

STATUS OF TEXTILE, GARMENT & FOOTWEAR INDUSTRY OF INDONESIA

in EU – INDONESIA JOINT COOPERATION

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HIGHLIGHT OF INDONESIAN TEXTILE INDUSTRY

	UNIT	2009	2010	Change		
				2010/09	2011	2011/10
Numbers of Company	Unit	2,853.0	2,880.0	0.9%	2,880.0	0.0%
Investment Value	Trillion Rp.	146.17	149.88	2.5%	151.77	1.26%
Worker	Thousand Peop.	1,337.50	1,407.68	5.2%	1,474.96	4.78%
Prod. Capacity	Thousand Ton	6,742	7,381	9.48%	7,879.22	6.75%
Production	Thousand Ton	4,843	5,746	18.65%	6,539.75	13.81%
Utilization	%	71.83%	77.85%	+6.02%	83.0%	+5.15%
Export	Billions US\$	9.26	11.22	21.2%	13.35	19.0%
Import	Billions S\$	4.17	6.19	48.3%	6.70	8.3%
Balance	Billions US\$	5.09	5.04	-1.1%	6.65	32.0%
Market Size	Bn US\$	8.4	10.3	21.6%	11.1	7.8%
	Trillions Rp.	87.4	93.1	6.5%	96.9	4.3%
	% Share Local Product in Domestic Market**	46%	50%	+0.4% point	42%	-0.8% point

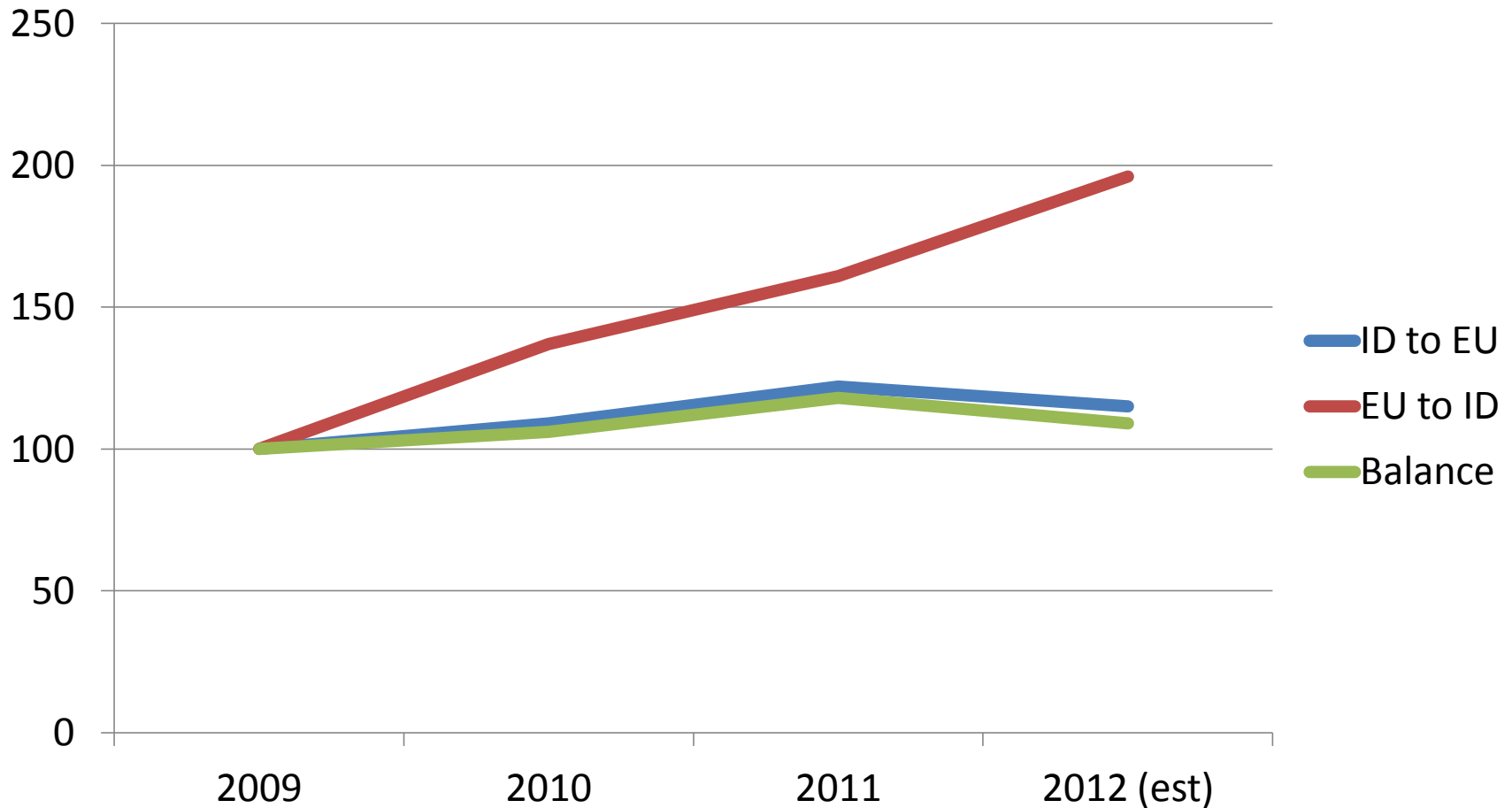
Source: BPS, Kemenperin ditjen Industri Tekstil dan Aneka,

HIGHLIGHT OF INDONESIAN FOOTWEAR INDUSTRY

		2009	2010	2011
Number of Companies (Unit)		391	434	528
Total Investment (Rp. Billion)		1,173	979	1,887
Total Production (Value: US\$ Million)		4,872	5,922	7,193
Total Production (Volume : Million pair)		609	658	855
Domestic Consumption (US\$ Million)		3,184	3,221	3,382
Utilization (%)		83	86	88
Number of Labor (000)		495	550	650
Export	US\$ Million	1,736	2,501	3,301
	000 Ton	123	165	198
Import	US\$ Million	131.6	244.2	352.6
	000 Ton	31	45	56
Net Export	US\$ Million	1,604.4	2,256.8	2,948.4
	000 Ton	92	120	142

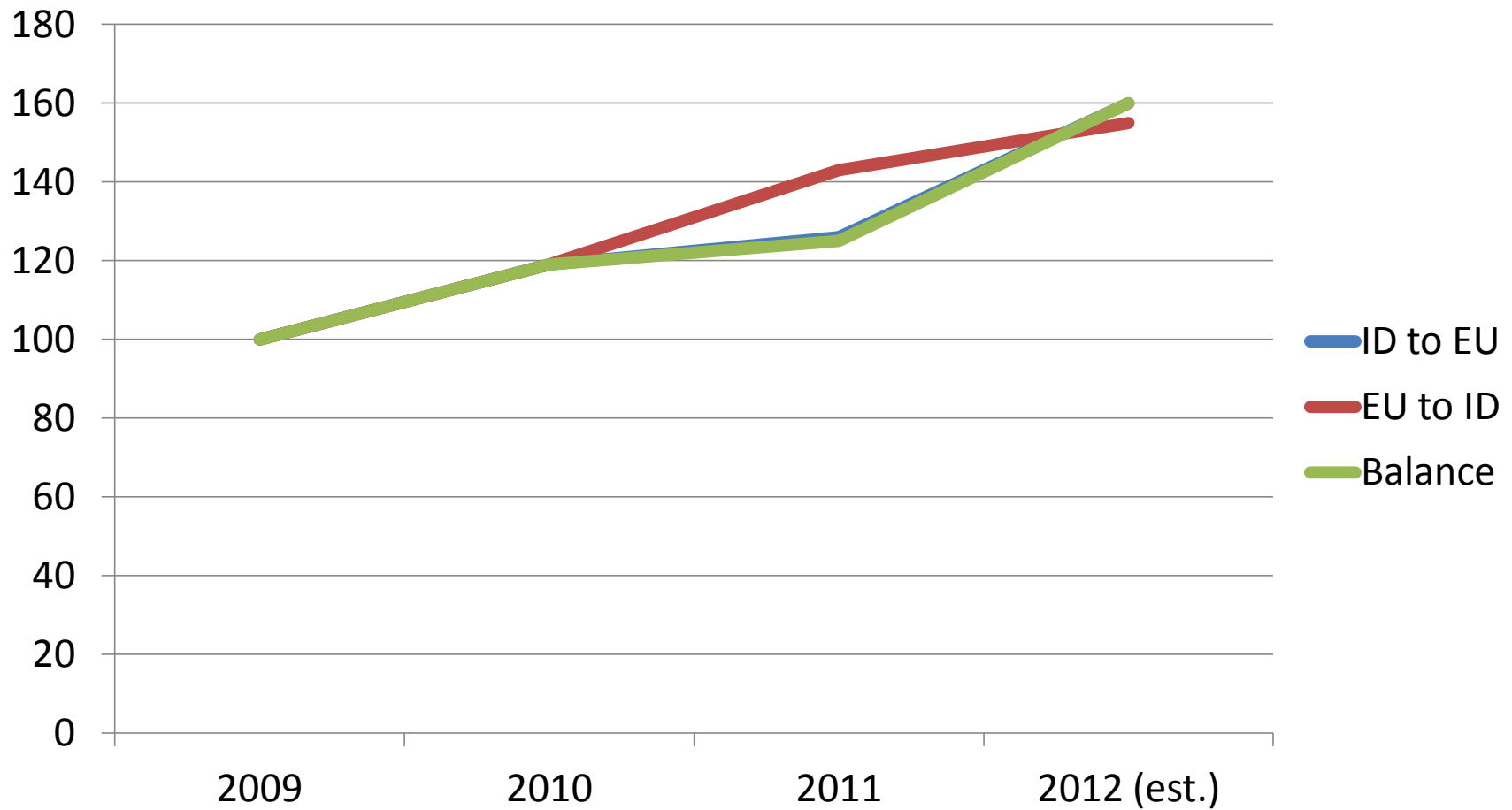
Source: Trade Map – ITC, 2010, and Aprisindo

INDICES of TRADE: INDONESIA – EU (27) (in textile & garment)



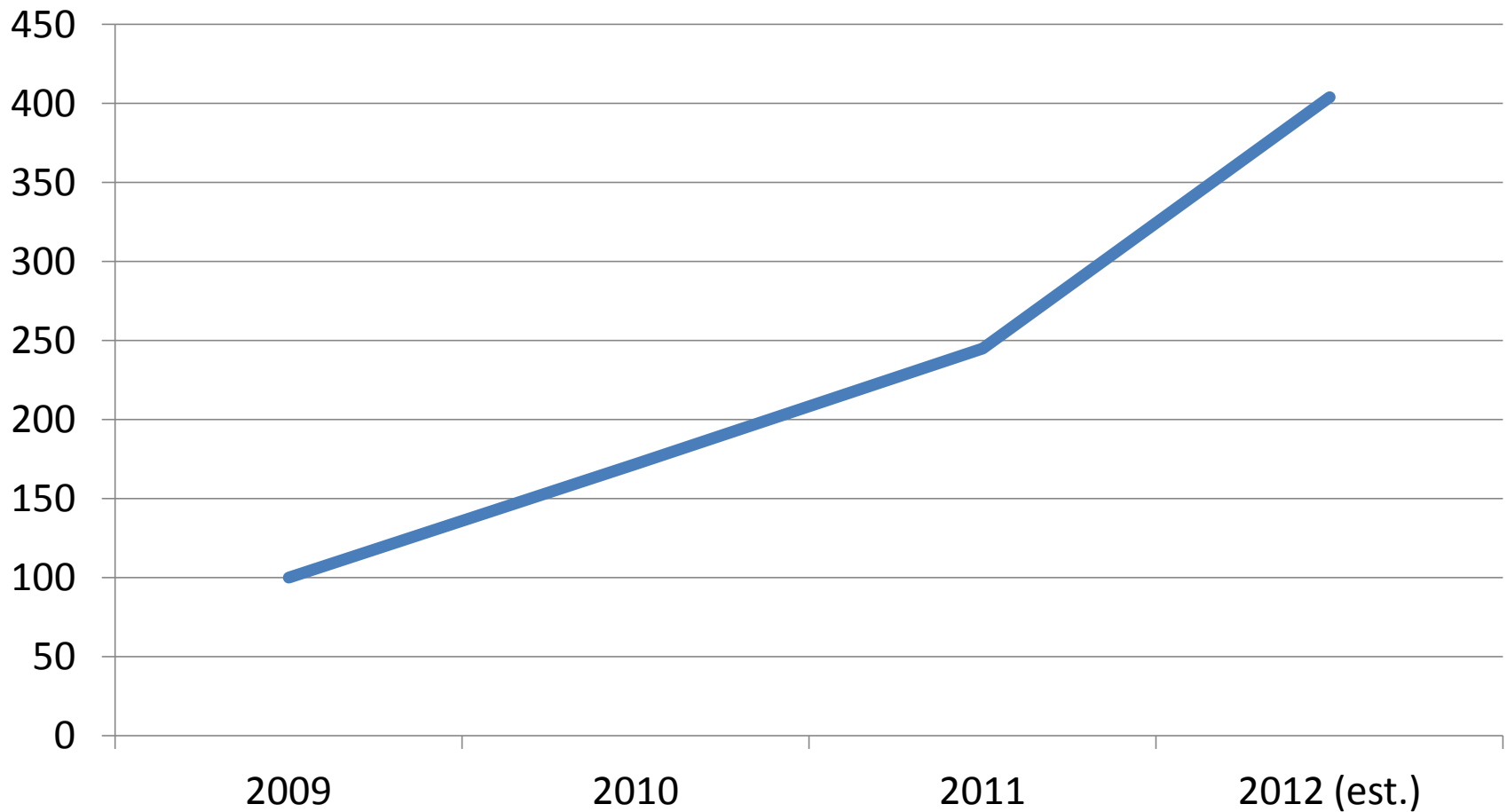
Index: 2009 = 100

INDICES of TRADE: INDONESIA – EU (27) (in footwear)



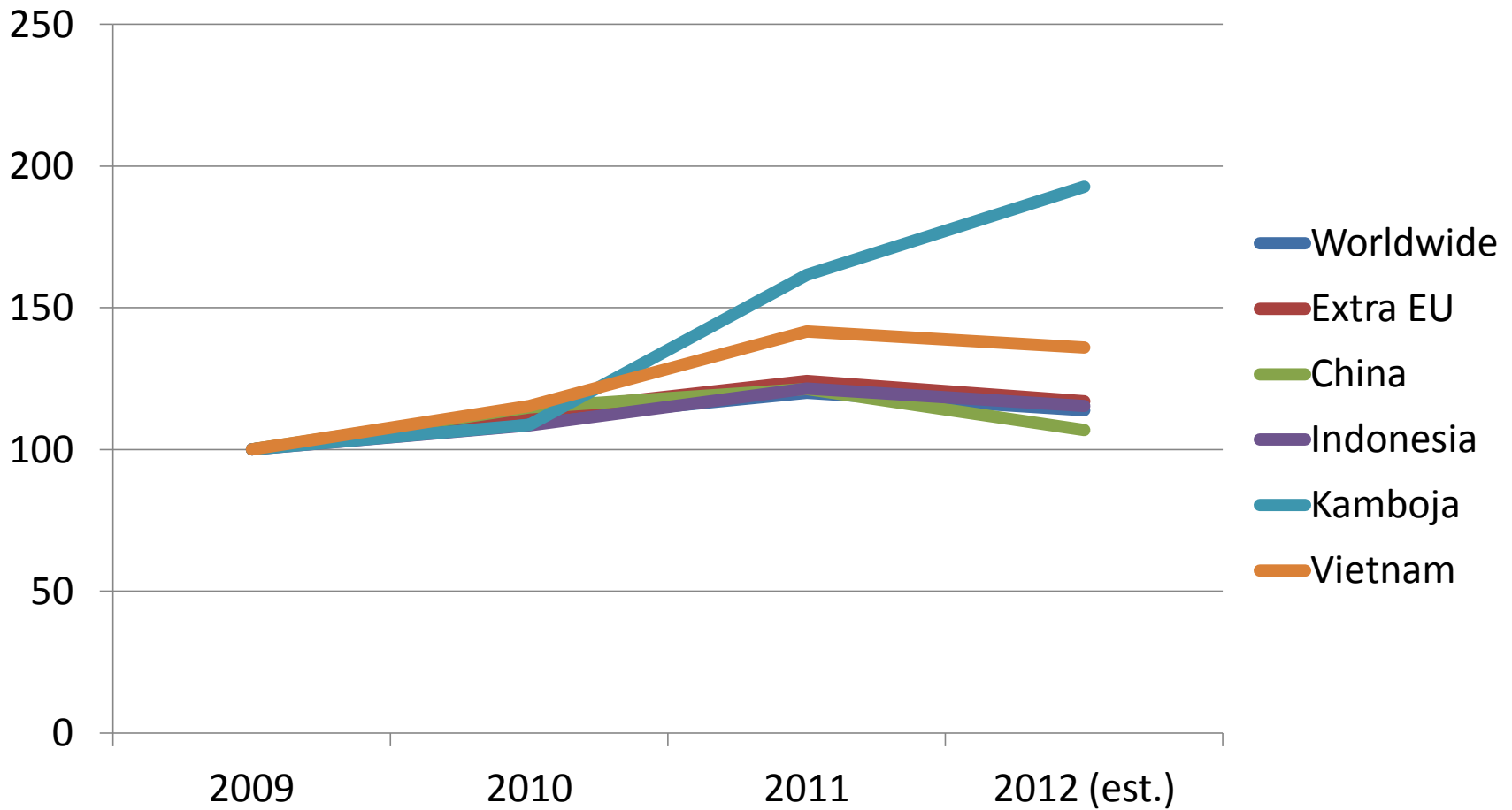
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INDEX of TRADE: INDONESIA – EU (27) (import of textile & footwear machinery)



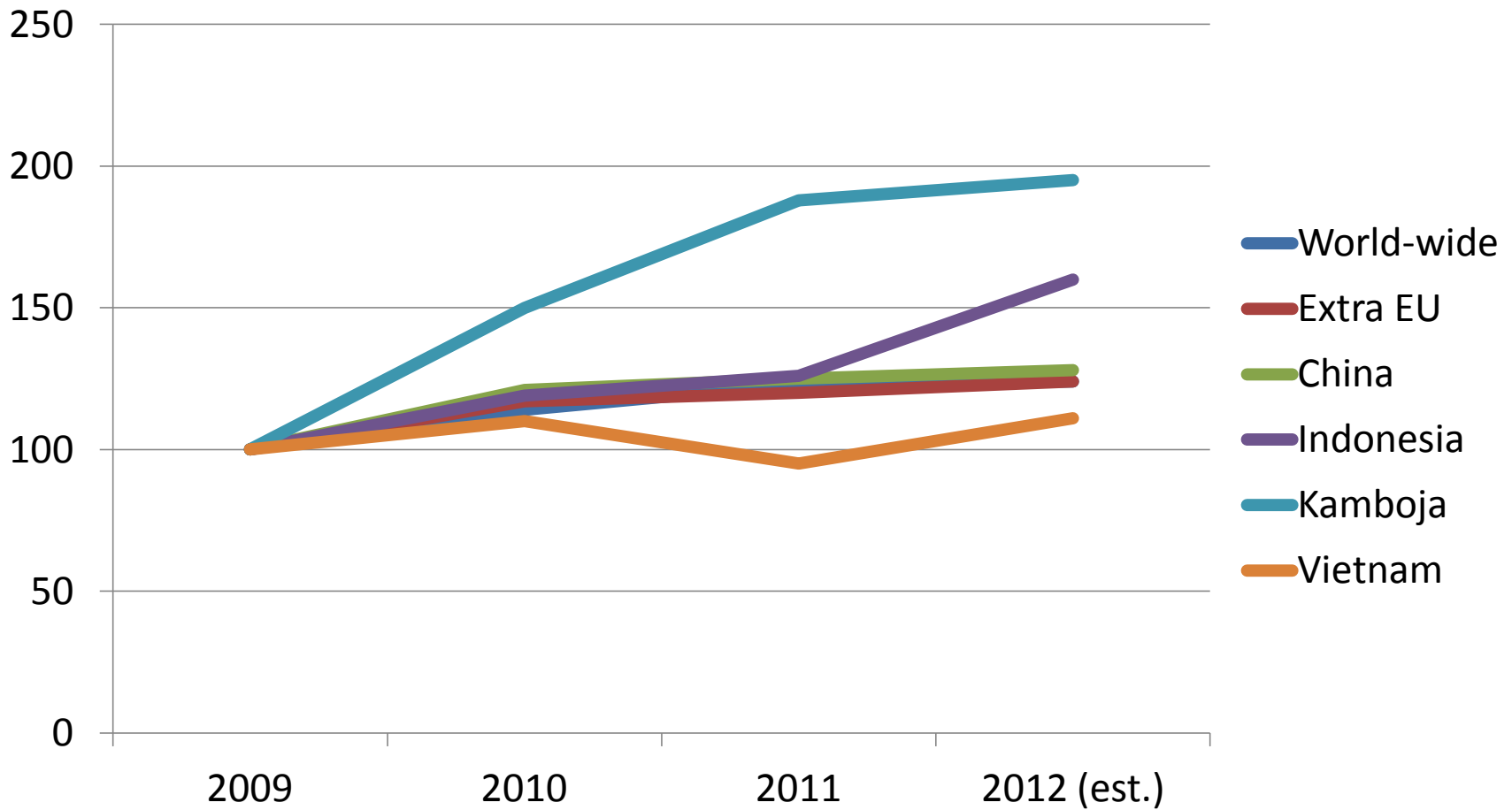
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INDICES of EU IMPORT (in textile & garment)



Index: 2009 = 100

INDICES OF EU IMPORT (in footwear)



Index: 2009 = 100

WHAT HAS BEEN HAPPENED?

- Declining EU Demand
- Internal Regulation → export capability reduction
- Unestablished trade agreement

RECOMMENDATION (internal)

- Tax reform → speed up VAT restitution process
- Regulation correction → revise PMK 253/2011 & 254/2011



RECOMMENDATION

(Indonesia – EU partnership)

- Establishing CEPA





=Thank You=