

January 13, 2022
Japan Textile Federation

Action Policy for Fiscal 2022

Following the effects of widespread infection of the COVID-19 in the world since last year, Japan Textile Federation (JTF) could not sufficiently carry out its initially planned activities in 2021. On the other hand, we have adopted new online methods including web conferencing when we hold meetings and seminars.

Accordingly, we have decided to implement our action policy this year based on the previous year's action policy.

We have been working actively by recognizing identity of the textile industry such as the power to support the life, health and living of humans, the power to enrich spirits of people and improve culture and the power to create a future society.

Since the population and per capita GDP are expected to grow in the future, we believe that the textile markets in the world will further expand with playing a central role in the fields of clothing, food and housing. This fact indicates that there is a potential "opportunity" of expanding the global market for the Japanese textile industry that has been significantly shrinking after enjoying the highest demand in 1991. In order for the Japanese textile industry to properly take advantage of this "opportunity", JTF has, based on a "desirable shape" of the textile industry in consideration of the possible situation surrounding the Japanese textile industry in 2030, put together a proposal in 2020 with an aim to organize common challenges to be solved and directions for realization of the "desirable shape", make such challenges and

directions known to the textile and other industries, and present its own responsive measures for the time being.

For carrying out the recommendations in the proposal, JTF will, in cooperation with our member organizations, address major activities to solve the common challenges for the entire textile industry, including (1) Response to Digital Revolution, (2) Securing Human Resources, (3) Support for Overseas Business Expansion, and (4) Response to Sustainability. Moreover, our major activities so far such as (5) Active Approaches to Cope with Trade Issues, (6) Strengthening of Information Transmission Capability and Brand Power, and (7) Response to Taxation Issues continue to be tackled.

JTF will make every effort for further development of the textile industry by recognizing that the trust from the society on the textile industry is important and sharing responsibilities in the overall supply chain, while further strengthening the trust-based mutual relationships between our member organizations. Also, JTF will reinforce its activity basis through continuously making active policy proposals to the government.

Based on the basic concept outlined above, JTF will conduct its activities for development of the Japanese textile industry along the seven policies shown below:

1. Response to Digital Revolution

We will promote various activities for small and medium businesses as well as very small businesses (SMEs) as a main target that have limited knowledge on specific responsive measures and are less advanced in efforts to cope with digitalization, including (1) introduction of appropriate measures that can be easily implemented in

SMEs, (2) matching with vendors that have developed simplified and affordable systems for SMEs, and (3) matching with consulting organizations regarding IoT.

2. Securing Human Resources

For securing sufficient human resources in the current labor shortage situation, we will work to create a better working environment for women, elderly people as well as foreigners.

Specifically, we proceed with the following activities in partnership with our member organizations: (1) continuously seeking a more proper Technical Intern Training Program, (2) sharing information on development of a necessary environment for introducing the “Specified Skilled Workers Program” into the textile industry; and (3) providing information about acceptance of highly skilled foreign professionals.

3. Support for Overseas Business Expansion

We will strive to build a support network for small and medium businesses. Specifically, together with our member organizations, we facilitate the use of the existing support networks (the Consortium for a New Export Nation and others) with public assistance organizations playing a core role to create an environment for such businesses as a main target that are indispensable for the textile industry to gain necessary support more easily.

In addition, we will also promote building a support network (partnership with the existing networks including the General Support Centers) to provide consulting services on corporate management to small and medium businesses that require such services for reinforcement of their domestic business management foundation in

considering overseas business expansion.

4. Response to Sustainability

We will continue our efforts for ensuring proper business transactions, one of the major issues for sustainability of the textile industry, with the cooperation with our member organizations through follow-up programs including the voluntary action plan, etc. in coordination with the Fashion Industry SCM Promotion Association.

Also, we develop the “Guideline for responsible business conduct for textile and clothing industry (TBD)” in collaboration with the ILO Tokyo Branch Office, thus seeking to build an environment where respective companies conduct their business easily while fulfilling their social responsibilities.

Additionally, the environmental issues that are closely related to sustainability, including responsive measures for global warming, 3Rs, etc. for creation of a resource recycling society are a common challenge for the textile industry. Accordingly, we collect the related information (current situation and outlook of the related regulatory systems, examples of specific responsive measures, situation of supply chain management and so on) both at home and abroad. We provide our member organizations with such information for deeply understanding the necessity to tackle sustainability issues and creating an environment that individual companies can take appropriate steps with assistance from our member organizations.

Information dissemination methods include holding committee meetings on environment & safety issues, seminars and other events. Moreover, hearings or field surveys will be carried out as necessary together with our member organizations.

5. Active Approaches to Cope with Trade Issues

JTF will take advantage of regional economic partnership agreements including the TPP 11 and the Japan-EU EPA to increase business opportunities and promote making the most of RCEP that went into effect on January 1, 2022.

Also, JTF will hold the Japan-China-Korea Textile & Clothing Conference annually in cooperation with the China National Textile and Apparel Council and the Korea Federation of Textile Industries and exchange the information broadly.

6. Strengthening of Information Transmission Capability and Brand Power

JTF will put its efforts into information transmission activities including appeal of high-quality, high-sensitivity and high-functional materials that incorporate sophisticated technology and sensibility of the Japanese textile industry through cooperation in “J∞QUALITY Product Certification Project”.

Furthermore, in collaboration with the “Cool Japan Strategy” implemented by the government, JTF will work on the related organizations in order to allow textile products ranging from fashion goods to functional goods to be promoted widely both at home and abroad.

7. Response to Taxation Issues

We will request the ruling parties and the relevant ministries for appropriate revision of taxation systems related to the whole textile industry.