ISSN: 2755-8339

Journal of Business Research and Reports

SCIENTIFIC Research and Community

Research Article

Open Access

Closing the Palm Oil Revenue Gap: A Review of Policy Options to Address Under-Invoicing, Mis-Invoicing, and Transfer Pricing in Indonesia's Palm Oil Exports

Loso Judijanto

IPOSS Jakarta, Indonesia

ABSTRACT

Indonesia's palm oil sector is a strategic source of export earnings, rural employment, downstream industrial development, and fiscal revenue. However, the sector's cross-border trade structure also exposes the country to risks of under-invoicing, trade mis-invoicing, and transfer pricing practices that may erode the tax base, weaken foreign exchange reporting, and reduce the effectiveness of export levy and duty regimes. This article uses a qualitative literature review to synthesise academic studies, international policy guidance, Indonesian regulatory instruments, and comparative country experiences. The review finds that trade mis-invoicing and transfer pricing are conceptually distinct but empirically overlapping in commodity exports, particularly where related-party trading affiliates, offshore intermediaries, quality adjustments, contract timing, and benchmark-price volatility complicate valuation. Evidence from developing economies indicates that the most effective policy response is not a blanket export restriction or rigid administrative pricing regime, but an integrated policy mix combining transaction-level risk analytics, dynamic benchmark price corridors, customs-tax data integration, beneficial ownership disclosure, transfer pricing documentation, advance pricing agreements, post-clearance audits, and cooperative compliance. For Indonesia, the most efficient strategy is a value-chain-sensitive enforcement model that protects fiscal revenue while avoiding disruption to smallholders, mills, refiners, logistics providers, downstream industries, and legitimate exporters. The article recommends establishing a Palm Oil Export Integrity Framework based on risk-based supervision, inter-agency coordination, international information exchange, and proportionate sanctions for proven abuse.

***Corresponding author**

Loso Judijanto, IPOSS Jakarta, Indonesia.

Received: July 02, 2026; **Accepted:** July 07, 2026; **Published:** July 16, 2026

Keywords: Palm Oil Exports, Indonesia, Under-Invoicing, Trade Mis-Invoicing, Transfer Pricing, Commodity Trade Mispricing, Illicit Financial Flows, Customs Valuation, Fiscal Health, Policy Reform

JEL Classification: F13, F14, F23, H26, Q17.

Introduction

Indonesia's palm oil sector occupies a central position in the country's economic structure. It is not merely an agricultural commodity sector, but a complex agro-industrial system connecting smallholders, plantation companies, mills, refiners, exporters, logistics providers, biodiesel producers, oleochemical industries, food processors, and global buyers. Palm oil exports generate foreign exchange, support rural livelihoods, contribute to corporate income tax, and finance sectoral development through export duties and levies. In a country where fiscal capacity remains a central development challenge, the integrity of export valuation in a high-value commodity sector is a matter of public finance, trade governance, and economic sovereignty [1-5].

The fiscal importance of palm oil has become more pronounced as developing countries face persistent pressures to mobilise domestic revenue. International taxation literature shows that developing economies are particularly vulnerable to base erosion and profit shifting because tax administrations often have fewer resources, limited access to comparable data, and weaker capacity to monitor multinational enterprise structures [6,7]. Commodity exporters face an additional challenge: the reported value of exports may be influenced by contractual arrangements, delivery terms, quality specifications, shipping dates, hedging strategies, related-party trading entities, and offshore sales affiliates. These features create legitimate commercial complexity, but they also create opportunities for manipulation [8].

Three related practices are central to this article: under-invoicing, mis-invoicing, and transfer pricing. Under-invoicing refers to the reporting of export values below their true economic value. Mis-invoicing is broader and includes false declaration of value, quantity, quality, origin, product classification, or destination. Transfer pricing refers to pricing in transactions between related parties. Transfer pricing itself is not illegal; multinational enterprises necessarily price goods, services, financing, and intangible assets within corporate groups. The problem arises when transfer prices deviate from the arm's-length principle in ways that shift profits away from the jurisdiction where economic activity and value creation occur [9]. In commodity exports, these three issues often overlap. A palm oil exporter may sell crude palm oil or refined palm products to a related trading affiliate abroad at a price below a comparable independent market price; the affiliate may then resell the commodity to an independent buyer at a higher price. In such a case, the transaction may simultaneously raise customs valuation concerns, transfer pricing risks, and corporate income tax risks [10-17].

Indonesia's policy challenge is therefore not only to detect and punish misconduct. The deeper challenge is to design enforcement institutions that can distinguish fraudulent undervaluation from legitimate commercial variation. Palm oil prices fluctuate in response to global supply, demand, weather, energy prices, vegetable oil substitution, sustainability requirements, freight costs, exchange rates, and policy changes in importing countries. Export prices may differ because of product type, free fatty acid content, moisture, contamination levels, delivery terms, contract dates, shipping delays, refining stages, and buyer requirements. A simple comparison between an export declaration and an international benchmark may identify useful red flags, but it cannot by itself prove mis-invoicing or abusive transfer pricing [18-23].

This article is motivated by the need for a balanced and empirically grounded policy approach. Excessively weak enforcement allows revenue leakage, undermines tax morale, and creates unfair competition between compliant and non-compliant firms. However, excessively blunt enforcement may disrupt the palm oil value chain, delay shipments, depress farm-gate prices, raise compliance costs, and reduce Indonesia's credibility as a reliable supplier. Export bans, rigid reference prices, or heavy pre-shipment controls may appear administratively attractive, but they can generate substantial economic costs if applied broadly. A more effective and efficient approach is likely to be risk-based, data-driven, and targeted [24-32].

The purpose of this article is to develop a holistic policy framework for addressing under-invoicing, mis-invoicing, and transfer pricing in Indonesia's palm oil exports. The article uses a qualitative literature review rather than a systematic literature review. This methodological choice is appropriate because the topic spans several fields: international taxation, customs valuation, trade policy, illicit financial flows, commodity governance, palm oil economics, and public administration. Instead of statistically aggregating a narrow body of homogeneous studies, the article interprets and synthesises diverse evidence to generate policy-relevant insights [33-37].

The central research question is: what policy mix is most effective and efficient for addressing under-invoicing, mis-invoicing, and transfer pricing in Indonesia's palm oil exports without disrupting the palm oil sector from upstream to downstream? To answer this question, the article reviews conceptual literature on trade misinvoicing and transfer pricing, empirical studies on profit shifting and commodity trade mispricing, policy lessons from developing countries, and relevant Indonesian regulatory instruments. The article argues that Indonesia should adopt a Palm Oil Export Integrity Framework based on six pillars: integrated customs-tax-trade data, dynamic benchmark price corridors, transaction-level risk analytics, related-party transaction scrutiny, cooperative compliance for low-risk exporters, and proportionate sanctions for proven abuse [7,39].

The article contributes to academic and policy debates in three ways. First, it clarifies the conceptual relationship between trade misinvoicing and transfer pricing in commodity exports. Second, it links global lessons on illicit financial flows and profit shifting to a specific Indonesian commodity sector. Third, it proposes a policy framework that seeks to protect fiscal revenue while minimising disruption to legitimate palm oil trade and industrial development [7,38-40].

Literature Review

Trade Mis-Invoicing, Under-Invoicing, and Illicit Financial Flows

Trade mis-invoicing has long been discussed as a channel of illicit financial flows, tax evasion, customs fraud, capital flight, and money laundering. It occurs when traders deliberately misstate information in trade documents. The misstatement may concern price, quantity, quality, classification, origin, or destination. Export under-invoicing is one form of mis-invoicing and occurs when the exporter declares a value below the actual transaction value. In commodity-exporting countries, export under-invoicing may reduce export duties, export levies, corporate income tax, and foreign exchange repatriation. It may also allow profits to accumulate abroad rather than being reported in the producing country [38-44].

The literature on illicit financial flows emphasises that trade misinvoicing is difficult to measure precisely. Partner-country or mirror-statistics methods compare export data from one country with import data reported by partner countries. Large discrepancies may indicate misinvoicing, but they may also reflect legitimate differences in valuation methods, insurance, freight, timing, exchange rates, re-exports, data recording, or classification errors [45,46] . More recent studies argue that aggregate trade-gap estimates should be treated as risk indicators rather than direct evidence of illicit flows [36,38,47]. This distinction is particularly important for policy because overestimating mis-invoicing may lead to excessive enforcement, while underestimating it may allow revenue leakage to continue.

Commodity trade mispricing is a specific form of trade misinvoicing. It is especially relevant for countries dependent on natural resources or agricultural commodities. It has been argued that commodity export undervaluation disproportionately harms countries that rely heavily on commodity exports for revenue and foreign exchange [37]. They suggest that purely transaction-based valuation systems may be inadequate where administrative capacity is limited and comparable market data are unavailable. However, they also acknowledge that reference pricing must be carefully designed to avoid arbitrary valuation and disputes [14,36,37].

For Indonesia, this literature suggests that palm oil export mis-invoicing should be approached through a careful evidentiary hierarchy. Aggregate discrepancies between Indonesia's export records and partner-country import records can help identify risks, but enforcement should rely on transaction-level evidence: contracts, invoices, shipping documents, quality certificates, related-party disclosures, payment records, and comparable uncontrolled prices. Such an approach avoids the policy error of treating every statistical discrepancy as fraud [48-52].

Transfer Pricing and Profit Shifting

Transfer pricing is one of the most important issues in international taxation. It refers to the pricing of transactions between related entities within a multinational group. These transactions may include goods, services, financing, intangibles, cost-sharing arrangements, and commodity sales. The internationally accepted principle is the arm's-length principle, which requires related-party prices to be consistent with prices that independent parties would have agreed under comparable circumstances [9].

The academic literature shows that multinational enterprises can shift profits from high-tax to low-tax jurisdictions by manipulating transfer prices, debt allocation, royalty payments, management

fees, and the location of intangible assets [7,53,54]. Developing countries may be more vulnerable because they often lack detailed comparable data, specialised audit teams, and effective international information exchange [55,56]. It has been provided with particularly relevant evidence from South Africa, using transaction-level customs data to show that multinational firms manipulate transfer prices to shift taxable profits to low-tax countries [40]. The importance of Wier's study lies not only in its findings but in its methodology: direct transaction-level data are more informative than aggregate trade gaps.

Transfer pricing in commodity exports creates unique challenges. Commodity transactions are often benchmarked against market prices, but real contracts include adjustments for quality, location, delivery terms, contract date, shipment date, credit terms, volume, and risk allocation. A crude palm oil shipment sold on a cost-and-freight basis cannot be compared mechanically with a benchmark price quoted on a different date or under different terms. Moreover, multinational commodity groups may use centralised trading hubs to manage price risk, logistics, hedging, and customer relationships. These structures may be commercially legitimate, but they can also be used to allocate excessive profits to low-tax trading affiliates [11,57-63].

The literature on anti-profit-shifting regulation indicates that transfer pricing rules can improve revenue mobilisation, but only when they are supported by enforcement capacity. It has been found that transfer pricing rules in developing countries can increase corporate tax revenue [56]. However, the effect depends on legal design, documentation rules, audit capacity, and administrative implementation. This lesson is highly relevant for Indonesia. Formal rules alone are insufficient if tax and customs authorities cannot analyse palm oil transactions, identify comparable prices, and challenge artificial structures[56,64-69].

Customs Valuation, Tax Valuation, and Institutional Coordination
Customs valuation and transfer pricing are related but governed by different legal traditions. Customs authorities typically focus on the value of goods for duty, levy, and trade-control purposes. Tax authorities focus on income allocation and taxable profit. In import cases, customs authorities may have incentives to increase declared values to raise duties, while tax authorities may have incentives to reduce deductible import costs. In export cases, the institutional incentives may be different, especially where export duties, levies, or foreign exchange rules depend on declared values. In both cases, inconsistent valuation approaches can create uncertainty and disputes [13,70-73].

The World Customs Organisation has emphasised the need for cooperation between customs and tax authorities, especially where related-party transactions are involved. Transfer pricing documentation may help customs authorities assess whether declared values were influenced by the relationship between buyer and seller. Conversely, customs data can help tax authorities detect transfer pricing risks. The literature increasingly supports integrated data systems and inter-agency coordination as essential components of modern revenue administration [74,75].

For palm oil exports, customs-tax coordination is particularly important. Export declarations may include HS codes, product descriptions, declared values, quantities, destination countries, exporters, and shipping information. Tax filings include revenue, costs, related-party transactions, margins, and transfer pricing documentation. Financial information may include payment receipts, foreign exchange conversion, bank records, and loan structures. Beneficial ownership information may reveal hidden related-party relationships. If these datasets remain fragmented, enforcement will be reactive and incomplete. If they are integrated, authorities can identify patterns such as repeated low unit values, sales to related affiliates in low-tax jurisdictions, abnormal discounts from benchmark prices, and inconsistencies between export declarations and corporate tax returns [76-81].

Indonesia's Palm Oil Sector and Fiscal Policy
Indonesia's palm oil sector is economically significant because it generates export earnings, employment, investment, and downstream industrial activity. The sector has helped integrate rural regions into national and global markets, although it has also generated environmental, social, and governance controversies. Studies of Indonesian palm oil have examined competitiveness, sustainability, value-chain dynamics, EU trade restrictions, downstream development, and smallholder inclusion [82-85].

From a fiscal perspective, palm oil contributes through several channels. First, companies pay corporate income tax on profits. Second, exports may generate duties and levies depending on price conditions and product categories. Third, palm oil-related economic activity generates VAT, withholding taxes, payroll taxes, land and building taxes, and regional economic multipliers. Fourth, export proceeds contribute to foreign exchange liquidity and macroeconomic stability. Therefore, undervaluation of exports can have effects beyond a single tax instrument [24,86-90].

However, the sector is also politically sensitive. Millions of Indonesians are connected to palm oil production, including independent and plasma smallholders. Blunt enforcement measures may reduce demand for fresh fruit bunches, lower farm-gate prices, slow mill operations, and create uncertainty in export markets. The literature on palm oil policy indicates that export restrictions and sudden regulatory shifts can create unintended consequences, including price volatility and distributional impacts along the value chain [2,5,83,85,91]. Therefore, anti-mispricing policy must be designed with sectoral sensitivity.

Comparative Lessons from Other Countries
International experience offers several lessons for Indonesia. First, transaction-level data matters. South Africa's experience shows that customs data can be used to detect tax-motivated transfer mispricing when linked to firm characteristics and tax information [40]. This supports the use of transaction-level risk analytics rather than broad aggregate assumptions [92,93].

Second, commodity benchmark pricing can be useful but dangerous if applied rigidly. Some Latin American countries have adopted commodity pricing rules, sometimes called "sixth method" approaches, to address underpricing in commodity exports. These rules generally use international benchmark prices to test related-party commodity transactions. The advantage is administrative simplicity and reduced reliance on difficult comparability analysis. The risk is that rigid reference prices may ignore legitimate commercial differences and create disputes [37,94-97].

Third, anti-profit-shifting rules can raise revenue in developing countries, but capacity is decisive. Transfer pricing documentation, country-by-country reporting, and related-party disclosure can improve transparency, but only if authorities can analyse the data and act on risks [56]. Without specialised audit teams, documentation may become a formal compliance exercise rather than an enforcement tool [56,98-101].

Fourth, cooperative compliance can improve efficiency. Large exporters with complex supply chains may need certainty on acceptable pricing methods. Advance pricing agreements, advance customs valuation rulings, and voluntary disclosure programs can reduce disputes and encourage compliance. Such instruments should not replace enforcement; rather, they should allow authorities to concentrate enforcement resources on high-risk cases [102-104].

Fifth, international cooperation is essential. Export under-invoicing often involves counterparties, banks, shipping firms, and affiliates in other jurisdictions. Partner-country import data, exchange of information, mutual administrative assistance, and beneficial ownership transparency can help verify whether declared export values match commercial reality [87,105-107].

Method

This article uses a qualitative literature review methodology. It is not a systematic literature review and does not claim to exhaustively identify, screen, and statistically synthesise all available studies. A qualitative literature review is appropriate when the purpose is to interpret diverse bodies of knowledge, develop conceptual clarity, compare policy experiences, and generate a normative framework for action [33,108]. The research problem examined here spans multiple domains: international taxation, customs valuation, illicit financial flows, trade policy, agricultural economics, palm oil governance, and public administration. A rigid systematic review would risk excluding important policy guidance, legal materials, and institutional evidence that are central to the topic.

The literature was selected based on relevance, credibility, recency, and policy usefulness. Priority was given to peer-reviewed journal articles published mainly from 2020 onward, especially those addressing transfer pricing, profit shifting, trade mis-invoicing, commodity mispricing, customs valuation, and palm oil exports. Foundational older studies were included, as they remain central to the conceptual debate. Institutional sources from the OECD, WCO, UNCTAD, World Bank, and the Indonesian government were used to complement academic literature, particularly for the legal and policy context [33-35].

The review applied thematic synthesis. First, literature was grouped into six themes: conceptual definitions, palm oil sector importance, empirical risk indicators, Indonesian policy instruments, comparative international lessons, and policy design. Second, policy instruments were compared according to five criteria: effectiveness, efficiency, administrative feasibility, legal certainty, and disruption risk. Third, the findings were synthesised into a proposed Palm Oil Export Integrity Framework for Indonesia [33-35].

This methodology has limitations. Because it is not a systematic literature review, it does not use a formal PRISMA-style search protocol or inclusion-exclusion flow diagram. The article also does not estimate the monetary value of palm oil export under-invoicing. Such estimation would require transaction-level customs, tax, contract, and payment data that are not publicly available. Finally, this article treats indications of mis-invoicing and transfer pricing as risk factors rather than proof of wrongdoing. Legal conclusions require evidence, due process, and case-specific investigation [33,35,40].

Results: Thematic Findings

Palm Oil Is Fiscally Strategic but Value-Chain Sensitive

The first thematic finding is that palm oil is fiscally strategic but highly sensitive to policy disruption. The sector contributes to exports, foreign exchange, employment, and downstream industrialisation. It also generates fiscal revenue through corporate income tax, export levies, duties, and indirect tax effects. However, palm oil is not a simple extractive commodity controlled by a small number of firms. It is a broad value chain involving smallholders, plantation firms, mills, refiners, exporters, transporters, biodiesel producers, oleochemical producers, and global buyers. Policy interventions that delay exports or reduce export prices may have cascading effects across the chain [109-113].

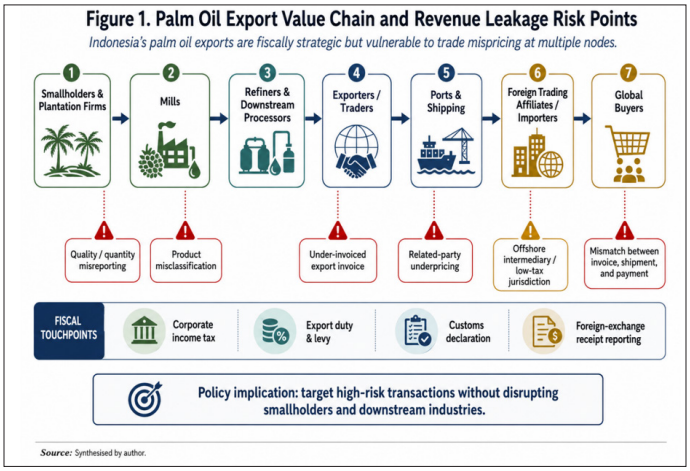

Figure 1: Illustrates why palm oil export integrity cannot be treated merely as a customs valuation problem at the border. The sector is organised as a multi-stage value chain connecting upstream production, milling, refining, trading, shipping, foreign affiliates, and global buyers. Each stage creates legitimate commercial functions, but each also creates specific points where revenue leakage may occur through quality or quantity misreporting, product misclassification, under-invoiced export declarations, related-party underpricing, offshore intermediation, or inconsistencies between invoices, shipments, and payments. The figure therefore clarifies that under-invoicing and transfer pricing risks may arise before, during, and after the formal export transaction [39,82,84,85].

The main policy message from Figure 1 is that enforcement must be value-chain-sensitive. Because fiscal touchpoints include corporate income tax, export duty and levy mechanisms, customs declarations, and foreign-exchange receipt reporting, a narrow agency-by-agency approach may miss the full pattern of risk. At the same time, broad interventions that delay shipments or depress export prices may harm smallholders, mills, processors, and legitimate exporters. The figure supports the article's argument that Indonesia needs targeted supervision of high-risk transactions rather than blunt restrictions on the entire palm oil value chain [40,107,114,115].

This finding implies that anti-mispricing policy must be precise. A blanket export restriction may reduce opportunities for under-invoicing, but it may also harm legitimate exporters and smallholders. Similarly, rigid reference pricing may simplify enforcement but may penalise legitimate commercial arrangements. The most appropriate policy is therefore not maximal enforcement at all costs, but targeted enforcement that distinguishes high-risk transactions from ordinary trade [14,87,116].

Mis-Invoicing and Transfer Pricing Are Distinct but Overlapping

The second thematic finding is that under-invoicing, mis-invoicing, and transfer pricing should be distinguished conceptually but analysed together in practice. Mis-invoicing involves false trade

declarations. Transfer pricing involves related-party pricing. Under-invoicing may occur in independent-party or related-party transactions. However, related-party export underpricing is especially important because it can shift profits from Indonesia to foreign affiliates while reducing export-related fiscal obligations [14,39,117-119].

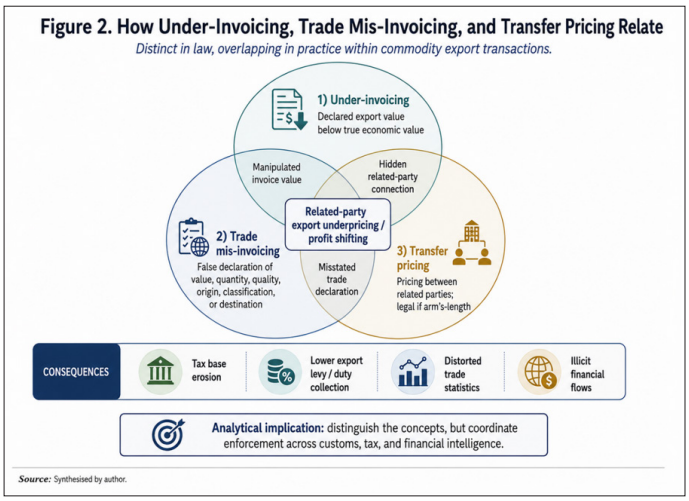

Figure 2: Clarifies the conceptual relationship among under-invoicing, trade mis-invoicing, and transfer pricing. Under-invoicing refers specifically to declaring export value below its true economic value. Trade mis-invoicing is broader because it may involve false declarations of value, quantity, quality, origin, classification, or destination. Transfer pricing, by contrast, refers to pricing between related parties and is not inherently illegal when it follows the arm's-length principle. The figure is useful because it distinguishes these concepts and shows why they frequently overlap in commodity export transactions [9,38,39,120].

The central overlap in Figure 2 highlights related-party export underpricing and profit shifting as the most policy-relevant intersection for this article. In palm oil exports, a transaction may simultaneously involve a manipulated invoice value, a misstated trade declaration, and a related-party pricing structure that shifts profit to a foreign affiliate or low-tax trading hub. This visual distinction helps prevent two analytical errors: treating all transfer pricing as illegal, and treating all trade-value discrepancies as proof of fraud. The figure therefore reinforces the need for coordinated enforcement across customs, taxation, financial intelligence, and corporate ownership registries [7,15,40].

This overlap requires institutional cooperation. Customs authorities may detect abnormal export unit values, while tax authorities may identify low margins or related-party sales. Financial intelligence authorities may observe inconsistencies in export proceeds. Corporate registries may reveal ownership links. No single agency can fully address the problem alone. The result supports a whole-of-government approach [39,41,105,107,121] .

Aggregate Trade Gaps Are Useful Red Flags but Weak Evidence

The third thematic finding is that mirror statistics and unit value comparisons are useful for risk screening but insufficient for enforcement. Differences between Indonesia's export records and partner-country import records may reflect under-invoicing, but they may also reflect CIF-FOB valuation differences, freight, insurance, timing, re-exports, statistical treatment, HS code differences, exchange rates, or data errors. Similarly, a shipment priced below a benchmark may reflect quality differences, contract timing, volume discounts, delivery terms, or hedging arrangements [14,122-124].

Therefore, enforcement should rely on transaction-level analysis. Authorities should examine contracts, invoices, bills of lading, quality certificates, payment records, related-party agreements, and market prices on the relevant pricing date. This approach is more administratively demanding, but it reduces false positives and strengthens legal defensibility [125-127].

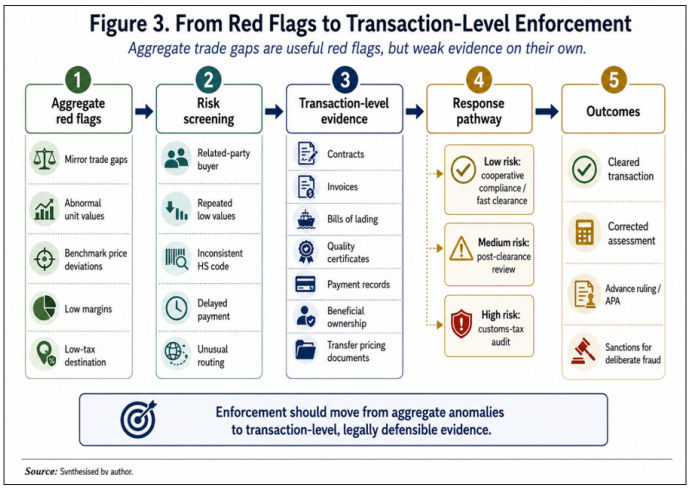

Figure 3: Presents the evidentiary pathway from aggregate red flags to legally defensible enforcement. Aggregate indicators such as mirror-trade gaps, abnormal unit values, benchmark price deviations, low margins, or exports to low-tax destinations can help authorities identify suspicious patterns. However, these indicators are not sufficient on their own because they may also reflect legitimate commercial differences, including contract timing, quality variation, freight costs, delivery terms, product specifications, or statistical recording differences. The figure therefore shows why red flags should initiate risk screening rather than automatically trigger penalties [40,107,123,124].

The figure further demonstrates that enforcement should progress toward transaction-level evidence. Contracts, invoices, bills of lading, quality certificates, payment records, beneficial ownership data, and transfer pricing documents are needed to determine whether a transaction reflects legitimate commercial pricing or deliberate undervaluation. By distinguishing low-, medium-, and high-risk response pathways, Figure 3 supports a proportionate enforcement model: compliant exporters can receive fast clearance or cooperative compliance treatment, uncertain cases can be reviewed after clearance, and high-risk cases can be escalated to customs-tax audits or sanctions when deliberate abuse is proven [40,107,126,127].

Indonesia Has Important Instruments but Needs Stronger Integration

The fourth thematic finding is that Indonesia already has relevant instruments, but their effectiveness depends on integration. Transfer pricing rules require related-party transactions to follow the arm's-length principle and require documentation. Customs systems collect export declarations. Export levy mechanisms use reference prices. Beneficial ownership and financial reporting rules can support transparency. However, these instruments may operate in silos [128-132].

The key policy gap is not necessarily the absence of rules, but the lack of integrated risk intelligence. A high-risk palm oil export transaction may be visible only when multiple data points are combined: low declared export price, related-party buyer, offshore trading jurisdiction, abnormal margin, delayed export proceeds, unusual contract terms, and repeated discrepancies across shipments. Without integrated data, each agency may see only part of the pattern [131-136].

Global Lessons Support a Hybrid Enforcement Model

The fifth thematic finding is that international experience supports a hybrid model. Effective systems combine benchmark screening, transaction-level audit, transfer pricing documentation, international information exchange, cooperative compliance, and proportionate sanctions. No single instrument is sufficient. Benchmark pricing without audit capacity may become arbitrary. Audit capacity without data integration may be inefficient. Documentation without enforcement may become symbolic. Sanctions without certainty may discourage investment [137-139].

For Indonesia, the best model is a calibrated framework. Low-risk exporters should receive certainty and fast clearance. Medium-risk transactions should be monitored and may be subject to documentation requests. High-risk transactions should be audited using integrated customs-tax data. Proven intentional abuse should face strong sanctions [120,140-145].

Discussion and Analysis

Evaluating Policy Options

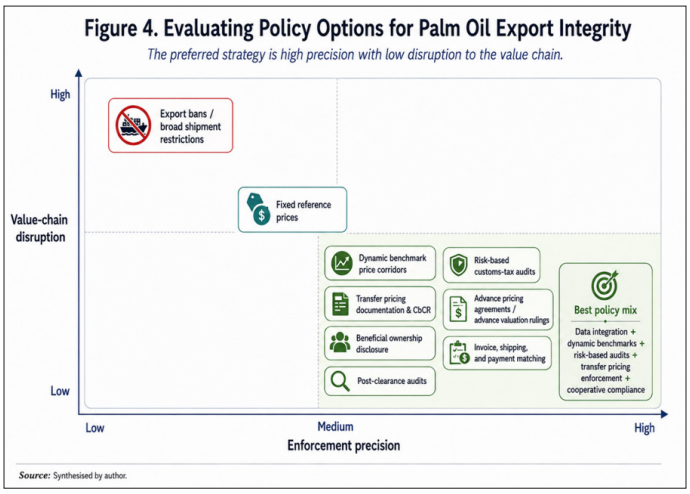

Figure 4: Compares the main policy instruments according to two dimensions: enforcement precision and value-chain disruption. The figure shows why broad export bans or shipment restrictions may be administratively visible but inefficient, because they impose high disruption while offering limited precision. Fixed reference prices occupy an intermediate position because they may simplify screening but can also ignore legitimate commercial variation across product type, quality, contract date, delivery term, and destination. The figure therefore provides a visual basis for evaluating policy options before the manuscript discusses each instrument in detail [37,85,114,115].

The preferred policy space is the high-precision and low-disruption quadrant. Instruments located in this area include dynamic benchmark price corridors, risk-based customs-tax audits, transfer pricing documentation, beneficial ownership disclosure, post-clearance audits, invoice-shipping-payment matching, and advance pricing or customs valuation rulings. The figure reinforces the article's argument that Indonesia should not rely primarily on blunt restrictions or rigid administrative pricing. Instead, the most efficient policy mix is one that integrates data, screens transactions dynamically, prioritises high-risk cases, strengthens transfer pricing enforcement, and offers cooperative certainty to compliant exporters [40,56,103,107,115].

Export Bans and Shipment Restrictions

Export bans and broad shipment restrictions are administratively visible but economically costly. They may temporarily prevent suspicious exports, but they also disrupt legitimate trade. In the palm oil sector, export disruption can affect smallholder incomes, mill operations, refinery utilisation, port logistics, and buyer confidence. Such measures should be reserved for exceptional emergencies, not used as the main anti-mispricing instrument. From an efficiency perspective, broad restrictions impose costs on compliant firms and may reduce state revenue by lowering export volumes [114,146-,149].

Fixed Reference Prices

Fixed reference prices can reduce discretion and help authorities detect undervaluation. However, if reference prices are applied mechanically, they may ignore legitimate commercial variation. Palm oil products differ by type, quality, refining stage, contract date, delivery terms, and destination. A fixed price may be too high for some legitimate transactions and too low for others. Therefore, reference prices should function as screening tools rather than automatic evidence of wrongdoing [36,37,63].

Dynamic Benchmark Price Corridors

A dynamic benchmark price corridor is more appropriate than a fixed reference price. Such a corridor would use international prices, Indonesian reference prices, product categories, quality adjustments, Incoterms, freight, insurance, contract timing, shipment date, and destination-specific factors. Transactions outside the corridor would not automatically be penalised, but they would be flagged for review. This approach balances enforcement and flexibility [37,63,115].

Risk-Based Customs-Tax Audits

Risk-based audits are likely to be the most effective and least disruptive instrument. Instead of checking every shipment equally, authorities should prioritise transactions with multiple risk indicators: related-party buyer, low-tax jurisdiction, abnormal discount, repeated low unit values, inconsistent product classification, delayed payment, or mismatch between export values and corporate tax margins. Risk-based audits allow compliant exporters to continue operating smoothly while focusing enforcement resources on high-risk cases [40,107,115].

Transfer Pricing Documentation and Country-by-Country Reporting

Transfer pricing documentation is essential for related-party palm oil exports. Exporters selling to foreign affiliates should explain pricing methods, comparability analysis, functional profiles, risk allocation, and profit allocation. Country-by-country reporting can help identify whether profits are disproportionately located in jurisdictions with limited substance. However, documentation rules are effective only when authorities can analyse them. Indonesia should therefore invest in specialised commodity transfer pricing teams [9,56,101,131].

Advance Pricing Agreements and Advance Valuation Rulings
Advance pricing agreements can provide certainty for large exporters with recurring related-party transactions. They reduce disputes by agreeing in advance on acceptable pricing methods. Similarly, advance customs valuation rulings can clarify how customs values should be determined. These instruments are efficient because they reduce litigation and allow authorities to focus on non-cooperative taxpayers. However, they must be transparent, technically rigorous, and periodically reviewed [9,102,103,137].

Beneficial Ownership Disclosure
Beneficial ownership transparency is crucial because related-party risks may be hidden behind trading companies, nominees, or offshore structures. Exporters should disclose foreign affiliates, beneficial owners, and related trading intermediaries. Such disclosure helps authorities determine whether a nominally independent buyer is actually connected to the exporter. This is especially important in commodity trading networks where goods may pass through hubs before reaching final consumers [105,128,130].

Real-Time Invoice, Shipping, and Payment Matching
Digital matching of invoices, customs declarations, shipping documents, and bank receipts can significantly improve compliance. If declared export values do not match payment receipts or contract terms, authorities can investigate. This does not require delaying every shipment. Instead, data can be analysed after clearance through post-clearance audit systems. Over time, digital integration can reduce both fraud and compliance burdens [115,126,127].

Proposed Palm Oil Export Integrity Framework
This article proposes a Palm Oil Export Integrity Framework consisting of seven pillars as illustrated in Figure 5.

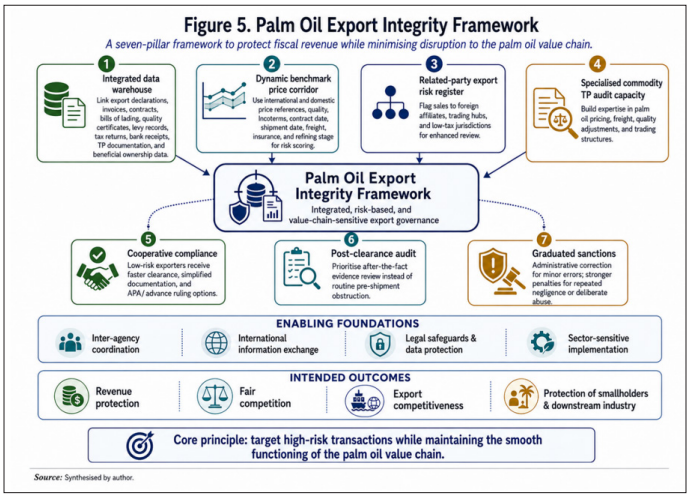

Figure 5: Illustrates the proposed Palm Oil Export Integrity Framework as an integrated policy architecture rather than a list of disconnected instruments. The framework brings together seven mutually reinforcing pillars: an integrated export data warehouse, dynamic benchmark price corridors, a related-party export risk register, specialised transfer pricing audit capacity, cooperative compliance and certainty mechanisms, post-clearance audit as the default enforcement mode, and graduated sanctions. By presenting these pillars in one diagram, the figure helps readers understand that the recommended policy response depends on coordination, sequencing, and institutional complementarity [9,37,40,103].

The figure also clarifies the enabling foundations of the framework. Inter-agency coordination, legal safeguards, data protection, and international information exchange are not peripheral issues; they are necessary conditions for effective implementation. Without data integration, benchmark screening may be superficial. Without specialised audit capacity, transfer pricing documentation may become a formal compliance exercise. Without cooperative compliance, legitimate exporters may face excessive uncertainty. Figure 5 therefore supports the central proposition that revenue protection and export competitiveness can be pursued together through a calibrated and evidence-based integrity framework [9,102,115,121].

The Palm Oil Export Integrity Framework consists of seven pillars as follows.
First, Indonesia should create an integrated palm oil export data warehouse. This system should link export declarations, invoices, contracts, bills of lading, quality certificates, export levy records, tax returns, transfer pricing documentation, bank payment records, and beneficial ownership data. Access should be governed by legal safeguards, audit trails, and data protection rules [107,115,121].

Second, Indonesia should establish a dynamic benchmark price corridor for palm oil products. The corridor should be based on international prices, domestic reference prices, product type, quality, Incoterms, contract date, shipment date, freight, insurance, and refining stage. The corridor should be used for risk scoring, not automatic reassessment [36,37,63].

Third, authorities should develop a related-party export risk register. Exporters selling to foreign affiliates, trading hubs, or low-tax jurisdictions should be subject to enhanced documentation requirements. However, enhanced monitoring should not imply wrongdoing. It should simply reflect a higher risk [7,9,15].

Fourth, Indonesia should strengthen specialised transfer pricing audit capacity for commodity exports. Auditors need expertise in palm oil markets, commodity pricing, derivatives, freight, quality adjustments, related-party trading structures, and financial analysis. General tax audits may not be sufficient for complex commodity pricing cases [40,56,101].

Fifth, Indonesia should expand cooperative compliance. Low-risk exporters should receive faster clearance, simplified documentation, and opportunities for advance pricing agreements. This encourages voluntary compliance and reduces administrative burdens [102,103,115].

Sixth, enforcement should rely on post-clearance audits rather than routine pre-shipment obstruction. Post-clearance audits allow trade to continue while giving authorities time to analyse complete data. This is crucial for avoiding disruption in a time-sensitive commodity sector [107,115].

Seventh, Indonesia should apply graduated sanctions. Minor documentation errors should be corrected through administrative mechanisms. Repeated negligence should trigger penalties. Deliberate under-invoicing, forged documents, hidden related-party structures, or fraudulent profit shifting should face strong sanctions, including reassessment, fines, license consequences, and criminal investigation where legally justified [27,28,32].

Protecting the Palm Oil Value Chain
A well-designed policy must protect fiscal revenue and the palm oil value chain simultaneously. Smallholders are particularly

vulnerable to price shocks. If enforcement delays exports or reduces mill demand, smallholders may face lower fresh fruit bunch prices. Therefore, enforcement should target exporters and corporate structures rather than impose costs indiscriminately on upstream producers [82,84,114].

Downstream industries also require stability. Indonesia has invested in refining, oleochemicals, food processing, and biodiesel. Excessive uncertainty in export valuation may discourage downstream investment or reduce competitiveness. A dynamic benchmark corridor and advance pricing agreements can provide certainty while maintaining enforcement [85,110,150].

Legitimate exporters should not be treated as suspects by default. Compliance programs should differentiate between firms with transparent documentation and those with opaque structures. This creates incentives for good behaviour. Firms that disclose related-party arrangements, maintain robust documentation, and align prices with market benchmarks should benefit from reduced audit intensity [102,103,115].

International Cooperation

Because palm oil exports are cross-border transactions, domestic enforcement is not enough. Indonesia should strengthen international exchange of information with major importing countries and trading hubs. Partner-country import data can help verify export declarations. Tax treaty networks and mutual administrative assistance can support transfer pricing audits. Customs cooperation can help identify re-exports, transhipment, and destination changes. Beneficial ownership exchange can reveal hidden related-party structures [9,11,107,121].

Indonesia should also engage with international standard-setting institutions while preserving policy space. OECD transfer pricing guidance provides a global framework, but Indonesia must adapt it to the realities of commodity exports and developing-country administration. WCO guidance can help align customs valuation and transfer pricing analysis. UN and World Bank materials can support developing-country perspectives on illicit financial flows and revenue mobilisation [9,11,121,151].

The Most Effective and Efficient Policy Mix

According to the literature, the most effective and efficient policy mix for Indonesia comprises five mutually reinforcing instruments. The first is data integration. Without integrated data, enforcement remains fragmented. The second is dynamic benchmark screening. Without benchmark tools, authorities cannot efficiently identify abnormal prices. The third is a risk-based post-clearance audit. Without a targeted audit, enforcement is either too weak or too disruptive. The fourth is transfer pricing enforcement for related-party exports. Without transfer pricing capacity, profits may be shifted through foreign trading affiliates. The fifth is cooperative compliance. Without certainty mechanisms, legitimate exporters may face excessive compliance costs and disputes [40,56,103,115]. This policy mix is superior to blanket restrictions because it focuses on the source of the problem: high-risk transactions and artificial pricing structures. It is also superior to purely voluntary compliance because it includes credible enforcement. It balances deterrence and facilitation, revenue protection and trade competitiveness, fiscal sovereignty and value-chain stability [37,103,114].

Conclusion and Policy Recommendations

This article has reviewed literature on under-invoicing, trade mis-invoicing, transfer pricing, commodity trade mispricing, customs valuation, and palm oil export governance. It finds that Indonesia's palm oil sector is fiscally strategic but policy-sensitive. The sector supports exports, foreign exchange, employment, rural livelihoods, and downstream industrial development. At the same time, its cross-border trade structure exposes Indonesia to risks of undervaluation and profit shifting.

The key conclusion is that Indonesia should not rely on blunt export restrictions or rigid administrative pricing as the main response to under-invoicing, mis-invoicing, and transfer pricing. Such tools may appear simple, but they can disrupt legitimate trade and harm the value chain. The better approach is a risk-based, data-driven, and integrated enforcement model.

The article recommends seven policy actions. First, establish a Palm Oil Export Integrity Task Force involving tax, customs, trade, finance, plantation, statistics, port, and financial intelligence authorities. Second, build a palm oil transaction data warehouse linking export declarations, invoices, contracts, shipping documents, quality certificates, bank receipts, beneficial ownership data, and tax filings. Third, adopt a dynamic benchmark price corridor for palm oil products, using reference prices as risk indicators rather than automatic taxable values. Fourth, strengthen transfer pricing audits for related-party palm oil exports, especially those involving foreign trading affiliates and low-tax jurisdictions. Fifth, expand advance pricing agreements and advance customs valuation rulings for compliant exporters. Sixth, prioritise post-clearance audits to avoid shipment disruption. Seventh, apply graduated sanctions, with strong penalties for proven deliberate abuse and simplified correction mechanisms for minor errors.

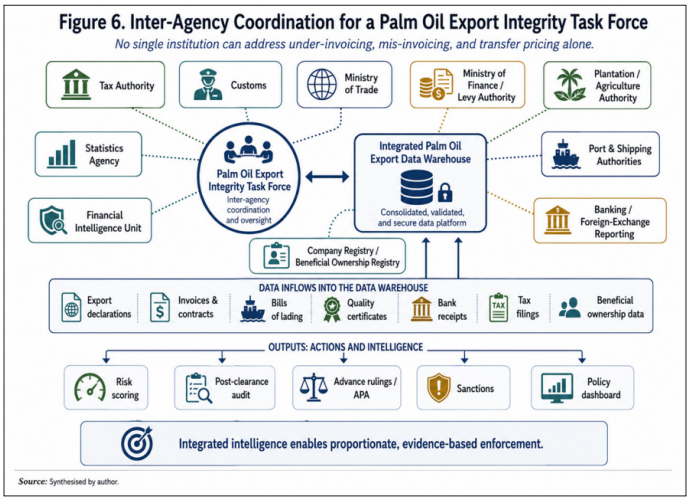

Figure 6: Visualises the institutional coordination required to operationalise the article's policy recommendations. Under-invoicing, trade mis-invoicing, and transfer pricing cannot be addressed by a single institution because the relevant evidence is distributed across customs declarations, tax filings, invoices, contracts, bills of lading, quality certificates, bank receipts, foreign-exchange reporting, and beneficial ownership records. The figure therefore places the Palm Oil Export Integrity Task Force and the integrated data warehouse at the centre of the enforcement system, connected to tax, customs, trade, finance, agriculture, statistics, port, banking, and financial intelligence authorities.

The figure also shows how integrated intelligence can translate into concrete enforcement outputs. A coordinated task force can support risk scoring, post-clearance audits, advance rulings or advance pricing agreements, sanctions for proven abuse, and policy dashboards for monitoring systemic risks. This structure is

important because it allows Indonesia to move beyond fragmented agency responses toward proportionate, evidence-based enforcement. Figure 6 therefore provides a practical institutional bridge between the article's analytical findings and its concluding recommendation to protect fiscal revenue without undermining legitimate palm oil export competitiveness.

The broader lesson is that fiscal protection and export competitiveness are not mutually exclusive. A well-designed integrity framework can increase revenue, improve tax fairness, protect compliant firms, and maintain Indonesia's position in global palm oil markets. The ultimate objective should not be to slow palm oil exports, but to ensure that the economic value generated by Indonesia's land, labour, infrastructure, and industrial capacity is fairly reported and appropriately taxed in Indonesia.

References

1. Ben Gunawan W (2025) Elucidating Indonesia's palm oil supply chain trends: A bibliometric approach. J Sustain. Soc. Eco-Welfare 3: 120.
2. Pasaribu AP (2025) Strengthening Indonesia's sustainable palm oil policy: Addressing climate change and enhancing global market integration. J Sustain Soc Eco-Welfare 3: 64–84.
3. Judijanto L (2026) Navigating economic resilience and transformation: Challenges and opportunities for Indonesia's palm oil industry from upstream to downstream in 2026. Eur J Manag Econ Bus 3: 28-48.
4. IPOSS (2026) 2026 Palm Oil Outlook. Jakarta.
5. Judijanto L (2026) Navigating uncertainty: Palm oil sector outlook for 2026 through the lens of smallholder welfare and sustainability imperatives. Rev Geopolítica 17: 1386.
6. Johannesen N, Tørsløv T, Wier L (2020) Are less developed countries more exposed to multinational tax avoidance? Method and evidence from micro-data. World Bank Econ Rev 34: 790-809.
7. Garcia-Bernardo J, Janský P (2024) Profit shifting of multinational corporations worldwide. World Dev 177: 106527.
8. Zhang S, Chen Z, Chen Y, Yang S (2025) The structure and influencing mechanisms of the global palm oil trade: A complex network perspective. Sustainability 17: 3062.
9. OECD (2022) OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations.
10. Rasiah R, Shahrin A (2006) Development of palm oil and related products in Malaysia and Indonesia.
11. WCO (2018) WCO Guide to Customs Valuation and Transfer Pricing.
12. Courts of Indonesia (2023) Indonesia vs PT Pacific Palmindo Industri, Supreme Court, Case No. 1396/B/PK/Pjk/2023.
13. Cousineau HM, Lostumbo N, Renieblas P (2026) The interaction of customs value and transfer pricing. International Tax Review.
14. Henmaidi (2026) Membaca indikasi trade misinvoicing ekspor CPO Indonesia.
15. Barokah Z, Sari NN (2024) Cross-border related party sales, tax avoidance, and tunneling: Regulatory impacts on Indonesian manufacturing companies. Indones J Account Res 27: 307-334.
16. Siwi AA (2026) Indonesia finds transfer pricing at all top 10 palm oil exporters. Jakarta Globe.
17. OFI (2026) Indonesian higher palm oil export levies come into effect and government maintains ban on POME and UCO exports. Oil & Fats International.
18. Suwarno W (2019) The challenge of Indonesian diplomacy against palm oil discrimination. J Ilm Hub Int 15: 197-212.
19. Putri EIK (2022) The oil palm governance: Challenges of sustainability policy in Indonesia. Sustainability 14: 1820.
20. Gumiwang R (2026) Kemenkeu usut dugaan manipulasi transfer pricing ekspor CPO. DDTC News.
21. Transmodal (2026) Too Good to Be True – A Detailed Look at When DDP Becomes a Compliance Risk.
22. Ziaun D (2026) Transfer pricing and advance pricing agreements in Indonesia.
23. Gundemir E, Refandi A (2026) Transfer pricing in Indonesia for foreign businesses.
24. Nasir MA, Qoriah CG, Indrawati Y, Wardhono A, Wicaksono S (2012) Tax policy on exports of crude palm oil products in Indonesia: Challenges and dilemmas. Proc ICAM - Int Conf Agribus Mark 1: 707-720.
25. Yefany H, Barus A (2026) Plantation - May26: Indonesia's policy shift weighs MY export as price discount widen. IPOTNews.
26. Info Sawit (2026) Indonesia tightens palm oil export rules through new strategic commodity regulations. Info Sawit English.
27. Widuri R, Mangoting Y, Sadjiarto A, Stephanus T (2023) Preventing tax evasion: The moral strength of taxpayers and the power of tax authorities. J Akunt dan Keuang 25: 91-100.
28. Dahlan A, Chandrarin G, Triatmanto B (2024) Understanding tax morale: A critical review of its impact on compliance and policy. KnE Soc Sci: 493-517.
29. Pandoyo (2025) Tax avoidance and evasion: Trends, challenges, and policy solutions. Sinergi Int J Account Tax 3: 54-66.
30. Oktris L, Muktiasih I, Azhar Z (2024) Understanding of taxation, taxpayer morality, and tax compliance in Indonesia: The importance of tax awareness. AKRUAL J Akunt 16: 1-14.
31. Nur F (2024) Optimization of law enforcement against tax crimes in Indonesia. Innov J Soc Sci Res 4: 2963-2977.
32. Ear A, Hamzah MZ, Sofilda E (2026) Selective law enforcement and tax revenue recovery: A systematic literature review and bibliometric analysis. J Math Instr Soc Res Opin 5.
33. Snyder H (2019) Literature review as a research methodology: An overview and guidelines. J Bus Res 104: 333-339.
34. Paul J, Criado AR (2020) The art of writing literature review: What do we know and what do we need to know? Int Bus Rev 29: 101717.
35. Kraus S (2022) Literature reviews as independent studies: Guidelines for academic practice. Rev Manag Sci 16: 2577-2595.
36. Ahene-Codjoe AA, Alu AA, Mehrotra R (2022) Abnormal pricing in international commodity trading: Evidence from Ghana. Int Econ 172: 331-348.
37. Musselli I, Bürgi Bonanomi E (2022) Countering commodity trade mispricing in low-income countries: A prescriptive approach. J Int Econ Law 25: 447-463.
38. Forstater M (2018) Illicit Financial Flows, Trade Misinvoicing, and Multinational Tax Avoidance: The Same or Different?
39. Rusydi MK, Irianto G, Achsin M (2023) Value chains and illicit financial flows from trade misinvoicing: Indonesia-Singapore. JAM J Apl Manaj 21: 478-489.
40. Wier L (2020) Tax-motivated transfer mispricing in South Africa: Direct evidence using transaction data. J Public Econ 184: 104153.
41. Choi YS (2018) Illicit Financial Flows via Trade Mis-invoicing: Study Report 2018.
42. Tran QP (2024) Is remittance cost a driver of trade misinvoicing? A case study of Vietnam. J Econ Dev 26: 362-382.

43. Majid S, Fahad M, Aziz A (2026) Trade misinvoicing, customs enforcement, and capital flight: An empirical law and economics analysis of revenue leakage in emerging economies. Int J Soc Sci Bull 4: 98-122.
44. Cardamone T (2026) Trade-Related Illicit Financial Flows in Developing Europe (2013-2022).
45. Nitsch V (2016) Trillion-Dollar Estimate: Illicit Financial Flows from Developing Countries.
46. Cobham A, Jansky P (2020) Estimating Illicit Financial Flows: A Critical Guide to the Data, Methodologies, and Findings.
47. Mehrotra R, Carbonnier G (2021) Abnormal pricing in international commodity trade: Empirical evidence from Switzerland. Resour Policy 74: 102352.
48. Yulismi, Siregar H (2007) Determinant factors of Indonesia palm oil export to major importing countries: An error correction model analysis. Econ Financ Indones 55: 63-88.
49. Pratiwi IE (2021) The predictors of Indonesia's palm oil export competitiveness: A gravity model approach. J Int Stud 14: 250-262.
50. INP (2026) Finance minister reports export value manipulation to president.
51. Damayanti I, Hadyan R (2026) Indonesia targets major palm oil producers over alleged under-invoicing. Nikkei Asia.
52. Kurmala A (2026) Govt considers sanctions for companies suspected of trade misinvoicing. Antara News.
53. Dharmapala D (2014) What do we know about base erosion and profit shifting? A review of the empirical literature. Fisc Stud 35: 421-448.
54. Beer S, de Mooij R, Liu L (2020) International corporate tax avoidance: A review of the channels, magnitudes, and blind spots. J Econ Surv 34: 660-688.
55. Fuest C, Hugger F, Neumeier F (2022) Corporate profit shifting and the role of tax havens: Evidence from German country-by-country reporting data. J Econ Behav Organ 194: 454-477.
56. Laudage Teles S, Riedel N, Strohmaier K (2024) On the effects of anti-profit shifting regulations: A developing country perspective. J Public Econ 235: 105134.
57. Babalola WA, Oyedokun GE (2026) Transfer pricing in the oil and gas industry: Unique challenges and considerations. JAT J Account Tax 6: 55-70.
58. de Sá RC (2014) Developments regarding the transfer pricing method for exports of commodities. Int Transf Pricing J 22.
59. Suparman RA (2026) Tinjauan kritis praktik transfer pricing berdasarkan pedoman OECD: Batasan legalitas, substansi ekonomi, dan mitigasi penggeseran laba.
60. HLB (2026) Transfer Pricing Documentation: Indonesia.
61. Hall D, Groom M, Kanashev D (2002) Contracts. In: Oil Trading Manual: A Comprehensive Guide to Oil Markets. Woodhead Publishing.
62. Monsalve JR (2026) Transfer pricing and commodities.
63. Viola A (2023) Determining the Price of Minerals: A Transfer Pricing Framework.
64. Irawan F, Taha R (2025) A comparative analysis of transfer pricing regulation in Indonesia and Malaysia. Educoretax 5: 1422-1431.
65. Mediaty M, Usman A, Ashar M, Fitriani F (2025) Profit shifting through transfer pricing: A systematic review on its influence on corporate tax aggressiveness. J Account Financ Manag 6: 760-773.
66. Besdy, Pony, Abraham, Sitompul A (2024) Comparison of transfer pricing methods and their application in disputed tax cases in Indonesian courts. LPJ Leg Preneur J 2: 197-205.
67. TPC (2026) A Valuable Lesson from PT WCI's Legal Defeat: Why Uniform Profit Margins with Affiliates Lead to Tax Court Failures?
68. Azis A, Chandra H, Utama R, Poernomo A, Lie H, et al. (2024) New and Streamlined Transfer Pricing Rules.
69. Jakfar, Nuraini F (2025) Transfer pricing and tax avoidance: A narrative review of global strategies and regulatory challenges. Sinergi Int J Econ 3: 97-107.
70. Bulana O (2015) Transfer pricing and customs valuation: Key differences and mitigation of potential risks.
71. Atci M (2020) Transfer pricing and customs valuation overlap: Is it possible to bridge two worlds? Gazi J Econ Bus 6: 71-85.
72. D'Angelo G, et al. (2023) Interplay between customs valuation and transfer pricing in the European Union: General observations and administrative practices in four countries after the Hamamatsu case. World Cust J 17: 5-32.
73. Erawan EB, Riswadi (2025) Customs valuation disputes in export-import: Evaluating objection and appeal procedures for business certainty. GIJLSS Greenation Int J Law Soc Sci 3: 1005-1014.
74. Rbehat AM, Marafi HB (2024) The role of customs process in facilitating international trade. Saudi J Bus Manag Stud 9: 7-14.
75. Cantens T, Ireland R, Raballand G (2015) Introduction: Borders, informality, international trade and customs. J Borderl Stud 30: 365-380.
76. OECD (2010) The Economic Impact of Export Restrictions on Raw Materials.
77. Xeinadin (2026) Decoding the Complexities of Cross-Border Taxation for Multinational Businesses.
78. XTransfer (2026) How Export Declaration Forms Simplify Logistics Processes.
79. Maruf E (2026) Indonesia offers 0% income tax for exporters keeping export proceeds in domestic banks. Jakarta Globe.
80. Cahyoputra LAL (2026) Indonesia maintains palm oil export rules despite Danantara shift. Jakarta Globe.
81. Febriana AR (2026) Indonesia blocks illegal CPO export worth Rp 28.7 billion. Jakarta Globe.
82. Purnomo H (2020) Reconciling oil palm economic development and environmental conservation in Indonesia: A value chain dynamic approach. For Policy Econ 111: 102089.
83. Rifin A, Feryanto, Herawati, Harianto (2020) Assessing the impact of limiting Indonesian palm oil exports to the European Union. J Econ Struct 9.
84. Qaim M, Sibhatu KT, Siregar H, Grass I (2020) Environmental, economic, and social consequences of the oil palm boom. Annu Rev Resour Econ 12: 321-344.
85. Tandra H, Suroso AI (2023) The determinant, efficiency, and potential of Indonesian palm oil downstream export to the global market. Cogent Econ Financ 11: 2189671.
86. Palm Oil Magazine (2026) Indonesia adjusts palm oil export levy to strengthen sustainable plantations and energy self-sufficiency.
87. Palm Oil Magazine (2026) Minister Purbaya uncovers export manipulation in palm oil sector, 10 companies flagged for severe under-invoicing.
88. Kalsum U, Djamil N, Nirmala T, Wifasari S, Andaningsih IR (2025) The effect of global commodity price volatility on Indonesia's trade balance. Nomico 2: 1-7.
89. Cadman T, Sarker T, Muttaqin Z, Nurfatriani F, Salminah M, et al. (2019) The role of fiscal instruments in encouraging the private sector and smallholders to reduce emissions from deforestation and forest degradation: Evidence from Indonesia. For Policy Econ 108: 101913.
90. Falconer A, Mafira T, Sutiyono G (2015) Improving Land Productivity Through Fiscal Policy: Early Insights on

Taxation in the Palm Oil Supply Chain.
91. Irawan NC, Mahananto, Supriyadi T, Haryuni (2024) What are the major barriers and challenges faced by independent oil palm smallholder farmers in RSPO certification? J Rural Urban Community Stud 2: 39-53.
92. Chitimira H, Maselwa O (2021) Selected challenges affecting the retroactive transfer pricing adjustments of imported goods in South Africa. Obiter 42: 654-675.
93. SARS (2026) Media Release - Compliance Focus for Transfer Pricing Adjustments.
94. Eukeria W, Mpofu FY (2024) Manipulation of transfer pricing rules by multinational enterprises in developing countries: The challenges and solutions. J Tax Reform 10: 181-207.
95. Kalra A, Afzal MNI (2023) Transfer pricing practices in multinational corporations and their effects on developing countries' tax revenue: A systematic literature review. Int Trade Polit Dev 7: 172-190.
96. Sebele-Mpofu F, Mashiri E, Schwartz SC (2021) An exposition of transfer pricing motives, strategies and their implementation in tax avoidance by MNEs in developing countries. Cogent Bus Manag 8.
97. Cooper J, Fox R, Loeprick J, Mohindra K (2016) Transfer Pricing and Developing Economies: A Handbook for Policy Makers and Practitioners.
98. Martini JT, Niemann R, Simons D, Voeller D (2025) Incentive effects of tax transparency: Does country-by-country reporting call for arbitration? J Account Public Policy 49: 107278.
99. Doeleman R, Langemayr D, Schindler D (2024) Could Country by Country Reporting Increase Profit Shifting?
100. Afida CN (2022) Should CbCR go public? A developing country's perspective of public CbCR. J Pajak Indones Indonesian Tax Rev 6: 626-640.
101. Kumalasari KP, Sukoharsono EG, Purwanti L, Roekhudin (2025) Revisiting the CUP method in transfer pricing: Global challenges and insights from an SLR. Cogent Bus Manag 12: 1-54.
102. Supriyadi (2023) What do we know about cooperative compliance? Insights from literature review in transfer pricing supervision. Ilomata Int J Tax Account 5: 1-14.
103. Saad N, Ibrahim I, Udin NM (2021) Cooperative compliance practice: Lessons from the Organisation for Economic Co-operation and Development (OECD) countries. Cent Asia Caucasus 22: 184-196.
104. Petropoulos F, et al. (2026) Operations and supply chain management: Principles and practice. Int J Prod Res 64: 330-513.
105. Baker R, Clough C, Kar D, LeBlanc B, Simmons J (2014) Hiding in Plain Sight: Trade Misinvoicing and the Impact of Revenue Loss in Ghana, Kenya, Mozambique, Tanzania, and Uganda: 2002-2011.
106. Cardamone T (2019) Indonesia: Potential Revenue Losses Associated with Trade Misinvoicing.
107. Choi YS (2019) Identifying trade mis-invoicing through customs data analysis. World Cust J 13: 59-76.
108. Torraco RJ (2016) Writing integrative literature reviews. Hum Resour Dev Rev 15: 404-428.
109. Lestari YS, Kresna M, Endah NH, Atmaja NN, Irwanto EP, et al. (2025) Policy strategy to stimulate Indonesia's palm oil downstream industries. J Indones Sustain Dev Plan 6: 214-224.
110. Husin S, Wijaya C, Ghafur AHS, Machmud TMZ, Mardanugraha E (2023) Palm oil downstream strategy: Enhancing Indonesia's bargaining position in international palm oil trade. Migr Lett 20: 678-689.
111. Setiajiati F, Nurrochmat DR, van Assen BW, Purwawangsa H (2024) Current status of Indonesia's palm oil products and their competitiveness in the global market. IOP Conf Ser Earth Environ Sci 1379: 012022.
112. Rianto R, Lumbanraja PL, Lumbanraja PC (2025) The impact of palm oil industry development on Indonesian palm oil and palm kernel oil exports in 2012-2021. J Agribisains 11: 253-270.
113. Nurfatriani F, Ramawati, Sari GK, Komarudin H (2019) Optimization of crude palm oil fund to support smallholder oil palm replanting in reducing deforestation in Indonesia. Sustainability 11.
114. Reich C, Ölkers T, Bonke V, Musshoff O (2025) Beyond the ban-Shedding light on smallholders' price vulnerability in Indonesia's palm oil industry. Appl Econ Perspect Policy.
115. Karklina-Admine S, Cevers A, Kovalenko A, Auzins A (2024) Challenges for customs risk management today: A literature review. J Risk Financ Manag 17: 321.
116. Info Sawit (2026) Indonesia's new export regulation raises questions over transparency, market confidence, and palm smallholders.
117. DDTC (2026) Transfer pricing, transfer mispricing and trade misinvoicing: Serupakah?
118. Arizal OR (2026) Understanding the illegal practice of under invoicing in export-import activities.
119. Jordaan A (2023) Impact of trade mis-invoicing. Africa Growth Agenda 20.
120. Kristiaji BB, Beny S (2026) Transfer pricing, mispricing and trade misinvoicing: Are they alike?
121. Matsudaira T, Daly M (2022) How trade and tax policies are shaping customs. In: Customs Matters: Strengthening Customs Administration in a Changing World.
122. Salomon M, Spanjers J (2026) Mirror Analysis Methodology.
123. Grigoriou C, Kalizinje F, Raballand G (2019) How helpful are mirror statistics for customs reform? Lessons from a decade of operational use. World Cust J 13: 105-114.
124. Cantens T (2015) Mirror Analysis and Revenue Fraud.
125. Piristina FA, Sari D (2023) Analysis of royalty payment transactions on know-how utilization to affiliated parties: A case study of a tax court decision. Contemp Account Case Stud 2: 201-221.
126. Yashwant S, Dubey A, Paikray P, Thulsiram G (2025) Invoice information extraction: Methods and performance evaluation.
127. Oztas B, Cetinkaya D, Adedoyin F, Budka M, Aksu G, et al. (2024) Transaction monitoring in anti-money laundering: A qualitative analysis and points of view from industry. Futur Gener Comput Syst 159: 161-171.
128. Lisanawati G, Kristina M (2025) Anti-money laundering law strengthened on the implementation of carbon tax in Indonesia. J Money Laund Control 28: 315-326.
129. Chaisse J (2025) Digitalization and global power shifts: Implications for cross-border data flows and digital FDI. In: A Research Agenda for Global Power Shifts and International Economic Law.
130. OECD (2025) Indonesia: Transfer Pricing Country Profile.
131. Saputra AD (2023) Unravelling the effects of transfer pricing documentation regulation: Indonesia evidence. JAKI J Akunt dan Keuang Indones 20: 186-205.
132. Nuraini R, Triatmoko H, Adhi OP, Karunia AP (2025) Implementation of the arm's length principle in related party relationships at PT S Indonesia. IJEBAR Int J Econ Bus Account Res 9: 1256-1263.
133. Rahman MA (2026) Indonesian prosecutors probe suspected export manipulation in palm oil sector. Jakarta Globe.

134. Listyarini T (2026) Indonesian palm oil industry raises concerns over single-gate export policy. Jakarta Globe.
135. Yana S, Maryam, Hafasnuddin, Rusmina C, Mukhdasir (2026) A review of local commodity development and export strategies for coffee, cocoa, and major agricultural products. World Dev Sustain 8: 100295.
136. Teresia A, Suroyo G (2026) What is Indonesia's new plan to control export of key commodities? Reuters.
137. PwC (2015) International Transfer Pricing 2015/16.
138. Daholi TQH, Laretna R (2026) TP document under scrutiny: The urgency of prompt benchmarking to maintain ex-ante principles.
139. TPCases (2026) Transfer Pricing Documentation.
140. Siddharta P (2026) Mengungkap ancaman trade misinvoicing terhadap penerimaan negara.
141. Tandar S (2026) Trade misinvoicing: Modus, kerugian, dan risikonya bagi perusahaan.
142. Acclime Indonesia (2026) Understanding transfer pricing in Indonesia.
143. Acclime Indonesia (2026) The importance of maintaining transfer pricing documentation in Indonesia.
144. Sukardi I, Daholi TQH (2026) From compliance to resilience: Adapting transfer pricing in a rapidly evolving world. International Tax Review.
145. Sun Y (2026) Risk management systems in customs.
146. Oktaviani Y, Darajati MR (2023) Effectiveness of CPO oil export prohibition policy (Case study on communities in border regions). Pranata Huk 18: 1-10.
147. Monica L, Pratama R (2026) Indonesia's plan to tighten CPO exports may advantage Malaysia?
148. Panggabean K, Purba J (2026) Indonesian government revoked the temporary export ban for palm oil policy.
149. Vogel S (2026) Risks of Choking Global G&O Supply Chains.
150. Lestari F (2025) Supply chain model for green gasoline production based on palm oil plant. J Energy Syst 9: 259-270.
151. Collin M (2020) Illicit financial flows: Concepts, measurement, and evidence. World Bank Res Obs 35: 44-86.