



No. 83 – January 2023

While business is gloomy in the global textile industry, expectations for the second semester of 2023 are elated. This is the main finding of the latest ITMF Global Textile Industry Survey (GTIS18, January 2023, see Articles 3-10). Of course, the situation and expectations are different between segments and regions, but a touch of positivity is welcome after a year of downfall for most indicators covered in the GTIS.

2023 won't go by without difficulty, though. As highlighted in Article 1, "an overhang in inventories weighs heavily on current and medium-term demand and fortunes of retailers and, by extension, textile and apparel manufacturers. Indeed, inventory accumulation will be the central story for the industry as 2023 unfolds".

Despite this fact, opportunities exist in the transition to sustainable textile production and automation. For example, Article 2 highlights the necessity to "embrace circularity" and the depth to which business models can be impacted. The textile industry continues reinventing itself; 2023 will further be witness of change.



Dr. Olivier Zieschank
 director, ITMF

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Executive summary

Article 1: Polycrisis and the textile industry – A policy perspective



The word 'polycrisis' characterizes macroeconomic trends which induced market disruptions that led to a mismatch between demand and supply and an increase in brand and retailers' inventory in 2022. This article describes the impact of such forces on the textile Industry and policy imperatives.

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

Article 2: Embracing Circularity



The EU Strategy for Sustainable and Circular Textiles aims to implement circularity measures along the entire textile value-chain. These trends expand globally. Brands, manufacturers, and suppliers must expect circular design approaches and additional standardization and regulation to emerge.

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

Article 3: Business situation at a new low point

The business situation is negative for the fourth consecutive time since June 2022 because of high energy and raw material prices resulting in high inflation and increase interest rates. The core problem of the global textile supply chain is nevertheless high inventory levels.

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

Article 4: Business expectations with a strong bounce back

Textile manufacturers expect a much better business situation in 6 month-time due to two positive "shocks": lower energy prices and the opening of the Chinese economy. Everything else being equal, the global economy will see a higher growth level than expected and this will benefit the global textile industry.

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

Article 5: Order intake keeps falling

Order intake further deteriorated in January 2023. High inflation and rising interest rates have certainly dampened consumption to a certain degree, but high inventory levels are the predominant factor for weak order intake for garment and home textile producers and all upstream segments.

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

Article 6: Order backlog is coming down

In the past 6-9 months companies along the textile value chain have received fewer orders on average and were able to reduce their relatively high order backlogs. The average order backlog has steadily decreased from 3.1 months in March 2022 to 2.4 months in January 2023.

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

Article 7: Capacity utilization rate is up

With a poor order intake situation and a relative high order backlog, the global capacity utilisation rate could be lifted. The reported increase mainly results from an improved business situation in the upstream segments (fibre producers and spinners).

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

Article 8: Weakening demand (or full inventories?) is a major concern

"Weakening demand" is the major concern in the global textile value chain since July 2022. But the term is synonymous for weaker order intake in the mind of textile manufacturers. Order intake has been dropping for more than a year due to brand and retailer's high inventories.

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

Article 9: Order cancellations lower than in November 2022

58% of the respondents recorded no order cancellations during the last 4 months. This is up from 48% in November 2022. This issue is felt stronger in East Asia and South America, and by weaver/knitters and textile chemical producers.

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

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ITMF NEWS

The interactive ITMF Webinar Series "Digital Workflows" starts on February 8th



The first start-up is **ColorDigital**, the company behind DMix (Digital. Meta. Interaction)

The webinar will take place on **Wednesday, February 8th, 2023 from 11:00-12:00 am (CET)**.

Participants to the webinar are encouraged to visit the website <https://www.dmix.info/> ahead. Participants will also have the opportunity to arrange a bilateral workshop with ColorDigital.

The digitalisation of the textile supply chain provides enormous potential to all partners. To understand the potential of digital solutions that are connecting supply chain partners is one important objective of this ITMF Webinar Series "**Digital Workflows**".

At the ITMF Annual Conference 2022 several start-ups had presented their digital solutions. This interactive webinar series provides an additional opportunity to understand how **digital tools/platforms** can connect supply chain partners thus saving time and costs.

The 1st webinar will be with **ColorDigital** and has the title:

"An interactive digital platform to connect suppliers and brands in an efficient and sustainable way"

During the interactive webinar **Mr. Gerd Willschütz**, CEO of ColorDigital will explain:

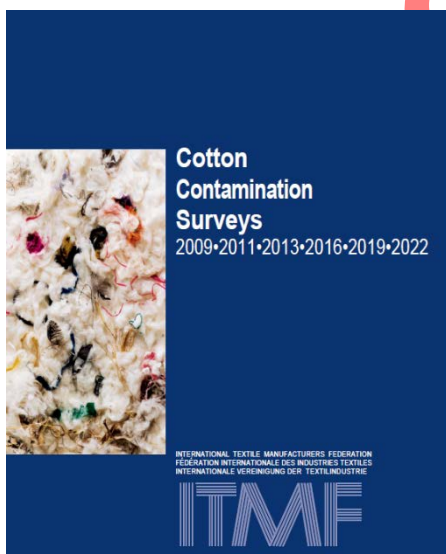
- the standardized digital exchange of dyed and finished fabrics between brands and supply chain partners and
- the digital workflows for scalability and maximum effectivity (time, resources, financials).

The webinar will be moderated by **Mr. Loek de Vries**, ITMF Board Member and Chairman of the ITMF Fibres & Applications Committee.

[> register here](#)

[> learn more about the digital series](#)

ITMF published the Cotton Contamination Report 2022



Since 1982, ITMF has conducted regular surveys with spinning mills affiliated to its world-wide membership to shed light on spinners' perception of the problem of cotton contamination and foreign matter.

The latest Cotton Contamination Survey shows that raw cotton contamination by foreign matters has decreased from 25% in 2019 to 22% in 2022. This 16th edition of the survey covers 104 spinning mills located in 21 countries which evaluated 78 different cotton growths. 16% of all evaluated cotton growths were moderately contaminated by some sort of foreign matter and 6% were seriously contaminated.

The survey also revealed that the presence of sticky cotton has been steadily decreasing for 10 years (from 23% in 2013 to 12% in 2022) and remains at the lowest level since 1989. The appearance of seed-coat fragments in cotton growths remains an issue for spinners. 33% of all cotton growths consumed by survey participants contained moderate or significant amounts of seed-coat fragments. This figure was the same in 2019.

[> download publication](#)

Save the date for the ITMF Annual Conference 2023



NOVEMBER 4-6, 2023

Keqiao, China

[> watch welcome video](#)

(more information to come on our website soon)

PARTNER NEWS

SCI at the OECD forum on due diligence in the garment sector 2023

Standard Convergence Initiative

Monday, February 13th from 09:00 – 10:00 am (Paris time).

The entire programme of the SCI-Side-Session is available on the [SCI-website](#) under "Meetings".

[> register here](#)

The Standard Convergence Initiative (SCI) – an initiative of the ITMF together with the International Apparel Federation (IAF) – has the objective to reduce and ideally eliminate standard fatigue.

In conjunction with the upcoming [9th OECD Forum on Due Diligence in the Garment and Footwear Sector 2023](#), which will take place as an in-person meeting on February 16-17, 2023 in Paris, France, the SCI will host an official **virtual** Side Session.

Updated results will be presented about whether, and if so, to what extent standards holders are prepared to work towards **convergence of standards**. The results presented are based on data from [ITC's Standards Map](#).

Furthermore, there will be presentations from different stakeholders regarding audit and standard fatigue and how they are related.

ITMA 2023: Preferential rates for ITMF members



ITMA 2023 visitor registration is now open and ITMF members are able to purchase the 7-day visitor badge and ITMA organised conference badges at preferential rates by applying an exclusive promotion code during registration (**offer valid till 7 May 2023**).

Contact secretariat@itmf.org to receive the **promotion code**.

ITMA Services	Published Rate	Preferential Rate
7-day Visitor Badge	EUR 80	EUR 50
ITMA Textile Colourant & Chemical Leaders Forum	EUR 219	EUR 189
ITMA Nonwovens Forum	EUR 219	EUR 189

RAP Series: Electrification of the textile industry



The United Nations Climate Change Secretariat held a webinar from its RAP series together with the Textile Sustainability Hub and Global Efficiency Intelligence on January 17th, 2023, on "Electrification of heating in the textile industry".

The recording can be found [here](#), you can download the slide shown during the presentation [here](#), and the relevant report and its executive summary translated in Chinese on Global Efficiency Intelligence's [website](#).

OECD: Invitation to the side-session on the Brazilian ecosystem of sustainable fashion



TexBrasil extends an invitation to the side-session of the OECD Forum on Due Diligence in the Garment and Footwear Sector called "*The Brazilian Ecosystem of Sustainable Fashion*".

The session will present projects that have been transforming the Brazilian fashion value-chain such as:

[Moda ComVerso – Abvtex](#) | [Colabora Moda Sustentável - Reos Partners](#) | [Projeto SCORE no Brasil – OIT](#) | Brazilian Sustainable Fashion League – Texbrasil

[> register here](#)

[> find out more here](#)

UPCOMING EVENTS

2023

[International Istanbul Yarn Fair](#)

February 16-18, 2023
Istanbul, Turkey

[POSTPONED - West Africa Textile Summit 2023](#)

February 23-24, 2023
Cotonou, Benin

[New York Home Fashions Market Week](#)

March 13-16, 2023
New York, USA

[Hometex 2023](#)

May 16-20, 2023
Istanbul, Turkey

[Intertex Portugal](#)

May 31- June 2, 2023
Guimaraes, Portugal

[ITMA 2023](#)

June 8-14, 2023
Milan, Italy

[11th Intex South Asia – Bangladesh](#)

June 22-24, 2023
ICCB, Dhaka, Bangladesh

[12th Intex South Asia – Sri Lanka](#)

August 9-11, 2023
BMICH, Colombo, Sri Lanka

[New York Home Fashions Market Week](#)

September 11-14, 2023
New York, USA

[Dornbirn Global Fiber Congress 2023](#)

September 13-15, 2023
Dornbirn, Austria

[ICA Trade Event 2023](#)

October 11-12, 2023
Singapore

[Intertex Tunisia 2023](#)

October 19-21, 2023
Sousse, Tunisia

[IAF World Fashion Convention](#)

October 22-25, 2023
Philadelphia, USA

[ITMF Annual Conference 2023](#)

November 4-6, 2023
Keqiao, Shaoxing, China

[ITMA Asia + CITME 2023](#)

November 19-23, 2023
Shanghai, China

[13th Intex South Asia – India](#)

December 7, 2023
IECC, New Delhi, India