

Indonesian Chemical Fiber Industry Country Report 2026



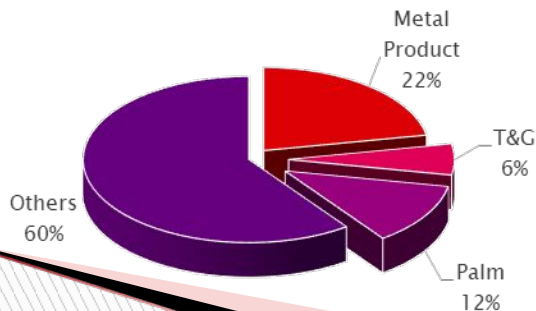
INDONESIA FIBER AND FILAMENT YARN MAKERS ASSOCIATION

Indonesian Economic Scenario

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| GDP Growth (%) | 5.02 | 5.07 | 5.17 | 5.02 | -2.07 | 3.69 | 5.31 | 5.05 | 5.97 | 5.11 |
| Inflation (%) | 3.03 | 3.16 | 3.13 | 2.72 | 1.68 | 1.56 | 5.51 | 2.61 | 1.57 | 2.92 |
| Avg. Currency (Rupiah/USD) | 13,302 | 13,560 | 14,400 | 14,146 | 14,577 | 14,383 | 14,944 | 15,399 | 15,767 | 16,397 |
| Interest Rate of Bank (%) | 4.75 | 4,5 | 6.0 | 5.0 | 3.75 | 3.50 | 5.5 | 6.0 | 5.70 | 5.15 |
| | 12.10 | 11.12 | 10.95 | 10.54 | 9.70 | 9.13 | 9.17 | 9.01 | 8.75 | 8.16 |
| Investment Growth (%) | 12 | 11,5 | -0.08 | 16.14 | -22.16 | 13.66 | 20.15 | -14.82 | 12.63 | 12.7% |
| Consumption Growth (%) | 5,01 | 8,38 | 8,43 | 7,89 | -0,3 | 3,55 | 1,86 | 3.42 | 4.98 | 4.98 |

Source : Bank Indonesia

Manufacture Export 2024
(USD 191,4 Bill)



- **Geopolitical volatility has driven inflation higher, while economic growth remains supported by domestic strength.**
- **The exchange rate weakening, the central bank raises interest rates and stagnan investment growth**
- **Consumption is still strong, including in the textile and apparel sectors**

Indonesian Economic Scenario

- **GDP Growth (5.11%)**: This figure indicates that the Indonesian economy remains on a healthy expansion path. Although there is a slight moderation compared to 2024, growth above 5% signifies strong national economic resilience.
- **Exchange Rate (Rp16,397/USD)**: The Rupiah is projected to be at its weakest point compared to previous years. This has the potential to increase import costs (cost-push), but on the other hand, it can improve the competitiveness of Indonesian export products in the global market.
- **Inflation (2.92%)**: This inflation projection indicates the stability of prices for goods and services at the consumer level. This figure remains within a reasonable limit to support public purchasing power without disturbing macroeconomic stability.
- **Investment Growth (12.7%)**: The significant increase in investment reflects growing investor confidence in the business climate in Indonesia. This sector is expected to be a major growth engine alongside household consumption.
- **Public Consumption (4.98%)**: Stable consumption growth at nearly 5% shows that the main engine of the domestic economy is still functioning well. This is driven by maintained inflation levels and lower interest rate adjustments.

Textile & Clothing Industry

Textile & Clothing Highlight

| Description | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|----------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Industry Growth | % | 3,83 | 8,37 | 15,35 | -8,88 | -4,08 | 9,34 | -1.98 | 4.26 | 3.55 |
| Num. of Company | Unit | 3,052 | 3,058 | 3,042 | 2,991 | 3,010 | 3,019 | 3,002 | 2,930 | 3,000 |
| Investment | USD Bill | 12,83 | 7,69 | 4,88 | 6,13 | 6,45 | 6,49 | 8.41 | 8.16 | 2.03 |
| Man Power | Mill People | 3,77 | 3,90 | 3,97 | 3,43 | 3,65 | 3,65 | 3.76 | 2.85 | 3.95 |
| Export | USD Bill | 13,09 | 13,21 | 12,84 | 10,59 | 12,9 | 13,25 | 11.01 | 11.36 | 11.57 |
| | Mill Ton | 2,23 | 2,19 | 2,38 | 2,09 | 2,27 | 1,95 | 1.82 | 1.91 | 1.91 |
| Import | USD Bill | 8,8 | 10,01 | 9,37 | 7,15 | 9,39 | 10,05 | 8.29 | 8.89 | 8.95 |
| | Mill Ton | 2,29 | 2,56 | 2,37 | 1,80 | 2,19 | 2,15 | 1.95 | 2.18 | 2.29 |
| Net Export | USD Bill | 4,29 | 3,2 | 3,47 | 3,44 | 3,51 | 3,20 | 2.72 | 2.47 | 2.62 |
| | Mill Ton | -0,06 | -0,37 | 0,01 | 0,29 | 0,08 | -0,23 | -0.14 | -0.27 | -0.37 |
| Domestic Consumption | USD Bill | 16,16 | 16,98 | 18,02 | 14,45 | 17.09 | 19.98 | 19.49 | 18.85 | 21.59 |
| | Mill Ton | 2,02 | 2,12 | 2,23 | 1.85 | 2.14 | 2.66 | 2.60 | 2.51 | 2.65 |
| | kg/capita | 7,8 | 8,14 | 8,46 | 6.97 | 7.83 | 9.69 | 9.28 | 8.91 | 9.43 |



Textile & Clothing Industry – General Review

- **Labor Recovery:** Manpower reaches a 9-year peak of 3.95 million people, indicating strong operational recovery despite a slowdown in new investment.
- **Domestic Growth:** Domestic consumption hits a record USD 21.59 billion, showing that the local market remains the primary driver of the industry.
- **Positive but Slower Growth:** The industry maintains a positive growth of 3.55%, though it is slightly lower than the previous year's performance.
- **Trade Deficit:** While export value rose slightly, the trade volume deficit widened to -0.37 million tons, reflecting continued reliance on imports.

Indonesia' Integrated Textile Industry

Textiles Capacity by Sub-sector

| Sub-Sector | | Num. of Company | Capacity (tho ton) | |
|---------------------------|-----------|-----------------|--------------------|-----------|
| | | | Current | Total Cap |
| Fiber | Polyester | 6 | 785 | 1565 |
| | Viscose | 3 | 780 | |
| Yarn | Filament | 12 | 710 | 2510 |
| | Spun | 220 | 1800 | |
| Fabric | Woven | 1043 | 1200 | 2740 |
| | Knitted | 157 | 1000 | |
| | Non-woven | 10 | 250 | |
| Finish Fabric | Dyeing | 248 | 940 | 1555 |
| | Printing | 146 | 615 | |
| Garment and Other Product | | 2764 | 2800 | 2800 |

- **Small companies :**
Textiles 4,188
Garment 46,601

- **Micro unit :**
Textiles 127,245
Garment 360,622

- **Indonesia has integrated chain of textile industry from upstream (synthetic fibers) to downstream (garments)**



Indonesia Textiles and Garment Import Tariff

| MFN | Before | 2022 |
|---------------|------------|-----------|
| Fiber | 5% - 7.5% | 5% - 7.5% |
| Yarn | 7.5% - 10% | 10%-15% |
| Greige Fabric | 10% - 15% | 15%-20% |
| Finish Fabric | 15% - 20% | 15%-25% |
| Garment | 20% - 25% | 20%-30% |

Preferential Tariff by Free Trade Agreement:

- AFTA – ASEAN
- ASEAN + 3 (China, Japan and Korea)
- ASEAN + 6 (India, Australia and New Zealand)

- By April 2022, government has applied new import tariff for textiles and garment (MFN)
- Almost 95% of tariff line applied 0% import tariff for FTA Countries, except some product on the exclusion list.
- Government is at final stage of negotiations of FTA with EU
- Indonesia government applied trade remedies, ADD for PSF, Safeguard for some category of spun yarn and fabric



Industry Structure of Chemical Fibers-2023

| | PSF | PFY | NFY | VSF (Viscose) |
|---------------------------------|---------------|--------------|-------------|----------------------|
| Installed Capacity - KTA | 785 | 710 | 41 | 780 |
| No of Producers | 6 | 12 | 3 | 3 |
| Average Size - KTA | 105 | 60 | 8 | 200 |
| Capacity Range - KTA | 30-260 | 6-145 | 4-14 | 80-370 |
| OR% 2024 | 70% | 55% | 55% | 75% |

Indonesia has total installed capacity of 2.50 MMTA for all types of Chemical fibers distributed among 20 producers.



Supply Demand – PTA, MEG, PX

SUPPLY - DEMAND PURIFIED TEREPHTHALIC ACID (PTA)

HS : 29173600

| PTA (000 Ton) | 2020 | 2021 | 2022 | 2023 | 2024 |
|----------------|-------|-------|-------|-------|-------|
| CAPACITY | 1,716 | 1,716 | 1,716 | 1,716 | 1,716 |
| PRODUCTION | 1,321 | 1,287 | 1,257 | 1,287 | 1,373 |
| UTILIZATION | 77% | 75% | 73% | 75.0% | 80% |
| EXPORT | 165 | 74 | 68 | 173 | 306 |
| IMPORT | 73 | 61 | 44 | 55 | 61 |
| DOMESTIC SALES | 1,156 | 1,213 | 1,189 | 1,114 | 1,067 |
| CONSUMPTION | 1,229 | 1,274 | 1,233 | 1,169 | 1,128 |

Source : BPS, Kemenperin & APsyFI

SUPPLY - DEMAND MONOETHYLENE GLYCOL (MEG)

HS : 29053100

| MEG (000 Ton) | 2020 | 2021 | 2022 | 2023 | 2024 |
|----------------|------|------|------|------|------|
| CAPACITY | 241 | 241 | 241 | 241 | 241 |
| PRODUCTION | 112 | 108 | 104 | 96 | 96 |
| UTILIZATION | 46% | 45% | 43% | 40% | 40% |
| EXPORT | 29 | 4 | 9 | 13 | 6 |
| IMPORT | 371 | 438 | 449 | 423 | 398 |
| DOMESTIC SALES | 83 | 104 | 95 | 83 | 90 |
| CONSUMPTION | 454 | 542 | 544 | 506 | 488 |

Source : BPS, Kemenperin & APsyFI

SUPPLY - DEMAND PARAXYLENA (PX)

HS : 29024300

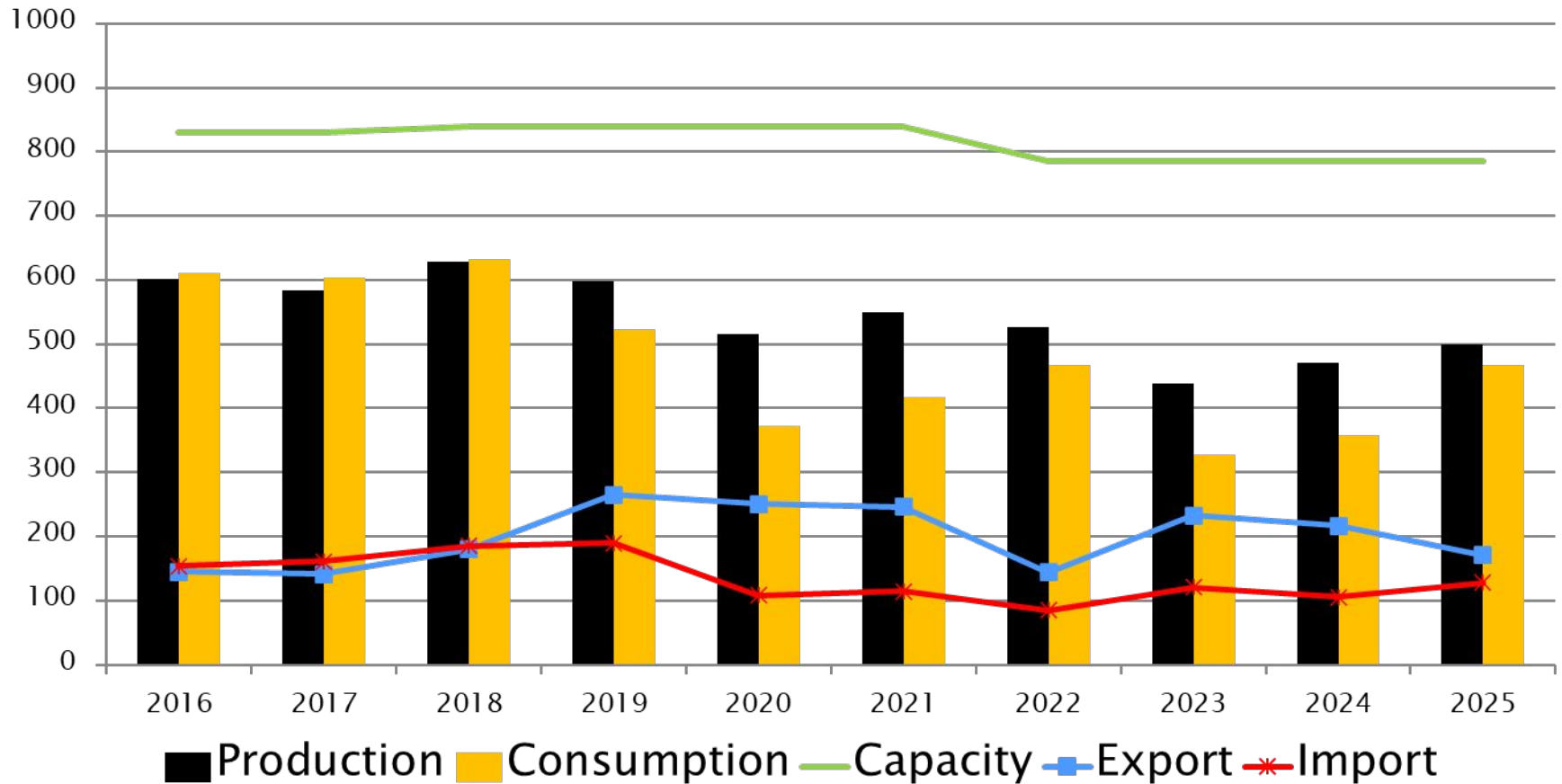
| PX (000 Ton) | 2020 | 2021 | 2022 | 2023 | 2024 |
|----------------|-------|------|------|------|------|
| CAPACITY | 550 | 550 | 550 | 550 | 550 |
| PRODUCTION | 325 | 324 | 547 | 425 | 447 |
| UTILIZATION | 59% | 59% | 99% | 77% | 81% |
| EXPORT | 40 | 30 | 31 | 0 | 50 |
| IMPORT | 719 | 684 | 440 | 553 | 582 |
| DOMESTIC SALES | 285 | 294 | 516 | 425 | 397 |
| CONSUMPTION | 1,004 | 978 | 956 | 978 | 979 |

Source : BPS, Kemenperin & APsyFI



Supply Demand – PSF

Polyester Staple Fiber (PSF) – 000 ton

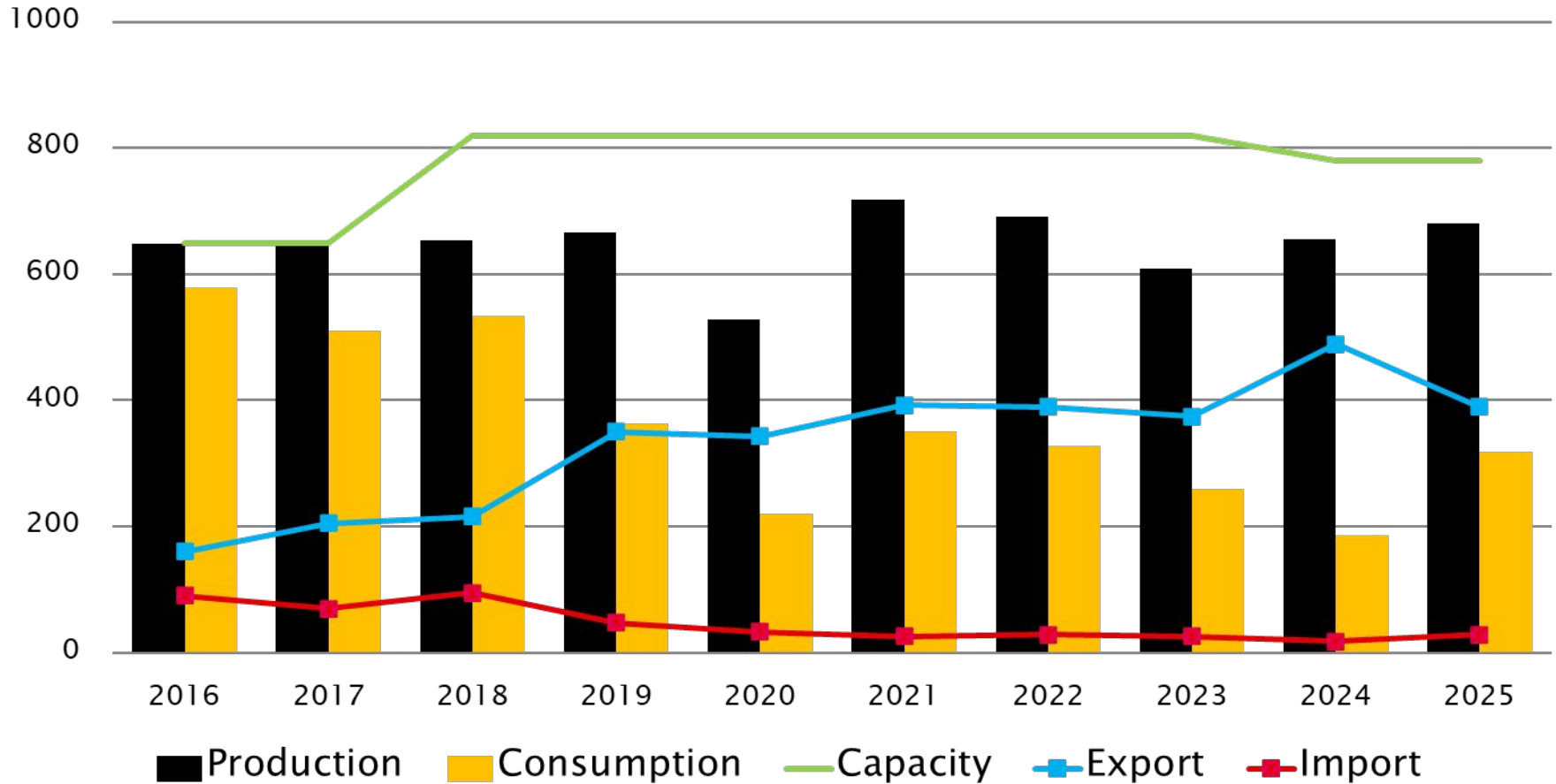


Source : BPS, MOI, APSyFI processed



Supply Demand – VSF

Viscose Staple Fiber (VSF) – 000 ton

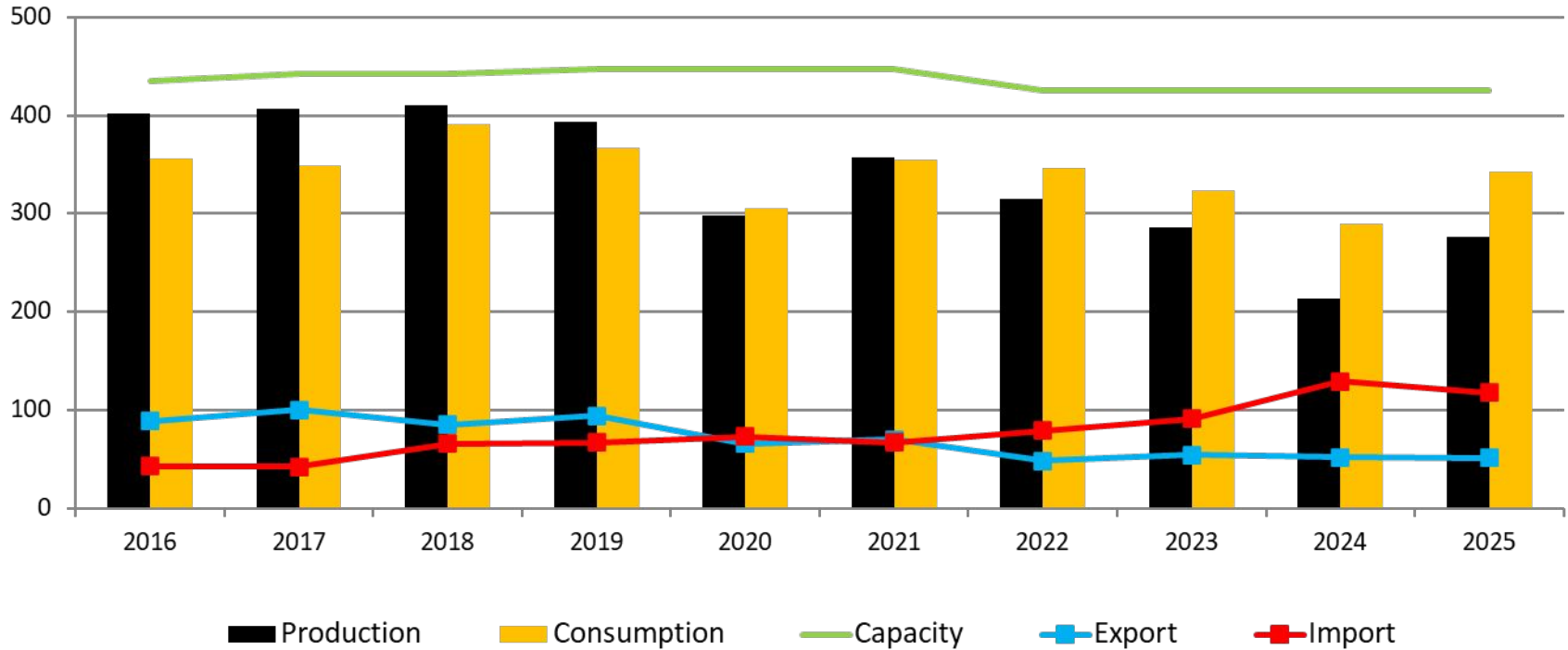


Source : BPS, MOI, APSyFI processed



Supply Demand – DTY

Drawn Textured Yarn (DTY) – 000 ton

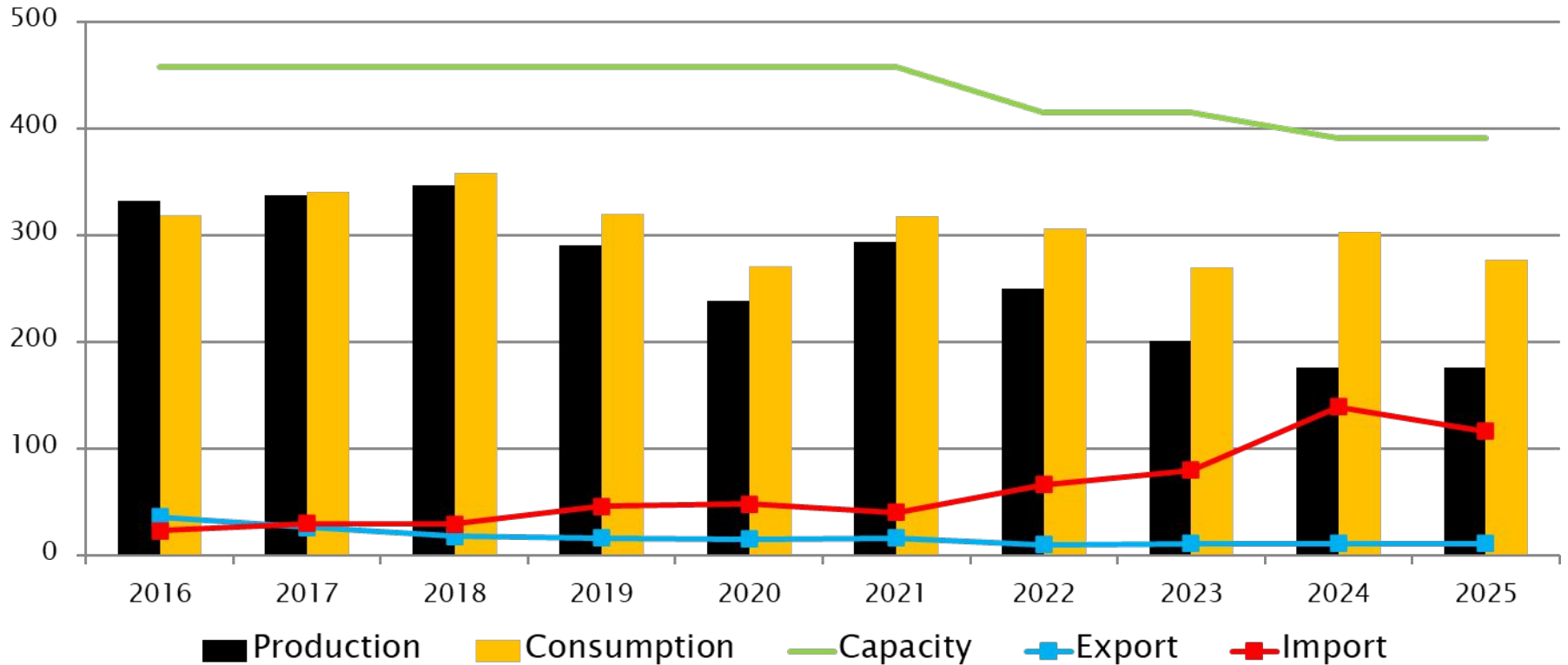


Source : BPS, MOI, APSyFI processed



Supply Demand – POY

Partially Oriented Yarn (POY) – 000 ton

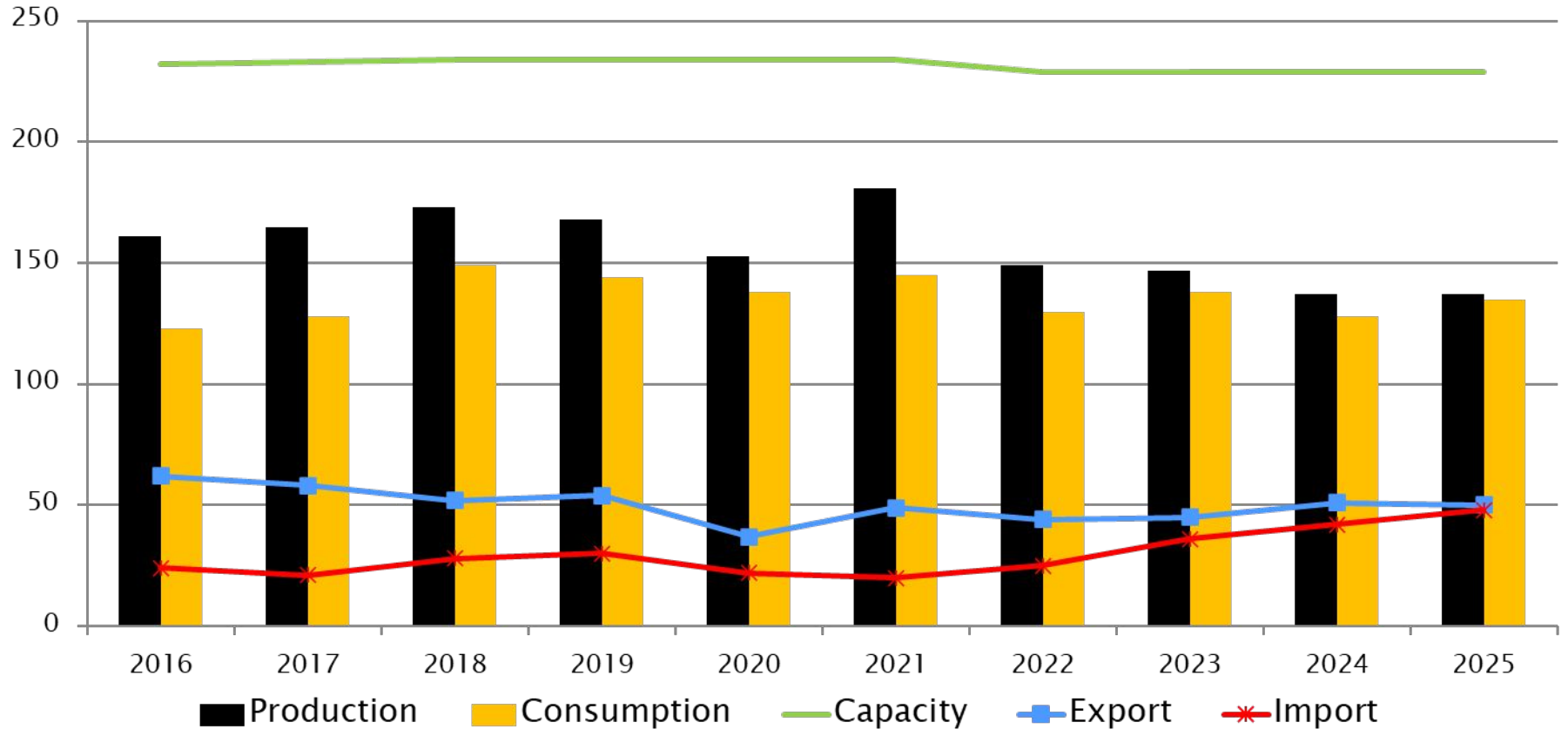


Source : BPS, MOI, APSyFI processed



Supply Demand – SDY

Spin Drawn Yarn (SDY) – 000 ton

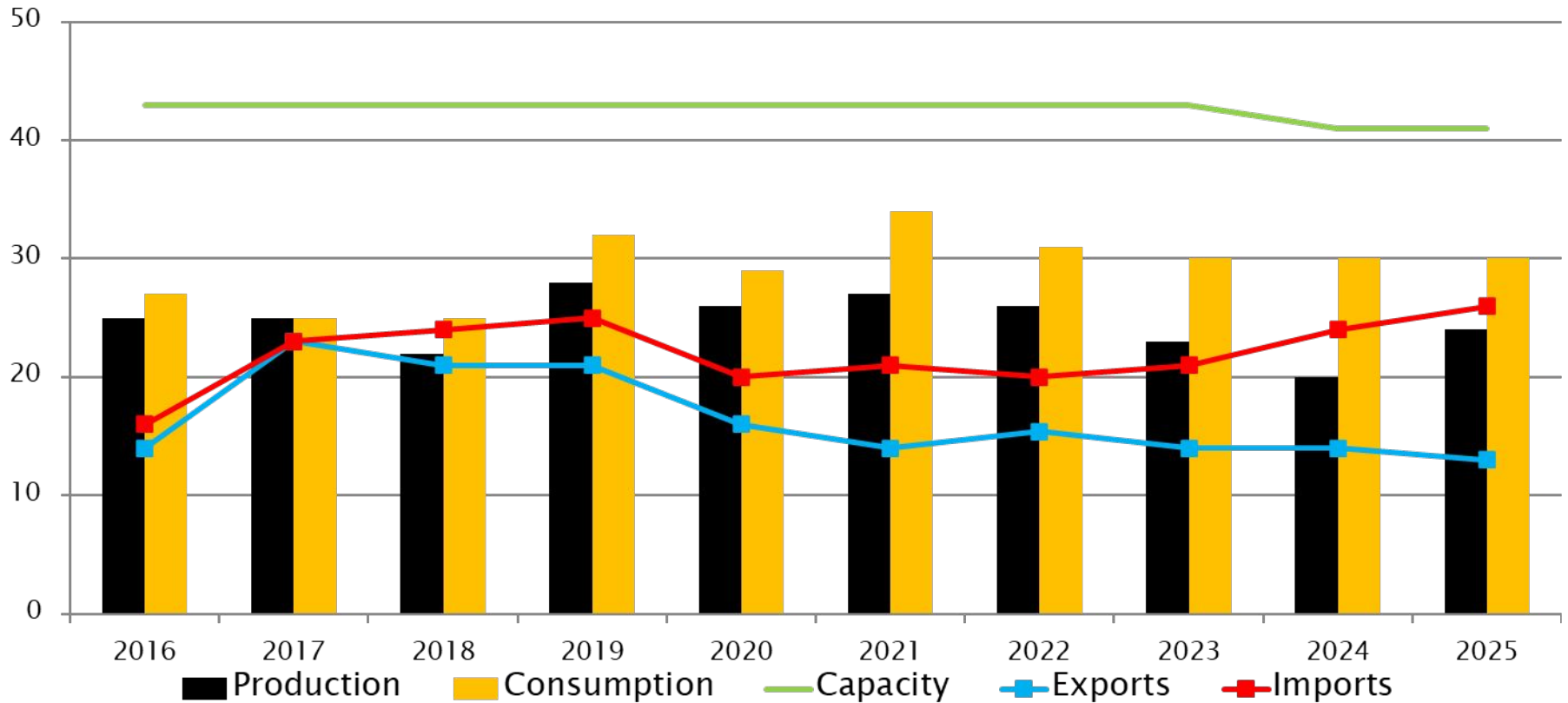


Source : BPS, MOI, APSyFI processed



Supply Demand – Nylon Filament

Nylon Yarn (NTY-NFY) – 000 ton

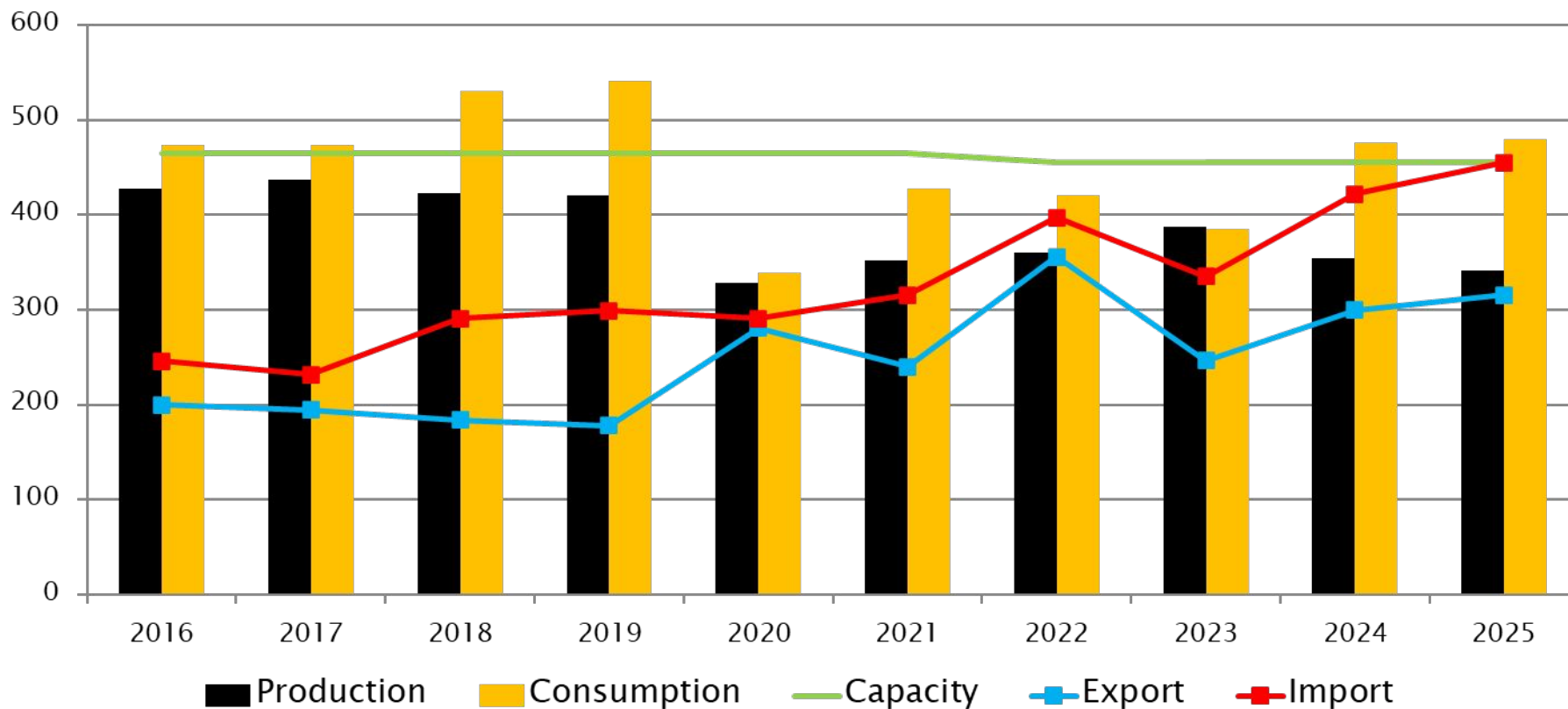


Source : BPS, MOI, APSyFI processed



Supply Demand – PET

Polyethylene Therephtalate (PET) – 000 ton



Source : BPS, MOI, APSyFI processed



Future Scenario – Man Made Fiber

- 1.** Capacity planning is aimed at making Indonesia self sufficient in PSF, PFY and VSF. Current capacity, including the recent addition, will make Indonesia self sufficient.
- 2.** Import substitution policies and trade remedies guarantee the domestic market for domestic products upstream to downstream in order to increase investment.
- 3.** Indonesia Vision for industrial development :
 - Green, environmentally friendly and sustainable for both products and production processes
 - Product development towards advanced textiles
 - Implementation of digitalization of industry 4.0 that is connected to the market



Future Scenario – Sustainability

1. The Green Industry Standard has been implemented for viscose products, and for polyester and nylon will be implemented next year.
2. The upstream textile sector focuses on environmentally friendly and recyclable products as well as on the development of more advanced products. Bottle to Textile as well as Textile to Textile.
3. Green Energy consume by reducing 90% of coal use and starting to switch to solar panels.



..... THANK YOU

**INDONESIA FIBER AND FILAMENT YARN MAKERS ASSOCIATION
(APSyFI)**

