residual	14812989088818.303	1	14812989088818.303		
	Total	1689905035110921.000	4			

a. Dependent Variable: $Import_t$

b. Predictors: (Constant), $Fiscal_{t-1}$, $Import_{t-2}$, $Import_{t-1}$

Table 6. Coefficients ᵃ

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	135139210.817	11697660.124		11.553	.055
	$Import_{t-1}$	-.102	.100	-.101	-1.014	.496
	$Import_{t-2}$	-1.621	.251	-1.709	-6.472	.098
	$Fiscal_{t-1}$	327154.167	106795.136	.797	3.063	.201

a. Dependent Variable: $Impor_t$

The result of unrestricted residual sum of squares (RSSur) is 14,812,989,088,818,303

$$F = \frac{(RSSr - RSSur)/m}{RSSur/(n-k)} = \frac{(1.54E+14 - 1.48E+13)/1}{(1.48E+13)/(5-3)} = 18.77$$

F Table m = 1 and (n-k) = 2 at p = 5% is 200 Because F count < F Table, then Ho cannot be rejected, meaning that there is no causal relationship between the realization of imports and fiscal facilities. Next is the equation test (eq.5) with the complete variable

$$Fiscal_t = c + d_1 Fiscal_{t-1} + d_2 Fiscal_{t-2} + e_1 Import_{t-2} + U2_t \qquad (eq.5)$$

The initial stage is tested for equation (eq.5) without variable $Impor_{t-2}$

$$Fiscal_t = c + d_1 Fiscal_{t-1} + d_2 Fiscal_{t-2} + U2_t \qquad (eq.7)$$

Table 7. Model Summary ᵇ

Model	R	R Square	Adjusted R Square	Standard. Error of the Estimate	Durbin-Watson
1	.626ᵃ	.392	-.216	57.76040	2.115

a. Predictors: (Constant), $Fiscal_{t-2}$, $Fiscal_{t-1}$

b. Dependent Variable: $Fiscal_t$

Table 8. ANOVAᵃ

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4298.819	2	2149.409	.644	.608ᵇ
	Residual	6672.526	2	3336.263		
	Total	10971.345	4			

a. Dependent Variable: $Fiscal_t$

b. Predictors: (Constant), $Fiscal_{t-2}$, $Fiskal_{t-1}$

Table 9. Coefficients [a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	128.584	73.924		1.739	.224
	$Fiscal_{t-1}$	-.627	.608	-.599	-1.030	.411
	$Fiscal_{t-2}$	-.539	.690	-.454	-.781	.517

a. Dependent Variable: $Fiskal_t$

The result of the restricted residual sum of squares (RSSr) is 6,672,526. Furthermore, the model to be tested is:

$$\text{Fiscal}_t = c + d_1\text{Fiscal}_{t-1} + d_2\text{Fiscal}_{t-2} + e_1\text{Import}_{t-2} + U2_t \qquad \text{(eq.5)}$$

Table 10. Model Summary [b]

Model	R	R Square	Adjusted R Square	Standard. Error of the Estimate	Durbin-Watson
1	.995[a]	.990	.960	10.47932	1.798

a. Predictors: (Constant), $Import_{t-2}$, $Fiscal_{t-2}$, $Fiscal_{t-1}$

Table 11. ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	10861.529	3	3620.510	32.969	.127[b]
	Residual	109.816	1	109.816		
	Total	10971.345	4			

a. Dependent Variable: $Fiscal_t$

b. Predictors: (Constant), $Import_{t-2}$, $Fiscal_{t-2}$, $Fiscal_{t-1}$

Table 12. Coefficients [a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-61.476	28.006		-2.195	.272
	$Fiscal_{t-1}$	-.384	.115	-.368	-3.351	.185
	$Fiscal_{t-2}$	.158	.154	.133	1.022	.493
	$Import_{t-2}$	2.434E-6	.000	.954	7.731	.082

a. Dependent Variable: $Fiscal_t$

The result of the unrestricted residual sum of squares (RSSur) is 109,816

$$F = \frac{(RSSr - RSSur)/m}{RSSur/(n-k)} = \frac{(6672.526 - 109.816)/1}{(109.816)/(5-3)} = 119.52$$

F Table m = 1 and (n-k) = 2 at p = 5% is 200, Because F count < F Table, then Ho cannot be rejected, meaning that there is no causal relationship between fiscal facilities and the realization of imports.

From the above data processing, it can be concluded that there is no Granger causal relationship between the realization of imports of health goods and the fiscal facilities provided by the government in East Java, meaning that the fiscal facilities provided by the government have not been utilized optimally. Problems that occur in the field related to the lack of need for medical equipment and goods needed to deal with the Covid-19 pandemic are not related to the obstacles that occur in the implementation of imports with this facility but due to the unexpected spike in the number of Covid-19 patients, so that the existing inventory has not been able to meet the need for medical equipment and goods for handling the very large number of Covid-19

The F test for equation (eq.6) shows a significant model at 9.1% probability which produces the following equation model:

$$\text{Import}_t = 110{,}167{,}770.027 - 0.006 * \text{Import}_{t-1} - 0.905 * \text{Import}_{t-2} + \text{U1}_t \text{ (eq.6)}$$

The variable that has a significant negative effect on the realization of imports is the realization of imports in the previous 2 months (prob .048<.05), where the need for health goods that have been met previously will reduce the current import of health goods. The variables of the realization of imports of health goods 1 and 2 months earlier together can explain the variable realization of the import of health goods at this time of 81.8%. The rest is explained by other variables. However, these variables do not have a Granger causality relationship, because F count < F table.

When the fiscal facility variable is entered into equation (eq.6), the model becomes:

$$\text{Import}_t = 135{,}139{,}210.817 + 327{,}154.167 * \text{Fiscal}_{t-1} - .102 * \text{Import}_{t-1} - 1.621 * \text{Import}_{t-2} + \text{U1}_t \quad \text{(eq.4)}$$

After adding the fiscal facility variable in the equation model (eq.6), the ability to explain the model increases by 96.5% from the previous 81.8%, but the significance level decreases from the previous .091 to .119 exceeding the 5% probability. The impact of Import_{t-2} which previously had a significance of .048 < .050 becomes .098 > .050, but is significant at a probability of 10%.

When viewed from the facts on the ground, the realization of imported goods to handle the Covid-19 pandemic with fiscal facilities at the Customs Office TMP Juanda has recorded foreign exchange imports of USD 1,902,743 with the number of entities realizing the Decree of the Minister of Finance (SKMK) a total of 57 entities, while the number of SKMK realized reached 71 SKMK. The realization of the facilities provided is the import duty facility reaching Rp 1,276,987,142 and the PDRI facility reaching Rp 3,431,265,584 so that the total amount reaches Rp 4,708,252,726.

From the results of the author's interview with Customs Office TMP Juanda employee, it was said that with a work area that is not too wide, the value of imported goods to handle Covid-19 with fiscal facilities reached USD 1,902,743 or equivalent to Rp. 27 billion, which is very high. This is in line with the statement of the informant who stated:

> "...with a total import value of 27 billion Rupiah, it is quite large for the Customs Office TMP Juanda level and the quantity of imported goods is also not much."
> (Source: Implementing Officer at Customs Office TMP Juanda)

Most of the imports of medical equipment are carried out by individuals or the private sector. At least 97.96% of foreign exchange imports came from an individual or private imports, while the Central Government, Regional Governments, and Public Service Agencies only accounted for around 1.87%; while Foundations/Non-Profit Institutions only reached 0.18% as shown in Figure 3.
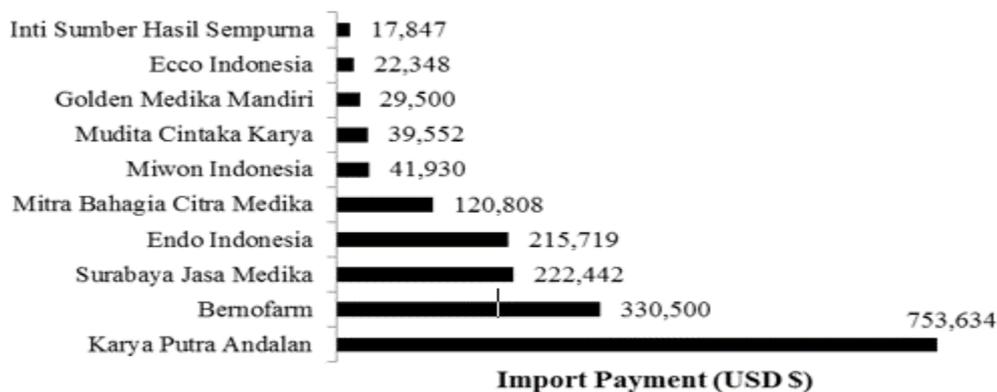
Figure 3. Percentage of Number of Importing Entities

with Facilities based on Import Value
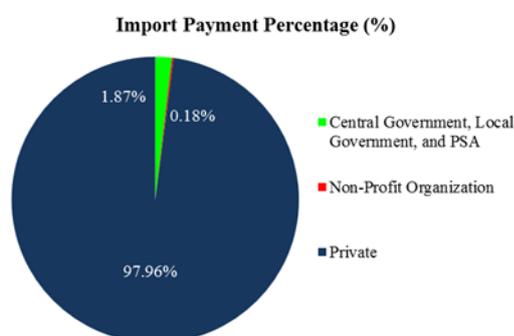
Source: Processed from Covid-19 Facility Statistics PMK Scheme No.34/PMK.04/2020

and its amendments at Customs Office TMP Juanda

Based on data from the Indonesia National Single Windows (INSW), data obtained that the details of 10 (ten) entities with the highest foreign exchange imports as applicants for this facility are as shown in Figure.4. Starting with Karya Putra Andalan, it reached USD 753,634 or around 39.61% of the total imported foreign exchange. Then the next order is Bernofarm with the imported foreign exchange of USD 330,500. Then followed by Surabaya Jasa Medika and Endo Indonesia with their respective foreign exchange imports of USD 222,442 and USD 215,719. The next entity is Mitra Bahagia Citra Medika with imported foreign exchange reaching USD 120,808. The next 5 (five) entities include Miwon Indonesia, Mudita Cintaka Karya, Golden Medika Mandiri, Eco Indonesia, and Inti Sumber Perfect Income of foreign exchange imports worth USD 41,930, USD 39,552, USD 29,500, USD 22,348, and USD 17,847.

Figure 4. Total 10 Largest Exporting Entities by Import Value

Source: Processed from Covid-19 Facility Statistics PMK Scheme No.34/PMK.04/2020 and its amendments at Customs Office TMP Juanda

The country of origin of imported goods to handle the Covid-19 pandemic comes from various countries. INSW notes that the top 10 (ten) countries of origin based on their foreign exchange imports are as follows: Republic of Korea USD 921,909, China USD 508,484, Singapore USD 217,704, India USD 95,000, Malaysia USD 48,000, United States USD 37,637, Hong Kong USD 29,798, Netherlands USD 17,319, Japan USD 13,431, and Taiwan USD 12,953 as shown in Figure 5.
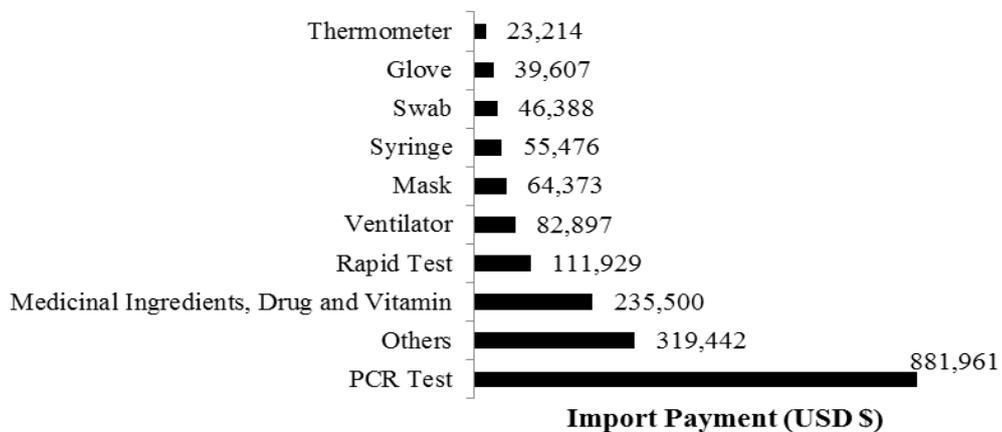
Figure 5. Countries of Origin for the Largest Imported Goods Based on Import Value
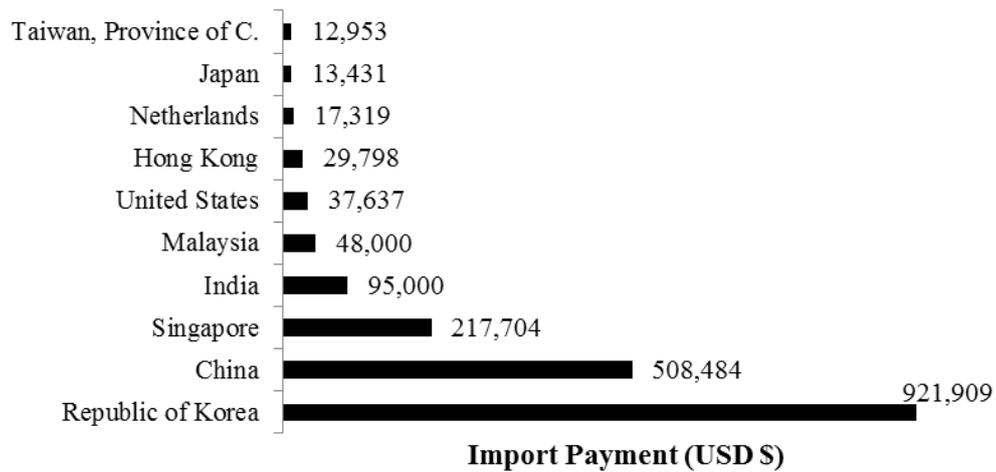
Source: Processed from Executive Summary data on Realization of Covid-19 Imports Customs Office TMP Juanda

The most imported types of products based on the graph in Figure 6 below explain that PCR Tests are the most imported goods with the value of foreign exchange imports reaching USD 881,961. As for ingredients, drugs, and vitamins, it only reached USD 235,500. The rapid test in the next order has a foreign exchange import value of USD 111,929. Furthermore, there are ventilators, masks, syringes, swabs, gloves, and thermometers, each of which has a foreign exchange value of imports below USD 100,000.

Figure 6. Medical Devices with the Largest Imported Value

Source: Processed from Executive Summary data on Realization of Covid-19 Imports CUSTOMS OFFICE TMP Juanda

Causes of Lack of Medical Devices

The hospital in the working area of Customs Office TMP Juanda, which was previously reported to lack medical equipment used in dealing with the Covid-19 pandemic, is not yet known whether the hospital in the area is an importer or has received goods from suppliers as importers. Based on Indonesia National Single Windows (INSW), there are at least 10 of the largest suppliers and all of them are not the hospitals themselves who import.

Based on the results of an interview with one of the doctors from the Sidoarjo Hospital who participated in treating Covid-19 patients, information was obtained that regarding the fulfillment of the need for medical equipment and other items needed to deal with the Covid-19 pandemic, the central government, regional governments, and other parties The hospital has prepared as best as possible what is needed to handle Covid-19 patients. However, the unpredictable spike in Covid-19 cases occurred from August 2020 to early 2021, causing a shortage of ventilators and treatment rooms. Even though the regional public hospital (RSUD) itself has prepared at least 200 beds for Covid-19 patients, but this is still lacking due to the sudden spike in the number of Covid-19 patients. So that the cause of the lack of medical equipment and other goods needed to deal with the Covid-19 pandemic has nothing to do with the obstacles that occur in the implementation of imports with this facility but due to the unpredictable spike in the number of Covid-19 patients.

The Effectiveness Level of Goods Import Services to Handle the Covid-19 Pandemic with Customs and/or Excise and Taxation Facilities

The assessment of the level of effectiveness of this import service uses the theory of Sondag P. Siagian, namely the assessment of the level of effectiveness by reviewing two criteria, namely the time factor and the accuracy factor while providing services. Based on the table in the Appendix, it can be seen that each application submission date is the same as the date the SKMK is issued. This indicates that every application is submitted immediately to be followed up on the same day by the employee concerned so that the SKMK facility can be issued immediately because in PMK No. 34/PMK.04/2020 regarding the issuance of a decision on the facility to import goods to handle the Covid-19 pandemic, it is only given a maximum of two hours after the documents are declared

complete. So from the timeliness factor, customs services on imported goods with this facility have been carried out effectively.

From the results of interviews with Customs Office TMP Juanda employees, so far the complaints received from service users as applicants for this import facility are related to the reasons for the rejection of the submitted application. The refusal of this application occurred due to an error in the notification of the goods tariff post. As stated by the informant:

> "...Often this incident occurs and results in importers' complaints stating that this is like a public lie, which says that the import will receive relief, but it turns out to be rejected, even though it was the error in the notification of the tariff post that caused the decision to refuse to be issued." (Source: Implementing Officer at Customs Office TMP Juanda)

Complaints from service users regarding the refusal of the submitted application also occur because the service user does not know the import mechanism with this facility, thus leading to the refusal to grant the facility even though the import has been carried out. This is in line with the statement made by the informant that:

> "Based on the mechanism for applying for this fiscal facility, the PIB is submitted after the SKMK stating the approval for the exemption is issued. However, some importers do not heed the existing mechanism, so they get a COVID-19 facility PIB registration number before the SKMK is issued. So they are still declared to be carrying out ordinary imports without applying for facilities." (Source: Implementing Officer at Customs Office TMP Juanda)

Complaints that lead to the inaccuracy of Customs Office TMP Juanda employees in providing services when handling imports with this facility still do not exist. This means that Customs Office TMP Juanda employees have tried to provide services carefully because the services are handled by employees who are experts in the field of customs and excise services so that the factor of accuracy, goods import services with customs and/or excise facilities, and taxation to handle the Covid-19 pandemic by Customs Office TMP Juanda can be done well.

5. CONCLUSION

From the results of data processing, it was found that there was no Granger causality relationship between Fiscal Facilities and the Realization of Imports of health goods for handling Covid-19, and vice versa. However, the variables of import realization in the previous 1 and 2 months together can explain imports this month by 88.1%. After adding the fiscal facility variable in the equation model (eq.6), the ability to explain the model increased by 96.5% from the previous 81.8%, but the significance level decreased from .091 to .119 exceeding the 5% probability. The impact of Import_(t-2) which previously had a significance of .048 < .050 becomes .098 > .050, but is significant at a probability of 10%.

Problems that occur in the field related to the lack of need for medical equipment and goods needed to deal with the Covid-19 pandemic are not related to the obstacles that occur in the implementation of imports with this facility but due to the unexpected spike in the number of Covid-19 patients, so that the existing inventory has not been able to meet the need for medical equipment and goods for handling the very large number of Covid-19 cases.

In the implementation of imports with this facility, there are still some problems from the application system, regulations, and other related aspects. In terms of the application, the system requires updating so that it can be integrated. This will simplify the process of recording, reconciling, and examining customs declarations. In terms of regulations, there is still a need for changes to the mechanism for issuing SKMK, especially the service period and inspection of goods which are only based on documents without seeing photos of goods.

LIMITATIONS AND SUGGESTIONS.

This research activity has been carried out well, but there are still obstacles that are beyond the control of the researcher. The realization data period used must be at least one full year, but at Customs Office TMP Juanda there is only import realization data for a period of about 10 months since the start of the COVID-19 pandemic. Furthermore, interviews were conducted with a minimum of 10 Customs Office employees, but interviews were only conducted with 2 people.

Suggestions for further research, the scope of place and time/period are expanded again, to obtain more complete and clear data, both quantitative data and data from interviews with Customs and Excise employees.

REFERENCES

Aryana, I Made. (2011). *Pengaruh Tarif Bea Masuk, Kurs dan Volume Impor Terhadap Penerimaan Bea Masuk di Indonesia*. Tesis. Bali: Fakultas Ekonomi. Universitas Udayana.

Krugman, Paul R. dan Maurice. Obstfeld. 2000. Ekonomi Internasional Teori dan Kebijakan. Edisi Kelima. Jilid 2. Jakarta: PT. Indeks Kelompok Gramedia.

Latipov, O., Schropp, S., McDaniel, C (2018), The de minimis threshold in international trade: The costs of being too low. *The World Economy*, page. 337-356

Milner, C., Morrissey, O., & Zgovu, E. (2008). Trade facilitation in developing countries. Credit Research Paper, 08/05. The University of Nottingham.

Negara, M Adam Surya. (2019). *Pengaruh Ekspor, Impor, Nilai Tukar Rupiah dan Tingkat Inflasi terhadap Cadangan Devisa Indonesia Periode 2001- 2018* [Skripsi, IAIN Tulungagung]. IAIN Tulungagung Institutional Repository. http://repo.iaintulungagung.ac.id/id/eprint/14081.

Peraturan Menteri Keuangan Republik Indonesia Nomor 149/PMK.04/2020 *Perubahan Kedua atas Peraturan Menteri Keuangan Nomor 34/PMK.04/2020 tentang Pemberian Fasilitas Kepabeanan dan/atau Cukai serta Perpajakan atas Impor Barang untuk Keperluan Penanganan Pandemi Coronavirus Disease (COVID-19)*. 8 Oktober 2020. Berita Negara Republik Indonesia Tahun 2020 Nomor 1162. Jakarta.

Peraturan Menteri Keuangan Republik Indonesia Nomor 34/PMK.04/2020 *Pemberian Fasilitas Kepabeanan dan/atau Cukai serta Perpajakan atas Impor Barang untuk Keperluan Penanganan Pandemi Coronavirus Disease (COVID-19)*. 17 April 2020. Berita Negara Republik Indonesia Tahun 2020 Nomor 378. Jakarta.

Peraturan Menteri Keuangan Republik Indonesia Nomor 83/PMK.04/2020 *Perubahan atas Peraturan Menteri Keuangan Nomor 34/PMK.04/2020 tentang Pemberian Fasilitas Kepabeanan dan/atau Cukai serta Perpajakan atas Impor Barang untuk Keperluan Penanganan Pandemi Coronavirus Disease (COVID-19)*. 7 Juli 2020. Berita Negara Republik Indonesia Tahun 2020 Nomor 715. Jakarta.

Surono, S. (2015). *Konsep Dasar Kepabeanan*. Tangerang Selatan: Universitas Terbuka.

APPENDIX 1

CUSTOMS AND/OR EXCISE FACILITIES APPLICATION DATA FOR GOODS IN THE FRAMEWORK OF HANDLING THE COVID-19 PANDEMIC AT CUSTOMS OFFICE TMP JUANDA

Nomor Permohonan	Tanggal Pengajuan	Tanggal SKMK
COV-1	22-04-2020	22-04-2020
COV-2	23-04-2020	23-04-2020
COV-3	23-04-2020	23-04-2020
COV-4	23-04-2020	23-04-2020
COV-5	23-04-2020	23-04-2020
COV-6	23-04-2020	23-04-2020
COV-7	23-04-2020	23-04-2020
COV-8	23-04-2020	23-04-2020
COV-9	27-04-2020	27-04-2020
COV-10	27-04-2020	27-04-2020
COV-11	08-05-2020	08-05-2020
COV-12	13-05-2020	13-05-2020
COV-13	14-05-2020	14-05-2020
COV-14	15-05-2020	15-05-2020
COV-15	18-05-2020	18-05-2020
COV-16	02-06-2020	02-06-2020
COV-17	11-06-2020	11-06-2020
COV-18	11-06-2020	11-06-2020
COV-19	18-06-2020	18-06-2020
COV-20	19-06-2020	19-06-2020
COV-21	26-06-2020	26-06-2020
COV-22	09-07-2020	09-07-2020
COV-23	13-07-2020	13-07-2020
COV-24	17-07-2020	17-07-2020
COV-25	13-08-2020	13-08-2020
COV-26	18-08-2020	18-08-2020
COV-27	26-08-2020	26-08-2020
COV-28	14-09-2020	14-09-2020
COV-29	17-11-2020	17-11-2020
COV-30	17-11-2020	17-11-2020
COV-31	11-12-2020	11-12-2020