

## **JOINT COMMUNIQUÉ OF THE 15TH ACFIF CONFERENCE**

May 14-15, 2026

Penang, Malaysia

The 15th Asian Chemical Fiber Industries Federation (ACFIF) Conference was successfully convened in Penang, Malaysia from 14-15 May 2026 under the theme *“Greening the Supply Chain: Sustainable Practices for the Future.”* The Conference brought together delegates from all nine ACFIF members economies — China Chemical Fibers Association, Association of Synthetic Fibre Industry, India, Indonesian Fiber and Filament Yarn Makers Association, Japan Chemical Fibers Association, Korea Chemical Fibers Association, Polyester Staple Fibre Manufacturers Group, Pakistan, Malaysian Textile Manufacturers Association, Taiwan Man-Made Fiber Industries Association and Thai Man-Made Fiber Industries Association together with policymakers, industry leaders, and stakeholders from across the global chemical fiber value chain.

This year’s Conference welcomed approximately 150 participants, comprising 110 international delegates and the balance from Malaysia, reflecting strong regional and host-country support for the Federation’s work. The 2026 gathering also carried special significance as ACFIF marks approximately three decades of cooperation and dialogue, underscoring the Conference’s long-standing role as a trusted platform for industry coordination across Asia.

Penang was selected as the host city not only because of its proven record as an international meeting destination, but also because it is home to one of the country’s major fiber industry players, giving the Conference direct relevance to Malaysia’s industrial base and supply chain ecosystem. The 15th Conference also marked the second time that ACFIF has been held in Penang, returning eighteen years after the Federation’s earlier gathering there in 2008.

Representing more than 70% of global man-made fiber production and nearly 90% of specialized chemical fiber sectors, ACFIF reaffirmed its strategic role as a leading regional platform advancing sustainability, innovation, and resilience within the global textile and chemical fiber industries. The Conference recognized that the industry is entering a decisive period in which supply chain security, market access, regulatory readiness, and industrial competitiveness will determine its long-term direction.

In response to these developments, ACFIF members emphasized the urgent need to move from fragmented national responses toward a more integrated and collaborative regional framework. The Federation reaffirmed that sustainability challenges, trade pressures, and geopolitical risks can only be addressed effectively through coordinated action across the value chain.

During the Conference, the new Board appointments were approved. ACFIF is pleased to announce that Ms Regina Leong, President of the Malaysian Textile Manufacturers Association (MTMA), has succeeded Mr Kim Sukhyun, Chairman of the Korea Fibers Chemical Association (KCFA), as Chairman of ACFIF. The Federation also announced the appointment of Mr Rizwan Afzal Chaudhry, Chairman of the Polyester Staple Fibers Manufacturers Group, Pakistan (PSFMG), as Vice-Chairman of ACFIF, and Madam Hasnah Ahmad, Executive Director of MTMA, as Secretary General.

The event was officiated by the Honorable Mr Steven Sim Chee Keong, Minister of Entrepreneur and Cooperatives Development (KUSKOP), Malaysia, reflecting the importance attached by the Government of Malaysia to regional industrial collaboration and manufacturing development. The Conference was also honored by the presence of the Honorable Mr Sim Tze Tzin, Deputy Minister of Investment, Trade and Industry (MITI), Malaysia.

Delegates further had the opportunity to dine with The Right Honorable Mr Chow Kon Yeow, Chief Minister of Penang, Malaysia, in a gesture that reflected the strong support of the Penang State Government for regional cooperation, industrial dialogue, and international business engagement.

The Conference also welcomed Mr Frederic Van Haute, Director General of CIRFS, who addressed current developments, sustainability challenges, and economic volatility affecting the man-made fiber industry in Europe.

### **Highlights of the Conference**

1. On the first day of the Conference, member representatives presented updates on economic and industrial developments in their respective countries and regions. Discussions focused on innovation, technological advancement, strategic partnerships, and supply chain strengthening in response to environmental and regulatory change.
2. A special presentation by PETRONAS Chemicals Group Berhad highlighted the strategic importance of stronger collaboration between upstream raw material producers and downstream manufacturers to ensure feedstock stability and long-term sustainability within the chemical fiber ecosystem.

3. A special agenda forum moderated by Mr Gunjan Sharma, CEO of Recron Malaysia Sdn Bhd, brought together representatives from China Chemical Fibers Association, Thai Man-Made Fiber Industries Association, Association of Synthetic Fibre Industry, India and Taiwan Man-Made Fiber Industries Association for an exchange on the future of sustainability in the sector. The session concluded that while recycling remains essential, the industry must also accelerate investment in advanced technologies, innovation, and high-performance sustainable materials to secure long-term environmental and commercial viability.
4. On the second day of the Conference, Mr Frederic Van Haute delivered a keynote contribution on the global implications of sustainability policies, economic volatility, and trade pressure on the man-made fiber industry. Delegates noted that Europe's current experience demonstrates how weak demand, high energy costs, trade-defence actions, and mounting compliance obligations can rapidly affect the competitiveness of the entire fiber value chain.
5. Drawing from the CIRFS contribution, the Conference recognized that the rise of tariff and non-tariff measures is becoming a major structural challenge for the global MMF and textile industries. Delegates expressed concern over new tariff actions, anti-dumping proceedings, customs reforms, and increasingly complex trade and origin rules that are contributing to uncertainty, fragmentation, and delayed investment decisions.
6. The Conference also took note of the European Union's active FTA agenda with major economies including Mercosur, India, Indonesia, Thailand, the Philippines, Malaysia, the UAE, and Australia, and acknowledged CIRFS' continued emphasis on strong rules of origin, including the double transformation principle, as a safeguard against circumvention and unfair competition. Delegates stressed that future trade agreements must support genuine industrial value creation and balanced market access.
7. In response to emerging global regulations, including the European Union's Digital Product Passport (DPP), Carbon Border Adjustment Mechanism (CBAM), Ecodesign for Sustainable Products Regulation (ESPR), evolving REACH obligations, waste and recycling measures, and microplastics restrictions, ACFIF agreed to prioritize stronger regional coordination to improve compliance readiness and preserve market access for Asian manufacturers. The Federation emphasized the importance of technology transfer, policy awareness, standards alignment, and practical implementation pathways to ensure that sustainability regulation remains workable and does not undermine industrial competitiveness.
8. Member countries subsequently presented technical and strategic papers focused on transparency initiatives, circular economy models, sustainable manufacturing

technologies, upstream and downstream integration, and collaborative innovation across the chemical fiber value chain.

9. The Conference concluded with a special agenda forum titled *“Who Truly Drives Sustainability — or Is It Just Greenwashing?”* moderated by Ms Regina Leong, with panelists from Polyester Staple Fibers Manufacturers Group, Pakistan, Association of Synthetic Fibre Industry, India Japan Chemical Fibers Association and Korea Chemical Fibers Association,. The discussion highlighted growing concern over unsupported sustainability claims in the marketplace and reaffirmed that credibility, transparency, and accountability are essential to the industry’s future standing.

## **Penang Outcomes**

The Penang Conference delivered a stronger and clearer mandate for ACFIF to act not only as a forum for dialogue, but as a more active voice for the Asian man-made fiber industry at a time of rapid policy, market, and regulatory change. Delegates agreed that the Federation must play a larger role in monitoring international trade developments, responding to regulatory spillover from major markets, and defending the long-term competitiveness of the region’s producers.

The Conference further strengthened ACFIF’s institutional position by renewing its leadership, broadening international engagement, and reinforcing its ties with global counterpart organizations such as CIRFS. The Penang meeting also demonstrated Malaysia’s capacity to host a high-level international industry platform and reaffirmed Penang’s strategic relevance as both an industrial base and a convening point for regional manufacturing dialogue.

Delegates agreed that ACFIF should intensify cooperation among member economies on trade policy monitoring, regulatory intelligence, sustainability frameworks, technical standards, and communication of the industry’s contribution to downstream sectors including automotive, medical textiles, technical textiles, protective wear, and advanced performance applications. In that regard, the outcomes in Penang went beyond conference discussion and laid the foundation for a more coordinated, outward-facing, and policy-aware ACFIF for the years ahead.

## **Conclusion**

The 15th ACFIF Conference reaffirmed the Federation's collective commitment to building an environmentally responsible, technologically advanced, and geopolitically resilient supply chain for the global chemical fiber industry. ACFIF members pledged to continue strengthening regional cooperation, enhancing innovation, and advancing sustainability initiatives to meet the regulatory, environmental, and economic challenges of the coming decade.

The Federation further recognized the critical role of the chemical fiber industry in supporting a wide range of downstream sectors and reaffirmed that future progress will depend on balanced regulation, fair competition, and effective international cooperation. The Federation is pleased to announce that the 16th ACFIF Conference will be hosted by the Polyester Staple Fibre Manufacturers Group (PSFMG) in Pakistan during the second quarter of 2028.