INDOTEXTILES
The Indonesian Textiles, Apparel & Fashion Community Reference

2021, New Hope

2020 has passed as a quite tough year for the national textile industry which must experience a deep contraction in utilization due to COVID-19. Even though in the last 3 months there has been an improvement in utilization, the threat of this pandemic continues to haunt and create uncertainties in business conditions. In other side, the agenda to improve the performance which includes trade policies and improving competitiveness which are still homework for all stake holders.

However, the hope of restoring the glory of the national textile is still there and continues to strengthen in 2021. Several draft government regulations in the Industry and trade sector are expected to be a tool for the textile sector to regain control of the domestic market and become a legal umbrella for changes in trade regulations and implementation of trade remedies. Coupled with the draft government regulations related to the environment and labor, it is hoped that it will provide a positive sentiment to increase competitiveness.

Happy New Year 2021, we will continue to strengthen our enthusiasm and hope of restoring the glory of Indonesian textiles.

Best Regards,
Editorial Team

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EXPERT PERSPECTIVE

Will the Textile Industry be? Maintained or Ignored

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The textile and textile products (TPT) industry are contributing to the national trade surplus with the largest absorption of labour. The strength of the textile industry in Indonesia is the integration of the industry from upstream to downstream. But currently TPT entrepreneurs are faced with various serious problems, if the problems faced are not immediately sought for a solution, the TPT industry will experience a collapse which of course results in increased unemployment. Currently, the number of workers working in the textile industry until 2019 has reached 2.83 million people. One of the problems faced by the textile industry is due to the preferential treatment of importers compared to exporters or local market entrepreneurs.

Several import facilities such as PLB, Bonded Warehouse, and Post Border have destroyed the domestic market. Policies that have an impact on the decline in the performance of the domestic textile industry include Permendag 64/2017 (Permendag 77/2019), namely regulations that facilitate imports, previously imports of TPT were only as raw material for producers (API-P) now traders (API-U) are free of imports, and also Permendag 28 / 2018 and MOT 74/2018 from strict border checks to only using CCTV. Whereas on the other hand the domestic industry is still faced with problems of competitiveness due to high energy costs, low labour productivity, high logistics costs, a tax system that does not support an integrated industry, as well as a lack of banking support and this all results in de-industrialization, trade balance deficits, market share continues to decline. Another thing that has exacerbated the deterioration of the textile industry is its indecisiveness on unprocedural import practices.

In 2007 the textile industry experienced a surplus of up to US $ 7.8 billion, but since 2008 until now the surplus has continued to decline, in 2018 it was only US $ 3.2 billion and up to 2019 US $ 3.4 billion. Meanwhile, in January-October 2020, it is US $ 3.55. The utility of installed capacity has continued to decline since 2013, namely by 73.1% to below 60.63% in 2017, and 56.69% in 2019, and production volume is only 50% of installed capacity.

The average growth in exports and imports of the textile industry in 2008-2019 was 2.5% and 8.9%, so that the balance sheet experienced a deficit of -4.3%. The negative balance growth is due to higher import growth than export growth. Dependence on imports continues to strengthen, the impetus for imports has no effect on export growth and even has a negative impact on the domestic market. Imported apparel in 2018 almost doubled compared to 2016, which affected the local market garment industry. SME and UMKM Garment produce 42% of the total national garment production, 95% are sold in the domestic market. And control about 40% of the domestic market. 24% of the domestic market is currently controlled by imported products which are increasingly eroding the market share of local products, including products from SME and MSME.

In addition, the share of the Indonesian textile market in world TPT continues to decline, followed by Bangladesh and Vietnam. In 2009, the share of the Indonesian textile market in world TPT was 1.66% not much different from Bangladesh (2.43%) and Vietnam (1.86%), but in 2018 the share of the Indonesian textile market decreased to 1.58%, while Bangladesh and Vietnam increased to 4.72% and 4.59%. Likewise, the ratio of imports to exports of Indonesia in 2009 was 40.6% but in 2018 it became 73.1%

in contrast to Bangladesh which was 14.2% (2009) and 28.5% (2018), while Vietnam's ratio decreased from 61.9. % (2009) to 42.5% (2018).

From the description above, it is necessary to take several actions to prevent worse conditions in the textile industry. The government needs to listen more and accommodate the hopes of associations so that the existence of the textile industry can be maintained, this is of course to prevent entrepreneurs from changing professions to become importers because it is easier to become an importer than an exporter. By fixing various problems faced by the national textile industry, it will improve the supply chain of the textile industry which of course will increase its competitiveness and gradually dominate the domestic market and increase the world market share.

Policy recommendations

To maintain and maintain the textile industry, there are a number of recommendations that can also be used as input for the Industry and Trade RPP which are currently under discussion;

(1) Continuing the post-meeting agreement with the president, among others, closing a number of textile Bonded Logistics Centres (PLB) which are the entry points for imported products, imposing a Safeguard for Yarns and Fabrics and currently a process for garment and carpet safeguards, implementing gas prices for USD 6 / mmbtu in some of the upstream textile industry based on petrochemical, the supply of polyester raw materials is in the form of Paraxylene is still underway, 35% import substitution policy and the provision of local raw materials for SME;
(2) The 35% import substitution policy and encouraging the use of local raw materials can run as long as the government guarantees the domestic market for

domestic products. In the absence of market guarantees, the provision of investment incentives will not encourage industrial growth and investment.

(3) Regulations are needed to assist the domestic industry by providing convenience for local destinations for export (KLTE) and convenience for local destinations (KLTL) so that there is fairness to KITE facilities for imported raw materials.

(4) Revised PERMENDAG 77 2019 to encourage the use of domestic products: Imports of TPT are only for products that are not produced domestically and may only be imported by verified producers (API-P) and not through PLB and Bonded Warehouses

(5) The existing trade cooperation agreements tend to harm domestic manufacturers and discourage investment because the domestic market is too open due to trade cooperation agreements. It takes special regulating rules related to the formation and negotiation of trade cooperation both bilaterally, regionally and multilaterally.

(6) Tighter supervision in customs areas to tackle violations of import procedures that are currently rampant (Under Invoice, Under Volume, Under Price, False Declaration (COO), Transhipment etc.). And it needs firm affirmation for those who violate it

(7) Inter-ministerial coordination to provide an integrated upstream-downstream policy for the textile industry in particular and the manufacturing industry in general.

LATEST NEWS

Challenges in the Textile Sector for New Trade Minister

The apparent growth of the textile industry and textile products (TPT) sector is a challenge for the Trade Minister Muhammad Lutfi to solve the problem. The import-driven growth of the textile industry has resulted in hundreds of factories out of business in the last 3 years. The high growth in textile imports as a result of trade policies that are considered pro-import also results in low investment.

The Secretary General of the Indonesian Fiber and Filament Yarn Producers Association (APSyFI) said that the investment share in growth continued to decline to only 2.1% in 2019. "The import relaxation policies through PERMENDAG 64 2017 and PERMENDAG 77 2019 which are predicted to encourage exports have failed completely, because exports even fell to USD 12.8 billion, "he explained.

President Jokowi's challenge is to reduce imports and Mrs. Sri Mulyani to revise the rules for the import trade system at the November 2019 meeting at the palace as a legal umbrella for general importers through the Bonded Logistics Centre (PLB) and Bonded Warehouse (GB) facilities as the main entry points for the flood of textile imports. can be answered by the Ministry of Trade to this day. "The homework has not been completed for 1 year because importers still have interests in lobbying the line ministries, this is actually the PR Minister Lutfi" he said.

Then Redma warned that another challenge in revising the Code of Commerce came from Customs, which still wanted to provide textile import facilities through PLB and GB in the revised PERMENDAG 77 2019. "It's actually a bit strange if Directorate General of Custom (BC) as an operator insists on the level of trade and industrial policies, because of supply-demand and data on the ability of industry to fulfil domestic raw materials are the technical ministries, not BC" explained Redma. "The existence of outside interests is also a challenge for Trade Minister Lutfi in an effort to reduce imports," he added.

Another challenge is the implementation of garment safeguards which are currently in the final process following the textile safeguards that have been implemented previously. Chairman of the Organization of the West Java API, Kevin Hartarto, stated that the status of the national textile industry net exporter could change to a net importer next year if the safeguard is not implemented immediately. "Because the data shows a significant trend of increasing garment imports during 2017-2019," he said.

Kevin explained that half of the tariff posts for garment products show a significant trend of increasing import volume in the last 3 years. "There is even one garment tariff post whose import volume is up to 200% higher than last year," he said.

According to him, the increasing number of domestic garment imports is due to Chinese garment manufacturers contributing around 25% of the total global garment demand, while Indonesia is only 1.7%. In addition, the Indonesian government has signed a free trade agreement (FTA) with China so that the import duty for Chinese garments will be 0% plus RCEP or ASEAN + 5 which liberalizes our TPT tariffs for 11 neighbouring countries.

Kevin assessed that the implementation of safeguards is very necessary to save IKM and UMKM because most of the garment production actors are IKM and UMKM. "Implementation of safeguards in addition to reducing imports and saving foreign exchange, what is more important is to re-stimulate the creation of many small and medium garment industry players (IKM) and absorb labor," he explained.

In line with API and APSyFI, Executive Director of the Indonesian Textile Expert Association (IKATSI), Riza Muhidin said that currently the government is too facilitating imports compared to domestic products. "To encourage exports, there are already Bonded Zone (KB) facilities and Ease of Import for Export Purposes (KITE), no longer need PLB and GB, this is too much so that imported goods flood the domestic market, while facilities for local raw materials simply don't exist" said Riza.

Riza suggested that the Ministry of Trade join hands with the Ministry of Industry to jointly control textile imports. "The target of the Ministry of Industry for import substitution of up to 35% is in line with President Jokowi's direction, so that it can be in line with the Ministry of Trade if the Minister really wants to reduce imports," explained Riza. "You do this by revising the rules of trading system and implementing safeguards, which will be heard by input from producers, not from importers and their cronies," he added.

IKATSI is surprised that there are still officials and agencies such as BC who insist on continuing to provide import facilities. "If the reason is that the raw materials for domestic IKM are able to supply them, and that is the authority of the Ministry of Industry to regulate the supply-demand," he concluded. **

APR Encourages Supply Chains as the Focus of the Road Map

PT Asia Pacific Rayon (APR) invites all textile and textile product (TPT) industry players to contribute in making the TPT industry roadmap. APR proposes that sustainable supply chains be the focus of the roadmap.

Director of PT Asia Pacific Rayon (APR) Basrie Kamba said that the era of information disclosure forces manufacturers to implement the principles of sustainability in all production chains and supply chains. Basrie did not deny that the principle of a sustainable supply chain would require a high investment.

"However, we have no choice. The future of the textile industry is like this. Consumers now no longer [only] see the country of production, but who are the producers and how the manufacturing process is," he said in the webinar "Symposium Towards Responsible Supply Chain".

Basrie stated that one of the ways his party implemented was to place QR codes on garment labels that use APR fibers. Basrie assessed that the upstream industry holds a big interest regarding the principle of sustainability in the national textile industry.

Basrie proposed that the government boost consumption of rayon in the country. Basrie noted that the consumption of rayon in the country tends to stagnate in the range of 300,000-400,000 tons per year, except in 2017, during 2014-2019.

Meanwhile, production of rayon fiber in 2019 penetrated the level of 700.000 tons, but consumption of rayon only reached 420.000 tons or 60 percent of the total fiber consumption in 2019. As a result, the excess production was allocated to the global market of around 300.000 tons.

Meanwhile, fiber consumption in 2019 is still dominated by cotton, up to 36 percent or 590.000 tons. However, consumption of polyester fiber is not much different, which is 35 percent or 582.000 tons.

"We and three other friends are quite large [installed capacity or around] 850,000 tons per year, [but] consumption is still 400,000 tin. This can be maximized," he said.

Basrie stated that one of the steps taken by his party in boosting national rayon consumption was establishing a kind of community, namely the Jakarta Fashion Hub. Meanwhile, APR educates designers regarding the characteristics of rayon fibers.

Basrie said the community can also order cloth in small quantities. As is well known, the minimum order for fabrics by small and medium industries (IKM) is an unresolved problem in the textile industry. **

Rare Containers,
Increased Export Import Costs

The impact of the Covid-19 pandemic also had an impact on the export-import activities of entrepreneurs. This happened because of the reduction in the frequency of air and sea transportation.

Deputy Chairman of the Indonesian Textile Association (API), Anne Patricia Sutanto, said that the increase in export costs is in sea and air transportation for CNF and CIF shipping provisions. "The amount is 100% -200% of the normal rate, as well as for imports," she told.

For normal prices, he could not confirm because it depends on the delivery destination. What is clear, she said, the increase in costs is not limited to shipments to America or Europe. "The price increase occurred to all shipments, not only to certain countries," she continued. In line with this, the shipping cost per container also jumps 100% -200%. According to him, this increase was due to the scarcity of containers due to the Covid-19 pandemic.

General Chairperson of API Jemmy Kartiwa Sastraatmaja added that with the PSBB easing, the demand actually started to increase. Because many needs are needed for recovery. Unfortunately, due to reduced frequency, the supply of containers has decreased. This is admittedly the main problem currently being faced.

He gave an example, shipments from Shanghai to Indonesia before the Covid-19 pandemic were US $ 500 - US $ 600 per container. However, since the reduction in the frequency of shipping, the cost has increased to US $ 3,000 per container. Then Indonesian shipments to America from US $ 1,800 jumped to US $ 6,000 per container. "So the margin has been eroded quite deeply, so we hope that transportation will start to increase its frequency," he added.

Business actors expect the government to provide incentives to get around the increase in shipping costs that arise due to the scarcity of containers. This step is considered important so that the positive performance of exports can be maintained.

"We hope there will be government subsidies, what form of course depends on the government and how much the budget is. For example, by bringing in empty containers [which are high costs due to unbalanced cargo], but the costs are borne by the government," said Chairman of the Indonesian Export Companies Association (GPEI) Benny Soetrisno.

The scarcity of containers is due to a number of factors. Benny explained that transportation service providers tend to reduce the operation of large ships as an efficiency measure during a pandemic.

As a result, the use of smaller ships is more widely used. However, this condition has consequences for the reduced volume of transport and the increase in the cost of shipping empty containers is inevitable.

Freightos Baltix Index (FBX) data shows that the cost of transporting a 40-foot container or forty-foot equivalent (FEU) as of 13 December 2020 was recorded at US $ 2,782. This value increased significantly compared to the same week in 2019 which was at US $ 1,389 per FEU, an increase of 100.2 percent on an annual basis.

Meanwhile, according to Benny's records, the cost of shipping to the United States has increased by 2-3 times. If previously the shipping cost was only US $ 4,000 per FEU, now exporters have to pay up to US $ 10,000 per FEU.

"This is the first time there has been a scarcity like this. In previous years, shipments to North America and Europe were high ahead of Christmas and New Year, but there was no shortage, ”said Benny.

He said that there was not much business actors could do other than recalculate logistics costs. In order to ensure that the activity of the supply of raw materials imported from abroad is maintained, he said businesses prefer to use air transportation services.

"So the cost is higher, but for exports we continue to ship normally even though it may delay," said Benny.**

The Reopening of
Garment Export Opportunities

The apparel industry is one of the manufacturing sectors that needs to be encouraged to remain productive and competitive. This is because this leading sector is still one of the largest contributors to the growth of the manufacturing industry, which can be seen from the record export value of 8.30 billion US dollars in 2019.

Currently, the apparel industry is experiencing a decline in demand due to the impact of the COVID-19 impact. However, export opportunities are still open, including the high demand for garment products needed to deal with the corona virus outbreak.

Minister of Industry Agus Gumiwang Kartasasmita said the garment industry has made a major contribution to efforts to tackle COVID-19.

"Thank you to the garment company that also produces personal protective equipment (PPE) which is the supply of personal protection needed by medical personnel," he said during a visit to PT Daehan Global in Brebes.

The company visited by the Minister of Industry is currently producing PPE in the form of coveralls or protective suites with a capacity of 12 million pieces per month and surgical masks of 6 million pieces per month. According to the Minister of Industry, this production also helps the government in supplying medical personnel protection needs.

In addition, the export market, especially in the United States, can be accessed again. So that the apparel industry can be encouraged to carry out production that provides added value in the country.

"We just got a report about the reopening of the export market, although the quantity has not fully recovered," said the Minister of Industry.

PT Daehan Global is a garment company that operates in four locations, namely Sukabumi, Citeureup, Cibinong, and Brebes. With a total workforce of around 14,000 people, this company has a production capacity of up to 63.3 million pieces.

With the company's export volume reaching 17.76 million pieces valued at 128.7 million US dollars, this garment company is one part of the global garment product supply chain. The Daehan Global Brebes factory itself produces 2.5 million dozen apparels per year.

The Minister of Industry appreciated the efforts of industrial companies that remain committed to production by prioritizing the application of health protocols.

"By continuing to operate, the industrial sector can contribute to the national economy, especially in the current unfavorable conditions," he said.

During the early days of COVID-19, the number of employees working was limited to 50 percent, from a total of 6,336 factory and office employees to 3,498 people. The factory also carries out production activities in only one shift.

The Minister of Industry told PT Daehan Global to continue to maintain and improve the implementation of health protocols in their work environment.

"The goal is that we are all increasingly convinced that the industry can play a role in overcoming COVID-19," he explained.

The Ministry of Industry is currently drafting further guidelines regarding the implementation of industrial activities by prioritizing the application of health protocols, especially after the Large-Scale Social Restrictions (PSBB) in various regions have begun to be reduced.

"We will compile guidelines summarized from the circular letters of the Minister of Industry issued during the pandemic and based on the latest decree from the Minister of Health which we see is very comprehensive," he explained.

The Ministry of Industry has also issued regulations in the form of a Circular Letter of the Minister of Industry Number 4 of 2020 concerning Implementation of Factory Operations during the COVID-19 Public Health Emergency.

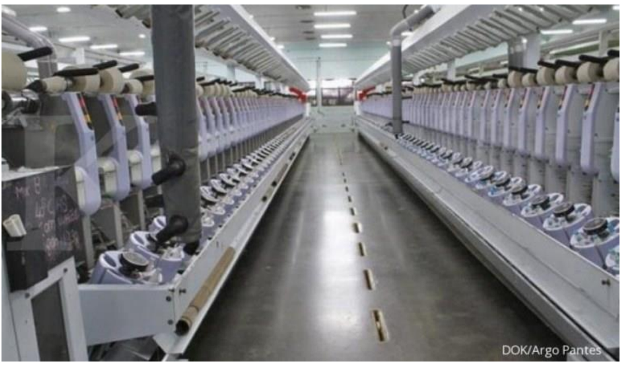
Companies that are still operating during the PSBB period need to have an Operational Permit and Industrial Activity Mobility (IOMKI) in accordance with Circular Number 7 of 2020 concerning Guidelines for Submitting Applications for Permits to Implement Industrial Activities in the Emergency of COVID-19.

Furthermore, companies that obtain IOMKI are required to report their activities and implementation of health protocols to the Ministry of Industry through the National Industrial Information System (SIINas) every week as regulated in the Circular of the Minister of Industry Number 8 of 2020 concerning Reporting Obligations for Industrial Companies and Regional Companies that have IOMKI.**

ARGO Optimistic Will Improve Performance in 2021

PT Argo Pantes Tbk (ARGO) is optimistic that operational and financial performance in the next year will improve, because the government will soon impose import controls on textile products with new regulations.

Based on ARGO's Annual Public Expose material published in Jakarta, the company is currently evaluating a number of ongoing collaborations and is optimistic that next year's operational and financial performance will be better than this year's achievement.



Moreover, ARGO management stated that the government would immediately control imports of fabrics, yarns and garments.

"The import control can stimulate the textile industry (textiles and textile products), such as fabrics and threads which have been distorted by imported products,"

ARGO management admitted that the company's business strategy for next year has been prepared and is believed to be able to answer business challenges and opportunities.

The collaboration with PT Argo Manunggal Triasta and the ARGO business segment in the leasing sector has had a positive impact, although it has not been able to cover ARGO's losses.

Based on the ARGO financial report, in the third quarter of 2020 the company recorded a net loss of USD3.17 million or decreased compared to the same period in 2019 which reached USD5.58 million.

Meanwhile, ARGO's net income in the third quarter of 2020 was recorded at USD2.74 million or much lower than the same period in 2019 amounting to US $ 18.25 million.

However, ARGO was able to reduce the cost of revenue for the first nine months of this year to USD3.39 million.

In fact, in the same period last year, the cost of revenue reached USD17.09 million. Thus, ARGO recorded a gross loss per Quarter III-2020 of US $ 653.91 thousand.

“In 2020, ARGO will focus on leasing warehouses, offices and land. Another strategy this year is to reduce operational costs and manage energy optimally,” stated in the ARGO Public Expose material which is planned to be presented on December 29, 2020.**

Pakistan's Exports to Indonesia Supported by Textile Products

Advisor to the Prime Minister of Trade and Investment of Pakistan Abdul Razaq Dawood stated that the country's exports in December 2020 increased 18.3 percent to US $ 2.36 billion compared to US $ 1.99 billion in December 2019.

The export figures, he said as quoted from www.app.com.pk, show that Pakistan's economic resilience and is a justification for government policies to keep the economy going during the Covid-19 pandemic.

An increasing trend was seen in the export of value-added and non-traditional products, including tobacco and cigarettes (212.2 percent), ethyl alcohol (128.6 percent), stockings and socks (49.8 percent), home textiles (38.1 percent), garments. women (37.8 percent), jersey and cardigan (37.3 percent), gloves (25.5 percent), T-shirts (16.9 percent), rice (15.5 percent), fruit and vegetables (13.4 percent) compared to December 2019.

Meanwhile, the downward trend occurred in exports of most non-value-added products such as cotton (-93.3 percent), dried fruit and nuts (-78.5 percent), corn (-61.2 percent), plastics (-41.4 percent), cement (-8.5 percent), and raw leather (8.5 percent).

Geographically, in December 2020, Pakistan's exports to Indonesia increased by 151.6 percent, China 92.5 percent, Russia 63.2 percent, Britain 46.9 percent, Germany 37.6 percent, Holland 37.5 percent, Belgium 32, 8 percent, Australia 30.5 percent, Poland 27.9 percent, and the United States 27.2 percent.

The decline in exports occurred to Kenya (-40.5 percent), South Korea (-38.8 percent), Thailand (-24 percent), Japan (-22.3 percent), Bangladesh (-20.3 percent), Sri Lanka (- 19.9 percent), the United Arab Emirates (-10.5 percent), and Afghanistan (-5.1 percent).

Preliminary export data for the July-December 2020 period shows that exports increased by 4.9 percent from US $ 12.10 billion compared to US $ 11.53 billion in the same period last year.**

TEXTILES LIBRARY

The History of Synthetic Fibres

Synthetic fibres the development and production of synthetic fibres (obtained by synthesis of chemical compounds) are a rather recent achievement. The delay in developing these fibres is to be ascribed to an insufficient knowledge of the structure of natural polymers (such as cellulose, rubber, natural fibres), which were difficult to be studied from the chemical point of view because they were nor fusible, nor reactive and not even soluble: in short, they were completely different from usual chemical substances.

The basic studies carried out in the 1920's by Staudinger, a German researcher, brought out the fact that natural polymers are formed by linear macromolecules, that is by long thread-like chains, reproducible through the reaction of suitable, relatively simple molecules. Even if the date of birth of synthetic fibres is traced back to the production in 1931 of a chlorovinyl fibre (PE-CE, Germany), the fact is that the first real synthetic fibre in industrial production which would have a heavy impact on the market was the polyamide fibre, launched by the company DuPont under the trade-name "nylon" (experimental production in 1938).

The fibre came to success when the researchers obtained a product (polymerised amide, from which the name polyamide) by condensation of molecules presenting two reactive aminic groups (hexamethylenediamine) with molecules characterised by two carboxylic reactive groups (adipic acid).

In order to be differentiated from other polymers belonging to same chemical class, this polymer was marked with the acronym 6.6 which indicates the number of carbon atoms (that is 6) in the two molecules forming the repetitive polymer unit.

In that same period (1939), as a result of researches carried out in Germany by Mr Schlack in 1938, starting from caprolactam, a single molecule of basic monomer, a new polyamide fibre was produced under the name "Perlon" (type 6).

In those years, starting from terephthalic acid and glycol ethylene, polyester fibre was invented (Whinfield and Dickson, Great Britain, 1941) along with acrylic fibre (German and American patents, 1942); owing to war vicissitudes, the industrial plants were however started up only in the early 50's.

It is quite remarkable that in so few years all man-made fibres of primary importance for the textile sector (polyester, polyamide and acrylic fibres) were developed.

Indonesia Fashion week 2019

Only later on an Italian researcher, the Italian Nobel prize Giulio Natta, discovered the possibility of synthesizing polypropylene according to a principle of structural regularity (1954), thus laying the basis for the production of polypropylene fibre (1959).

This survey on man-made fibres was recently integrated by some fibres of considerable importance, introduced into the market by the company DuPont: the elastane fibre "Lycra" in 1959 and the aramidic fibre "Nomex" in 1962.

On the scenario of synthetic fibre production, Italy made its appearance in 1939 with the production of small quantities of nylon (company Montecatini).

The war blocked every development, but the production of polyamide fibres started up again in the post-war period, to reach 7,500 tons in 1956.

In 1955 the company Rhodiatoce started the production of polyester fibres under the name "Terital"; in 1959 the Edison group produced the acrylic fibre named "Leacril", followed in 1961 by the industrial production of the polypropylene fibre named "Meraklon".

The producers of man-made fibres renewed in the 60's the great effort made by the producers of artificial fibres in the 30's, bringing in the years 1960-1970 the share of the Italian production on world production to about 5%.

However, starting from the years 70's -80's, a slow decline took place owing to lack of rationalisation of the production plants, to insufficient research and development activity, to overproduction, to the oil crisis and also to production delocalization from old-industrialised countries (Europe, USA, Japan) to the newly-industrialized countries of the Far-East (China, Taiwan, South Korea).

(Source : ACIMIT)