STRATEGY FOR PROCUREMENT OF IMPORTED SESAME SEED RAW MATERIALS AT PD LINGGAR SARI

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Abstract

The resources of each country are different. This results in countries carrying out international trade. Sesame is a commodity that has potential in the culinary industry. Sesame is categorized as quality if the cultivation of the plant is carried out on dry land or in places with low rainfall. Most of our fellow producers in Indonesia have poor quality standards, and some have even failed to harvest due to a climate that does not support the production of sesame commodities. PD Linggar Sari is one of the Small and Medium Enterprises (UKM) that produces Sesame Wedding Cakes and Disposable Seeds as complementary raw materials. Initially, PD Linggar Sari every week used 500 kg of imported Indian sesame seeds which were obtained through local importers. However, due to supply uncertainty, Pd Linggar Sari switched to local sesame seeds. However, this transition has had the impact of decreasing revenue by approximately 15% to 20% per year due to a decrease in product quality. This research aims to provide suggestions for appropriate strategies for PD Linggar Sari to procure imported sesame seeds. The method used is Process Hierarchy Analysis with the types of data used, namely secondary and primary data. There are three alternatives for procuring imported sesame seeds: local importers, global markets, and direct imports. The results of the analysis of imported sesame seed procurement show that direct import is an alternative strategy for procuring imported seeds at PD Linggar Sari.

Keywords: Sesame Seeds, Import Procurement Strategy, Hierarchy Process Analysis

Introduction

Source the power you have every country is different. That matter causes countries to trade in scope international. Suppose a country has limitations or no own source of power specific for making something product. In that case, the country can trade internationally with other countries to get source power. Because of that, international trade becomes a solution for the perpetrator's industry to supply material standards or source power for sustainable production. Sesame is one of the potential commodities used in the culinary industry, as well as oil, pharmaceutical, cosmetics, etc., as a material base (Prihatin & Thamrin Sebayang, 2018). In Indonesia, sesame is processed by the perpetrator's industry in various ways, including cooking oil, enhancing its deliciousness, making cakes, using soy sauce, etc. Sesame can grow optimally in areas with a hot and bulk raiclimate of 500 - 1150 millimeters (mm) per year. Sesame can be categorized as quality if the cultivation plant is in the right environment (Damaiyani et al., 2020). Based on data from the Meteorology, Climatology, and Geophysics Agency (BMKG), the average rainfall recorded rain in Indonesia amounted to 2,898 millimeters (mm) per year in 2022 (Finaka, 2023). According to the statement, Indonesia's climate could be better by wanting to
produce seed-quality sesame. Some producer sesame producers of rice harvest (tifailedeharvestsin) due to poor climate support (Akmam, 2023). Based on data obtained by Hadi Sudarsono, a researcher at the Research Institute Plant Sweeteners and Fiber, in 2020, Indonesia every the year do import sesame around 3000 tons of, produced only 1,475 tons with 3,200 ha of (Perkebunan, 2020). Because of that, you can conclude that most of the perpetrators' industries or individuals in Indonesia trade internationally to get seed quality and guaranteed sesame to fulfill their respective needs.

Industry culinary is expected still become a pillar of support sector manufacturing and the national economy (Nirmala et al., 2022). That matters Because the sector is one source of growth in the large economy of Indonesia and contributes to the economy area (Zulfikri & Iskandar, 2022).

PD Linggar Sari is one of Indonesia's Small and Medium Industries (IKM) in charge of the culinary industry, to be exact, food light. PD Linggar Sari produces Marrie Sesame Cake as much as not enough, more than 300,000 pcs per week. In producing these products, PD Linggar Sari uses one material standard complement: seed sesame. Initially, PD Linggar Sari used seed sesame obtained from Indian imports through an importer (distributor) located in Bandung, as much as 500 kg each Sunday. However, because of the importer's uncertainty, in 2020, the company Switched to seed sesame locally available from two distributors, Cirebon (a small distributor) and Bandung (a large distributor). Transition material standards are done so the company can still produce to fulfill market demand. Uncertainty supply is caused Because Distributor supplies are low and can fulfill high market demand. High demand is caused by the uncertain needs of the perpetrator's industries. When the request is high, and the inventory supply is inadequate, the distributor raises the price of the seed sesame. That matter causes fluctuation in the price of sesame imported.

On the other hand, the price principal PD Linggar Sari production became disturbed. Additionally, the impact of the transition material standards when the company has a decline in income is not enough, more than 15% to 20% per year (Akmam, 2023). Because of that time, PD Linggar Sari conducted a field test on its consumers. She concluded that seed sesame influenced the product facet with better aroma and taste quality than local seed sesame. Apart from that, however, related obstacles experienced by PD Linggar Sari supply seed sesame locally. These obstacles are still being determined, resulting in supply failure harvest. Specifically, moment season rains and rising prices supply of seed sesame producers experience failed harvest part farm. Ensuring supply availability and improving quality products is essential for a company to maintain and even increase the market. Therefore, two objectives were set in the study. This site needs import material standard seed PD Linggar Sari sesame and import strategy analysis of procurement material standard seed sesame on PD Linggar Sari Dalam to increase the quality of the product.

Research methods

Study This was carried out at the PD Linggar Sari company as subject research and assigned place for four months or more. Research sites This is on Jalan Margaluyu Regency Ciamis, District Cikoneng, West Java.

Types of research

Types of research This is a descriptive-analytical study study with quantitative and qualitative approaches. Quantitative data here means using data or information in detailed shape numbers for results from this data can outline in a systematic way and make a conclusion in a
study. Meanwhile, qualitative data here means to understand patterns of other people's thoughts and perspectives related to problems in research.

**Data Type**

The first thing to do is collect the required data to reach the goals that have been set. Data used in research There are two types of data: secondary and primary data. Secondary data became the most dominant data in the research. They were collected through scientific journals, *e-books*, articles, *websites*, and other literature. In addition, primary data was obtained directly in the field by giving questionnaires to sources who had been determined. Three methods are used in taking the questionnaires: interviewed stated face to face, telephone interview, and independent. In the drafting process questionnaire, there are four indicator form criteria or factors considered in the determination of one from three alternatives that have been determined. Determination criteria are based on problems experienced by PD Linggar Sari. Following are the criteria considered in the election alternative procedure procurement seed sesame import:

<table>
<thead>
<tr>
<th>No</th>
<th>Criteria</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Availability Supply</td>
<td>Determining the factor is alternative can answer the availability supply in a way consistent and have other supplier backups if one supplier No can fulfill the need of the company.</td>
</tr>
<tr>
<td>2</td>
<td>Supplier Access</td>
<td>Determining factor is alternative can provide convenience for the company to search, interact, and connect Work The same with the candidate's supplier.</td>
</tr>
<tr>
<td>3</td>
<td>Cost</td>
<td>Determining factor is alternative can give affordable cost in fulfillment need supply.</td>
</tr>
<tr>
<td>4</td>
<td>Practical</td>
<td>Determining factor is alternative can provide convenience, speed, and efficiency in carrying out the procurement process material standard import.</td>
</tr>
</tbody>
</table>

Based on 4 criteria, one will choose one from three alternatives for procurement of seed sesame import. Following is an available alternative scheme in the implementation procurement of seed sesame import:

<table>
<thead>
<tr>
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<th>Alternative</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Local Importer</td>
<td>Alternative procedure procurement material standard import refers to the purchasing process of goods or product import through an intermediary importer.</td>
</tr>
<tr>
<td>2</td>
<td>Global Marketplace</td>
<td>Alternative procedure procurement material standard import refers to the procurement process of product, or goods import utilizing global trading platforms.</td>
</tr>
<tr>
<td>3</td>
<td><strong>Import Direct</strong></td>
<td>Alternative procedure procurement material standard import refers to the search process until purchasing goods are imported directly from the supplier country without the involvement of intermediaries, and online direct look after the entire import process.</td>
</tr>
</tbody>
</table>

In determining respondents, *purposive sampling* becomes the technique used in taking the samples. *Purposive sampling* is especially appropriate for samples with consideration-focused skills and experience based on field studies. Furthermore will do interviews and spread questionnaires to the five selected respondents, including two lecturers studying program business international, the procurement manager of PT Telemedika Optical, the export manager of the company export commodity results in earth, and an energy expert field implementation agreement trading international. Through the data obtained from the respondent's expert, PD Linggar Sari decided what it would take. For procurement, he imports material standards for his company.

**Data Processing Techniques**

*Analytical Hierarchy Process (AHP)* is a technique of data processing used in a study of this. The *analytical hierarchy process* (AHP) is a system-supporting decision for elaborating complex problems considering many factors in some form of hierarchy. The purpose of AHP is to come priority from various alternatives complex nature criteria. This method is used as one of the methods for finishing a problem in a structured way. Data analysis using AHP was carried out after collecting the relevant data for the study. Following the stages that will be done, use the *Analysis Hierarchy Process (AHP)*:

1. Defining problems and decisions desired solution

   things first is determining problems that will resolved in a clear and detailed way. After the problem has been determined, the next step is to determine one or several suitable solutions to previously determined problems.

2. Hierarchical Arrangement

   Next, compile objective main as the highest level in something arrangement hierarchy. Next, determine the hierarchical level at which it is located below it. That is, the appropriate criteria for evaluating or considering a number of the alternatives would be given. Every criterion has varying intensities. After there are criteria, determine alternatives.

![Figure 1: Hierarchy for preparing the Analysis Hierarchy Process (AHP)](Source: Idtesis, 2018)
3. Matrix Comparison Pair

The matrix used is simple and has a strong position for framework consistency. Additionally, the matrix is capable of evaluating sensitivity priority in a comprehensive way for change consideration. Influence or contribution relative to each component to objective or the same level of criteria depicted in matrix comparison pair. Thus, matrix comparison will show how vital one element is to the other. Comparison scale pairs and their meaning are as follows:

<table>
<thead>
<tr>
<th>Intensity Interest</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The second element has the same importance, two elements own the same influence: big</td>
</tr>
<tr>
<td>3</td>
<td>One element is more important than other elements</td>
</tr>
<tr>
<td>5</td>
<td>One element is more important than other elements</td>
</tr>
<tr>
<td>7</td>
<td>One element is more essential than the other</td>
</tr>
<tr>
<td>9</td>
<td>One element is more essential than the other</td>
</tr>
<tr>
<td>2, 4, 6, 8</td>
<td>Values between two values adjacent considerations, value This is given if there are two compromises between the two choices</td>
</tr>
<tr>
<td>The opposite</td>
<td>If for activity I get One number compared to activity j, then j has marked the opposite compared with</td>
</tr>
</tbody>
</table>

(source: Supriadi et al., 2018)

If in giving a mark or determination, the respondent is more than one person, then must use geometric mean:

\[ GM = \sqrt[n]{x_1 x_2 ... x_n} \]

Information:
GM: Geometric Mean
X1: 1st Expert
X2: 2nd Expert
Xn: The nth expert

4. Count eigenvalues and determine the priority

Next, every criterion and alternative was compared in accordance with his partner. At this stage, this weight and priority will be calculated using solution equality. Additionally, the eigenvalues will searched and used For test consistency related to existing data counted. In steps, these things are done are:

1) Adding up values from every column in the matrix To get the total of each column's criteria
2) Share every mark from the column with the total of the column in question. To obtain eigenvalues
3) Adding up the eigenvalues of every line
4) Share the amount eigenvalues of each row with the amount element to get priority relative (amount priority relatively must be the same with One)

5. Measure Consistency
The main goal of AHP is ratio consistency with a review of the consistency index. Consistency is expected to approach perfect for creating close to valid decisions. Things are done in step This is:
1) Multiplies the total values in a column first with priority relative element first, continue column second, and so on. Then add up every multiplication To get lambda maximum
2) Calculating the Consistency Index
3) Calculating Consistency ratio
6. CI Equation (Consistency Index)
\[
CI = \frac{\lambda_{maks} - n}{n}
\]
Information:
CI = Consistency Index
n = number element
\lambda_{maks} = \text{Sum results for between result } p

7. CR (Consistency Ratio) equation
\[
CR = \frac{CI}{IR}
\]
Information:
CI = Consistency Index
IR = Random Index
CR = Consistency Ratio

<table>
<thead>
<tr>
<th>n</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>14</th>
<th>15</th>
</tr>
</thead>
<tbody>
<tr>
<td>IR</td>
<td>0.00</td>
<td>0.00</td>
<td>0.58</td>
<td>0.90</td>
<td>1.12</td>
<td>1.24</td>
<td>1.32</td>
<td>1.41</td>
<td>1.45</td>
<td>1.49</td>
<td>1.51</td>
<td>1.48</td>
<td>1.56</td>
<td>1.57</td>
<td>1.59</td>
</tr>
</tbody>
</table>

8. Test Consistency
   For inspection, consistency hierarchy requires ratio consistency (CR). If ratio consistency is \( \geq 10\% \), then considerations that have been made possible are wrong and require repair. However, if the ratio consistency is \( \leq 10\% \), then the results calculation can be stated as Correct.

Results and Discussion
Analysis Seed Raw Material Requirements Sesame PD Linggar Sari
PD Linggar Sari is a small, intermediate hereditary type of home industry family. The company started to stand in 1984, located on Jalan Raya Cikoneng no 404 Rt 10 Rw 03 Cisaray Hamlet, Margaluyu Village Subdistrict Cikoneng, Regency Ciamis and operates in the field production food light, namely Marrie Sesame Cake. Raw materials used in manufacturing products are refined sugar, seeds, sesame, and cake dry. Since the start of the company, it has grown to be one of the main in the industry of food light traditional in Indonesia. When the company starts standing, operational company, this is done by yourself. As time goes by, the company starts recruiting two employees and increasing the development of the company when that marketing is carried out only in the area nearest just.

As it develops, this company will already have 40 employees with monthly power production of as many as 12,000 tickets or 1,200,000 pcs. In the production of sesame Marrie
Cakes every month, PD Linggar Sari uses several material standards, including seed sesame as many as 2 tons, 4000 cartons of Marrie Cakes, and around 100 bags of sugar. Apart from that, marketing is carried out by the company now. It has already developed a penetration in the outside area, even now. This is outside the province.

With a strong commitment to quality and innovative products, Linggar Sari has the trust of customers in various cities and provinces. PD Linggar Sari knows that the product is delicious and of high-quality standards. In production, the company now owns machine support that makes things easier in the package and reproduces production of Marrie Sesame Cake products. That matter reflects the success of the company in fulfilling its needs. Increasingly, consumers will increase the food light tradition. This company plans to increase the production and quality of products for sustainable growth. Target market of product This is the sole and current distributor. Linggar Sari already has a sole distributor. Meanwhile, the market segment targeted by the company is intermediate to lower because food is food traditional. So, the company only thinks about production, not marketing, because managing party marketing is the sole distributor. Because of that, Linggar Sari has a primary focus as well as a period plan for sustainably enhancing quality products with increased components of the production process.

Procurement strategy analysis seed sesame imports to PD Linggar Sari

The Analysis Hierarchy Process (AHP) determines alternative procedures for procuring seed sesame import. The AHP method was applied to the problems experienced by PD Linggar Sari so that the problems could be solved in a structured way. As for the output or the results obtained, the decision to determine an alternative procedure for procurement of seed sesame import can be determined in a way maximum with full consideration based on criteria consideration. Following is a retrieval process decision use related to the Analysis Hierarchy Process (AHP) method alternative procedure procurement seed sesame PD Linggar Sari imports:

1. Drafting hierarchy

![Figure 2Election Hierarchy Procedure Import](image-url)
2. Matrix evaluation competition pair criteria

Table 5 Matrix evaluation comparison criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Ketersediaan Produk</th>
<th>Akses Pemasok</th>
<th>Biaya</th>
<th>Praktis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ketersediaan Produk</td>
<td>1</td>
<td>1,9473</td>
<td>1,9037</td>
<td>0,2988</td>
</tr>
<tr>
<td>Akses Pemasok</td>
<td>0,1986</td>
<td>0,5135</td>
<td>0,3507</td>
<td></td>
</tr>
<tr>
<td>Biaya</td>
<td>0,2988</td>
<td>1,7188</td>
<td>1,8776</td>
<td></td>
</tr>
</tbody>
</table>

Matrix Nilai Perbandingan Berpasangan Kriteria

<table>
<thead>
<tr>
<th>Kriteria</th>
<th>Ketersediaan Produk</th>
<th>Akses Pemasok</th>
<th>Biaya</th>
<th>Praktis</th>
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<td>1,7188</td>
<td>1,8776</td>
<td></td>
</tr>
</tbody>
</table>

Matrix Evaluation Availability product – alternative

Table 6 Matrix evaluation availability product - alternative

<table>
<thead>
<tr>
<th>Ketersediaan Produk</th>
<th>Ketersediaan Produk-Alternatif</th>
<th>Jumlah</th>
<th>Prioritas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Importir Lokal</td>
<td>1</td>
<td>0,6683</td>
<td>0,1906</td>
</tr>
<tr>
<td>Global Marketplace</td>
<td>1,4683</td>
<td>0,5439</td>
<td></td>
</tr>
<tr>
<td>Impor Langsung</td>
<td>1,2847</td>
<td>1,8188</td>
<td></td>
</tr>
</tbody>
</table>

Total 3,781

Geometric Mean

Lamda Max 1,0034
CI 0,0226
IR 0,58
CR 0,0390
4. Matrix evaluation access suppliers – alternatives

Table 7 Matrix evaluation access supplier - alternative

<table>
<thead>
<tr>
<th>Akses Pemasok</th>
<th>Importir Lokal</th>
<th>Global Marketplace</th>
<th>Impor Langsung</th>
<th>Nilai Eigen</th>
<th>Jumlah</th>
<th>Prioritas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Importir Lokal</td>
<td>1</td>
<td>1</td>
<td>0,8441</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global Marketplace</td>
<td>1,2457</td>
<td>1</td>
<td>0,5641</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impor Langsung</td>
<td>1,1847</td>
<td>1,7726</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Table 8 Matrix evaluation cost - alternative

<table>
<thead>
<tr>
<th>Akses Pemasok</th>
<th>Importir Lokal</th>
<th>Global Marketplace</th>
<th>Impor Langsung</th>
<th>Nilai Eigen</th>
<th>Jumlah</th>
<th>Prioritas</th>
</tr>
</thead>
<tbody>
<tr>
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<td>1</td>
<td>1</td>
<td>0,8441</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
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<td>1</td>
<td>0,5641</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impor Langsung</td>
<td>1,1847</td>
<td>1,7726</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Akses Pemasok</th>
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<th>Global Marketplace</th>
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<th>Nilai Eigen</th>
<th>Jumlah</th>
<th>Prioritas</th>
</tr>
</thead>
<tbody>
<tr>
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<td>1</td>
<td>0,8441</td>
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</tr>
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<td></td>
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</tr>
<tr>
<td>Impor Langsung</td>
<td>1,1847</td>
<td>1,7726</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
6. Matrix evaluation practical – alternative

Table 9 Matrix evaluation practical - alternative

<table>
<thead>
<tr>
<th>Alternatif</th>
<th>Hasil</th>
<th>Peringkat</th>
</tr>
</thead>
<tbody>
<tr>
<td>Importir Lokal</td>
<td>0,2690</td>
<td>2</td>
</tr>
<tr>
<td>Global Marketplace</td>
<td>0,2687</td>
<td>3</td>
</tr>
<tr>
<td>Impor Langsung</td>
<td>0,4623</td>
<td>1</td>
</tr>
</tbody>
</table>

Based on 4 criteria, the best alternative for PD Linggar Sari Dalam to procure seed sesame import is the method of import directly with a results mark weight of 0.4623. Rating second is importer local with a mark weight of 0.2690. Rating third is a global marketplace with a mark weight of 0.2687. Import direct becomes the main priority because alternatively, the own mark is the biggest among the 4 factors considered. Thus, alternative imports have become the primary research proposal for PD Linggar Sari.

Corporate Strategy for Procurement Seed Sesame Import

In importing PD, Linggar Sari needs to directly enhance or create a business entity because one person finds the company without existing minimum and adequate capital amount criteria for micro, small, and medium enterprises (MSMEs). The company that I am proposing is an Individual Company. An individual Company (Perorangan PT) is a legal entity founded by only one person without minimum and adequate capital amount criteria for Micro, Small, and Medium Enterprises (Babel Regional Office, 2022) costs For creating an individual company, namely IDR 50,000.

With an Already registered business entity as an Individual Company, the company can register NIB (No Parent Try). The NIB can used if the company wants to do import Because. That matter happened Because according to Minister of Trade Regulation (Permendag) Number 75 of 2018, the current NIB applies as an Identification Number Import (API). Number Parent Undertaking (NIB) is an identity perpetrator business published by the Online Single Submission (OSS) institution. If the perpetrator business Already has NIB, then the perpetrator business can
submit permission for business and permits commercial in accordance with their respective businesses. Also, NIB can be used as a Company Registration Certificate (TDP), Identification Number Import (API), and rights access customs. In the manufacturing process, NIB does not cost anything.

Import direct becomes the alternative that would be proposed for PD Linggar Sari. Import direct is an alternative procedure for procurement material standard import, which refers to the search process until purchase goods are imported directly from the supplier country without an intermediary, and online direct looks after the entire import process. Following is an explanation of the procedure general import process in Indonesia via the INSW portal according to the Ministry of Trading in the Republic of Indonesia (Farida, 2013):

1. Importers look for goods suppliers who will import

2. After the agreement price, the importer opens an L/C at a foreign exchange bank with an attached Sales Contract about things that will imported, then between banks to overseas banks for contact suppliers and happens agreement by the agreement. Fill in the agreed L/C second party

3. Goods from supplier ready for sent to harbor load (Port of Loading) for submitted

4. Supplier sends the fax to importer document Bill of Lading, Invoice, Packing List, and several other documents if required (Certificate quarantine, Form E, Form D, etc.)

5. The original document was sent via Bank / second original to the importer

6. Create/fill out the document Submission Import of Goods (PIB). If the importer has a PIB module and Electronic Data Interchange (EDI) system, it can input and send PIB. However, I do have so, you can contact PPJK (Entrepreneur Customs Services Management) for the input and delivery process of the PIB

7. Import duties, PPH, and other taxes will be incurred and paid, which is known through the PIB that has been made. Apart from that, importers must also include document completeness required in the PIB

8. Importers pay to a foreign exchange bank as big as taxes will be paid added cost Non-Tax State Revenue (PNBP)

9. Banks do sending data to System Computer Online Customs and Excise Services (SKP) via Electronic Data Exchange (PDE) media

10. Importer sends PIB data to SKP Customs and Excise directly online via PDE media

11. PIB data will first be processed on the Indonesia National Single Window (INSW) portal to validate truth-charging PIB documents and verification process-related licensing (Analyzing Point). Lartas (Prohibitions and Restrictions)

12. If there are errors, then PIB will rejected, and the importer must do PIB correction and send repeat return PIB data

13. After the process on the INSW portal is complete then, the PIB data will automatically be sent to SKP Customs and Excise
14. Return PIB documents will be done validation truth charging PIB and Analyzing Point documents in SKP
15. If the data is correct, make the routing
16. If PIB is affected, track green so we can directly issue a Letter of Approval for Releasing Goods (SPPB)
17. If PIB is affected, track red so that the check process is carried out for goods imported by Customs and Excise officers. If the result is Correct, it will exit SPPB; if it is not, so will the penalty by applicable laws.
18. After the SPPB is issued, importers will get a response and do SPPB printing via the PIB module.
19. Items can issued from the harbor, including document original and SPPB.

**Election Strategy Suppliers**

In selecting supplier countries, researchers use information obtained via Trade Map. Trade Map is an online database developed by the International Trade Center (ITC) regarding international statistics, which provides indicators about performance export, request international, alternative markets, and roles competitor Good from corner look product and country (International Trade Center, nd-z). For this, PD Linggar Sari got to do details related to export market share seed sesame and supplier market seed sesame and can identify partner trade potential based on product and place.

Table 11 Top 5 exporting countries of seed sesame all over the world.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Exporters</th>
<th>Value exported in 2022 (USD thousand)</th>
<th>Trade balance in 2022 (USD thousand)</th>
<th>Quantity exported in 2022</th>
<th>Quantity Unit</th>
<th>Unit value (USD/unit)</th>
<th>Annual growth in value between 2018-2022 (%)</th>
<th>Annual growth in quantity between 2018-2022 (%)</th>
<th>Annual growth in value between 2021-2022 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Sudan</td>
<td>578,699</td>
<td>577,787</td>
<td>356,643</td>
<td>Tons</td>
<td>1,623</td>
<td>-8</td>
<td>-10</td>
<td>48</td>
</tr>
<tr>
<td>2</td>
<td>India</td>
<td>421,674</td>
<td>386,214</td>
<td>234,764</td>
<td>Tons</td>
<td>1,796</td>
<td>-7</td>
<td>-7</td>
<td>0</td>
</tr>
<tr>
<td>3</td>
<td>Nigeria</td>
<td>330,547</td>
<td>330,264</td>
<td>297,022</td>
<td>Tons</td>
<td>1,123</td>
<td>8</td>
<td>6</td>
<td>16</td>
</tr>
<tr>
<td>4</td>
<td>Ethiopia</td>
<td>182,546</td>
<td>182,521</td>
<td>107,719</td>
<td>Tons</td>
<td>1,695</td>
<td>-12</td>
<td>-15</td>
<td>-30</td>
</tr>
<tr>
<td>5</td>
<td>Pakistan</td>
<td>148,062</td>
<td>148,062</td>
<td>96,41</td>
<td>Tons</td>
<td>1,536</td>
<td>36</td>
<td>37</td>
<td>-31</td>
</tr>
</tbody>
</table>

Based on the statistical data obtained through Trade Map, PD Linggar Sari recommended choosing a supplier of seed sesame from Nigeria (the Exporter’s 3rd largest for seed sesame). That matters for several reasons: the quality of seed sesame seen from growth value and amount in the 2018-2022 period, few non-tariff requirements (8), and the sector average price for Nigerian seed sesame is affordable enough (International Trade Center, 2022).

Based on information from Indonesia’s National Single Window (INS, Lartastas (Prohibitions and Restriction exists to import seed sesame. The following is Then it is necessary to import seed sesame:

1. Certification Release Quarantine Plant Domestic Between Areas (KT.2)
2. Certificate of Disinfection / Disinfection (KT.9)
3. Report results inspection administrative (KT.13)
Determination Strategy *Incoterms*

The selection of appropriate Incoterms depends on the negotiation importer with the exporter or supplier, location suppliers, transportation used, and rate control desired by the importer. Incoterms side importers have some profitable choices, and they can become options for PD Linggar Sari as an importer. The following are costs and risks in Incoterms 2020:

There are two most common methods used by the perpetrators trading internationally, namely **CIF (Cost, Insurance, and freight)** and **FOB (Free on Board)** (Kristiani, 2022). Based on the data above, the risks and costs that are the most profitable for PD vinegar sari are **Cost, Insurance, and Freight** (CIF). CIF is one of them. *Incoterms* are accepted in a way that is widespread and most frequently used internationally, especially in trades that use track maritime. Reasons why PD Linggar Sari is necessary for using CIF in the procurement of seed sesame import that is relatively risky, security procurement import, and utilization source Power transportation (GuidedImports, 2022).

**Payment Method Determination Strategy International**

![Risk payment diagram]

(Source: Noah, 2019)
Trading internationally owns the risk that causes uncertainty. Good that for exporters (sellers) as well as importers (buyers) in facet time payment and accuracy goods. Following is a proposal election method matching payment for PD Linggar Sari with risks and benefits:

### Table 12: Payment Methods International

<table>
<thead>
<tr>
<th>No</th>
<th>Metode</th>
<th>Resiko / Keuntungan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Importir</td>
</tr>
<tr>
<td>1</td>
<td>Open Account</td>
<td>(+) Pembayaran dilakukan setelah impor tir menerima barang</td>
</tr>
<tr>
<td>2</td>
<td>Letter of Credit</td>
<td>(+) Jaminan barang yang didapatkan sesuai yang disepakati</td>
</tr>
<tr>
<td>3</td>
<td>Documentary Collection</td>
<td>(-) Resiko barang yang diterima tidak sesuai dengan permintaan</td>
</tr>
<tr>
<td>4</td>
<td>Cash in Advance / Advance Payment</td>
<td>(-) Resiko gagal atau terlambatnya pengiriman barang</td>
</tr>
</tbody>
</table>

(Source: Ministry of Trade of the Republic of Indonesia, 2021)

Rakyat Indonesia (BRI) is the author's bank recommended as a party for assisting PD Linggar Sari in looking after international transactions. That matters because of several reasons, including PD Linggar Sari, already has a strong connection with Bank Rakyat Indonesia (BRI) and Bank Rakyat Indonesia (BRI) as the owned bank government the largest in Indonesia and will become the market leader in 2023 Indonesia. That makes BRI own a vast network and guarantees credibility; BRI Bank has service issuance of letters of credit (L/C) in the frame guarantee on base request customers.

As for the provisions in determining the cost of shipping and insurance based on the National Single Window Institute (NSW), if you need more data to be available. Following is a provision related to the cost of shipping and insurance (Lembaga et al.):  

1. For transportation by sea, then the Freight: 5% of FOB (Free on Board) for goods sent from ASEAN countries, 10% of FOB for Asia-Non ASEAN or Australia, and 15% for countries other than both.
2. Whereas transportation is determined based on International Air Transport Association (IATA) Tariffs.
3. Insurance is set at 0.5% of Cost and Freight (CFR) value.

A strategy has been formulated regarding the process of procuring imported sesame seeds from Nigeria which will later be carried out by PD Linggar Sari. The following is a calculation simulation via INSW for procuring imported sesame seeds from Nigeria:
Is known:
FOB: $13,356 (12 tons)
Freight: $2,003.4
Insurance: $76,797
Import duty: 5%
VAT: 11%
PPH: 2.50%

Answer:
CIF = FOB + Freight + Insurance
= $13,356 + $2,003.4 + $76,797
= $15,436.197

Customs Value = CIF x Dollar Exchange Rate
= $15,436.197 x Rp. 15,879
= Rp. 245,111,372,163

Import Value = Customs Value + Import Duty
= Rp. 245,111,372,163 + (5% x Rp. 245,111,372,163)
= Rp. 257,366,940.77115

VAT = VAT Rate x Import Value
= 11% x Rp. 257,366,940.77115
= Rp. 28,310,363,484.8265

PPH Article 22 = Rate of PPh Article 22 x Import Value
= 2.50% x Rp. 257,366,940.77115
= Rp. 6,434,173.51927875

Total costs incurred
= Customs Value + Import Duty + VAT + PPh
= Rp. 245,111,372,163 + Rp. 12,255,568.60815 + Rp. 28,310,363.4848265 + Rp. 6,434,173.51927875
= Rp. 292,111,477.7752553
= Rp. 292,111,477 (12 tons)

Conclusions

Based on the results of data processing and analysis carried out, there are conclusion the following:

1. With a capacity production company per month of as many as 1,200,000 pcs or 12,000 tickets, seed sesame seeds needed by PD Linggar Sari in a period of One month is as much more than 2 tons.

2. Based on an assessment of 4 criteria (availability of product, access to suppliers, costs, and practicality), alternative import directly becomes. The author mainly proposes for PD Linggar Sari Dalam procurement of seed sesame import. Apart from that, based on the data obtained from the International Trade Center, the supplier country used PD Linggar Sari's goal is Nigeria because of competitive quality, few non-tariff requirements (8), and affordable prices. Related to Incoterms, CIF is the best option you can use with its considerations, which are relatively risk small, guaranteed security procurement, and utilization of a transportation company in the national scope. The recommended payment method is open accounts and letters of credit due to the method that can ensure the suitability of imported goods.
Bibliography


