

# The Japan Textile Federation announces the Proposal on the Ideal Textile Industry in 2030

At its general meeting on January 17, the Japan Textile Federation approved the Proposal on the Ideal Textile Industry in 2030. As the global textile market expands, there are increasing opportunities for Japan's textile industry right before our eyes, and the proposal summarizes industry-wide issues that need to be resolved in order to achieve the ideal situation to take advantage of these opportunities, looking ahead to the situation expected to surround Japan's textile industry in 2030. In addition to communicating with the textile industry, etc., the Japan Textile Federation is presenting countermeasures for the time being to resolve the above issues.

## Proposal on the Ideal Textile Industry in 2030

### - Plan Leading from Traditions to the Future (New Design 2030) -

On January 17, 2020  
By the Japan Textile  
Federation

#### Proposal

As the population and GDP per capita increase, the global textile market—which is positioned at the core of food, clothing, and shelter—is expanding as well. This means that the expansion of the global market offers major potential opportunities for Japan's textile industry, which contracted greatly after peaking in 1991, and these opportunities are in-

creasing right before our eyes.

In order for Japan's textile industry to take advantage of these opportunities, the Japan Textile Federation has looked ahead to the situation expected to surround Japan's textile industry in 2030. Based on this, the federation has organized information on textile-industry-wide issues to be resolved and the direction to take in order to achieve the ideal situation for the industry, and—in addition to communicating with the textile industry,—the federation has compiled a proposal in order to present its countermeasures for the time being to resolve the above issues.

#### 1. The direction the textile industry should take

The world is undergoing advanced, high-speed changes through the digital revolution, AI revolution, etc., and has plunged headlong into the Fourth Industrial Revolution. The global textile industry is following this trend as well. In other words, networking through the IoT has resulted in the blending of production, distribution, and sales, leading to increased linkage between production processes—which could also be called cross-industry exchange—and triggering unprecedented structural changes.

In the midst of this, instead of striving for the glories of the past, Japan's textile industry must aim to create new industries as 2030 approaches. It is therefore necessary to share plans to rebuild the value chain, implement decisive structural reforms based on New Standards of Value\*<sup>1</sup> during the first ten years of the Reiwa era, and transition into the Great Age of Fiber & Textiles expected to occur around the arrival of the so-called

“singularity” in around 2045.

Goals related to the above include increasing the scale of Japan's clothing market (including Asian markets) to 14 trillion yen (current scale: approximately 10 trillion yen) and the domestic-clothing shipping amount to 2 trillion yen (current amount: approximately 1 trillion yen) by 2030. In addition, regarding the labor shortage of approximately 30,000 employees expected in spite of labor saving by the digital revolution, etc., we will promote further diversity based on the utilization of women, elderly persons, and foreigners.

The next ten years are the moment of truth, so—regarding the direction that should be taken to ensure the sustainable development of Japan's textile industry—we hereby propose the measures below and declare the intention to take the lead in executing them.

- (1) Create new value through innovation
  - Build production, distribution, and sales systems to handle the digital revolution
  - Build a fashion industry to increase brand value
  - Create a value chain through creative improvements to the supply chain
  - Promote sound terms and conditions that assume legal and general compliance
  - Develop new applications for textiles as fabric
- (2) Develop human resources to handle the creation of new value
  - Develop human resources to

handle the digital revolution (managers, production human resources)

- Develop human resources for the fashion industry

(3) Handle the multicultural society (diversity)

- Increase diversity employment
- Utilize foreign human resources (technical intern training program, specified skilled worker system, and highly skilled foreign professionals)

(4) Promote globalization

- Overseas market (trade and investment-based expansion)
- Systematic improvement necessary for overseas market expansion (promote free trade and foreign investment through the RCEP, etc.)

(5) Handle sustainability

- Global warming
- Achieve a sustainable textile industry (achieve a circular economy)
- Handle sustainability in the supply chain (due diligence, chemical substances, etc.)
- Microplastics issues

(6) Enhance industry- government - academia cooperation

- Promote R&D aimed at technological innovation
- Support small and medium-sized enterprises (SMEs) aiming at the creation of new value
- Develop highly skilled human resources to serve as the core of industry
- Promote innovation aimed at achieving Society 5.0

## 2. Actions to achieve the proposal

The first players to execute the above proposal are companies involved in the textile industry. Industry development is the result of active efforts by individual companies, so we hope textile companies will vigorously work in the direction of the proposal.

Next, in order to resolve the common issues faced by the many companies in the textile industry, industrial associations should play suitable roles in terms of industry development. The textile industry is divided into many upstream, midstream, and downstream\*2 processes, and there are different common issues for each process. Industrial associations in each process should aim to resolve the common issues related to their own processes.

In addition, public institutions (central government, local governments, etc.) have various support systems—including subsidies, tax systems, policy finance, and support services—and we would like to request that these systems are utilized as appropriate to facilitate efforts by textile companies and industrial associations to resolve issues.

The roles of universities, vocational schools, public testing/research laboratories, and other education/research institutes are also important. Such organizations have played crucial roles up until now, including the development and supply of a wide variety of human resources involved in production, sales, design, and other jobs in the textile industry, the development and provision of technology seeds, and the handling of technical consultation. However, the importance of human resources and technology is increasing due to the need to rebuild the value chain, so we would like them to promote education/research programs, etc. that consider the needs of the textile industry.

We would also like to emphasize the fact that legal and general compliance are assumed for any actions aimed at achieving the proposal.

## 3. Roles of the Japan Textile Federation and its business development for the time being

As an umbrella organization encompassing the entire textile industry—including whole processes from upstream to downstream—the Japan Textile Federation should cooperate

with member associations to aim to resolve issues facing the entire textile industry. More specifically, we will take steps regarding the following four especially important issues: (1) handling the digital revolution, (2) securing human resources, (3) supporting overseas expansion, and (4) handling sustainability. In addition, we will continue to play a role as a liaison with the government and academia due to our position, which gives us a bird's-eye view of the overall textile industry. The countermeasures to be taken in response to the above four issues for the time being (the next few years) are described below.

### (1) Handling the digital revolution

As small and medium-sized enterprises lack knowledge and delay introduction of specific digitization countermeasures, we will hold seminars to work on the following: (a) providing examples of digitalization countermeasures that can be easily introduced for SMEs, (b) matching with vendors that develop simple, cheap systems for small and medium-sized enterprises, and (c) matching with IoT-related consulting organizations.

### (2) Securing human resources

To secure human resources and alleviate the shortage of them, we will work on setting up environments where it is easy for women, elderly persons, and foreigners to work.

More specifically, we will cooperate with member associations (a) to continue optimizing the technical training system as quickly as possible through the Business Council for Textile and Apparel-Industry Technical Intern Training Programs, and (b) to start setting up the environment necessary for introducing the specific skilled worker system to the textile industry. In addition, we will (c) provide information aimed at the acceptance of highly skilled foreign professionals.

### (3) Supporting overseas expansion

We will work on building a support network for small and medium-sized enterprises. More specifically, we will work with member associations etc. to utilize the existing support network (the Consortium for a New Export Nation, etc.) in order to set up an environment that makes it easy for the small and medium-sized enterprises, etc. to obtain support.

In addition, many small and medium-sized enterprises need management-base consultation when considering overseas expansion, we will also promote the building of a support network for consulting related to company management itself (through cooperation with the existing one-stop service networks).

### (4) Handling sustainability

Regarding transaction optimization—a major issue in terms of textile-industry sustainability—we will continue cooperating with the Fashion Industry SCM Promotion Association, etc. as well as member associations to ensure legal and general compliance and to promote optimization by following up on the voluntary action plan, etc.

In addition, regarding environmental problems related to sustainability in a narrow sense (global warming, handling a recycling society, including the 3Rs, etc.), the textile industry faces a possibility to be eliminated from the future supply chain if the problems are not addressed. However, because different countermeasures are necessary for from upstream to downstream process, we will start by collecting information of both Japan and other countries (the current situation, outlook of regulations, specific handling examples, the situation of supply chain supervision, etc.) and then provide this information to the textile industry in order to further deepen everyone's understanding of the need for sustainability and secure the cooperation of member groups to set up environments for each company to achieve it.

Ways to provide information include holding environmental/safety problem committee meetings and seminars. In addition, we will cooperate with member associations to conduct interviews and field surveys as necessary.

#### \*1) What are New Standards of Value?

The Fourth Industrial Revolution (characterized by the rapid development of digital technology, including AI, the IoT, and robots) is currently occurring, and Society 5.0, so-called the abundant world is upon us near future. As AI and robots assist or replace people, people will be freed from the need to do hard labor, which

will greatly increase their healthy life expectancy, language barriers will come down, and consumption areas that span different races and countries will arise. New standards of value are those that assume consumer awareness and consumption behavior resulting from the above sort of multicultural society. In terms of the textile industry, applying such standards means building a supply chain = value chain that generates added value by responding to changes in consumer awareness and behavior.

\*2) Upstream: raw cotton / raw yarn , spinning  
Midstream: twisted yarn, weaving  
knitting , dyeing  
Downstream: apparel, sewing