

**SUMMARY**

- ▶ Lithuanian exports of goods to Indonesia grew by 53.9% or 1.9 million euro until 5.4 million euro. In 2015 Indonesia was Lithuania's 77<sup>th</sup> most important export market. In 2015 Lithuania imported goods from Indonesia for an amount of 29.2 million euro, which was 13 million euro or 80.6% more than in 2014. Indonesia was Lithuania's 45<sup>th</sup> most important import market. Lithuania has a negative trade balance with Indonesia with a trade deficit of 23.8 million euro in 2015.
- ▶ Last year, exports of domestically produced goods to Indonesia increased with 334 thousand euro or 9.8% to reach a value of 3.8 million euro. Among exports of goods produced in Lithuania to Indonesia, the largest category was dairy products (49% of total exports of goods produced in Lithuania to Indonesia), followed by machinery, mechanical equipment and parts thereof (18%) and optical, measuring and medical instruments (8%).
- ▶ Re-exports of goods last year increased by 1559 thousand euro, reaching a value of 1644 thousand euro. Mostly re-exported items were machinery and mechanical equipment (90% of all re-exported goods to Indonesia), aluminium and articles thereof (4%) and optical, measuring and medical instruments (3%).
- ▶ Domestically produced goods constitute 70% of overall exports of goods to Indonesia and the remaining 30% is made up of re-exports.
- ▶ In the first six months of 2016, exports of goods to Indonesia grew 885 thousand euro or 25.7%, with domestically exports decreasing 1.6 million euro or 60%, while re-exports tripled in value with 2.5 million euro. Imports of goods from Indonesia fell 2 million euro or 13.5%.
- ▶ In 2015 Lithuania exported services to Indonesia for an amount of 590 thousand euro, which was 212 thousand euro or 26% less than in 2014. The largest share in exports of services to Indonesia was accounted for by maintenance and repair services with 34%, followed by ICT services with 27% and transportation services with 20%.
- ▶ In 2015 Lithuania imported services from Indonesia for an amount of 300 thousand euro, which was 164 thousand euro more than in 2014. The largest share in imports of services from Indonesia was accounted for by ICT services with 47%, followed by travel services with 33% and travel services with 13%.

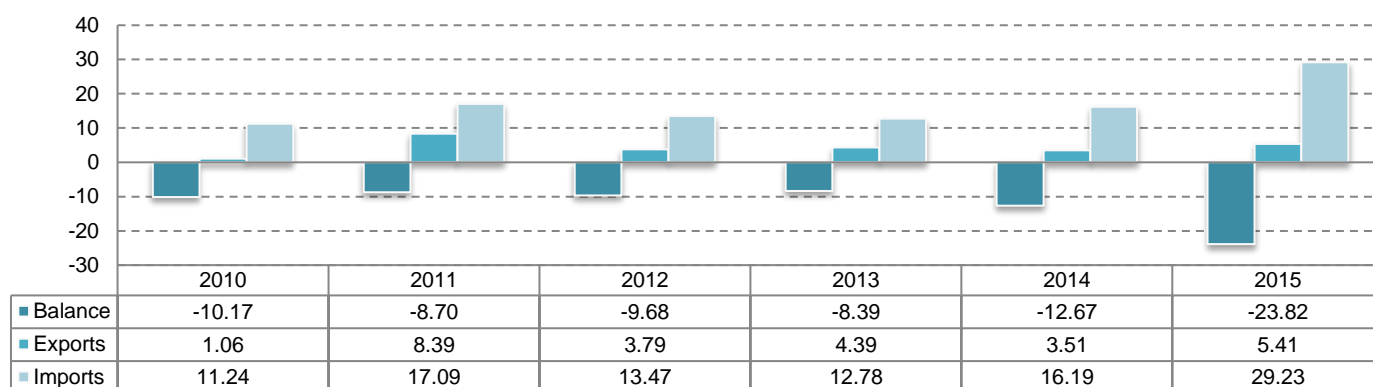
**Figure 1: Main indicators for foreign trade between Lithuania and Indonesia 2013–2015.**

	2013		2014		2015	
	Share, %	Rank	Share, %	Rank	Share, %	Rank
<b>Goods</b>						
Share of partner country in total exports of goods	0.02%	78	0.01%	84	0.02%	77
Share of partner country in domestically produced exports of goods	0.03%	73	0.02%	76	0.03%	72
Share of partner country in re-exports of goods	0.003%	95	0.001%	131	0.02%	66
Share of partner country in imports of goods	0.05%	48	0.06%	47	0.12%	45
<b>Services</b>						
Share of partner country in exports of services	0.002%	111	0.01%	79	0.01%	85
Share of partner country in imports of services	0.003%	95	0.003%	103	0.01%	91

Source: Statistics Lithuania and Enterprise Lithuania calculations.

**I. TRADE BALANCE**

The turnover of goods between Indonesia and Lithuania is increasing – from 17.2 million euro in 2013 to 34.6 million euro in 2015. As the value of exports from Lithuania to Indonesia is smaller than the value of imports, Lithuania has a negative trade balance with Indonesia. The trade deficit increased from 8.4 million euro in 2013 to 23.8 million euro in 2015.

**Figure 1: Lithuanian-Indonesian foreign trade 2010-2015, million euro.**


Sources: Statistics Lithuania and Enterprise Lithuania calculations.

- ▶ Exports of goods in 2015 increased by 53.9% (or by 1.9 million euro) and reached a value of 5.4 million euro. In 2015, the increase in total exports was mainly driven by re-exports (it increased by 1.6 million euro), domestically produced exports contributed less (by 334 thousand euro) to the growth. In 2015 the share of domestically produced exports in total exports was 70% (3.8 million euro),

whereas the share of re-exports was 30% (1.6 million euro). The majority of domestically produced exports in 2015 consisted of dairy products (49%), machinery, mechanical equipment and parts thereof (18%) and optical, measuring and medical instruments (8%), whereas re-exports – of machinery and mechanical equipment (constituting 90% of total re-exports of goods to Indonesia), aluminium and articles thereof (4%) and optical, measuring and medical instruments (3%).

► In 2015 growth in domestically produced exports was driven by an increase in exports of machinery, mechanical equipment and parts thereof, whereas the increase in re-exports was also mostly accounted for by growth in re-exports of machinery, mechanical equipment and parts thereof.

Imports of goods from Indonesia to Lithuania in the same period grew by 80.6% (or by 13 million euro) – to 29.2 million euro. The majority of imported goods in 2015 consisted of tobacco (more than 52% of total imports from Indonesia) and transport equipment (14%). The increase of imports of tobacco was the main driven of the increase in total imports in 2015.

## II. DOMESTICALLY PRODUCED EXPORTS

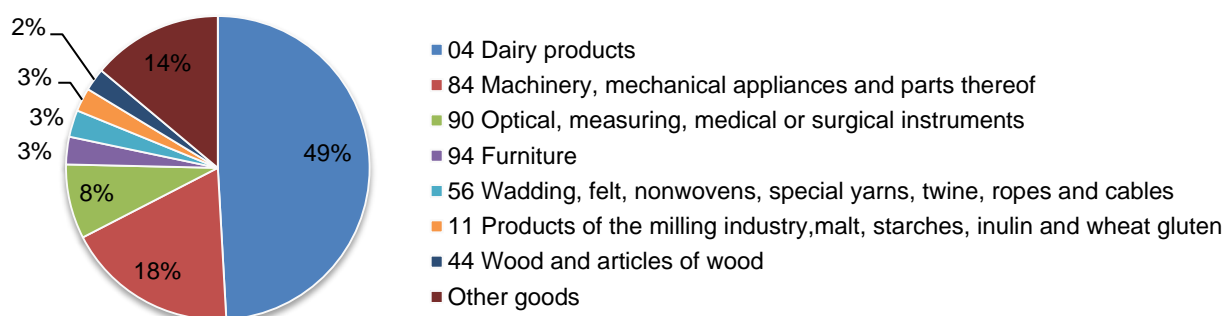
In 2015 exports of goods produced in Lithuania to Indonesia increased 334 thousand euro or 9.8% to reach a value of 3.8 million euro. Exports of machinery, mechanical appliances and parts thereof had the largest contribution to growth with an increase of 674 thousand euro. The largest decrease was reported by dairy products with a decline of 772 euro. During the first half year of 2016, exports of domestically produced goods decreased with of 60% compared to the same period last year.

The largest category among exports of goods to Indonesia in 2015 was dairy products, with a value of 1.8 million euro. Compared to 2014 exports of dairy products to Indonesia decreased with 772 thousand euro or 29.5%. In this category 91% of exports are made up of whey, the remaining 9% consists of milk powder. The first two quarters of 2016 saw a decrease in exports of this category of 965 thousand euro or 64.8% compared to the first two quarters of 2015.

The second largest category among exports of goods to Indonesia was machinery, mechanical appliances and parts thereof with a value of 689 thousand euro. In 2014 exports in this category accounted for only a few thousand euro. Exports in this category mainly consisted of machinery for making pulp (94%). The first six months of 2016, compared to the same period in 2015 saw a decrease in exports of this category with 571 thousand euro or 87%.

The third largest category consisted of optical, measuring and medical instruments, whose exports in 2015 increased by 39.8% to 298 thousand euro. Exports of these goods mainly consisted of instruments and apparatus for measuring blood-pressure (92%). The first two quarters of 2016 saw a decrease of 80 thousand euro or 60.7% compared to the first two quarters of 2015 in this category.

Figure 2: Structure of domestically produced exports to Indonesia in 2015, %



Source: Statistics Lithuania and Enterprise Lithuania calculations.

Table 2: Domestically produced exports to Indonesia by commodity group, thousand euro.

Commodity category (by CN)	2010	2011	2012	2013	2014	2015
<b>Total</b>	<b>1049</b>	<b>7858</b>	<b>3775</b>	<b>4115</b>	<b>3428</b>	<b>3762</b>
04 Dairy products	85	324	2208	2630	2619	1847
84 Machinery, mechanical appliances and parts thereof	0	7	18	6	15	689
90 Optical, measuring, medical or surgical instruments	95	40	140	166	213	298
94 Furniture	0	29	10	68	118	111
56 Wadding, felt, nonwovens, special yarns, twine, ropes and cables	0	0	0	0	0	108
11 Products of the milling industry, malt, starches, inulin and wheat gluten	95	0	22	43	41	94
44 Wood and articles of wood	15	5	0	0	18	91
91 Clocks and watches and parts thereof	31	61	51	68	73	81
38 Miscellaneous chemical products	11	14	24	41	32	76
85 Electrical machinery, equipment and parts thereof	2	79	28	77	36	69
25 Salt, sulphur, earths, stone, plastering materials, lime and cement	23	30	0	0	50	66

Source: Statistics Lithuania.

## III. IMPORTS OF GOODS

In 2015 Lithuania imported goods from Indonesia for an amount of 29.2 million euro, which was 13 million euro or 80.6% more than in 2014. The increase was mainly accounted for by imports of tobacco which increased with 11 million euro. Imports of transport equipment and electrical machinery also grew by 1.7 million euro and 1.6 million euro respectively. In the first six months of 2016, imports of goods from Indonesia decreased with 2 million euro or 13.5% compared to the first six months of 2015.

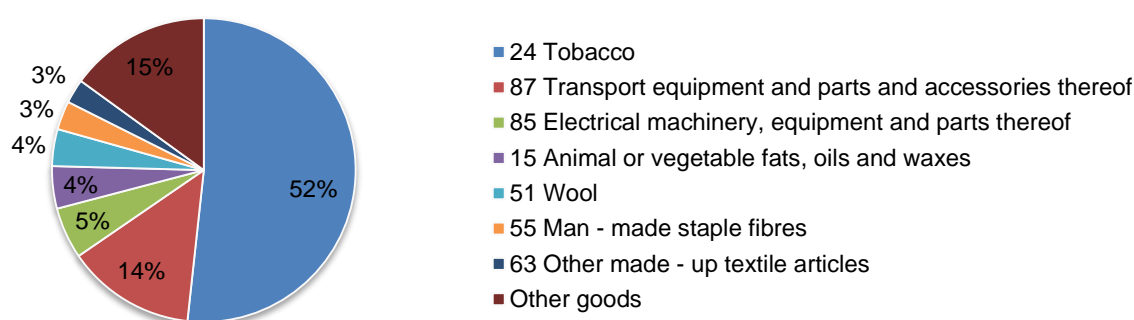
The largest category among imports of goods from Indonesia is tobacco, which had a share of 52% in total imports of goods from that country. In 2015, imports of this category almost quadrupled with an increase of 11 million euro, reaching a value of 15.1 million euro. All imports in this category from Indonesia consisted of tobacco refuse. The first two quarters of 2016 saw a decrease of 1 million euro or 13.2% compared to the first two quarters of 2015.

The second largest category among imports from Indonesia consisted of transport equipment and parts thereof, which had a share of 14% in total imports from Indonesia. The value of imported transport equipment amounted to 4 million euro, which was an increase of 1.7 million euro or 75.4% compared to 2014. The imported transport equipment from Indonesia was almost entirely made up of bicycle and motorcycle parts (99.9%). The first six months of 2016, compared to the same period in 2015 saw a decrease in imports of this category with 2.3 million euro or 79%.

The third largest category in 2015 was electrical machinery with a share of 5% and a value of 1.6 million euro. In 2014 Lithuania imported only for 34 thousand euro in this category. Imports of electrical machinery from Indonesia consisted for 96.7% of so-called 'smart cards' (also known as 'chip cards'). The first six months of 2016, compared to the same period in 2015 saw an increase of 24 thousand euro.

With 4%, animal and vegetable fats, oils and waxes were the fourth largest category with a value of 1.3 million euro. 87% of imports in this category from Indonesia consisted of palm oil and 13% were made up of vegetable waxes. The first two quarters of 2016 saw a growth of 877 thousand euro or 145% compared to the first two quarters of 2015 in this category.

**Figure 3: Structure of imports of goods from Indonesia in 2015, %**



Source: Statistics Lithuania and Enterprise Lithuania calculations

**Table 3: Imports of goods from Indonesia by commodity group (CN), thousand euro.**

Commodity group (by CN)	2010	2011	2012	2013	2014	2015
<b>Total</b>	<b>11237</b>	<b>17091</b>	<b>13474</b>	<b>12778</b>	<b>16185</b>	<b>29231</b>
24 Tobacco	5173	6889	5305	3827	4078	15120
87 Transport equipment and parts and accessories thereof	558	723	9	51	2285	4006
85 Electrical machinery, equipment and parts thereof	25	16	130	115	34	1602
15 Animal or vegetable fats, oils and waxes	22	60	470	852	1603	1319
51 Wool	2673	4025	1557	2622	2943	1150
55 Man - made staple fibers	132	90	33	629	178	892
63 Other made - up textile articles	132	493	539	698	717	754
40 Rubber and articles thereof	204	801	847	1260	1144	742
44 Wood and articles of wood	26	282	523	385	209	547
72 Iron and steel	0	0	0	46	0	547
94 Furniture	191	248	303	270	311	507
38 Miscellaneous chemical products	0	0	46	28	0	329
Other goods	2102	3464	3713	1995	2685	1716

Source: Statistics Lithuania.

#### IV. PERSPECTIVE SECTORS

Perspective sectors for exports of goods produced in Lithuania and services to Indonesia are as following: food processing (milk powder, „Halal“ food products, cereals, pet food), chemicals, optics, medical instruments, metal processing and IT services.

#### V. INDONESIAN IMPORTS OF GOODS

In 2015 Lithuania was the 100<sup>th</sup> most important Indonesian import partner.

**Table 4: Indonesian imports by country, billion euro.**

Country	2011	2012	2013	2014	2015
<b>Total</b>	<b>127.4</b>	<b>149.1</b>	<b>140.5</b>	<b>134.0</b>	<b>128.6</b>
China	18.8	22.9	22.5	23.0	26.5
Singapore	18.6	20.3	19.3	18.9	16.2
Japan	14.0	17.7	14.5	12.8	11.9
Malaysia	7.5	9.5	10.0	8.2	7.7
Republic of Korea	9.3	9.3	8.7	8.9	7.6
Thailand	7.5	8.9	8.1	7.4	7.3
United States of America	7.8	9.0	6.8	6.2	6.9
Australia	3.7	4.1	3.8	4.2	4.3
Germany	2.4	3.3	3.3	3.1	3.1
Saudi Arabia	3.9	4.0	4.9	4.9	3.1
Taiwan	3.1	3.6	3.4	2.8	2.9
Viet Nam	1.7	2.0	2.0	2.6	2.8
Rest of the world	29.1	34.4	33.1	31.0	28.2

Source: Trademap.

**Table 5: Indonesian imports by commodity group, billion euro.**

Commodity group (by CN)	2011	2012	2013	2014	2015
<b>Total</b>	<b>127.4</b>	<b>149.1</b>	<b>140.5</b>	<b>134.0</b>	<b>128.6</b>
27 Mineral fuels, oils	29.3	33.3	34.3	33.1	22.6
84 Machinery, mechanical appliances and parts thereof	17.8	22.1	20.5	19.4	20.2
85 Electrical machinery, equipment and parts thereof	13.1	14.7	13.7	13.0	14.0
39 Plastics and articles thereof	4.8	5.4	5.8	5.9	6.2
72 Iron and steel	6.2	7.9	7.2	6.3	5.7
29 Organic chemicals	4.8	5.4	5.3	5.3	5.1
87 Transport equipment and parts and accessories thereof	5.5	7.6	6.0	4.7	4.8
73 Articles of iron or steel	2.6	3.8	3.6	3.2	3.3
10 Cereals	3.4	2.9	2.7	2.7	2.8
23 Residues and waste from the food industries; prepared animal fodder	1.6	2.2	2.3	2.5	2.5
52 Cotton	2.3	2.0	1.9	1.9	1.9
31 Fertilizers	1.9	2.0	1.3	1.4	1.8
Other goods	36.2	41.9	37.3	36.1	39.5

Source: Trademap.