



The textile industry is navigating a complex landscape marked by a mixture of cautious optimism and persistent challenges.

Despite hopes for sustained improvement, the business environment remains difficult, with companies across the textile value chain experiencing a dire situation and enduring weak demand. Business expectations have maintained a cautiously positive outlook despite companies facing hurdles such as higher input prices influenced by geopolitical factors. Order cancellations have remained relatively low but inventories in the USA have not yet returned to pre-pandemic levels.

This scenario underscores the need for strategic resilience and adaptation as the industry strives to navigate ongoing demand fluctuations and economic uncertainties.



Mr. Olivier Zieschank  
director, ITMF

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## EXECUTIVE SUMMARIES

### Business situation remains dire



A trend of continuous improvement was hoped for after the business situation improved from a low of -46pp in November 2023 to -29pp in January 2024. This did not materialize in March. It rather seems that companies along the textile value chain continue finding themselves in a very dire business environment.

[> read more \(members only\)](#)

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### Business expectations stay cautiously positive



Business expectations hovering between +25 and +30pp since November 2023 is a sign of cautious optimism despite weak demand still being by far the major concern faced by survey respondents. The segment of weavers / knitters recorded a strong surge in optimism in March 2024. It remains to be seen if this is an early indicator for a better situation for rest of the value chain.

<sup>2</sup> [> read more \(members only\)](#)

### Order intake remains weak but improved slightly



The balance between "good" and "poor" order intake continued improving in March 2024 despite a sluggish business situation. A significant increase was observed in South-East and South Asia. Amongst segments fiber producers and weavers/knitters reported the strongest growth in order intake.

[> read more \(members only\)](#)

### Order backlog decreased again



The global average order backlog in the textile value chain is hovering around 2.0 months since July 2023 but slightly decreased in March 2024 to 1.9 months. It was trending downwards in Asia and Europe. The order backlog levels are relatively higher for textile machinery manufacturers and garment producers.

[> read more \(members only\)](#)

### Capacity utilization rates slightly improved



The average capacity utilisation rate increased from 67% in January to 70% in March 2024. This rate is not expected to change in the next six months on average. It rose in all three Asian regions as well as in Africa and North America but dropped in South America and Europe.

<sup>3</sup> [> read more \(members only\)](#)

### Weak demand was and is THE major concern



THE major concern for survey participants remained "Weak demand" in March 2024. This explains the overall bad business situation and the low order intake. Companies along the supply chain are also struggling with higher input prices partly driven by geopolitics. The importance of inflation is further decreasing.

<sup>4</sup> [> read more \(members only\)](#)

### Order cancellations remain relatively low



Among the few good news during the last 12-18 months was the fact that order cancellations did not happen as they did during the start of the pandemic. While delays of orders might have happened, cancellations of orders did not increase during this phase of weak demand.

<sup>5</sup> [> read more \(members only\)](#)

### Inventories in the textile chain deemed average - Inventories at wholesale level visibly came down



A majority of survey respondents (57%) deemed their inventory levels as average in contrast to the still high levels at US brands and retailers. But wholesalers' inventories in the USA have almost fallen back to the pre-pandemic level.

<sup>6</sup> [> read more \(members only\)](#)

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## ITMF NEWS

### ITMF's newest member

ITMF has welcome one new Associate Member an one new corporate member in the last few weeks. This illustrates how important our unique platform is for organisations in different regions and segments of the textile value chain.



Dietz-Motoren develops and produces individual electric motors, radial fans and blowers for every application. Mr. Marrin Degenhardt, Key Account Manager of Dietz-Motoren GmbH, pointed out that "ITMF is the only global organisation that brings together the entire textile value chain. Being part of such a platform and network will help us to identify opportunities and risks and hence develop our business strategy accordingly [...]".

[> find out more](#)



Textile Machinery Association of Sweden (TMAS) federates the leading Swedish companies within textile technology, automation and production processes. The expertise of their members ranges from advanced systems for yarn fault detection and tension monitoring, to yarn feeding technology for weaving, automated sewing production lines, cutting machines, embroidery technology, effective material handling systems, spray application system for fabric finishing and much more.

[> find out more](#)

## ITMF & IAF to hold a joint conference in Samarkand in Sep 2024



In 2024, the ITMF will organise together with the International Apparel Federation (IAF) the annual conference in Samarkand, Uzbekistan from September 8-10.

The **general theme** of the conference will be:

***Innovation, Collaboration & Regulation – Drivers of the Textile and Apparel Industry***

Industry experts and leaders will discuss the relevance of innovation, cooperation, and regulation for our industry and how they will influence and shape the future. The convention will also introduce the Uzbek textile and garment industry to the rest of the world, providing a good view of this industry, both during the conference program and during the planned factory visits.

One session "**Sustainability & Regulation**" will focus on how regulation in different regions will shape the textile and apparel value chain.

**An update from the EU**  
Dirk Vantyghem, Euratex, Belgium

**An update from Japan**  
Kenichi Tomiyoshi, JTF, Japan

**An update from China**  
Yan Yan, CNTAC, China

**An update from the USA**  
Steve Lamar, AAFA, USA (tbc)

Find out more about the **ITMF & IAF Conference 2024 in Samarkand**

[Press release](#) | [Conference webpage](#)

## International Textile Seminar Bremen 2024 focused on recycling



In cooperation with the Bremen Cotton Exchange, the Bremen Fiber Institute (FIBRE), and the German Textile Industry Association IVGT, ITMF organised on the 19th of March 2024 on the sidelines of the International Cotton Conference Bremen another edition of the International Textile Seminar Bremen (ITSB).

The seminar was centred on "Circularity" and "Recycling," offering a platform for the following speakers to showcase their innovations.

[> download the presentations](#)

The presentations delivered during this year's edition in the wonderful building of the Bremen Cotton Exchange focused on "Recycling":

Enabling circularity

**Katja Wagner**, Turns, Germany

Circular economy in the textile industry through automated sorting of used textiles

**Amon Krichel**, ITA Augsburg, Germany

Practical solutions for the production of quality yarns with recycled content in finishing

**Herman Freericks**, Thies, Germany

Mechanical recycling of cotton rich textiles for 100% recycled cotton textile products

**Annabelle Hutter**, Säntis Textiles, Switzerland

Cotton perimeter

**Gaetan Vogel**, Decathlon, France

## ITMF's Intl. Committee on Cotton Testing Methods met in Bremen



The Plenary Meeting of ITMF's ICCTM convenes every other year on the sidelines of the Intl. Cotton Conference Bremen. This year it met on the 18th and 19th of March 2024 in the Bremen Cotton Exchange. During the meeting, which was chaired by Mr. Axel Drieling, Bremen Fiber Institute, Germany and co-chaired by Ms. Mona Qaud, Uster Technologies, Switzerland, its members presented and discussed existing and possible new cotton testing methods and instrumentation in the areas color, finesses/maturity, spinnability, HVI, length/strength, stickiness, or neps/trash. The Committee also discussed research priorities and tasks to be undertaken, based upon the perceived needs of the international textile community.

One additional area the Committee is looking at since the last meeting in 2021 is recycled fibres. The relevance of recycled fibres in the textile value chain is increasing due to upcoming legislation that will require to recycle textile waste. Therefore, testing methods and instruments need to be developed that will allow the industry to work with and compare testing results.

The Progress Report 2024 which will comprise the discussions of this year's meeting of the ICCTM will be published later this year. The Progress Reports of previous years can be found on the ITMF-website under Publications/Reports.

[> read more: ICCTM Reports \(itmf.org\)](#)

## ITMF attended the OECD Forum on Due Diligence in the Garment and Footwear Sector



The ITMF Director General, Mr. Christian Schindler, attended the 10<sup>th</sup> OECD Forum on Due Diligence in the Garment and Footwear Sector which took place on 21-22 February 2024 at the OECD Conference Centre, Paris, France and online. The Forum brings together representatives of government, business, trade unions and civil society to review progress on the implementation of the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector.

A variety of sessions were put together that ranged from "The role of retailers in building responsible supply chains" to "Addressing climate adaptation needs through due diligence".

An important topic that was discussed also during the forum was "Leveraging due diligence legislation to promote responsible purchasing practices". This topic was presented by the [Sustainable Terms Trade Initiative \(STTI\)](#).

The STTI is led by STAR (Sustainable Textile of the Asian Region), [IAF](#), [Better Buying](#) and [GIZ Fabric](#).

More information about STTI's **White Paper** to which also the ITMF members AMITH (Morocco), API (Indonesia), or CNTAC (China) contributed can be found [HERE](#).

For more information about the OECD Forum 2024 please click [HERE](#).

## ITMF & CITI's roundtable on "Future Factories" at Bharat-Text 2024



Together with CITI (Confederation of India Textile Industry), ITMF was invited by the Government of India to organise during Bharat-Text 2024 in New Delhi a roundtable on the topic "Future Factories: Fuelled by Smart Manufacturing and Innovation".

Mr. Rakesh Mehra, President of CITI and Chairman of Banswara Syntex, introduced both the topic and the panellists. Mr. Christian Schindler, Director General of ITMF, moderated the roundtable.

The presentations, statements, and discussions very much centred around the need of companies to automatize and digitalize production. The availability of data allows to further streamline production processes in order to realize input savings. Mr. Joachim Hensch of Gherzi emphasized in his presentation the need for companies to build digital twins. They allow companies to identify areas of inefficiencies in the production processes. Furthermore, Mr. Hensch pointed out the urgent need of the textile value chain to share data between each other, especially between suppliers and brands/retailers. This enables the industry to reduce the enormous mismatch between supply and demand in the global fashion industry - a staggering USD 1.77 trillion is the retail loss due to out-of-stocks (68%) and overstocks (32%).

Mr. Max Easton of Smartex demonstrated how their technology helps to identify defects during the knitting process and thus reduce the waste to a minimum and increase profitability. Mr. Jochen Adler of Oerlikon and Mr. Christian Dreszig of Benninger, both producers of textile machinery, stated that textile machinery producers are constantly working to improve machinery processes to save energy, minimize water consumption and increase output with an ever-higher level of quality. Automation and digital tools are instrumental to improve productivity and to measure all sorts of performance indicators. Mr. Srinivasan of Premier Mills noted that investments are

driven by lowering the unit costs as well as by meeting regulatory requirements and/or customers' demands.

Mr. Christian Schindler, Director General of ITMF, who moderated the roundtable concluded the session by summarized that future factories need to be automated, digitalized, and equipped with the best available machinery and technology that is also user friendly and attractive. Only then can they be operated both socially, economically as well as environmentally in a sustainable manner.

[> read more about Bharat-Text](#)

## ITMF & IAF published a manifesto on audit fatigue



We as IAF and ITMF, joined in the SCI on the issue of audit and standard fatigue, call on the apparel and textile industry stakeholders to:

1. **Put audit fatigue back on the agenda.** The increasing call for good purchasing practices in the era of mandatory human rights due diligence ensures now more than ever is the time to address this issue decisively;



2. Acknowledge that **working with third party standard holders** rather than using proprietary standards should, in the vast majority of cases, be the preferred option for brands and retailers;
3. Acknowledge that, based on clear evidence, the Social & Labor Convergence Program's Converged Assessment Framework (CAF) is **the most promising road** to successfully reducing duplicative social auditing:
  - a. Supply chain actors (brands and manufacturers) should accept and adopt the CAF;
  - b. Standard holders should converge and integrate or accept SLCP data in their systems;
4. **Put much more effort into the reduction of standard fatigue**, calling specifically on standard holders to reduce unnecessary, small and non-contentious differences in standards.

[> read more](#)

## PARTNER NEWS

# The 37th International Cotton Conference Bremen attracted 400 delegates



**Bremen, 02 April 2024:** Around 400 participants from almost 40 countries attended the 37th International Cotton Conference Bremen from March 20 to 22. On site and online, guests were able to attend eleven sessions with almost 70 speakers and find out about the latest research findings and innovative practical applications in the cotton industry.

„For a few days, Bremen was once again the centre of the cotton world. Presentations at a high professional level, exciting discussions and in-depth insights into industry-wide progress once again made it clear that the Bremen conference is an essential module for exchange within the cotton community. This was demonstrated by the lively debates surrounding the current legislative proposals with regard to sustainability and transparency with consequences for the entire industry, said Jean-Paul Haessig, President of the Bremen Cotton Exchange.

[> read more](#)

# 3rd International Conference on Advanced Textile Science and Technology to be held in Shanghai



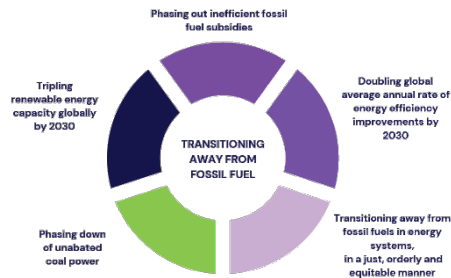
東華大學  
DONGHUA UNIVERSITY

The Donghua University will host the 3rd International Conference on Advanced Textile Science and Technology (3rd ICATST) on **5-8, July 2024** in Shanghai.

The Theme will be "**Textile Weaves a Better World: Low-carbon & Sustainable**". Mr. Sun Ruizhe, the President of China National Textile and Apparel Council (CNTAC) will be invited to address at this Conference and serve as Honorary Chairman.

As a flagship annual academic event, this Conference brings together academic leaders, textile industry experts and well-known scientists from across the world. It is a forum for discussion about how academic institutions for textiles can best collaborate, both internally across departments and externally with industry, government and civil society, to advance transformative research and its practical implementation.

# The Fashion Industry Charter reviews COP 28's achievements on sustainable textile supply chain



The world's efforts to address climate change under the Paris Agreement **is too slow across all areas of climate action**. This is the main findings of the COP 28, as reported by the Fashion Industry Charter Update of January 2024. The brief mentions an urgent need to accelerate action towards renewable energy and energy efficiency by 2030. It calls on Parties to take actions towards achieving, at a global scale, a tripling of renewable energy capacity and doubling energy efficiency improvements by 2030.

The Fashion Charter held a session at COP 28. The discussions emphasized the fashion industry's deepening engagement with sustainability, identifying challenges in renewable energy adoption and efficiency, progress made toward transparency and targets setting, and the circular economy's role in net-zero ambitions. It underscored the critical need for collaboration, policy advocacy, and supportive measures for an equitable, sustainable shift. One key outcome of the event is the need to better understand **how brands and suppliers can support each other** in becoming more sustainable (see details below).

[> read more](#)

## Key outcome 6: Discover how brands and suppliers can support each other in becoming more sustainable

- Over the years, sustainability and climate' have evolved from an '**expert-based action**' to an integral part of the 'business discussion' showing the true commitments from both the brands and supplier.
- Brands have the responsibility to **build the capacity of the suppliers** to help them design and implement their decarbonization pathways.
- Brands that share suppliers can collaborate on sustainability projects.
- Suppliers need stable support from brands to invest in sustainability initiatives.
- Brands need to **work together** to drive innovation and sustainability.

# The Fashion Industry Charter organised a webinar on the Net Zero apparel value chain



The Fashion Industry Charter for Climate Action (FICCA) has the vision to achieve net-zero emissions by 2050 in the textile and fashion industry. The team organised a webinar with [Value Change Initiative](#) entitled "Unlocking collective action towards Net Zero apparel value chains" in February, during which the output of the [Apparel & Footwear Working Group](#) that took place in 2023 was presented.

ITMF is one of [FICCA](#)'s many Supporting Organisations. FICCA is in a position to substantially contribute to the realization of the Fashion Industry Charter for Climate Action and function as catalysts and multipliers.

The work of the Value Change Initiative focuses on enabling value chain partners to credibly reduce and remove emissions, confidently invest, efficiently and collaboratively implement value chain interventions and substantiate claims through effective and transparent practices, enabling impact at landscape and systems level.

[> the recording and slides are available here](#)

# Report: From Catwalk to Carbon Neutral requires new ways of funding



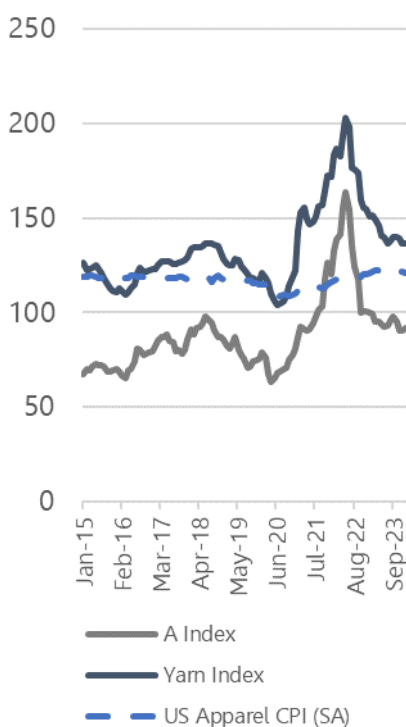
On 5 March Epic Group, TAL Apparel, NITEX, Pactics Group, Artistic Milliners, MAS Holdings, Simple Approach, GIZ FABRIC, and Transformers Foundation have release a comprehensive report on the urgent need for innovative financing models in the apparel sector's journey towards decarbonization.

[> read more](#)

## Key findings: we will fail to realise our climate goals if we fail to devise new ways of funding decarbonisation

- Cutting roughly 50% of emissions by 2030 and achieving net zero by 2050 in the fashion sector requires significant investment. The Apparel Impact Institute (Aii) estimates fashion industry decarbonisation will cost **USD1 trillion** up to 2050.
- The vast majority—by some estimates up to 80%—of fashion's emissions are in the supply chain. Much of the work needed to deliver on the sector's net zero goals must thus happen in production.
- Yet, brands and retailers hold the largest share of revenues and margins. Upstream actors also usually have smaller turnovers and steeper debt-to-revenue ratios.
- The **misalignment of margins**, contrasted against the concentration of emissions, **poses a real challenge** to funding sector decarbonisation.

# Cotton Inc. presents the latest price movement in the cotton supply chain



Price Movement throughout the Cotton Supply Chain (Feb 2024)

Source: Cotton Inc. | Illustration ITMF

Mr. Jon Devine, [Cotton Incorporated](#), studies price movements in the cotton supply chain every month. Here is his last analysis from retail to fiber:

**Retail (latest data point for February):** As measured by the CPI for garments, retail apparel prices increased month-over-month in February (+0.3%). Year-over-year, retail apparel prices were -0.2% lower. Relative to the 12-month average value before COVID (116.3 Mar 2019 to Feb 2020), the figure for February (121.5) is +4.3% higher.

**Cotton-Dominant Apparel Import Prices (latest data point for January):** The average price per square-meter equivalent of cotton-dominant apparel imports increased in the latest seasonally-adjusted data for January (from \$3.68/SME in December to \$3.73/SME). Compared to the 12-month average before COVID (Mar 2019 through Feb 2020 average was \$3.44/SME), the latest cost per cotton-dominant SME (\$3.73) is +8.4% higher.

**Yarn (latest data point for February):** Cotlook's yarn index increased +1.4% month-over-month in February. Year-over-year, the yarn index was -8.9% lower. Relative to the value before COVID (118.4 in Feb 2020), the latest monthly average for Cotlook's yarn index (138.1 in February 2024) is +16.7% higher.

**Fiber (latest data point for February):** The A Index increased +8.1% month-over-month in February (from 92.2 in January to 99.6 cents/lb). Year-over-year, the A Index was essentially unchanged (99.4 cents/lb in February 2023). Relative to the value before COVID (76.6 cents/lb in Feb 2020), the latest monthly average for the A Index (99.61 cents/lb in February 2024) is +30.1% higher.

[> download data set](#) | [> download charts](#)



## UPCOMING EVENTS

2024

**Techtextil**

April 23-26, 2024  
Frankfurt, Germany

**3rd International Conference on  
Advanced Textile Science and  
Technology**

July 5-8, 2024  
Shanghai, China

**ITMF Annual Conference & IAF  
Fashion Convention 2024**

September 8-10, 2024  
Samarkand, Uzbekistan

**Amsterdam Textile Show**

October 2-4, 2024  
Amsterdam, The Netherlands

**ICA-Liverpool 2024**

October 16-17, 2024  
Liverpool, UK

Free Sample