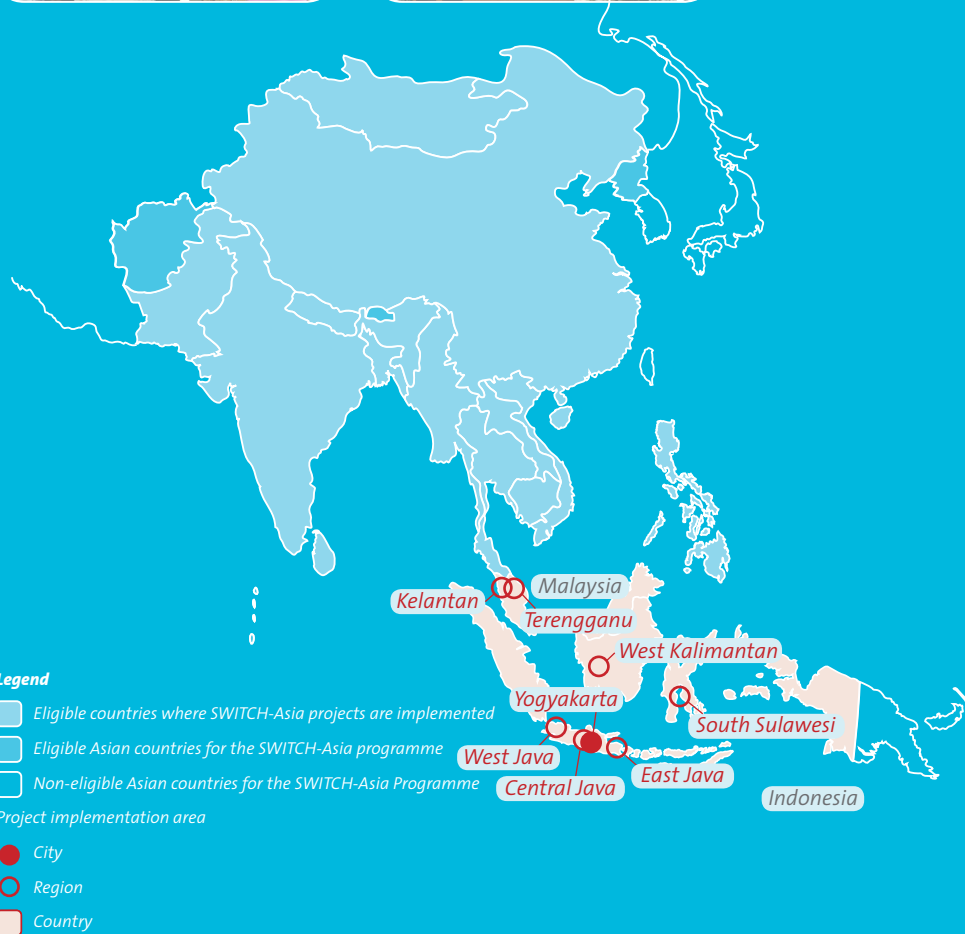




# PROJECT PROGRESS SHEET ENCOURAGING AND IMPLEMENTING SUSTAINABLE PRODUCTION AND CONSUMPTION OF ECO-FRIENDLY BATIK IN INDONESIA AND MALAYSIA



The boundaries shown on this map do not imply on the part of the European Union any judgment on the legal status of any territory or the endorsement or acceptance of such boundaries.



**BRIEF PROJECT DESCRIPTION**

The SWITCH-Asia *Clean Batik Initiative (CBI)* project seeks to address the low environmental indicators of the Indonesian and Malaysian batik industry by attempting to implement cleaner production (CP) concept in batik production as part of its Sustainable Production (SP) component. This involves targeting the adoption of Environmental Oriented Cost Management, Good Housekeeping, Chemical Management, Water and Energy Efficiency, and Fit-for-Purpose technology by approximately 600 SMEs in Indonesia and Malaysia.

Additionally, batik SMEs that successfully implement CP concept will be eligible to receive various trade and promotional assistances from the Sustainable Consumption (SC) component of the CBI project. This includes marketing consultancy, media exposure, online product promotion, business matchmakings as well as support for domestic and international trade fairs. In parallel, public awareness campaign events to various consumer groups will be conducted to encourage a switch of consumption habits that will favour environmentally-friendlier products such as clean batiks.

In order to complement concrete interventions in businesses and consumer organisations, the CBI project will also facilitate policy dialogues and lobby group activities with governments at local, regional, and national level.

Up to January 2011, the project has completed technical assistances to 100 SMEs in Yogyakarta and Central Java province. The project has also successfully assisted a group of SMEs producing natural dyed batiks that has graduated from the project to become one of the new “green” suppliers to Sarinah, Indonesia’s only state-owned retailer. Apart from actively engaging with the medias and the public, the project has participated in various relevant exhibitions to increase its visibility and spread its message further. This has allowed the project to solicit support and form alliances with relevant entities to achieve synergies with other actions. In parallel, the project has initiated several discussions with local and provincial authorities on policies that will support better adoption of cleaner production in batik SMEs.

**PROJECT PARTNERS**

European Business Chamber of Commerce in Indonesia (EKONID),  
Malaysian-German Chamber of Commerce (MGCC),  
IHK-Akademie München

**PROJECT WEBSITE**

[www.cleanbatik.com](http://www.cleanbatik.com)

**PROJECT ABBREVIATION**

Clean Batik Initiative

**PROJECT DURATION**

1 February 2010 – 31 January 2013

**TARGET GROUPS**

- 600 small and medium-sized batik enterprises with approx. 10,000 workers in total in 6 provinces in Indonesia and 2 provinces in Malaysia are the main receivers of improved environmental practices, environmental technology and management
- Government agencies, NGOs, batik associations and cooperatives, and universities as multiplier organisations who will receive capacity building in the field of Cleaner Production
- Various consumer groups who choose more sustainable consumption behaviour and patterns
- National and local retailers with green focus who are the main intermediary between the manufacturing sector and the consumers
- Print and online medias for the message to effectively reach consumers
- Governments at local, regional, and national level who are responsible for policy formulation and uptake of project results

**PROJECT MANAGER ORGANIZATION ADDRESS E-MAIL TELEPHONE**

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## OUTPUTS UNTIL DECEMBER 2010 TO BE SHARED WITH WIDER AUDIENCE



- A bi-lingual English / Indonesian programme website at [www.cleanbatik.com](http://www.cleanbatik.com)
- A Clean Batik Initiative Centre (CBIC) located on the ground floor of EKONID office at Jl. H. Agus Salim no. 115, Jakarta
- A deluxe bi-lingual CBI information folder\*
- CBI promotion brochure for SMEs\*
- Chemical handling precautions and first aid poster to 100 SME participants  
> downloadable from:  
[www.cleanbatik.com/index.php?id=62](http://www.cleanbatik.com/index.php?id=62)
- Training of Trainers and workshop modules in the field of Cleaner Production for batik  
> downloadable from:  
[www.cleanbatik.com/index.php?id=62](http://www.cleanbatik.com/index.php?id=62)
- 12 Yogyakarta-based Technical Consultants (TCs) in the field of Cleaner Production for batik
- Provision of one set of safety equipments (a pair of chemical gloves, a pair of boots, a rubber apron) and an electric wax stove to 100 SME participants
- Technical assistance report to 100 SMEs in Yogyakarta and Central Java province\*
- Internal evaluation report of TCs and 100 participating SMEs\*
- Training and workshop smiley evaluation report\*

*\*Kindly contact Mr. Adnan Tripradipta, CBI Project Officer at [adnan.tripradipta@cleanbatik.com](mailto:adnan.tripradipta@cleanbatik.com) to request the document*

## RESULTS ACHIEVED TILL JANUARY 2011

The project has successfully engaged 100 SMEs in its first year. Cleaner Production is a relatively new concept for many of the batik SMEs and for this reason, many welcomed the project as it gives them additional knowledge on how to optimise production costs using a software tool called Non Product Output (NPO) calculator. However, with many SMEs operates on a small-scale production, the saving potentials may not be attractive enough in the first place though they may understand the rationale behind it. Some SMEs with larger operation sees clear benefits of having their NPO calculated and has consequently followed some of the recommended

initiatives to achieve some form of efficiency in their production.

The most visible improvements following the field technical assistance have been achieved in the area of Chemical Management and Workers' Health and Safety with the SMEs perform correct chemical storage and labelling and the workers use the necessary safety equipments when handling chemicals. Nevertheless, due to the high number of SMEs and workers targeted, the project can only give sample of safety equipments per participating SME and the project has yet to follow up on SMEs' own initiative to purchase more for their remaining workers. The



project has nevertheless discovered that sourcing them locally is not as straightforward as initially thought due to limited choice and availability. The provision of electric wax stove which is a locally-made product by the programme Associate, Balai Besar Kerajinan & Batik (BBKB) in Yogyakarta has also greatly reduced the amount of energy used in a batik production. However, there are some issues pertaining to its design and performance that deter some SMEs to make the switch even though a replacement product can be arranged. Likewise, one electric wax stove alone will not make a serious difference unless all existing kerosene stoves used by an SME are replaced. However, with the product beset by small but inconveniencing problems, this may be hard to achieve and therefore, CBI is working actively with BBKB to improve the product.

The project groomed local workforce to become field technical consultants and will attempt to link this newly formed resource through policy dialogue and lobby group meetings with relevant institutions that will carry on

CP implementation in the future. Due to increasing demand, the project has also organised a capacity building to local governments in order to increase their knowledge in the field of CP with the hope that they can formulate replication programs for future implementation. All training materials and tools are also made available in the project website and can be downloaded by any interested parties.

At policy framework level, the Policy Dialogue component of the project is currently attempting to push the possibilities to ban naphthol – a toxic chemical dye that have been banned in US and Europe but is still widely used by the Indonesian batik industry – as it is the main source of environmental and health problems associated with batik industry in Indonesia. The banning of naphthol is thus, an important goal that will greatly enhance SCP policies in Indonesia and is an agenda that will be replicated several times during the project duration at local, regional, and national policy dialogue level in the project's targeted provinces.

## LESSONS LEARNT SO FAR



The calculation of Non Product Output (NPO) is a powerful tool to estimate the amount of waste (in water, energy, and material) generated per stage of production process by batik SME. It has succeeded in educating the SMEs that waste does have its value and it is a loss for them. The NPO value is at best, still an estimate and the process of calculating it prove to be very tedious for the Technical Consultants (TCs) that simply checking individual figure to ensure correctness took a huge amount of time. Especially when these values are not significant enough to warrant change in behaviour due to the small scale production nature of most batik SMEs. This case was especially confirmed following an internal evaluation conducted by EKONID. Thus, after completing technical assistance to 100 SMEs in the first year and identifying the 80% most com-

monly found issues in the batik industry, EKONID has decided to simplify the training materials and the field technical assistance to just really focus on tackling the major issues.

The biggest challenge with regards to project coordination in Yogyakarta has been the process of signing SMEs up for the programme. Although data is readily available, communication is a challenge as they do not normally have an address / phone and are scattered in locations deep from the main road. The fact that many NGOs have come to their aid following the devastating 2006 earthquake with varying degrees of success has not helped either with some clusters highly sceptic of welcoming further development assistances. Getting the SMEs to make proper documentation of the resources they use has also proven to be very difficult as they



tend to see things short-term and do not see the immediate benefits of doing so. Even when a change is successfully introduced and benefits are felt, the SMEs do not necessarily sustain or expand these changes due to numerous factors (old habits die hard, financial capability, limited choice and availability of technologies, etc). The government has a role to guide the SMEs in this matter but so far all aspects concerning SCP are voluntary in nature and therefore it is not possible to push by force the required changes. Additionally, government authorities have been proven to be a challenge to engage due to their territorial nature when dealing with SMEs. Certain stakeholders have proven to be very important for the success of the programme. This includes selected individual civil servant, head of batik association or batik village who rise above their peers to go extra miles to help the

batik SMEs with no strings attached. They have provided tremendous assistance to the project by assisting in additional clustering, getting the SMEs to participate in the project, and to generally make them more receptive to the message of the project. Another important stakeholder is NGOs who run complementary programme where synergy with CBI could be achieved.

Batik industry has been around in Indonesia for decades and therefore this project which tries to bring in new concept and promote new way of thinking have been received with mixed results. In general, the project finds those newly-established SMEs are generally more eager to learn and receptive to the changes proposed whereas those that have been run for years from generation to generation are less accommodating. This differing attitude is also greatly influenced by the varying level of education found in batik villages.

## OUTREACH AND SYNERGIES

The project heard many good ideas from the SWITCH Networking Meeting in Beijing however, many of the practical ideas are already implemented in the project and other useful ideas can only be implemented through the Policy Dialogue component (e.g. sustaining the service providers). Nevertheless, the concept of the networking meeting in Beijing is now adopted by the project for the Policy Dialogue event so that all participants can be more active in the discussion to synergise their ideas. Several government agencies allocate yearly fund for various technical assistance programs for SMEs. The idea is to transfer the existing knowledge and resources in Cleaner Production (CP) to these local institutions so that they can be part of their future activities. This action is highly supported by the Ministry of Environment and they are helping EKONID to encourage local government authorities to take up on the idea.

There are proven solutions for every problem plaguing the batik industry but many of them

can only be executed with clear support at policy framework level. Among those identified is the provision of communal waste water treatment facility, a solution that can only be provided with funding and support from local authorities. Further government support for research on natural dyes is also needed to enhance its adoption by the batik industry. The banning of naphthol, a toxic chemical still widely used by the Indonesian batik industry and the main contributor to health and environmental problems in the batik industry is a goal that can only be achieved through policy dialogues with government authorities.

The continuity of project achievements is also being attempted through close cooperation with Balai Besar Kerajinan & Batik (BBKB) and through policy dialogues where this issue will be regularly brought up in the discussion. The idea is to get the governments agree to use the existing capacity in CP that has been built by CBI in the targeted project locations for future replication



project. In parallel, the project also provides capacity building to local authorities in the field of CP through multiplier workshop with the hope that they understand the importance of it and able to formulate a program related to CP.

An important alliance was formed with the Yogyakarta branch of the International Organisation for Migration (IOM). This leading inter-governmental organization in the field of migration is responsible for the administering the World Bank-funded Livelihood programme of the Java Reconstruction Fund (JRF) which aims to support the recovery of micro and small enterprises (MSEs) in Yogyakarta and Central Java following the devastating 2006 earthquake. The cooperation with IOM warrants that batik SMEs under their guardian will be eligible to participate fully in the CBI programme activities while in return IOM will recommend target groups, provide community mobilization support and together

with EKONID design market access strategies and perform monitoring and evaluation activities.

Through the Regional Project Info Day (RPID) and the SME Project Info Day (SME-PID), the CBI project makes itself well known by local population and authorities even before it officially started its field intervention. Additionally with the project launched with much fanfare by the Indonesian Minister of Environment back in February 2010, the media has taken a lot of interests in the project and as a result, many print and online articles about the project has been published up to this date. The project has also produced various collaterals such as brochures, info sheet, website, newsletter, etc. participated in many exhibitions, and engaged actively with medias far more than planned in the proposal to increase its visibility to the general public.

## ADDITIONAL HIGHLIGHTS OF THE PROJECT



The biggest eruption in decades of Indonesia's most active volcano, the Mount Merapi in Yogyakarta in October 2010, has caused unprecedented obstacles to the continuity of the field work being performed by CBI in the province. Batik SMEs that normally perform daily production had to reduce their operation to 2 to 3 days per week due to disruption caused by volcanic ash. This in turn affected the due date completion target of technical assistances for the Technical Consultants (TCs). Planned intervention in an identified SME cluster had also to be cancelled since it was designated as a danger zone. With the target of 100 SMEs in Year 1 still had to be reached, the TCs extended the hours it spent for every SME visit and EKONID decided to target individual SMEs in Yogyakarta city instead to make up the lost SME cluster. Though this solution posed some logistical issues, with the hard

work and perseverance of all the project team, CBI managed to complete technical assistances to 100 SMEs in Year 1.

Additionally, CBI conducted awareness campaigns far earlier than planned due to huge interests from the public and the media on the project as a result of the high profile launching event attended by the Indonesian Minister of Environment which took place at the Textile Museum in Jakarta on March 2010. Offers for cooperation, media interviews, radio talk shows, TV coverage and free exhibition space poured in which was gladly responded by CBI. With already numerous radio and TV broadcasts as well as articles in online and print medias talking about the CBI project, the all important message about the need to switch to a more sustainable method of production and consumption of batik products is ringing louder than ever.