

Indonesia's textile-apparel sector contracts 8.37% in Q2

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Indonesia's textile and textile products sector, which has contributed significantly to economic growth, contracted by 8.37 per cent in the second quarter of 2020 as a result of a decline in domestic consumption and exports in the sector, according to industry ministry data, which showed the sector bounced back to 2.97 per cent growth in the third quarter.

Data from Omnilytics implied the bounce back was because of the rapid shift by retailers and consumers to online marketplaces for textile purchases, an Indonesian newspaper reported.

The sector raises \$12-13 billion and employed more than 1.5 million workers per annum, according to Statistics Indonesia (BPS). The figures were revealed at an online symposium called 'Towards Responsible Supply Chain', organised by the Indonesia Textile Association (API) last month.

The first challenge is to bolster local rayon fibre production so that Indonesia can attain raw material sovereignty, all the while exporting the fibre abroad, instead of just importing less sustainable raw materials, the symposium was informed.

The government is conducting a sustainable fashion campaign targeting both producers and consumers to demonstrate its support for circular economy.

The second challenge is to strengthen local textile and textile production base, not only by using state-of-the-art machinery but also by training workers to be able to operate these machineries in keeping with the Industry 4.0 era.