

JAMU

Challenges and Opportunities



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The Strength of Jamu



- ❖ Indonesian traditional medicine or known as Jamu is Indonesian cultural heritage that has been passed on and developed for generations
- ❖ Jamu is also a product with high economic value, providing a variety of benefits and becoming the pride of the nation as part of identity
- ❖ In this modern era, Jamu has vast dimension of functions, such as traditional medicine for disease, and developed in the form of standardized herbal medicine, and Fitofarmaka
- ❖ Jamu also has dimension of functions as cosmetic, beverages, and food supplement
- ❖ Jamu also has dimension of functions as spa products
- ❖ In economic sector, Jamu industry has provided employment opportunities to absorb the growing labor force estimated nearly 15 million people, 3 millions of whom are absorbed in the Jamu industry, while the remaining 12 millions are absorbed in the advanced Jamu industry such as food, beverage, cosmetics, spa, and aromatherapy.

The Advantages of Jamu



- ✓ Raw materials
- ✓ Human resources
- ✓ Less side effect, compared to medicines
- ✓ Affordable price
- ✓ To supply people of Indonesia more than 240 millions
- ✓ Basic researches have been done by academics although still limited only for their interest

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- ✓ The innovation of jamu products such as its packaging which can compete with other products from other countries
People around the world are turning to natural medicine which can develop jamu itself
- ✓ In Indonesia, jamu business supplied by 1,247 industries which consist of 129 IOT Industry and 1,037 IKOT Industry. These numbers of industries are divided into 10 big-scale jamu industry, 30 small-scale jamu industry, and the rest is home-made jamu industry.
- ✓ Pharmacy has entered jamu industry since 1955.

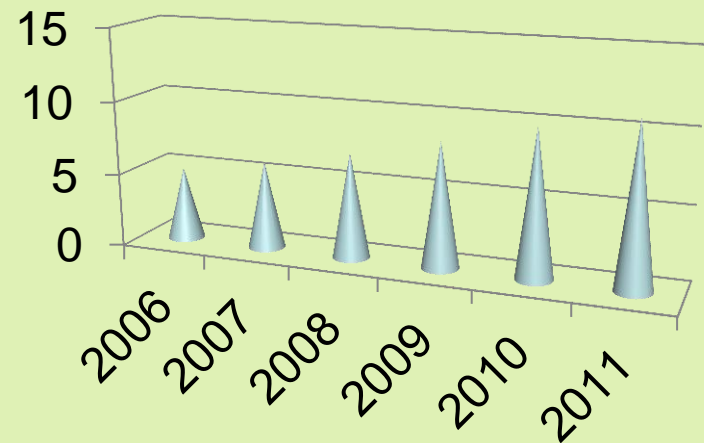
JAMU OMZET & ESTIMATED SALES OF JAMU 2015



□ JAMU OMZET

It has increased significantly every year.

2006	: Rp. 5 trillion
2007	: Rp. 6 trillion
2008	: Rp. 7.2 trillion
2009	: Rp. 8.5 trillion
2010	: Rp. 10 trillion
2011	: Rp. 11 trillion
2012	: estimated Rp. 13 trillion



□ ESTIMATED SALES OF JAMU UNTIL 2015

Domestic	: Rp. 20 trillion
Export	: Rp. 16 trillion

BARRIERS OF JAMU INDUSTRY TO EUROPE MARKET



- The registration process of the product before it can be marketed in Europe region is not easy. Jamu will be classified into food/supplement which is more easy to fulfill compared to classification of herbal/traditional medicine.
- The price of Indonesia Jamu might be very competitive with products from China or India. They sometimes sell their “Jamu” at cheaper price with huge quantity (because they are able to produce in huge quantity), while Indonesia is still able to produce in small quantity and of course it will cost more to sell in Europe.
- Besides pricing, Indonesia’s technological and production capabilities are still not maximal to produce products as European standards, either in quantity or quality. So far, this only can be done by China, Japan, or India.

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- The difference of quality control standard between Indonesia and European countries which can cause the problem of product quality. High shipment cost. The distance between Indonesia and Europe is really far. If shipped by ocean freight, it will take so long, this can affect the quality of the product. If shipped by air freight, the cost will be much higher.
- European countries have their own standardization of ingredients / raw materials, this can be really hard to fulfill because there are so many differences of raw materials in two regions. We need to prepare the substitute ingredients which have the same indications.



Thank
You