

INDOTEXTILES

The Indonesian Textiles, Apparel & Fashion Community Reference



Logistic Cost Need Gov't Attention

In the market conditions that have not yet recovered, both domestic and export, the performance of the national textile industry this time is hampered by the high freight cost which has increased almost 4 times plus the difficulty of getting containers, especially for traditional markets which are the main export destinations.

Here, again, government intervention is needed so that the performance of textile exports can be maintained accompanied by mastery of the domestic market. Both are an inseparable part in efforts to restore the national textile industry.

This month we launched INDOTEXTILES TV which can be accessed through our Channel on Youtube, Instagram and Tiktok. Hopefully this will make it easier for readers to access the information we present more easily and quickly. Thank you for your support so far.

Best Regards,
Editorial Team

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SPECIAL ISSUE

Textile Imports Soaring, KPPI Still Investigating Safeguard Extensions



Indonesia's textile industry is still quite challenging in line with the rise of imports of textile products in the domestic market. An investigation was also carried out by the Indonesian Trade Security Committee (KPPI) at the request of the Indonesian Textile Association (API). KPPI chairman Mardjoko confirmed that some time ago his party received an official letter regarding the request for an investigation into the extension of the imposition of trade security measures (safeguards) on imports of yarn, fabric, and curtain products submitted by the Indonesian Textile Association (API) as representatives of the producers of the three products.

In accordance with Government Regulation No. 34 of 2011 and the provisions of the Agreement on Safeguards – World Trade Organization (AOS – WTO), every request for an investigation to extend the imposition of safeguards must meet several conditions

Among these are a surge in the number of imports, the occurrence of serious losses or the threat of serious losses, as well as a causal relationship between the surge in imports and the potential for serious losses.

In previous news, from the initial evidence submitted by the API, KPPI found the fact that there was a surge in imports of curtain products including curtains, inner blinds, bed mosquito nets, and other furniture items. In addition, there is a serious loss or threat of serious harm suffered by the applicant.

Based on records from the Central Statistics Agency (BPS), during 2019-2021 there has actually been a decline in imports of curtain goods including curtains, inner blinds, bed nets, and other furniture items by 53.62%. However, in 2020-2021, there was an increase in the number of imports of the same product by 4.10%.

Imported goods such as curtains including curtains, inner blinds, bed mosquito nets, and other furniture items came from several countries such as China, India, Poland, and Taiwan. The biggest curtain imports came from China with an import share in 2021 of 72.85%, India 11.12%, Poland 3.69%, and Taiwan 3.43%.

Because the API application has met the requirements, starting April 18, KPPI has initiated an investigation into the extension of the safeguard. Then, KPPI has also notified the start of the investigation to the WTO Safeguard Secretariat for circulation to all its member countries.

"After that, KPPI will provide opportunities for all interested parties, both at home and abroad, to submit responses and inputs to this investigation in a public hearing," explained Mardjoko, Sunday (8/5).

If the final result of the investigation proves that there is a surge in imports of textile products leading to serious losses and the threat of serious loss by the applicant, then KPPI will recommend extending the imposition of Safeguard Measures Import Duty (BMTP) on imports of these products.

The extension of the imposition of the BMTP applies to imports of yarn, fabric and curtain products as in the previous period which in total includes more than 120 8-digit Harmonized System (HS) numbers.

Although reluctant to be named, a source at the Indonesian Textile Association (API) also admitted that the investigation stage of the safeguard extension of a number of textile products is still ongoing. The extension of the safeguard is needed considering that the import of textile products is still soaring with quite complicated causes.

One of them is the difference in the price of imported goods, which is still quite large due to the weakening of the European market in the midst of the Russia-Ukraine conflict. As a result, Indonesia is the export target of textile producers with large production capacities such as China.

"Beyond the existing safeguard regulations, import regulations from the Ministry of Trade for textile products are still relatively weak and easy to import," said the Indonesian Textile Association, Sunday (8/5).

API also basically wants textile products that can actually be produced domestically to be optimized for sales, rather than importing them. This is so that all textile business actors, especially those from MSMEs, have the opportunity to grow in this sector.



LATEST NEWS



First Quarter of 2022, Indonesian Exports to Switzerland Soared

Referring to Swiss Federal Office for Customs and Border Security (FOCBS) data accessed in early May 2022, the total value of Indonesia's exports in the first quarter (January-March) 2022 was 1.26 billion US dollars, while the total value of Indonesia's exports to Switzerland in the first quarter 2021, amounting to 115.53 million US dollars. Thus, the total value of Indonesia's exports to Switzerland in the first quarter of 2022 increased sharply (up 998.08%) compared to the total value of exports in the first quarter of 2021 (yoy).

Meanwhile, Indonesia's trade balance surplus to Switzerland in the first quarter of 2022, amounted to 1.16 billion US dollars or around Rp. 16.67 trillion, while the trade balance surplus in the same period in 2021 is 19.38 million US dollars or around Rp. 277.96 billion.

However, Indonesia's imports from Switzerland in the first quarter of 2022 increased by 9.96% compared to the same period in 2021, which amounted to 105.73 million US dollars. Meanwhile, the total value of Indonesia's imports from Switzerland for the same period in 2021 is US\$96.15 million.

"This is certainly a significant progress for the economic relations between Indonesia and Switzerland, not only because of the improved distribution channels, but also because of the optimism that has developed after Indonesia - EFTA CEPA since late last year," said the Indonesian Ambassador to Switzerland and Liechtenstein, Muliaman Hadad.

Since Indonesia's EFTA CEPA took effect, Switzerland and Liechtenstein removed 7,042 Tariff Posts (81.74%) or 99.65% of the value of Swiss commodity imports from Indonesia. In the first quarter of 2022, almost all of Indonesia's main commodities to Switzerland experienced an increase compared to the first quarter of 2021.

The main commodities that experienced a significant increase were Gold, precious metals and jewelry (HS 71) which increased by 679.26%, Organic Chemicals (HS 29) increased by 152.61%, and furniture (HS 94) which increased by 34.62%. Meanwhile, the main commodities, namely turbine engines and spare parts (HS 84), non-knitted textile products (HS 62) and essential oils (HS 3301.29) experienced a decline, namely 13.94%, 8.64% and 8.41% in the first quarter of 2022 compared to the first quarter of 2021.

Ambassador Muliaman is optimistic that economic relations between Indonesia and Switzerland will continue to improve, especially in the trade and investment sectors, even though the world economy is still experiencing uncertainty due to the war in Ukraine, supply bottlenecks and the unpredictable and unpredictable pandemic situation.

In the midst of global economic uncertainty, the Swiss economy is still doing well.

The Swiss National Bank (SNB) reports that in 2022, Switzerland's GDP will increase by 2.5%.

Switzerland itself does not have direct economic ties to Russia and Ukraine, but for a country that relies heavily on foreign trade, such as Switzerland, the Ukraine war has resulted in an increase in world commodity prices, which causes the company's production costs to be higher. The SNB reported that inflation in Switzerland in February 2022 reached 2.2%.

Data from the Ministry of Investment/BKPM shows that in the first quarter of 2022, Switzerland ranks 5th from the European continent and 20th of all countries investing in Indonesia. The number of projects has reached 152 with a value of 15.7 million US dollars.

This investment cooperation will continue to increase with the signing of the Bilateral Investments Treaty and other cooperation which will be discussed during the World Economic Forum (WEF) on 22-26 May 2022 in Davos, Switzerland.

"This year's World Economic Forum, which coincides with the G20 presidency, will be the right momentum for Indonesia to show its commitment and seriousness to explore the potential that emerges from the G20 priority agenda," Muliaman added.

As is well known WEF is a global platform in the economic, social and political sectors located in Davos Switzerland. Every year, the event is attended by more than 2500 participants from more than 100 countries consisting of world politicians, influencers, CEOs of leading companies, business people, actors, researchers and several world heads of state.



"Monitor the health of your employees before work"

Relive the archipelago's natural dyes for the sake of the nation's sovereignty

Professor of Chemical Engineering, Faculty of Engineering, Universitas Gadjah Mada (UGM) Edia Rahayuningsih encourages the sovereignty of the archipelago's natural dyes. This was conveyed during the inauguration of professors in a speech entitled Reviving the Natural Dyes of the Archipelago to Build National Sovereignty in Natural Dyes Edia explained that natural dyes have been used since the beginning of human civilization. Currently, natural dyes are again widely used in the food, fashion, textile, pharmaceutical, cosmetic, and health industries.

Natural dyes are preferred because of their advantages, including being safe, renewable, and biodegradable. In addition, the prospect of re-use of natural dyes in the global realm is in line with several watchwords.

Some of them, namely go back to nature, slow fashion, go green, eco green, and so on. Not only that, the reuse of natural dyes is in line with the SDGs issue.

Edia said Researchandmarket.com in 2019 reported that the global natural dyes market is expected to generate revenues of around USD 5 billion in 2024, growing an average of 11 percent per year during 2018-2024. An increasing wave of environmentally

conscious consumers has led to the adoption of natural dyes in clothing, food, beverage, beauty, health and wellness products, and pharmaceutical products in the North American market.

He said increasing public attention to natural dyes and stringent government regulations on the environment and pollution encourage the use of natural dyes in the global market. Edia said that it is unlikely that traditional producers will be able to reach the global market given the rapid development of global market demand.

A number of breakthrough innovations in production and supply chains are needed to be able to bring natural dye products to the global market. In addition, a policy to mainstream the use of natural dyes is also needed to encourage the growth of the domestic market.

"Currently, the fulfillment of the need for dyes for the textile industry in Indonesia is still largely dependent on imports. Data from the Central Statistics Agency in 2021, the average import of synthetic dyes for the last 5 years has reached more than 42,000 tons/year," said Edia, Wednesday, May 11, 2022.

Meanwhile, Indonesia has a cultural heritage of the use of safe natural dyes and compounds that are beneficial for the body. In addition, Indonesia has natural wealth and biodiversity which are the raw materials for making natural dyes.

Indonesia was the largest producer of natural blue indigo dye in the world market during the Dutch colonial period from 1602 to 1942. Currently, there are approximately 150 types of natural dyes in Indonesia that have been identified.

"Sources of natural dye raw materials in Indonesia are extraordinary. However, currently their use is still very limited, only by a few batik craftsmen, jumputan, ulos, weaving, and other crafts," said the chairman of the Indonesia Natural Dye Institute (INDI) UGM.

Edia said Indonesia has enormous potential, prospects and opportunities for natural dyes. However, the existing conditions contrast with the production and application of natural dyes in Indonesia.

He said that when he hears the word natural dyes, what usually comes to mind is related to traditional, simple, small, low quality, impractical, difficult to obtain, and so on. Edia conveyed the many challenges of downstreaming research results into commercial products and being applied in society.

This condition is often illustrated by the existence of a death valley that separates research results and commercial products. Crossing the valley of death requires mutualistic cooperation from various parties, namely academia, the entrepreneurial community, entrepreneurs, and the government.

In addition to these four elements, at this time the existence of the media also plays a very important role in the downstream business of research results into commercial products. The pentahelic synergy is needed to get through the valley of death.

He said the efforts that need to be made in the synergy include building supply chains from upstream to downstream, strengthening mutualistic cooperation between producers, consumers, entrepreneurs, government, and the community, and building awareness of the reuse of natural dyes. Then, the acceleration

of the use of natural dyes as products based on local wisdom, competitive, and sustainable, and policies to mainstream the use of natural dyes in the country and reduce imports of synthetic dyes which are very large to date.

Up 270 Percent Month, IDX Suspension of Trisula Textile Industries (BELL) Shares

In connection with the significant cumulative price increase, the Indonesia Stock Exchange (IDX) temporarily suspended or suspended the shares of PT Trisula Textile Industries Tbk (BELL). Therefore, in the context of cooling down, the IDX deems it necessary to temporarily suspend BELL shares starting from the first trading session on Thursday, May 12, 2022.



"The temporary suspension of trading in PT Trisula Textile Industries Tbk (BELL) shares in the Regular Market and Cash Market starting from the first trading session on May 12, 2022 until further Exchange Announcements," wrote the Head of the Transaction Supervision Division, Lidia M. Panjaitan and P.H. Head of Mulyana Trading Operational & Regulatory Division, Thursday (12/5/2022).

Based on IDX data, BELL shares rose 33.33% or 62 points to a level of 248 on Wednesday (11/5/2022). Within a month, BELL's shares have even risen 270.15% and per Ytd the

issuer is engaged in the textile industry and this trade rose 67.57%.

For information, throughout last year, BELL posted a net profit attributable to the parent company of Rp 2.45 billion and an unrestricted retained earnings balance of Rp 1.73 billion.



Port Mafia Case, AGO Checks Textile Boss from Bandung

Investigators from the Attorney General's Office (AGO) have examined the President Director of PT Pania Asia Indosyntex, now named PT Pania Asia Indo Resources Tbk, Enrico Haryono, regarding the port mafia case. The textile company boss was asked to testify as a witness. The head of the AGO's Legal Information Center, Ketut Sumedana, stated that Enrico Haryono was asked to testify as a witness related to the alleged corruption case of the bonded zone port mafia and the ease of import for export destinations (KITE) at the Ports of Tanjung Priok and Tanjung Emas for the 2015-2021 period.

"He was examined as a witness related to the KITE case," he said when confirmed in Jakarta, Thursday (12/5/2022).

Ketut revealed that Enrico Haryono was investigated in relation to his company suddenly closing due to the proliferation of imported textiles entering Indonesia in the port mafia case.

This, according to Ketut, was carried out after investigators asked for information from the Indonesian Textile Association (API) which stated that Enrico Haryono's company had closed due to an invasion of imported textile products.

"So from the API statement, the company was closed due to the impact of the flood of imported textiles into Indonesia," he said.

As is known, last March the AGO investigators confiscated 19 containers containing raw textile materials from China in connection with the alleged corruption case of the port mafia.

The Director of Investigations at the Deputy Attorney General for Special Crimes at the Attorney General's Office, Supardi, previously explained that the dozens of confiscated and sealed containers belonged to a person with the initials L who was known to one of the high-ranking officials at PT HGI.

According to Supardi, the confiscation and sealing action lasted for eight hours at four locations in Tanjung Priok Port on Wednesday 9 March 2022 and was led directly by the Head of Sub-Directorate for Corruption Crimes (TPK) and Money Laundering Crime (TPPU) at the Directorate of Investigation at the JAMPidsus AGO. Sharif Sulaiman Nahdi.

Supardi explained that in the case of corruption, misuse of bonded zone facilities and ease of import for export destinations (KITE) at the Ports of Tanjung Priok and Tanjung Mas in 2015-2021, there were two companies suspected of being involved in harming state finances, namely PT HGI and CV Mekar Inti Sukses. "HGI and Mekar are the main actors, just different events," he said.

Ukraine vs Russia War Impacts Garment Exports to Europe

Semarang, 92.6 FM- Garment entrepreneurs in Semarang City complained about the impact of the war between Ukraine and Russia, which resulted in reduced demand on the European market. This will be an obstacle, if the war lasts long enough. Head of Apindo Semarang City, Dedy Mulyadi Ali, said that the market for garment products and textile products to Europe is decreasing, due to the impact of the war between Ukraine and Russia. Currently, many requests come from Egypt, Dubai and around the Middle East and the United States. The statement was said when met at his factory in the Wijaya Kusuma industrial area, recently.

According to him, the demand for garment products and textile products to Dubai or Egypt is quite a lot. Thus, the opening of market opportunities in the Middle East must be utilized by domestic entrepreneurs as a breakthrough to cover the reduced demand from the European market.

Dedy explained that the impact of the war between Ukraine and Russia on the demand for garments and textiles in the European market is currently being calculated. Especially, requests from countries that are still part of Russia are still on the side of their parent. Including, the supply of raw materials from Europe is also a bit of a problem.

"The circulation of raw materials is certainly disrupted, the accuracy of the raw materials ordered can arrive on time. Yesterday was also against a bit, but it wasn't because of the wars between Ukraine and Russia more because of the increasing cases of COVID-19 in China. So, the distribution of raw materials is somewhat hampered. Because in this world, most of the raw materials are from

China. We just have to adjust, if we can't adjust, we're just playing as usual," said Deddy.

Furthermore, Deddy hopes that the impact of the war between Ukraine and Russia will not last long and trade will resume smoothly. This is because entrepreneurs in countries that are at war will also keep their businesses running.

"There are many definite ways that entrepreneurs can do, so that their wares can still be sold. Do you have to transit to another country first, then enter the destination country. There are many paths," he concluded.



Increase Trade Value to USD 50 Billion, Vice Minister of Trade Meets Indian Businessmen

Deputy Minister of Trade (Wamendag) Jerry Sambuaga held a meeting with Indian businesses in Indonesia by attending The Langham Hotel, Jakarta, Tuesday (10/5). This step is expected to increase the trade value between the two countries to USD 50 billion. "This meeting is in line with the target of the leaders of the two countries to increase the value of Indonesia-India trade to USD 50 billion by 2025. It is hoped that the two countries can undergo economic recovery and become stronger," said Deputy Minister of Trade Jerry, Saturday (24/5/2022).

The meeting was also attended by the Indian Ambassador to Indonesia, Manoj Kumar Bharti, Director General of National Export Development Didi Sumedi, and Expert Staff to the Minister of Trade for Market Security Sutriyono Edi.



In addition, there were 45 business actors who initiated introductions and expressed their concerns regarding business opportunities in Indonesia, such as obstacles to imports of raw materials and business permits. They also expressed their appreciation for the assistance of the Indonesian government for the sustainability of their business.

According to data from the Central Statistics Agency, Indonesia's exports to India in 2021 recorded a value of USD 13.2 billion, an increase of 27.85 percent compared to the previous year.

Its main export products are coal, palm oil, iron alloys, industrial monocarboxylic fatty acids, and copper ore. Meanwhile, Indonesia's main imports from India are semi-finished iron products, sugar cane or beets, peanuts, frozen beef, and iron alloys.

The Vice Minister of Trade explained that India is the 26th source of foreign direct investment (FDI) for Indonesia.

"India's investment realization in Indonesia was recorded at USD 49.5 million spread over 465 projects. The three largest sectors

include the textile industry; building land, industrial estates, and business activities; as well as trade and repairs," said the Vice Minister of Trade.

Take a peek at the Indonesia-India Trade Cooperation Target by 2025

Indonesia and India will strengthen their trade relations with the trade target of the two countries reaching US\$50 billion by 2025. Deputy Minister of Trade Jerry Sambuaga said that India has long been an important trading partner for Indonesia. The two countries are committed to jointly increasing bilateral trade and investment. This was conveyed at a meeting with a number of Indian business actors in Indonesia which was held at The Langham Hotel, Jakarta some time ago. "It is hoped that both countries can undergo economic recovery and become stronger," said Jerry in a written statement, Monday (16/5/2022).

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well as trade and repairs," said the Vice Minister of Trade.

As is known, since May 13, 2022, India has officially banned its wheat exports. This is due to annual consumer price inflation which is approaching its highest level for 8 years in Bollywood. India's inflation was recorded at 7.79 percent in April 2022 and retail food inflation soared to 8.38 percent.

India's wheat imports alone are only about 2.8 percent of Indonesia's total wheat imports. In 2021, Indonesia imports 184.6 million tons, with a value of US\$ 60 million, while in 2022, BPS recorded wheat imports from India reached 98.18 million tons as of March, with a value of US\$ 3.9 million.



10 - 13
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Make Transactions Easy, MC Texstyle Rely on Digital Platform

MC Texstyle, a textile company in Jakarta, has its own way of marketing its products and facilitating transactions. They use digital platforms, from Instagram, Tiktok, Facebook, YouTube, to websites. All of these digital platforms are deliberately entered as an effort to approach potential consumers. Manav Chainani, as the owner of MC Texstyle explained, MC Texstyle is indeed targeting the online market in the sales process. This is done because MC Texstyle wants to offer convenience in transactions. "MC Texstyle offers convenience in shopping for fabrics, all transaction processes can be done only from home. Most of our customers are clothing line and convection brands from all over Indonesia who have limited time to come shopping for materials. This is the background for using digital in transactions at MC Texstyle," Manav Chainani said in his statement, Tuesday (17/5/2022).

To avoid the term buy a cat in a sack, MC Texstyle also offers a free handbook to its potential customers.

The handbook contains pieces of all types of fabrics that MC Texstyle sells. This offer is made as an effort to build trust so that potential consumers can know the real texture of the fabric only from home.

"For consumers who are contacting for the first time, we usually offer a free Handbook to find out the available fabric textures. We send the handbook containing the sample of the fabric free to all over Indonesia. Every day, we produce dozens of handbooks to meet the demands of prospective customers," continued Manav.

Manav also said that this method is not a new way to market a product, but he believes that the method he does has benefits for every consumer, including MSMEs who just want to start a business.

"MC Textstyle has professional human resources in each field, I strongly believe in convenience and ease of transactions," said Manav.

As a company that utilizes digital, Manav often gets many requests to open a physical store (offline). From the many requests, Manav said that he had prepared a physical store in the next few months.

"To increase trust and relationships with consumers, we have prepared physical stores. We plan to open it near Sunter Market, North Jakarta. It is currently in the renovation stage and I pray that it will open in the next few months," closed Manav.

For now, MC Textstyle is actively processing transactions through the @mctextstyle Instagram account and also through the mctextstyle.id website. Meanwhile, the tiktok account @mctextstyle is active to do soft selling and have fun content together.

Inditex signs an agreement with Infinited Fiber Company worth IDR 1.5 trillion

The world's largest fast fashion group, Inditex, announced a new partnership with textile company Infinited Fiber Company on May 12. The three-year partnership is worth more than £85 million. The goal of this partnership is to advance new and innovative technologies to make materials more sustainable. Inditex also buys 30% of Infinited Fiber's annual production volume, namely Infinna fiber which is made from 100% textile

waste. The patented fiber mimics cotton and can be recycled again through the same company process.

The purchase agreement is also in line with Infinite Fiber's business expansion plan, which is currently developing its first large-capacity factory. The plant is planned to start operating in 2024.

"We truly believe that innovation is the key to the competitive future of the fashion industry, which is why we are actively working to find solutions, and seeking new partnerships, processes and materials to achieve textile-to-textile recycling," said Javier. Losada, chief sustainability office at Inditex.

"Collaborating with others on new innovative initiatives, such as the next generation fiber made by Infinna, is critical to the transformation our industry needs," he continued.

To celebrate Inditex's partnership with Infinite Fiber, Zara is launching its first capsules with most of the ingredients produced in collaboration with the Spanish non-profit organization Cáritas. The production also uses Infinite Fiber textile waste regeneration technology.





Opinion: Economic Signals, Jokowi's Visit to the US

President Jokowi some time ago visited the United States to attend a special United States-Asean Summit (Summit). It is not limited to maintaining multilateral relations, there is a desire for Indonesia to obtain capital to increase the production of domestic needs. The visit has strategic significance from a bilateral, regional and global perspective, and provides real practical benefits for Indonesia. Bilaterally, the United States is Indonesia's third largest trading partner after China and Japan. These figures tend to increase from year to year and are projected to continue to increase in the coming years.

With a population of 250 million and a fast-growing middle class, Indonesia is a country with great potential for American trade and investment. Based on data from the Investment Coordinating Board (BKPM), the investment value of the United States this year, until May 2022, was US\$65.76 million with a total number of 261 projects. In 2021, investment from the US will touch US\$2.5 billion, a significant increase. compared to 2020.

We know that in investment matters, the government cannot invest alone because of budget constraints. Of the total investment needs of nearly IDR 6,000 trillion, the government can only provide IDR 497 trillion. The rest is thrown to state-owned enterprises and the private sector. So the President met with several well-known US companies and investors such as Google, Tesla, Qualcomm, Boeing, Air Products, Chevron, Marriot, and ConocoPhillips, as a strengthening of the strategic aspects of investment.

Several important reasons such as the departure of oil and gas contractors leaving the business commitments that have been made with the government are actually a unique phenomenon, in which the investment is considered economically unattractive. One of them is due to the age of the existing wells that are old (mature) so that natural production has decreased very sharply.

The giant European oil and gas industry has seriously begun to change its vision and mission as an oil and gas company into an energy company to accommodate diversification and transformation towards environmentally friendly energy. Meanwhile, several giants of the US oil and gas industry have begun to be selective in running the oil and gas business. Not to mention that the US government is indeed evaluating their strategic partner countries to place their business capital. Moreover, the ongoing Russo-Ukrainian war made the US government very careful.

Since 2016, the Asean Economic Community has united more than 600 million residents of 10 Asean countries into a single market while the US with 320 million people is a large market for Indonesian export products, such as textiles and textile products, rubber, fish, and furniture.

President Jokowi's visit to a number of countries sends a message that Indonesia wants to be good friends with all countries, including countries that seem to be competing with each other. Regionally, the US and Indonesia are partners in efforts to maintain stability in the Asia Pacific.

Currently the region is the engine of world economic growth. The South China Sea, for example, is a route for US\$5.3 trillion of global trade, of which US\$1.2 trillion is US trade.

Under the administration of President Joe Biden, the Indonesian government must understand that the current US economic philosophy is based on the economic understanding of the Democratic Party, namely the government needs to actively intervene in regulating the economy because the market has failed to overcome various problems such as inflation, unemployment, poverty, international balance of payments deficits. , and others. If left to the market alone, these various economic problems cannot be resolved.

Indonesia needs to review the advantages of products and the ability to produce them in important sectors such as textiles, tourism, agriculture, plantations, fisheries, technology, creative industries, and energy. Indonesia can focus on improving the quality of human resources and incentives for small and medium enterprises to develop entrepreneurial activities and create jobs.

The implementation of policies such as eradicating corruption, legal certainty, and efficiency of the bureaucracy can create and encourage a positive and equitable investment climate for national and international investors and Indonesian workers.

This situation is expected to shift Indonesia's dependence from sources of economic growth, which are mostly supported by the consumptive economy, to a productive economy.

If Indonesia is still a producer of raw materials, it is possible that Indonesia will fall into the trap of middle-income countries and find it difficult to get out to become a fairly developed developing country or a developed country. So it would be useless if the president's success brought huge investments but the runway does not imply that the investment path will go well.



Typical Trenggalek Batik Interested by Jabodetabek Society

A study supported by clothing company H&M found clothing materials that can absorb carbon in the air. According to Reuters, Friday, May 20, 2022, a trial was carried out on the aprons worn by the crew of a restaurant in Stockholm by the Hong Kong Institute of Textiles and Apparel Research (HKRITA). The institute developed fibers containing amines, which enable cotton to attract carbon dioxide gas and capture it, then stabilize and deposit it on the textile surface. HKRITA CEO Edwin Keh said his team was inspired by the techniques used in the chimneys of coal-fired power plants to limit emissions.

"Many power plants have to remove as much carbon dioxide as possible from the air before the smoke is released," he said. "We thought 'why don't we try to replicate that chemical process on cotton fibres'.

A T-shirt can absorb about a third of what a tree absorbs per day, says Keh. "The (capturing) capacity isn't very high but it's cheap enough to manufacture and fairly easy, and we think there are a lot of potential applications."

The apron used in the trial was manufactured by an H&M supplier in Indonesia, using existing factory equipment for maintenance, Keh said. "It's a fairly simple chemical process."

Aprons after use are heated to 30-40 degrees Celsius at which temperature they release CO2 - into the greenhouse where the gas is taken up by plants.

The H&M Foundation said the innovation has the potential to be a game changer in reducing global CO2 emissions.

Projects to develop CO2-absorbing textiles are still at an early stage, and their potential contribution to reducing the environmental impact of the textile industry remains to be seen.

Keh said the agency will now develop the technology further, and try to find other uses, as well as other ways to use or dispose of the captured CO2.

HKRITA, partly financed by the philanthropic arm of Swedish fashion retailer H&M, has developed a number of innovations aimed at making fashion more sustainable. One that has achieved industrial use is the technique of separating cotton and polyester fibers in blended textiles.

Cooperation of PT Padjajaran Internusa Tekstil to Take Water in Sindanggalih Village Is Not Over yet

The collaboration between PT Padjajaran Internusa Tekstil and Sindanggalih Village, Cimanggung District, Sumedang Regency is still not over. It is known that previously PT Padjajaran Internusa Tekstil planned to cooperate with Sindanggalih Village in taking water facilities for the benefit of the company. However, the residents of Sindanggalih had rejected the investment by PT Padjajaran Internusa Tekstil on the grounds that they were worried about a prolonged drought. In response to this, the Sindanggalih Village Government is trying to prevent residents from being threatened by drought by holding hearings and communicating with PT Padjajaran Internusa Tekstil.

Aiming to prevent the threat of drought while at the same time trying to increase Village Original Income (PADes), Sindanggalih Village Head, Edi Setiawan took steps to make Village Regulations (Perdes).

"We are pushing the village regulation so that residents do not become victims, the point is that residents should not be harmed because of the company," said Edi to West Java Express, Wednesday (24/5).

He explained that apart from paying attention to the residents, according to Edi, the opportunity to increase PADes through companies that invest should not be ignored.

"For village permits, it does not enter the realm of licensing, only for recommendations that already exist, basically from the people of RW03, 05, 01 and RW02," he said.

Previously, there was a rejection of investment from PT Padjajaran Internusa

Tekstil by residents, explained Edi because the planned location for water extraction was considered risky because it could potentially cause drought in the future.

"Previously, it was near the source of land belonging to PT Padjajaran, but residents also recommended taking water in the Panjarabatu area, if you can, you can. Residents' permits have also been taken," added Edi.

"As for now, the residents themselves have 70 people employed (excavating water facilities) at the location and being paid Rp100 thousand (rupiah) per day," he continued.

Not only that, Edi said, as a cooperation agreement in taking water in the Sindanggalih Village area, PT Padjajaran Internusa Tekstil stated that it was able to provide work land for local people or villagers.

"PT Padjajaran's statement is able to prioritize clean water for the community, prioritize irrigation water for agriculture, then be ready to close (stop water withdrawal) when the dry season or water flow is low," said Edi.

He continued, PT Padjajaran Internusa Tekstil if later the cooperation agreement with Sindanggalih Village continued, then Edi said, the company claimed to be ready to provide PADes to increase village income.

"But (giving) PADes (nominal payment) depends on the ability of the company," he concluded.

"Then PT Padjajaran prioritizes when it needs workers who are the priority of the workforce, namely local sons or residents of Sindanggalih," concluded Edi

Textil The Ministry of Industry Will Collaborate with Germany for Downstreaming Industries

Minister of Industry Agus Gumiwang Kartasasmita opened up opportunities for the development of downstream industries and new and renewable energy (EBT) with German companies. This is because, he said, downstreaming could increase the added value of commodities, such as palm oil. "We see that the technology used by Ecogreen Oleochemical can support the downstream industry in Indonesia. Therefore, we have a dialogue with Ecogreen Oleochemical to open up this opportunity," he said, Monday (30/5).



Agus conveyed this during a series of working visits to Europe, namely during a meeting with two industrial companies in Germany.

The first visit was made to Ecogreen Oleochemicals, which is an industry that produces fatty acids and other downstream products from palm oil.

The products produced through the company's cutting-edge technology are used by other industries as raw materials for detergent products, skin care and cosmetic components, agricultural chemicals, textile industry, printing industry, food industry, and medicine.

Agus said that in the last 10 years, exports of palm oil derivative products from Indonesia increased significantly, from 20 percent in 2010 to 80 percent in 2020.

Currently, 168 downstream CPO products are produced in Indonesia. In 2011, there were only 54 types of downstream CPO products.

In addition, the export value of palm products in 2021 will also increase by 56.63 percent compared to the previous year.

On the other hand, Agus claimed that the B30 program, which is one of the products of the palm oil downstream policy, has been able to reduce diesel imports by 9.02 million kiloliters in 2021.

This means that there are foreign exchange savings of US \$ 4.54 billion or equivalent to Rp. 64.45 trillion. This program is also able to reduce greenhouse gas emissions by around 24.4 million tons of CO2 equivalent.

Agus also held a meeting with the APUS Group, which has the APUS Zero Emission initiative. As the European Aviation Safety Agency (EASA) design agency, APUS Group researches how hydrogen can be used safely and economically.

"Research results and experience from various projects and collaborations are applied to the APUS i-2 and APUS i-5 products to build a hydrogen fuel cell hybrid-electric aircraft with excellent performance," he explained.

Agus explained that hydrogen is an alternative energy source for fuel that can be applied to the industrial sector, transportation, power generation, portable power, and other sectors.

The government through the Ministry of Industry has begun to initiate the application

of hydrogen utilization in Indonesia, both as a source of power for electricity generation and as fuel for land, air and sea transportation modes.

Hydrogen as a substitute for fossil energy is currently still being developed in the power generation sector. Now, the technology is a hybrid with a combination of hydrogen and natural gas (grey hydrogen), which still produces carbon emissions.

"We hope to be able to include blue hydrogen at a later stage," said Agus.

In the national automotive industry roadmap, the Ministry of Industry has set a target of 20 percent of the use of electric battery-based vehicles by 2025. Hydrogen-based fuel cell technology for industrial production of environmentally friendly vehicles is also included.

The Combination of Thai Batik and Silk at the 2022 Grand Thai Silk Fashion Extravaganza

The combination of Batik and Thai Silk was displayed at the 2022 Silk Fashion Extravaganza which was held at the Royal Thai Navy Convention Hall-Bangkok, May 28, 2021. The clothes designed by students from Uttaradit Vocational College and the Indonesian Embassy in Bangkok were demonstrated directly by the Indonesian Ambassador to Bangkok Rachmat Budiman and Mrs. Riet Rietanty Budiman in front of about 700 spectators. The excitement of the fashion show that night began with the appearance of 14 permanent secretaries (secretaries general) from 14 ministries and agencies in Thailand who continuously support the promotion of Thai silk to the international community. Then followed by the appearance of Honorary Models

consisting of Ambassadors and their companions, Deputy Chief of Mission, representatives of foreign embassies and honorary consuls of foreign countries for various representatives in Thailand.

During the appearance of Ambassador Rachmat Budiman and his wife at the fashion show, the background of the promotional video of Borobudur Temple and various tourism objects in Yogyakarta was displayed. This opportunity was also used to introduce the city of Yogyakarta as the world's Batik city to diplomatic circles and other international guests.

The preparation for making clothes which was demonstrated by the Ambassador and his wife was carried out through direct meetings between the team from Uttaradit Vocational College and the Indonesian Embassy in Bangkok. Before starting the design, the students and the team were asked by the committee to conduct research on the culture and richness of Indonesian textiles that are suitable to be combined with silk from Thailand. Based on the research results, it was agreed that the combination of Indonesian Batik fabric with Thai silk in the clothes worn by the Ambassador and Mrs. Riet Ritanty Budiman was agreed.

Deputy Prime Minister of Thailand Wissanu Krea-ngam was present and officially opened the 2022 Grand Thai Silk Fashion Extravaganza accompanied by the Minister of Culture of Thailand, Itthiphol Khunpluem and a number of other high-ranking officials. It was said that even though it was in a pandemic condition and had been delayed several times, efforts to promote Thai silk as the soft power of this country to the international community continued to be carried out.

The Deputy Prime Minister of Thailand expressed his appreciation to the diplomatic

circles who had participated in the activity. "This activity is very special because it is also to commemorate Queen Sirikit's 90th birthday," he said, (29/5/2022).

Immediately after the fashion show, the Deputy Prime Minister specifically expressed his gratitude to Ambassador Rachmat Budiman for participating in the event, which in turn is expected to strengthen relations between the two countries.

The grand exhibition organized by the H.E. Queen Sirikit Thailand in 2022 took the theme of the 11th Celebration of Silk-Thai Silk Road to the World 2022. In an effort to minimize the spread of Covid-19, this year's activities were carried out by implementing strict health protocols, including through mandatory ATK tests and the use of masks during activities.



"Monitor the health of your employees before work"