

# AUTUMN REPORT

ECONOMIC ANALYSIS OF THE EU TEXTILE & CLOTHING  
INDUSTRY IN **2022-2023 AND BEYOND.**

2023  
EDITION

EURATEX



THE EUROPEAN APPAREL  
AND TEXTILE CONFEDERATION



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## Turbulent outlook for the European textiles industry

18 months ago (in March 2022), the European Commission launched its “EU Strategy for Sustainable and Circular Textiles”. The strategy aims at reducing the environmental footprint of our sector, but also recognises the strategic importance of the textiles ecosystem, and hence the need to invest in innovation, digitalisation and skills.

Since that launch, the European regulator has been active to “translate” their vision into reality: we now have 16 pieces of legislation on the table that will “force” the industry towards more sustainability and transparency: the Ecodesign Regulation, the Waste Framework Directive, the Green Claims initiative, update of the Textile Labelling Regulation, chemical restrictions, etc. In essence, the textile industry is rapidly moving from an unregulated to a very regulated sector, similar to e.g. automotives and chemicals.

European textile companies need to prepare for this rollercoaster of proposals, while at the same time remaining competitive. However, they struggle with high energy prices, a drop in consumer confidence and increased competition on global markets – as indicated in the present report. Therefore, the EU needs to be very careful when implementing this strategy, essentially making sure that textile companies become more sustainable but remain resilient. This requires a stronger focus on entrepreneurship, which is the basis of our companies’ success.

EURATEX has prepared a Manifesto ahead of the European elections in June 2024, listing 4 critical factors to achieve – or maintain – that resilience:

1. Focus on better regulation to enhance competitiveness and reduce unnecessary administrative burden;
2. Match sustainability and competitiveness and stop fragmentation of the EU Single Market ;

3. Ensure free and fair trade, ensuring a level playing field and effective market surveillance;

4. Stimulate a stronger demand for sustainable textiles.

Our main focus is not to stop the regulatory train, but to make sure it runs in the right direction, at the right speed. A new regulatory framework where quality will prevail over quantity, which will reward innovative products, can indeed benefit European textile companies. But this can only happen if that framework is manageable for SMEs, setting realistic targets, and making sure that rules and restrictions are effectively applied and controlled. So the quality and coherence of this new legal framework is critically important.

The new framework will apply to “all products which are placed on the EU Single Market”, i.e. regardless of where they have been produced. Market surveillance will be enhanced, to ensure effective compliance. EURATEX is suggesting for the EU Textile Strategy to become a Global Strategy, to ensure that level playing field, but also to recognise the global value chains in which our companies operate. This requires working on global standards, common methodologies, and legal definitions with our partner countries around the globe.

At the same time, textile companies need support to successfully make this green transition, especially in today’s very harsh economic times. So, we need to offer support, i.e. via dedicated research and innovation programmes, we need to invest in education and skills, we need to build a new industrial strategy, based on the competitive strengths of our companies.

Only on that basis, the European textile industry can remain globally competitive.

Dirk Vantghem  
Director General



# EUROPEAN ANALYSIS

## PART A



# EU T&C AT A GLANCE, 2022 (estimates)

**€167 bln**

Annual Turnover

**€67 bln**

Exports (outside EU)

**€5 bln**

Investment per year  
(average)

**192,000**

Total number of  
companies\*

**5%**

Share of T&C  
Employment on EU  
manufacturing

**1.3 mln**

Employees

**70%**

is a woman  
employee

Unless specified, EU refers to EU27

Data source: EURATEX, based on EUROSTAT

\* Data for companies refer to 2021 and are not comparable with data from the 2022 report as change in methodology has caused breaks in series.

# 1. European macroeconomic forecast\*

## A modest recovery ahead after a challenging year

The European economy has lost momentum this year against the background of a high cost of living, weak external demand and monetary tightening. While economic activity is expected to gradually recover going forward, the European Commission's Autumn Forecast\* revises EU GDP growth down compared to its summer projections. Inflation is estimated to have dropped to a two-year low in the euro area in October and is set to continue declining over the forecast horizon.

### Growth has lost momentum, but a rebound is still expected

Following a robust expansion throughout most of 2022, real GDP contracted towards year-end and barely grew in the first three quarters of 2023. Still high, though declining, inflation, and tightening monetary policy took a heavier toll than previously expected, alongside weak external demand. The latest business indicators and survey data for October point to subdued economic activity also in the fourth quarter of this year, amid increased uncertainty. Overall, the Autumn Forecast projects GDP growth in 2023 at 0.6% in both the EU and the euro area.

Economic activity is expected to gradually pick up as consumption recovers on the back of a steadily robust labour market, sustained wage growth and continued easing of inflation. Despite tighter monetary policy, investment is projected to continue increasing, supported by overall solid corporate balance sheets and by the Recovery and Resilience Facility. In 2024, EU GDP growth is forecast to improve to 1.3%. This is still a downward revision of 0.1 pps. from the summer. In 2025, with inflation and the drag from monetary tightening subsiding, growth is expected to strengthen to 1.7% for the EU.

### Inflation to continue easing after falling to two-year low

Inflation remains on a downward trend. It is estimated to have declined to 2.9% in the euro area in October, from its 10.6% peak a year ago. This marks its lowest level since July 2021.

While the moderation in the past year was mainly driven by the sharp fall in energy prices, it has now become increasingly broad-based across all main consumption categories, beyond energy and food.

As monetary tightening works its way through the economy, inflation is set to continue declining, though at a more moderate pace, reflecting a slower, but more broad-based, easing of inflationary pressures in food, manufactured goods and services. Headline inflation in the euro area is projected to fall from 5.6% in 2023 to 3.2% in 2024 and 2.2% in 2025. In the EU, headline inflation is set to decrease from 6.5% in 2023 to 3.5% in 2024 and 2.4% in 2025.

\* European Commission: Autumn 2023 Economic Forecast, 15 Nov. 2023

## Labour market to remain resilient

The EU labour market continued to perform strongly in the first half of 2023, despite the slowdown in economic growth. In the second quarter, activity and employment rates in the EU reached their highest level on record, and in September the unemployment rate remained at 6% of the labour force, close to its record low. Although latest information from surveys points to some cooling and some Member States have seen an uptick in unemployment, the labour market is set to remain resilient over the forecast horizon.

## Risks and uncertainty increase amid geopolitical tensions

Uncertainty and downside risks to the economic outlook have increased in recent months amid Russia's protracted war of aggression against Ukraine and the conflict in the Middle East. So far, the latter's impact on energy markets has been contained, but there is a risk of disruptions to energy supplies that could potentially have a significant impact on energy prices, global output and the overall price level. Economic developments in the EU's major trading partners, especially China, could also pose risks.

On the domestic side, the transmission of monetary tightening may weigh on economic activity for longer and to a larger degree than projected in this forecast, as the adjustment of firms, households and government finances to the high interest rate environment could prove more challenging. Finally, extreme weather events like heatwaves, fires, droughts and floods, which have been raging across the continent and beyond with increasing frequency and scope, illustrate the dramatic consequences that climate change can have not only for the environment and the people affected, but also for the economy.





## 2. General situation in the Textile & Clothing sector

### 2.1. T&C industry evolution in 2022 and first-half 2023

The economic figures for 2022 are largely positive compared with the previous year. However, Russia's invasion of Ukraine has posed new challenges, just as the Union had recovered from the economic impacts of the pandemic. The tentative recovery in 2021 has, indeed, been followed by increasingly gloomy developments in 2022. The environment became particularly challenging for the textile and clothing industry, as the war pushed energy prices at record levels, dampened confidence and affected trade. High energy, material and freight prices have strongly weighted on companies' production costs and profit margins. In particular, the energy-intensive segments of the industry (man-made fibres, non-woven, finishing and dyeing) faced significant challenges. Despite some improvements in market conditions during 2023, the EU textile and clothing industry is still experiencing concerns related to inflation, cost pressures, weak demand, and economic uncertainty. In addition, manufacturers continue to grapple with labour shortages that limit the industry's growth momentum.

Evolution in %	textile		clothing	
	2022/21	1st half 2023	2022/21	1st half 2023
Production*	-1.5	-8.3	9.1	-0.7
Employment	0.2	-0.2	0.3	-0.6
Turnover	10.6	-0.3	17.7	12.5
Producer prices	10.9	7.7	3.9	5.9
Extra EU-27 imports	15.7	-18.2	36.3	-8.1
Extra EU-27 exports	13.1	-0.3	17.2	2.7
Trade Deficit	23.4	-60.0	52.4	-15.5

\*Jan-August 2023

During the first half of 2023, the clothing segment recorded a 12.5% growth in **turnover**, on a year-on-year basis. This growth may be explained by an increase in activity but also by an increase in sales prices due to inflation. In the upstream sectors, turnover remained relatively stable. On the trade side, EU **exports** of textiles and clothing to third countries increased in value (+1.3%) but decreased in volumes (-9.5%), due to a rise in export unit prices. Besides, EU T&C imports from third countries fell sharply, in both volume and value. As a result, the EU27 trade deficit largely improved, as compared with the same period of the previous year.

The EU27 textile and clothing **production** suffered a setback during the January-August 2023 period and remained therefore below pre-pandemic levels. Production dropped by 8.3% in the textile sector, following lower demand for yarns, fabrics and technical textiles, and was slightly weaker in the clothing industry.

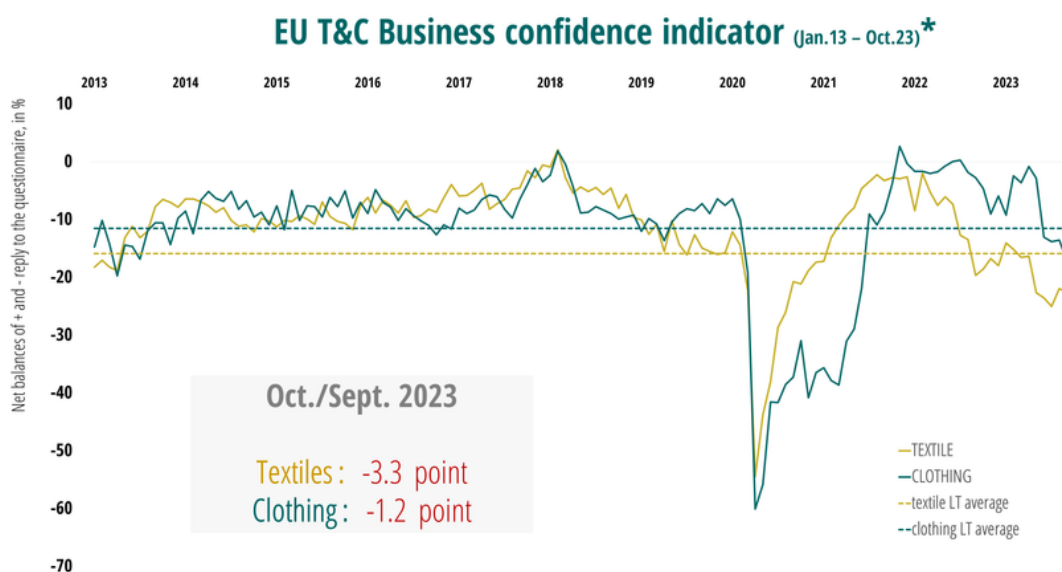
The **labour market** remained resilient in the EU clothing industry, with the number of employed persons being relatively stable during the first half of 2023. Data for the textile sector indicates that employment is slightly declining over the period. Following these developments, the employment level remains lower than the pre-COVID one. Still, a number of industries, including yarn spinners and related businesses throughout the textile and apparel value chain, are having a difficult time finding sufficient human resources to operate at desired capacities.

## 2.2. The 2023-2024 Outlook in the T&C sector

This section looks at the results from the European Commission's monthly and quarterly surveys on the EU business and consumer confidence (2.2.1), managers' price expectations (2.2.2), main factors limiting production in the textile and clothing industries (2.2.3) and outlook on investments (2.2.4).

### 2.2.1. EU Business Confidence in the Textile and Clothing industry

Looking forward into the business expectations, labour shortages, weak global demand and cost pressures will likely remain critical challenges in the coming months and in 2024. The EU Business Confidence\* indicator for the months ahead deteriorated in the T&C sectors, reflecting these energy-related challenges and increased economic uncertainty. This development of the business sentiment in the T&C industry suggests that economic activity will contract in the last quarter of 2023.

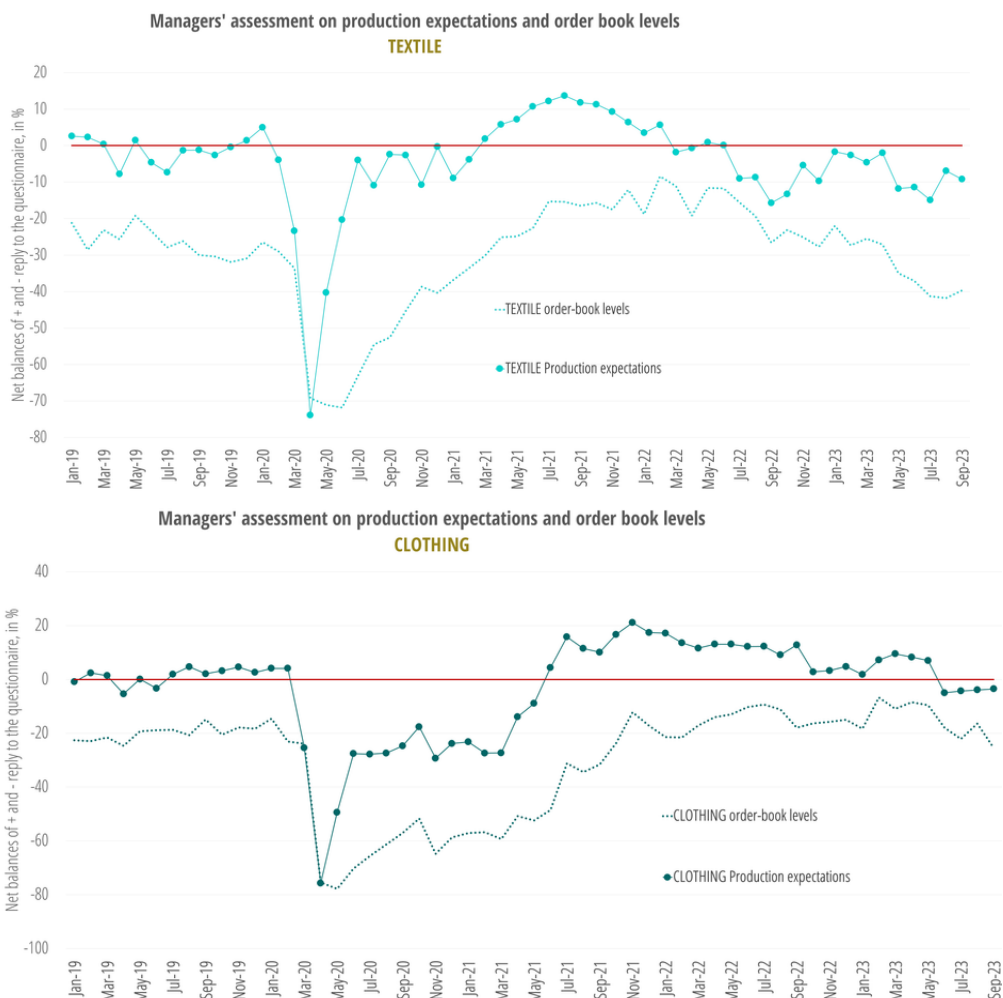


\*EU Commission's October 2023 survey: European Business Cycle indicators and Business Consumer Survey (subsector database)

The **textile** industry’s confidence indicator for the months ahead reported another drop in October 2023 (-3.3 points), resulting from managers’ more pessimistic views on their assessments of the production expectations for the months ahead, on their order book levels and on the adequacy stocks of finished products (stocks too large). As a result, the textile industry’s confidence indicator went further below its long-term average and pre-pandemic level. The employment expectations as well as the assessment of export order-book levels, which are not included in the headline indicator, also deteriorated.

The business confidence indicator in the **clothing** industry went down further (-1.2 points as compared with September), as managers’ confidence weakened with higher pessimistic answers (in % of total answers to the questionnaire). The decrease in confidence resulted from negative developments in managers’ appraisals of the order-book levels and of their production expectations for the months ahead. Opinion on the adequacy of stocks of finished products (stocks too large/above normal) remained almost stable. Also managers’ appraisals on the employment expectations, which are not included in the headline indicator, became more pessimistic. By contrast, the assessment of export order-book levels picked up.

Following the deterioration in production expectations, managers’ views on future textile and clothing production could not reach pre-pandemic levels. Moreover, the percentage of managers assessing their current order books as more than sufficient (above normal) has been markedly decreasing in the textile and clothing sector. These indicators from the industry surveys are indicative of lower demand.



Unless specified, EU refers to EU27  
Data source: EURATEX, based on EUROSTAT

Similarly, **retail trade confidence** decreased markedly (-1.4), reflecting worsened assessments of developments in the past business situation as well as stocks that were more often considered as too large/above normal. By contrast, retailers became more optimistic about the future business situation. Besides, **consumer confidence** remained unchanged compared to September, resulting from consumers' improved views on their household's past financial situation and intentions to make major purchases, which were offset by worsened expectations about their future financial situation and the general economic situation in their country.

## 2.2.2. Developments in managers' selling price expectations

Managers' price expectations can provide additional information about potential further price pressure. Selling price expectations in industry and retail trade peaked in April 2022 and, while remaining at a high level especially in retail trade, have since been declining. Across the member states, the decrease in selling price expectations is widespread. In industry and retail trade, almost all countries have recorded a decrease in selling price expectations over the last year. Consumers' price expectations for the next twelve months also edged down in October 2023.

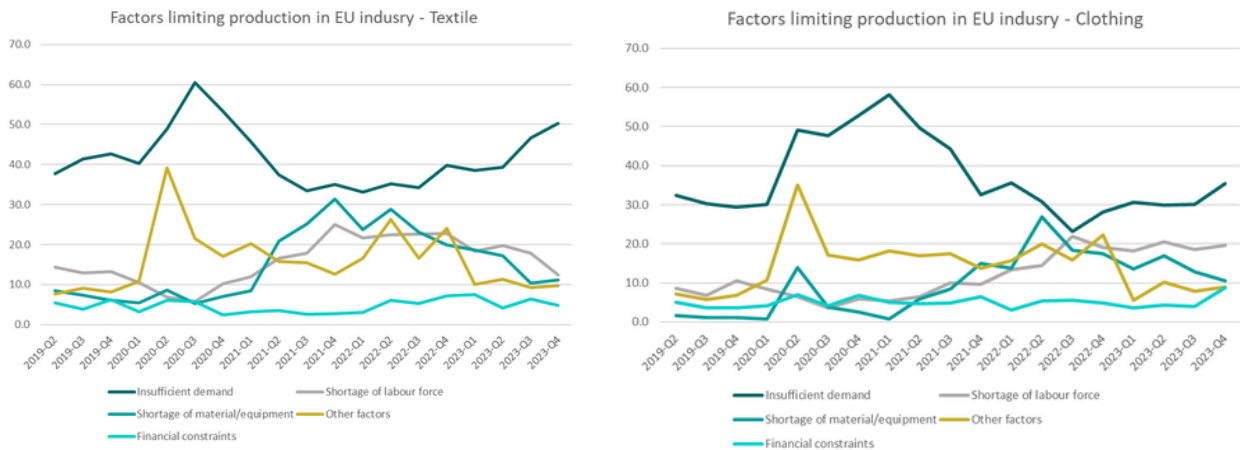
Furthermore, survey results up to October show an easing in selling price expectations in the textile and clothing sectors. Selling price expectations among industry managers in the **textile** industry decreased further, and score below their long-term average. However marked increases were still reported in some EU textile-producing member states (i.e., Poland). In the **clothing** sector, price expectations eased since June 2022, though remaining at high levels.



\* results from European Commission's monthly survey, October 2023.

### 2.2.3. Main factors limiting production

According to the latest survey on production obstacles in the textile and clothing industries, managers reported that weak demand remains a major challenge. As a matter of fact, more than half of managers in the textile industry and over 35% in clothing indicated that **insufficient demand** is the main limiting factor to their production in the last quarter of 2023. The percentage of managers quoting 'insufficient demand' as a factor limiting production has been strongly increasing since Q3 2022 in the textile and clothing industry.



\*: results from European Commission quarterly surveys, October 2023

In October 2023, still 13% of the surveyed textile managers and 20% of clothing managers reported that the **shortage of labour force** was limiting their production. Furthermore, the **shortage of material/equipment** was mentioned as the third factor limiting their industrial output, for around 11% of the textile and clothing managers. Among the other factors, it's worth mentioning the "financial constraints", as a rising concern in the clothing sector (9%).

### 2.2.4. Outlook on investments

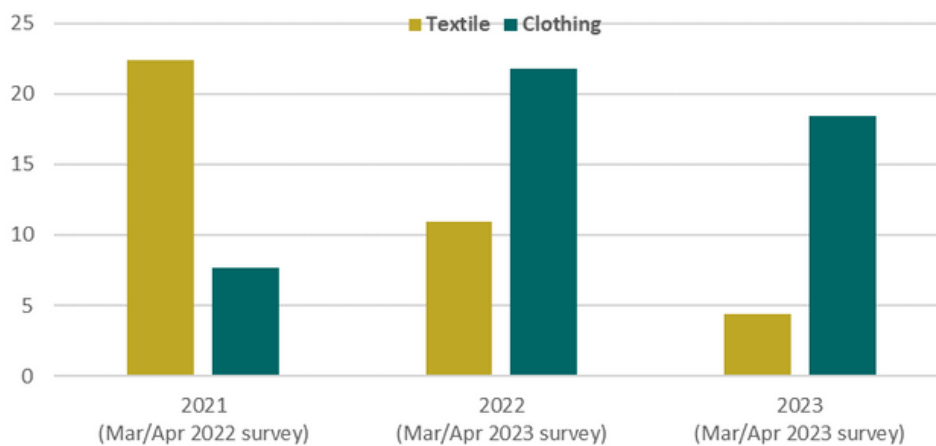
This section analyses the results of the specific questions on investment included in the Commission's March-April surveys for the T&C sectors, enquiring about business investment in 2022, as well as plans for 2023.

Investment plays a key role in driving economic development, both in the short and long term. In the current context, a number of specific factors can affect investment decisions by firms. The positive effects of digitalisation acceleration, triggered by the pandemic and the support from the Recovery and Resilience Facility on 2021 investment, have continued in 2022. At the same time, the uncertainty caused by the war in Ukraine, its economic consequences, and rising interest rates could curb or cause investment projects to be revised downwards or delayed.

## Outlook on investment in 2023 remains positive in the T&C industry...

Managers' assessment of their business' investment for the ongoing year was, on balance, positive but at a lower level than in 2022. As a matter of fact, the difference between the percentage of managers expecting an increase and those expecting a decrease is foreseen to reduce in 2023.

**T&C managers' investment assessment for the years 2021, 2022 and 2023 (% balances)**



\*: results from European Commission quarterly surveys, 2023. The survey asks managers for their qualitative assessment whether their company's investment will (+) 'increase', (=) 'remain the same', or (-) 'decrease', compared to the previous year. The balance is the difference between the percentage of positive (+) answers minus that of negative (-) answers.

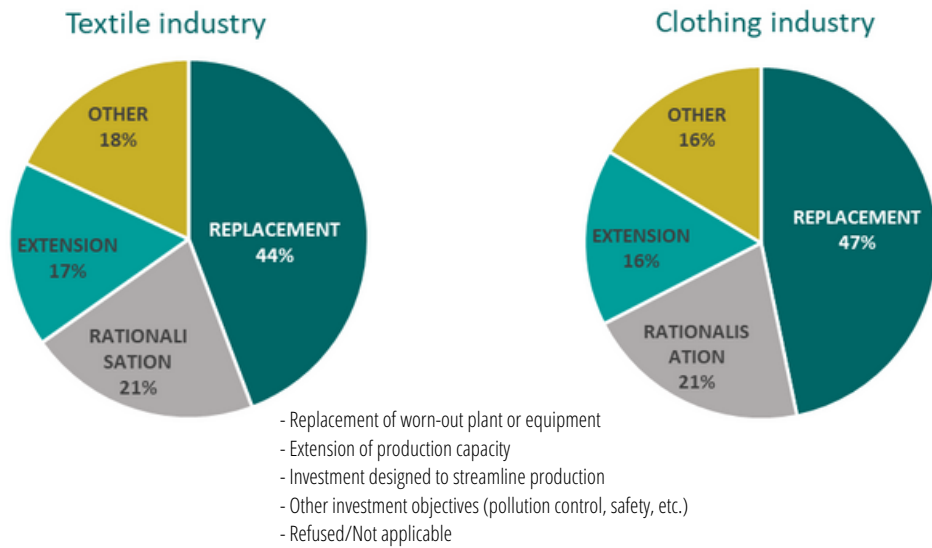
### structure of investments:

In the spring survey, firms are also asked to assign their investment to four purpose categories: replacement of worn-out plant or equipment, extension of production capacity, investment designed to streamline processes, and other investment objectives (pollution control, safety, etc.). In times of economic upswings, one would expect investment to be more geared towards the extension of production capacity than during downturns, when investment is likely focused on the replacement of worn-out equipment and/or the streamlining of processes.

### Decreased share of replacement and increased share of extension investment in the clothing industry.

Investment in 2022 mainly served to *replace worn-out plants or equipment*. In 2023, managers expect a decrease in the share of investment dedicated to replacement. The *rationalisation* objective (Investment designed to streamline production) is expected to represent slightly more than 20% of investment in 2023, suggesting ongoing technological changes in investment, possibly including towards new green and digital technologies. Also, it is possible that rising energy prices push companies to invest in more efficient and less energy-intensive technologies. Finally, *extension* of production capacities is expected to reach 17% in the textile industry (from 16% the previous year) and 16% in the clothing sector (from 13% in 2022 and 12% in 2021).

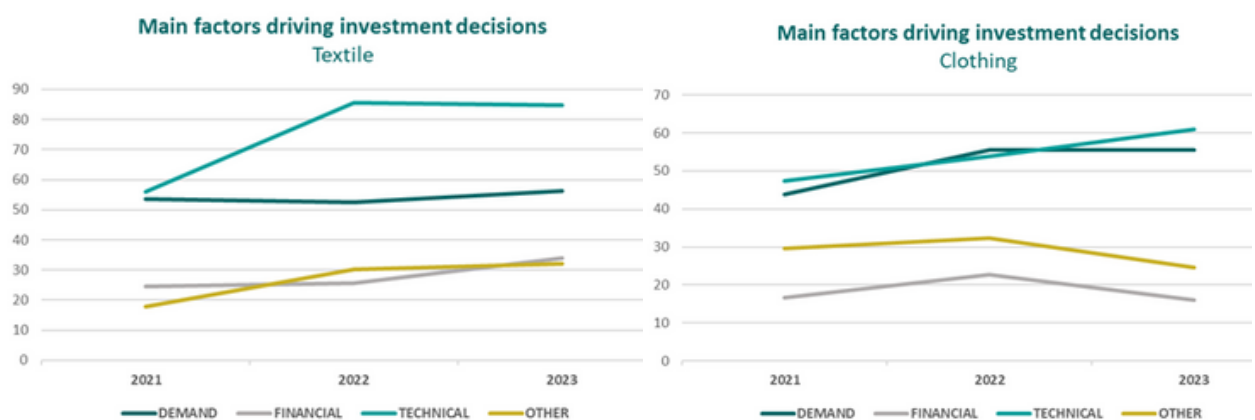
### Structure of investments in 2023



#### Drivers of investment :

The Investment Survey also collects information on the **factors stimulating investment**: demand, financial conditions, technical, and other factors.

In the 2023 spring survey, around 60% of industry managers in the textile industry and 85% in the clothing sector, reported *technical factors* as stimulating their investment for 2023. This includes the impact of technological changes such as the need to upgrade equipment and the availability of skilled labour. In the clothing sector, this share is almost 7 percentage points more than in 2022. *Demand* (sales) is considered to stimulate investment for 2022 and 2023 by about 56% of managers. By contrast, a lower percentage of firms reported *financial conditions* as a stimulating factor in 2023: about 34% in textiles (against 26% in 2022) and 16% in clothing (23% in 2022).



% of firms stating that one factor is stimulating

# 3. Evolution of the EU Textile & Clothing Activity

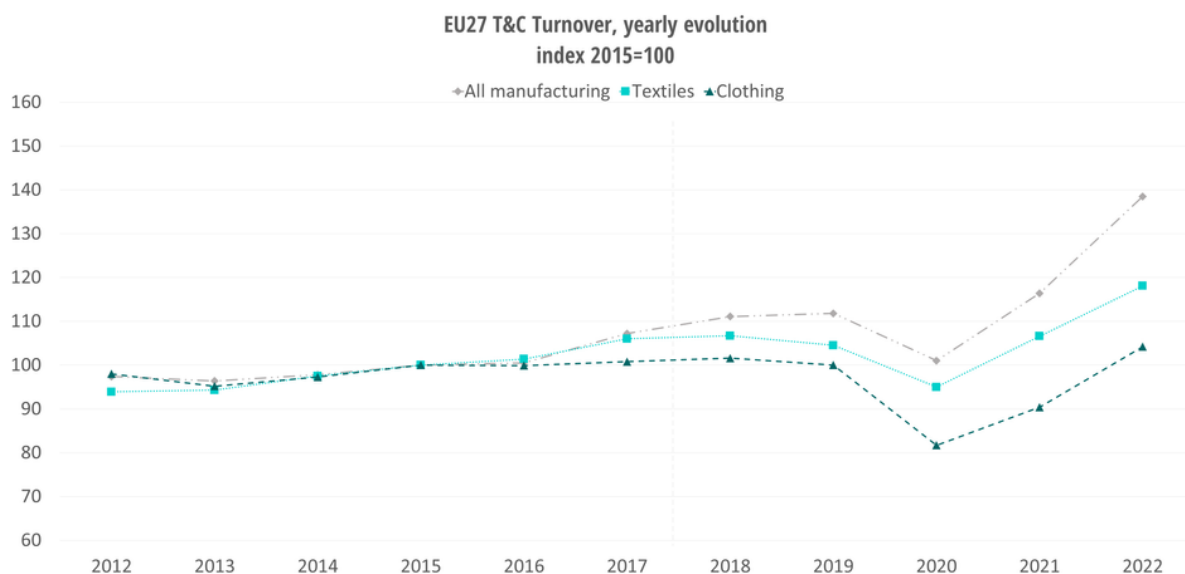
An analysis by sector, sub-sector and Member States

## 3.1. Turnover

### 3.1.1. The textile & clothing sector

#### • 2022 Yearly evolution

In 2022 industrial turnover continued its dynamic growth as a result of rapidly increasing price levels. The EU total turnover in the manufacturing sector grew by 19%, as entrepreneurs had to adjust to the sharp drop in demand due to the Coronavirus outbreak. Similarly, the EU turnover improved in the textile and clothing value chain, as compared with the previous year. Over the year, the EU turnover expanded by +10.6% in textiles (which is, however, lower than the general manufacturing average) and by +17.7% in clothing, compared with 2021. While aggregated data for the full 2022 give a positive picture, it is important to point out that the second half of 2022 showed a loss of momentum in both sectors. As a matter of fact, the business activity in the textile and clothing industry turned negative in the 3rd quarter, on a q-o-q basis, after a noticeable increase recorded in the previous quarter. EU sales of textiles continued to deteriorate during the last quarter of the year, while on the clothing side, sales recovered to some extent.

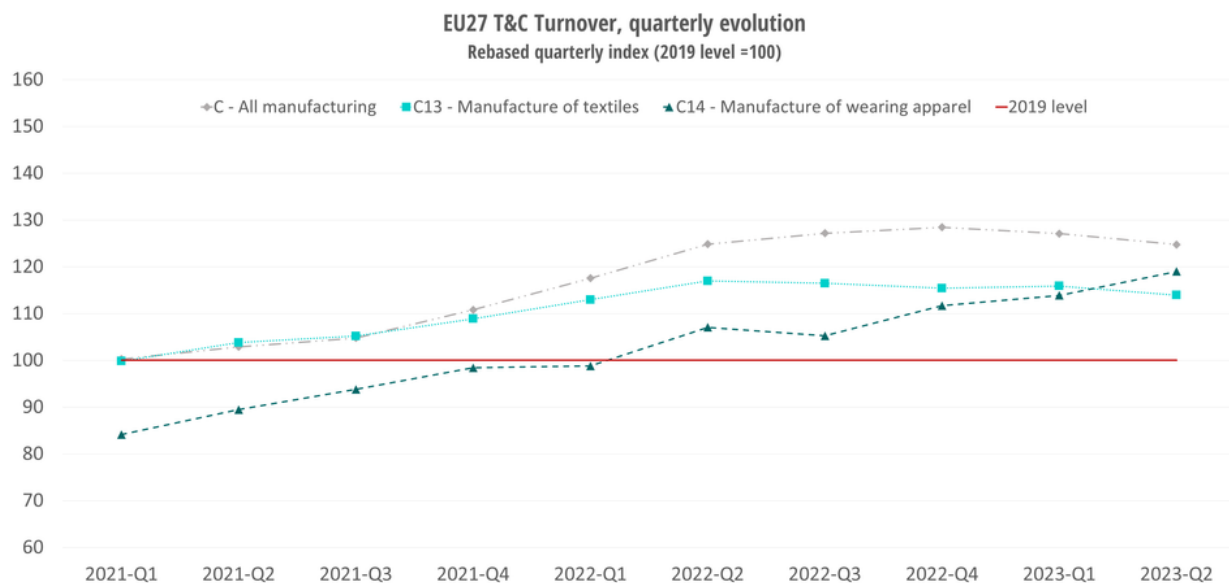




## • 2023 Latest trends

EU's turnover evolution, during the first half of 2023, showed opposite trends across the textile & clothing value chain. According to the latest figures, the textile industry recorded a slight increase in Q1 (+0.4%) and a -1.7% decline in Q2, on a q-o-q basis. The slowdown in the economy is having a direct impact on companies, since the consumption of textile products has decreased significantly. Furthermore, high prices and inflation remain a big handicap for demand increase.

By contrast, the downstream sectors were less impacted by tough market conditions. As a matter of fact, the clothing industry registered a reasonable growth in sales revenues in Q1 and Q2: +2% and +4.5% respectively, as compared with the previous quarter. As indicated in the graph below, growth rates in the apparel industry have now surpassed the performance of textile companies (119 vs. 114).



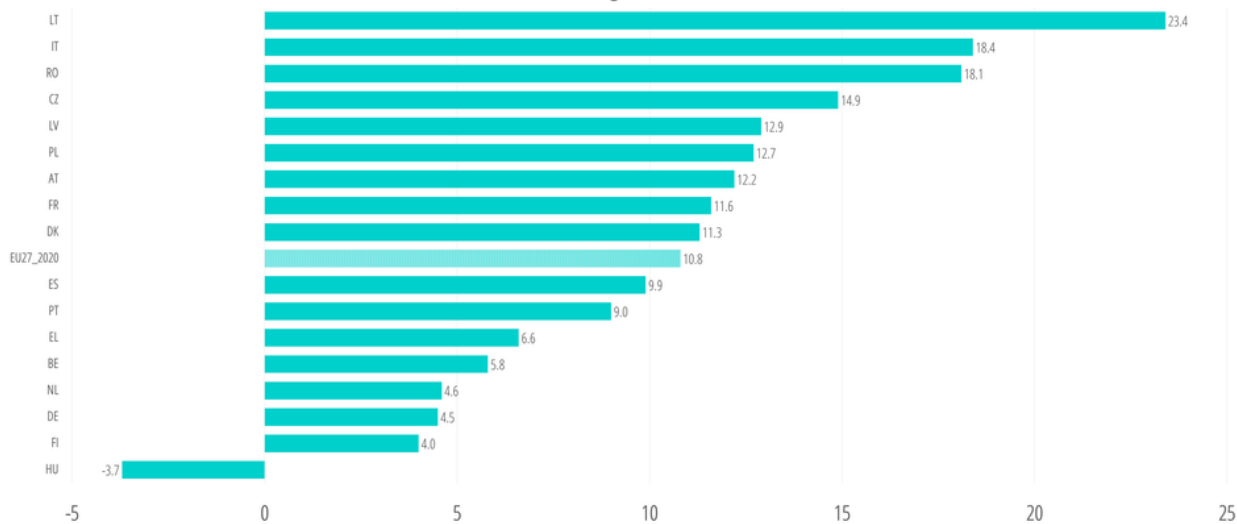
### 3.1.2. Turnover - EU-27 Member States

Looking at turnover evolution across EU member states, significant increases can be observed in 2022:

- Textile and clothing companies recorded strong turnover improvements in all member states, with the exception of Hungary (-3.7% for textiles).
- The Italian textile and clothing turnover, representing 37% of the EU turnover, continued to recover from the serious downturn in 2020, thanks to increases well above EU T&C average. As a matter of fact, companies in that country earned +18% of their revenue in the textile industry and +23% in the clothing sector.
- Similarly, Romania, the Czech Rep., Poland, Lithuania, Austria, and France registered robust sales' increases in the entire value chain, with double digit growth rates.
- Spanish companies performed better in downstream sectors, while Denmark and Latvia saw better results in the upstream industries.
- Compared to other member states, turnover growth in Germany remained subdued.

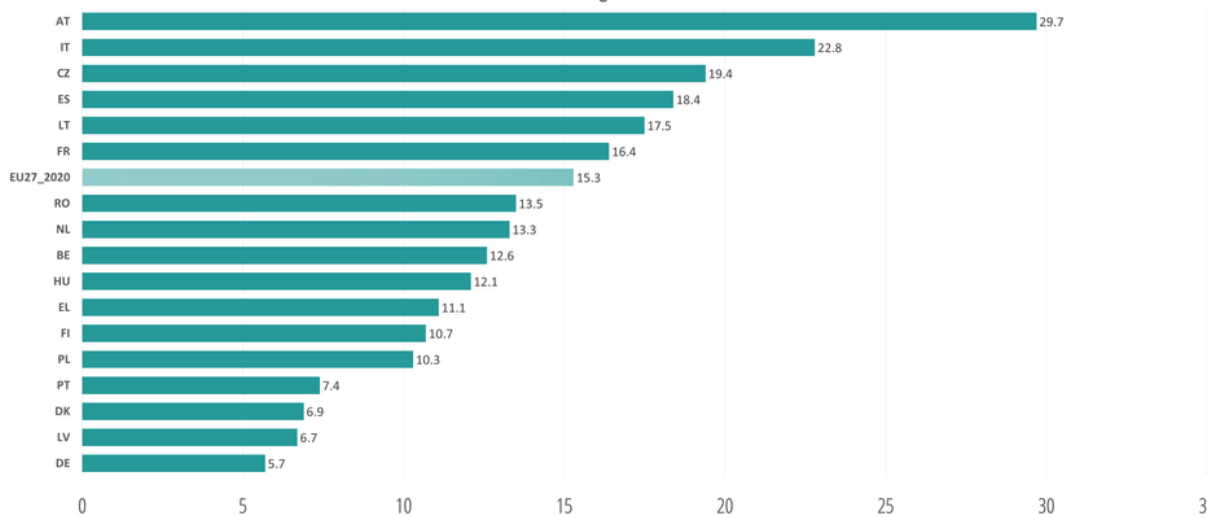


### EU27 Textiles turnover, yearly evolution % Change 2022/21



Missing data: Bulgaria, Ireland, Croatia, Cyprus, Estonia, Luxembourg, Malta, Slovenia, Slovakia, Sweden

### EU27 Clothing turnover, yearly evolution % Change 2022/21



Missing data: Bulgaria, Ireland, Croatia, Cyprus, Estonia, Luxembourg, Malta, Slovenia, Slovakia, Sweden

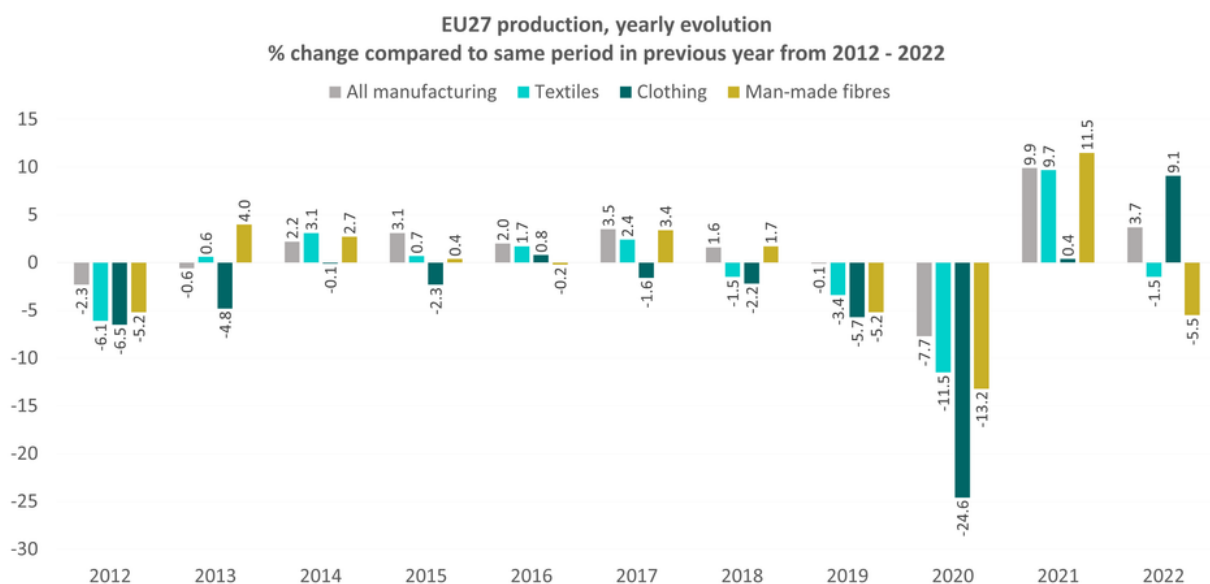
## 3.2. Production volumes

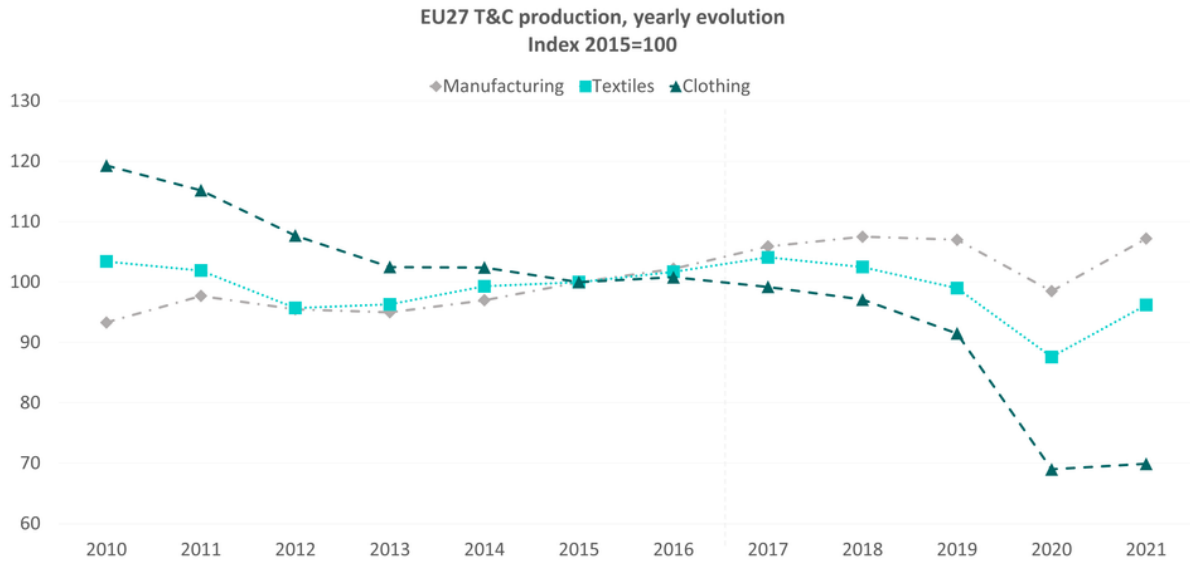
### 3.2.1. The textile & clothing sector

- 2022 Yearly evolution

Following the drastic fall in 2020 due to the coronavirus pandemic, the EU's production of manufactured goods rebounded in 2021. High energy prices, geopolitical tensions, increased transportation bottlenecks, sanctions against Russia and input shortages were among the top concerns for companies in 2022. Despite tougher market conditions, the industrial output has demonstrated continued strength in 2022, building on the momentum it gained emerging from the pandemic.

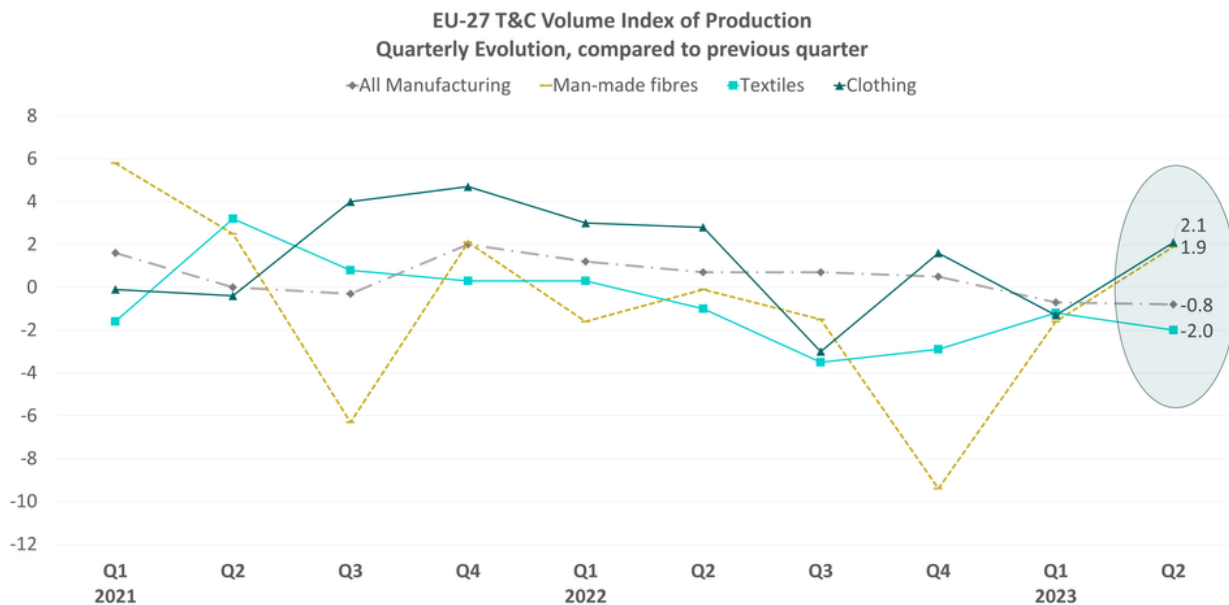
Production volumes in the manufacturing sectors slowed down (+3.7%, against +9.9% in 2021), while industrial output showed a mixed picture in the T&C value chain, with better performances in downstream sectors. As a matter of fact, the EU27 clothing production growth hit a high, with a +9.1% increase in 2022, while output dropped in the man-made fibre (-5.5%) and textile industries (-1.5%).





• 2023 Latest trends

The EU T&C industry started the year with a decrease in production in the entire value chain: -1.6% in Q1 in the man-made fibre industry, -1.2% in textiles and -1.3% in clothing (on a quarter-on-quarter basis). Production volumes during the 2nd quarter 2023 deteriorated further in the textile sector (-2%), while business activity in the clothing industry turned positive (+2.1%). The clothing performances were even better than the output trend of all manufacturing sectors, which decreased moderately in Q2 2023 (-0.8% as compared with the previous quarter).



### 3.2.2. Production - T&C sub-sectors

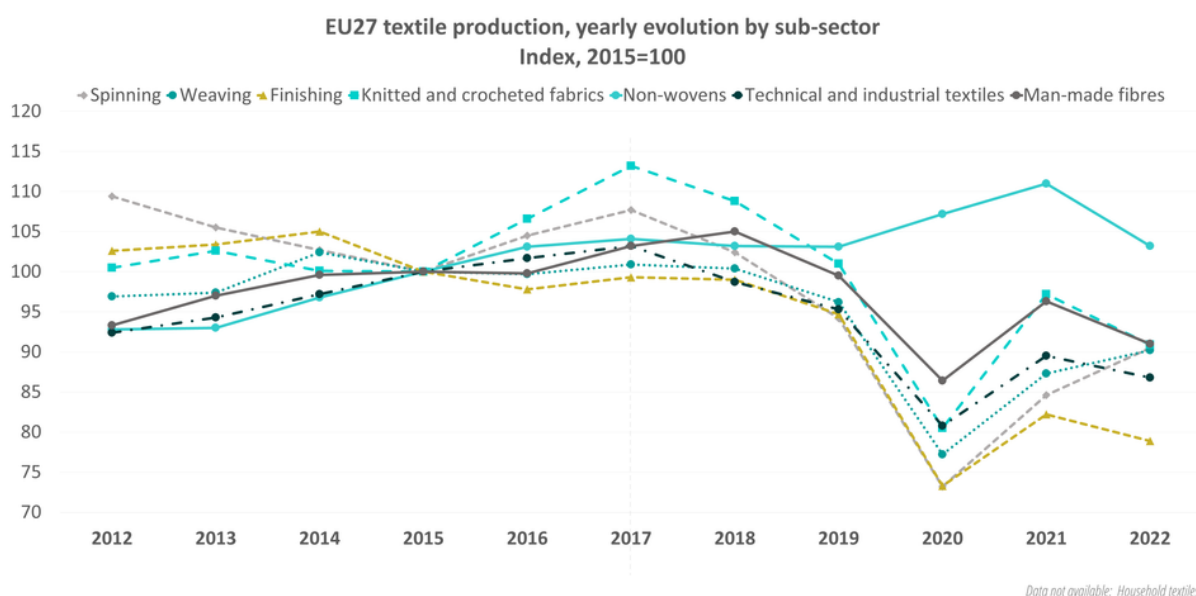
#### • 2022 Yearly evolution

The extensive 2021 recovery in the textile industry and the continuing high demand for medical and hygiene products, which also led to strong demand for nonwoven fibers, fed through to a significant recovery in the **man-made fibers'** market. During 2022, this sector came under extreme pressure from sluggish demand and surging energy costs. Consequently, production of man-made fibers dropped by -5.5%, as compared with the previous year.

The EU **spinning** industry registered a significant rebound in 2021, the highest growth rate among the sub-sectors, together with the knitted and crocheted fabrics. During 2022, the manufacturing of yarns recorded again the strongest increase among the textile sub-sectors (+7%). This represents, however, a slowdown when compared with the 2021/2020 growth rate.

As the upstream sub-sector, the **weaving** industry saw an increase in production during the last two years. In 2021, EU production of fabrics jumped, supported by strong demand and capacity expansions, and increased further in 2022 (+3.3%).

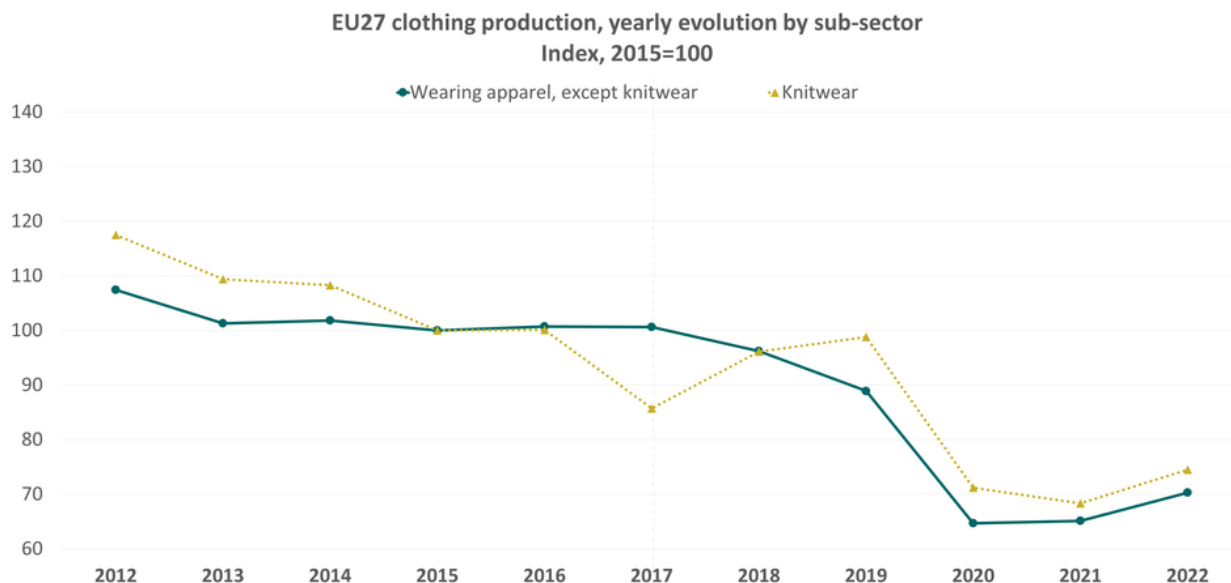
In 2021, the **finishing** activity recovered from the previous year's slump, due to significant growth in EU production and demand for yarns and fabrics during the year. Record-high electricity and gas prices, in 2022, strongly impacted this energy-intensive activity. Consequently, the sector recorded a -4% decrease compared with 2021.



In contrast to the severe drop faced in 2020, the **knitted and crocheted fabrics'** output reported the fastest growth in 2021 (+21%). In 2022, production volumes have trended downward, despite good performances in the knitwear industry (-6.5%).

**Technical and industrial textiles**, including nonwovens, have expanded their share in total textile production over the years, following the growing applications in other sectors such as the automobile, agriculture, construction, and healthcare. In 2022, production volumes of nonwovens as well as other technical and industrial textiles have decreased, by respectively -7% and -3%.

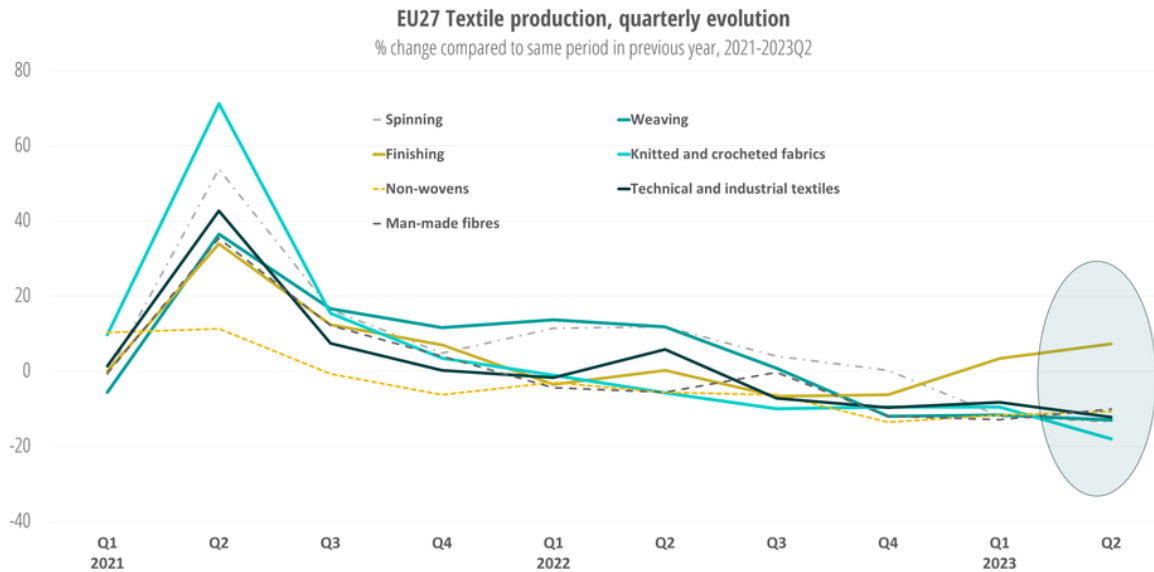
The **made-up textiles'** production (which covers bedlinen, table linen, toilet linen, curtains, floor-cloths...) picked up in recent years. However, this trend reversed in 2022, as production volumes went down in most product categories. In 2022, clothing production jumped in all categories. **Outerwear** (excluding knitwear) recorded the highest growth (+14.6%), followed by the **hosiery** segment -including pantyhose, tights, stockings and socks (+11.7%).\*



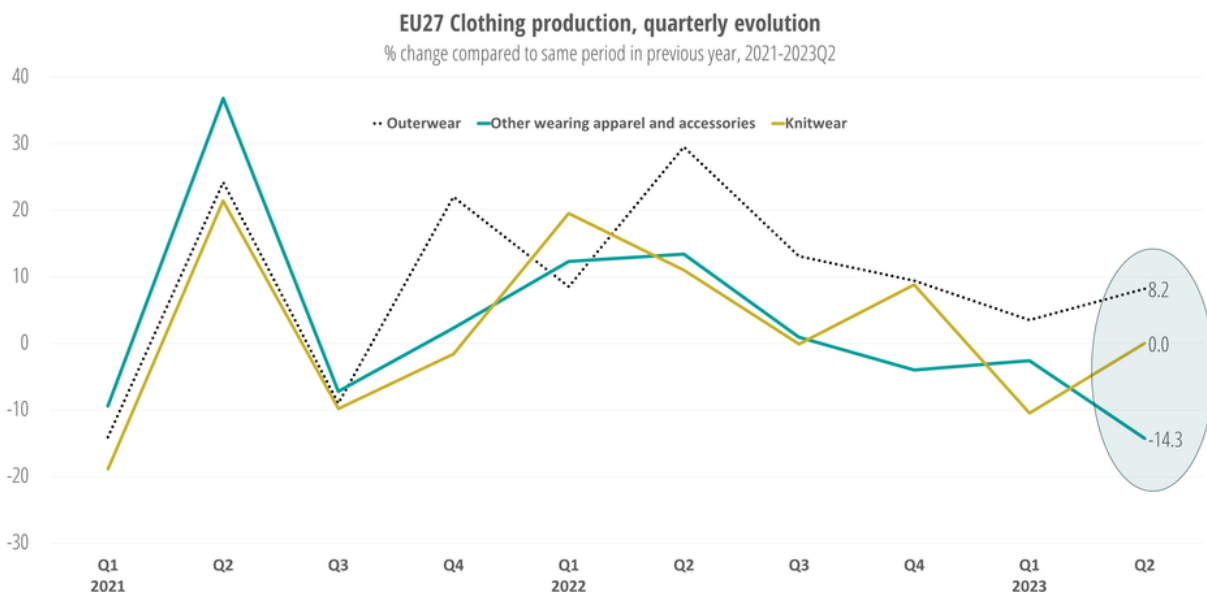
\*Data based on Eurostat Prodcom codes. This classification provides statistics on the production of manufactured goods carried out by enterprises on the national territory of the reporting countries. No data available at NACE level.

• 2023 Latest trends

The latest figures, on production trends at sub-sector level, confirm different performances within the T&C value chain. EU **textile** activity dropped further during the 2nd quarter 2023, following a sharp decrease in knitted and crocheted fabrics (-18% y-o-y), woven fabrics (-13%), nonwovens (-10.7%), yarns (-13.5%) as well as in technical and industrial textiles (-12.2%). However, there is interesting exception to the broad-based downturn seen in textile sub-sectors, such as finishing companies which performed relatively well during this period (+4.5% q-o-q and +7.3% y-o-y).



On a year-on-year basis, production volumes decreased in the **clothing** sector, despite a steep rise in the “outerwear” segment (+8.8%) and a stabilization in the knitwear industry. This was mainly due to a marked deterioration in the other wearing apparel, including accessories (-14%). Overall, EU T&C production volumes remained largely below pre-pandemic levels.



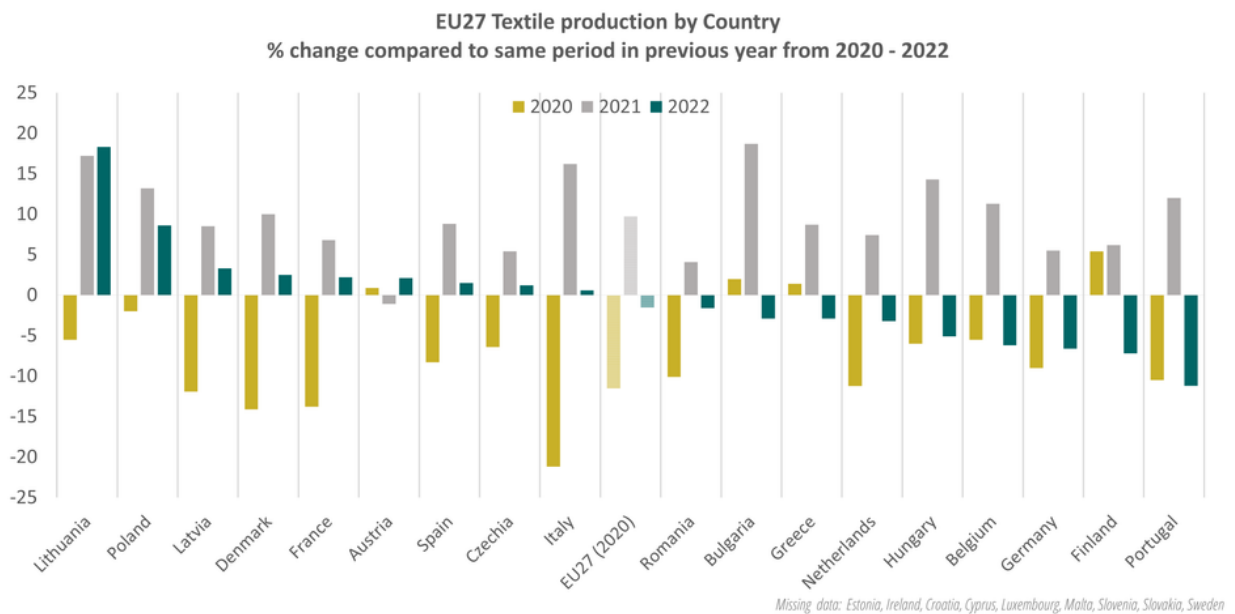
Unless specified, EU refers to EU27  
 Data source: EURATEX, based on EUROSTAT



### 3.2.3. Production - EU-27 Member States

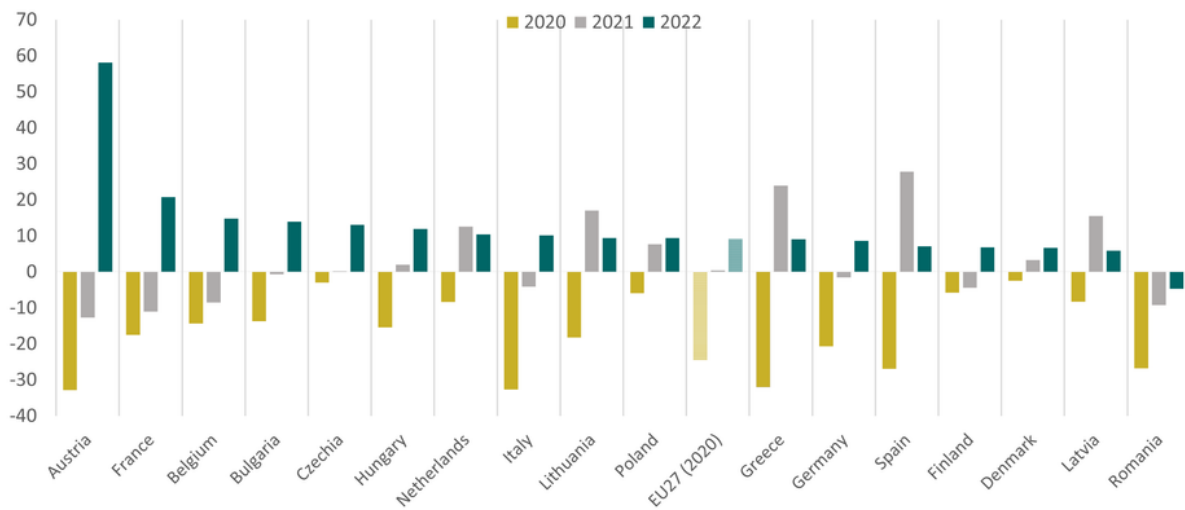
#### • 2022 Yearly evolution

In 2022, the **textile** sector recorded divergent evolutions in production volumes across the EU27 countries. Among the best performers, we can point out Lithuania and Poland, with growth rates of +18% and +8.6%, respectively. Similarly, Latvia, Denmark, France, Austria, Spain, Czechia and Italy recorded positive output growth in the sector (between +0.6% and +3.3%). Textile companies were less resilient in the remaining member states, in particular in Portugal, Finland, Germany, Belgium, Hungary, the Netherlands, Greece, Bulgaria and Romania.



Contrary to the textile industry, the **clothing** output performed relatively well across most EU member states. Among member states for which data are available, the highest annual increase was registered in Austria (+58% as compared with 2021). France, Belgium, Bulgaria, Hungary, Czechia, the Netherlands, Italy and Lithuania performed relatively well, with increases above EU average. By contrast, production of clothing articles went down in Romania (-4.7%).

**EU27 Clothing production by Country**  
 % change compared to same period in previous year from 2020 - 2022

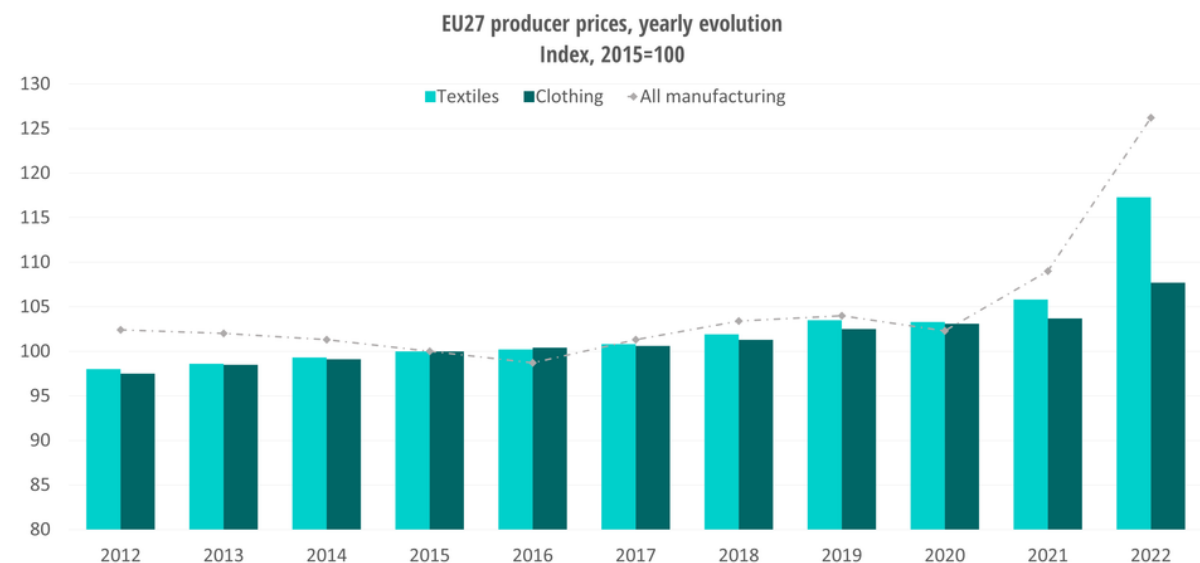
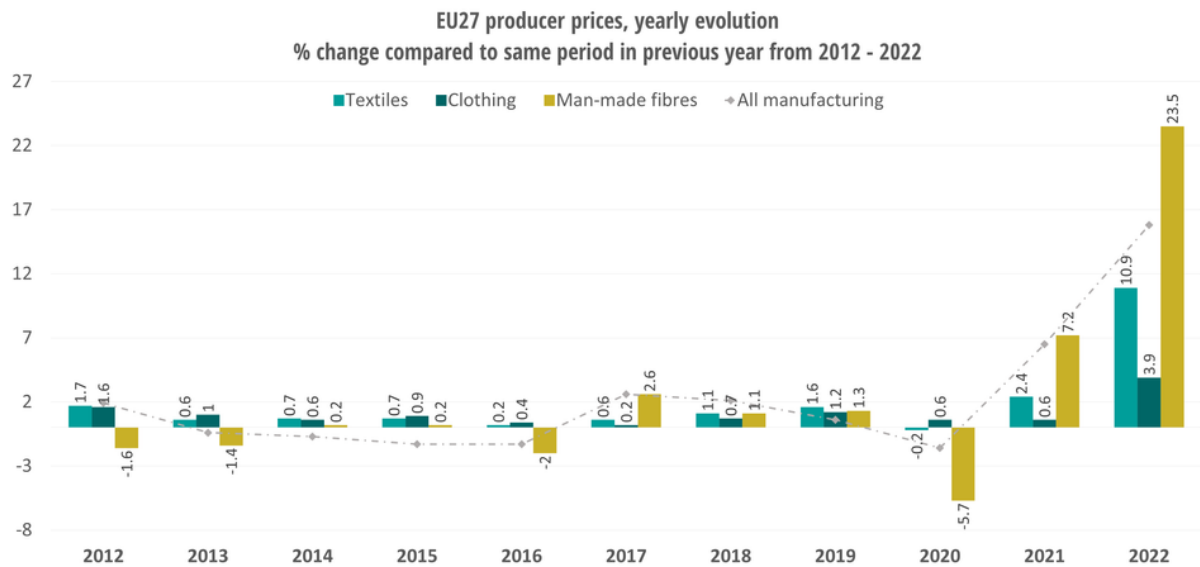


Missing data: Estonia, Ireland, Croatia, Cyprus, Luxembourg, Malta, Portugal, Slovenia, Slovakia, Sweden

### 3.3. Producer prices

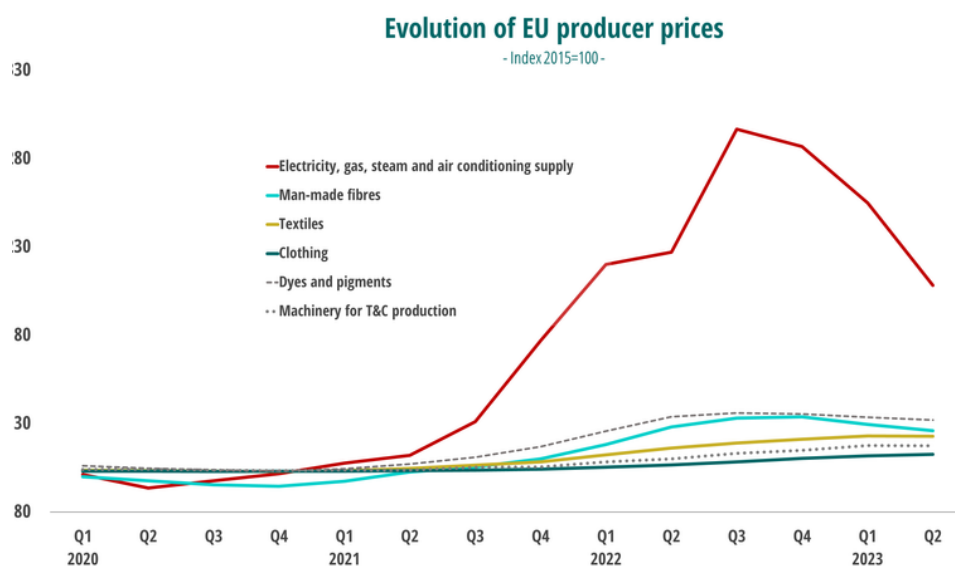
#### 3.3.1. The textile & clothing sector

Another interesting business-cycle indicator to analyse is the **producer price index**, showing the development of transaction prices of products from the seller’s perspective. 2021 was characterised by a general increase in output prices in the manufacturing industries, reflecting a low base effect from 2020 due to the pandemic and the reopening of the economy. In 2022, price pressures were evident in more and more sectors, in part owing to the impact of high energy costs feeding through to the whole economy. Producer prices soared in the manufacturing industry (+16%), and - in particular- in the intermediate goods industries: textiles +11% and man-made fibres +23%. The growth observed in the consumer goods was more moderate (i.e., clothing +3.9%).



Unless specified, EU refers to EU27  
Data source: EURATEX, based on EUROSTAT

The quarterly rate of the producer prices' index has been slowing since the third quarter of 2022. The latest figures, up to the second quarter of 2023, are showing a decrease in producers' prices in the upper part of the textile industry (textiles -0.1% and man-made fibres -2.8%) and a slight increase in the clothing (+0.7%), on a quarter-on-quarter basis. However, producer prices' index was still higher than during the same period in the previous year: +5.9% in textile and +5.6% in clothing.

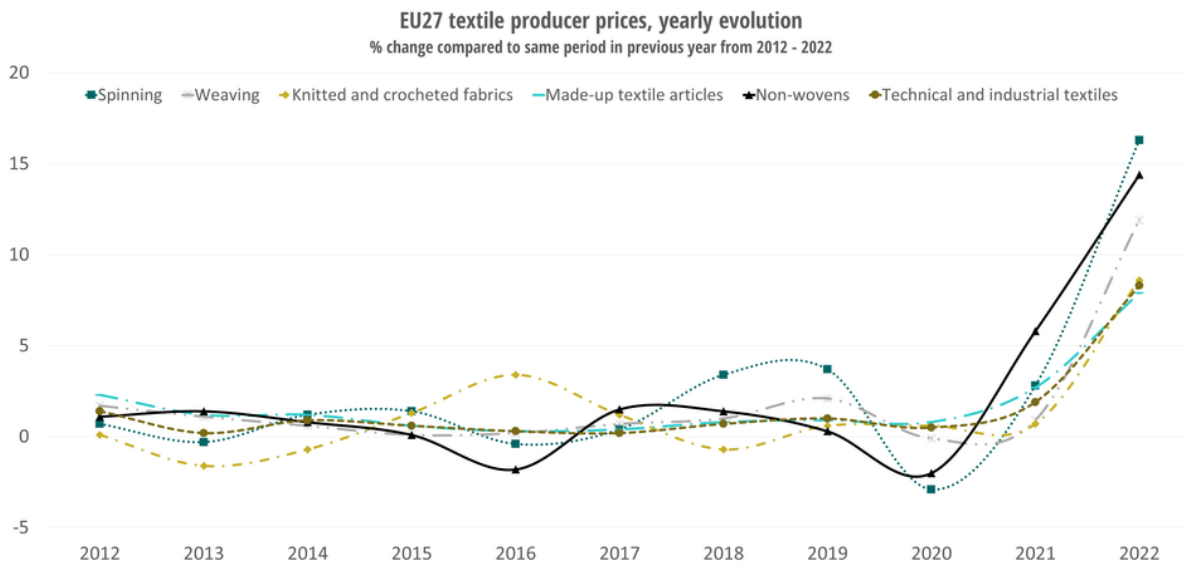


Despite lower electricity and gas prices in Q2 2023, energy prices continued to strongly weight on the EUT&C industry. Prices' index of energy (electricity, gas, steam and air conditioning supply) recorded a noticeable contraction for the third time since Q2-2020, albeit remaining above pre-COVID levels. This corresponds to a -18% q-o-q and a -8% y-o-y.

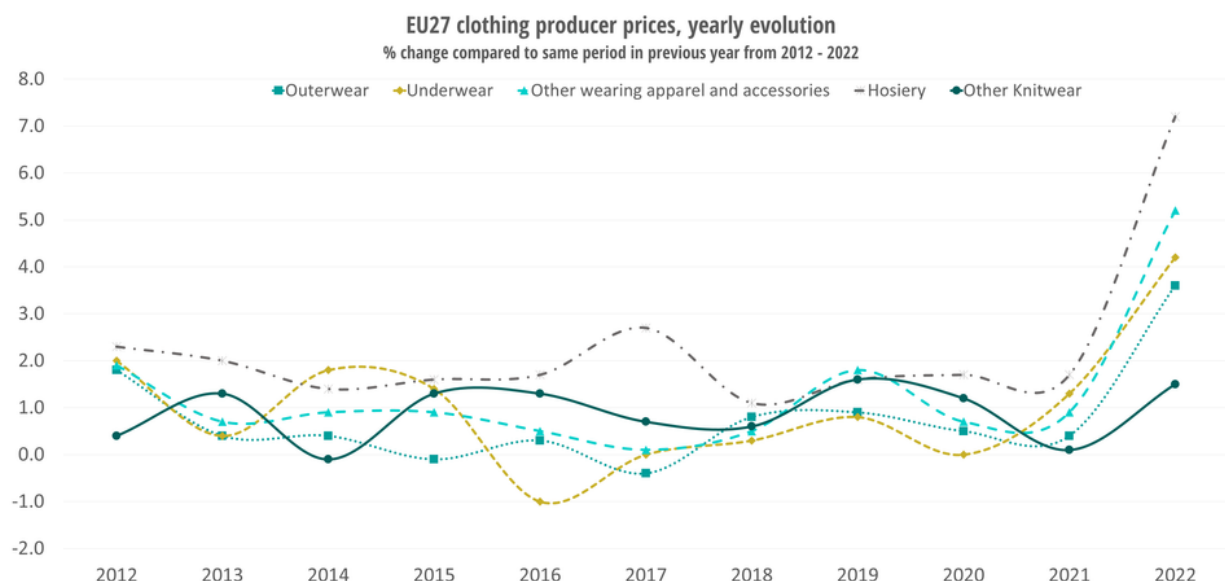
This decline/slowing down in producer prices is reflected in the managers' **selling price expectations**, which are on a downward trend across all surveyed business sectors (see section on selling price expectations). However, T&C manufacturers in Europe continue to feel pressure from energy, labour and raw material costs and so may face difficulties to decrease prices further in the coming months.

### 3.3.2. Producer prices - T&C sub-sectors

Looking at the various transformation stages within the **textile** sectors, three of them witnessed a noticeable price increase in 2022: spinning (+16%), weaving (+12%) and non-wovens (+14%). Output prices in the manufacture of technical and industrial textiles, made-up as well as knitted and crocheted fabrics grew at a somewhat less robust pace, compared to the textile industry average, with respective growths of +7.9%, +8.3% and +8.6% during the period.

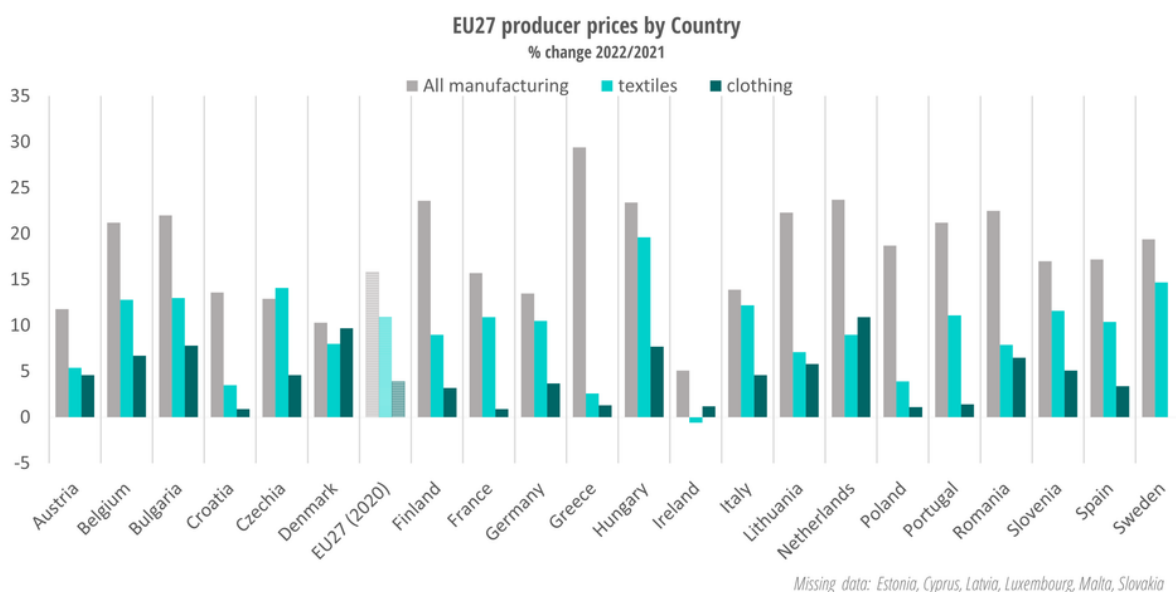


Over the years, output prices in the manufacture of knitted and crocheted hosiery, including socks, tights and pantyhose, are generally growing at a higher pace than the rest of the **clothing** sector. This trend was again verified in 2022, as prices' growth in this sector was the highest among the clothing sub-categories (+7.2%). By contrast, prices' increase in the other knitwear segment was the lowest observed during this period (+1.5%). Moderate growth rates were recorded in the outerwear (+3.6%), underwear (+4.2%) and other woven wearing apparel, including accessories (+5.2%, as compared with 2021).



### 3.3.3. Producer prices - EU-27 Member States

When looking at member states output prices' evolutions in 2022 (expressed in local currency), we note that production prices in the **manufacturing** industries increased significantly across all EU-27 countries. Following the significant rise in inflationary pressures, Greece recorded the sharpest growth in producers' prices reaching almost a +30% increase. Similarly, Belgium, Bulgaria, Finland, Hungary, the Netherlands, Portugal and Romania recorded sustained growth over the period, above +20%.



Data for the **textile** industry revealed a similar picture across member states. Producer prices increased in all EU countries, except for Ireland (-0.6%). Belgium, Bulgaria, Czechia, Hungary, Italy, Portugal, Slovenia and Sweden recorded prices' growth above EU average (between +11% and +20%). Output prices in France, Germany and Spain were close to the EU average (+10.9%). More moderate increases (below 10%) were observed in the other EU member states.

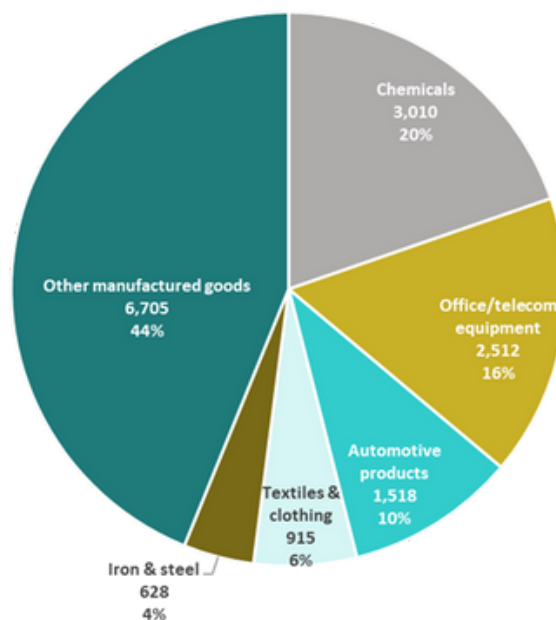
**Clothing** manufacturers were also facing tough production prices' increases across the EU member states. The highest growth rates were registered in the Netherlands (almost +11%). Likewise, prices in Austria, Belgium, Bulgaria, Czechia, Denmark, Hungary, Italy, Lithuania, Romania and Slovenia trended upwards (between +4% and +10%). On the other hand, France and Croatia succeeded in keeping their production prices' growth below +1%. Output prices in the remaining member states fluctuated between +1% and +4%.

### 3.4. EU Trade evolution

- 2022 Yearly evolution

Russia's war on Ukraine, which started in February 2022, and the disruptions in trade caused a rapid deterioration of the economic outlook. It adds to pre-existing inflationary pressures by strongly raising energy- and commodity prices, exacerbates imbalances in supply and demand, and weakens the purchasing power of households. According to the WTO, geopolitical tensions, inflation, energy and other commodity prices, and the lingering effects of COVID-19 were the main factors impacting world trade and output in 2022.

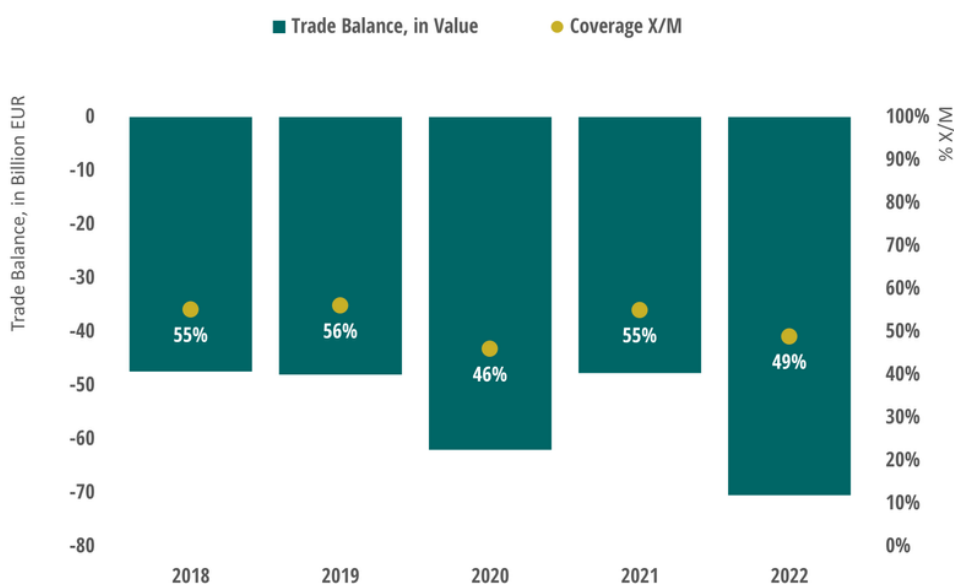
**World merchandise trade** volume growth fell to 2.7% in 2022 from 9.4% in 2021. In contrast to trade in volume terms, world trade in US dollar terms rose at double digit rates in 2022. The value of merchandise exports increased by 11% to US\$ 24,905 billion, and the value of manufactured goods reached 15,288 billion. Excluding "other manufactured goods", chemicals (US\$ 3,010 billion) and office/telecom equipment (US\$ 2,512 billion) had the highest shares – 20 % and 16 % respectively – in world exports of manufactured goods. Automotive products (US\$ 1,518 billion) and textiles & clothing (US\$ 915 billion) represented respectively 10 % and 6% of the global total.



\* Other transport equipment, other machinery, other manufactured goods n.e.s. Source: WTO estimates. Note: Data including intra-trade of the European Union, excluding re-exports of Hong Kong, China

In 2022, the **EU trade balance** in goods registered a large deficit of €432 billion, reaching its lowest level since the start of the time series in 2002. The deficit was due, in particular, to a steep rise in the value of energy imports, which started towards the end of 2021 and continued through most of 2022. In September 2022, European gas prices were more than eight times higher than in January 2021. The EU trade deficit in textiles & clothing reached €-70 billion in 2022 (from -48 billion the previous year), a strong deterioration as compared with the previous year.

Trade Balance in T&C industry, between 2018 and 2022



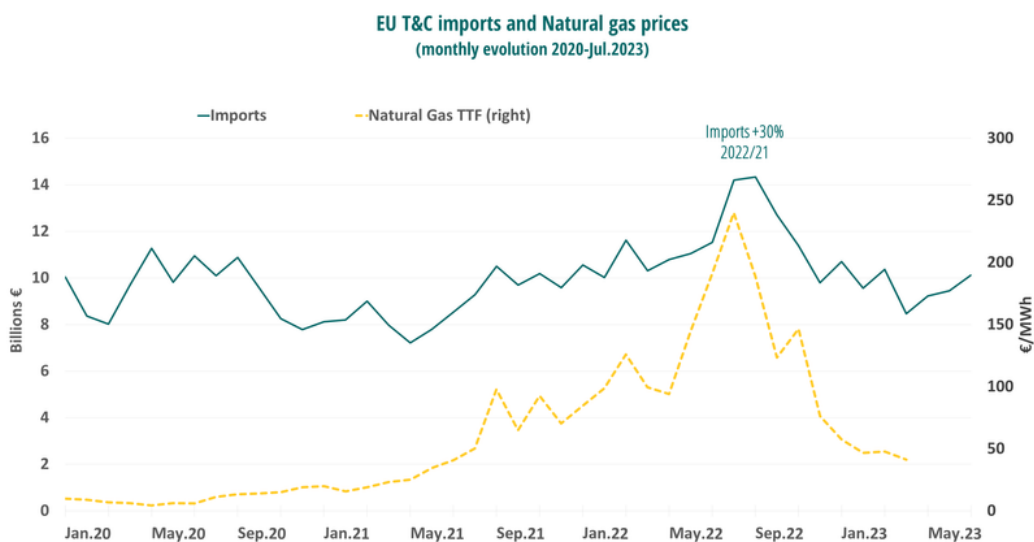
Driven by increasing prices, extra-EU imports and exports of textile & clothing products reached their highest year-on-year growth rates recorded over the last fifteen years. EU **exports** amounted to €67 billion in 2022, with textiles representing 43% of total exports, and clothing products 57%. Extra-EU exports picked up by +15% in value (€ +9 billion) but went down by 4.5% in volume, resulting in a 21% average prices' increase of exported products in 2022. Under this inflationary environment, the prices of textile and clothing articles increased in all categories with the exception of silk and cotton yarn, as well as the knitwear segment.

The EU-27 T&C **imports** jumped by 30% in value (€ +31.8 billion as compared with the previous year) and expanded by a little less than 5% in volume, translating into a 24% increase in the import unit prices as compared with 2021. This noticeable increase was driven by a surge in imports from China and Bangladesh. Last year, the EU was sourcing more than half of clothing articles from these two countries.



- 2023 Latest trends

World trade and output growth are expected to be subpar in 2023, as stubbornly high inflation and tighter financial conditions weigh on consumption and investment. The outlook remains clouded by downside risks, including geopolitical tensions, food and energy insecurity, increased risk of financial instability, and high levels of external debt. Natural gas prices in May 2023 were down 81% from their peak in August 2022 but they were still 38% above their average level in 2019, before the COVID-19 pandemic.



In the second quarter of 2023, T&C exports and imports with third countries decreased in value but slightly increased in volume. During this period, the EU27 trade deficit improved, as compared with the previous quarter, resulting mainly from a plunge in imports from the top-2 EU suppliers: China and Bangladesh. Extra-EU **imports** of textiles and apparel have continued to decrease in value terms, falling by 11.5% as compared with the previous quarter. Among the top suppliers, imports from China, Bangladesh, Turkey, India, Pakistan, Vietnam, Tunisia, Cambodia and Myanmar decreased. By contrast, EU imports from the United Kingdom, the United States and Morocco registered an upward trend.

The EU-27 recorded a 5.5% decrease in **export** values to third countries, following weak external demand. The good performances on the Chinese market and the slight increase of EU sales to Hong Kong could not offset the drop registered on other main markets. Among EU's major customers, Switzerland, the United Kingdom and Turkey recorded the strongest contractions of their purchases in value.

*For more info on EU Trade evolution, please see the Euratex Spring Report 2023.*

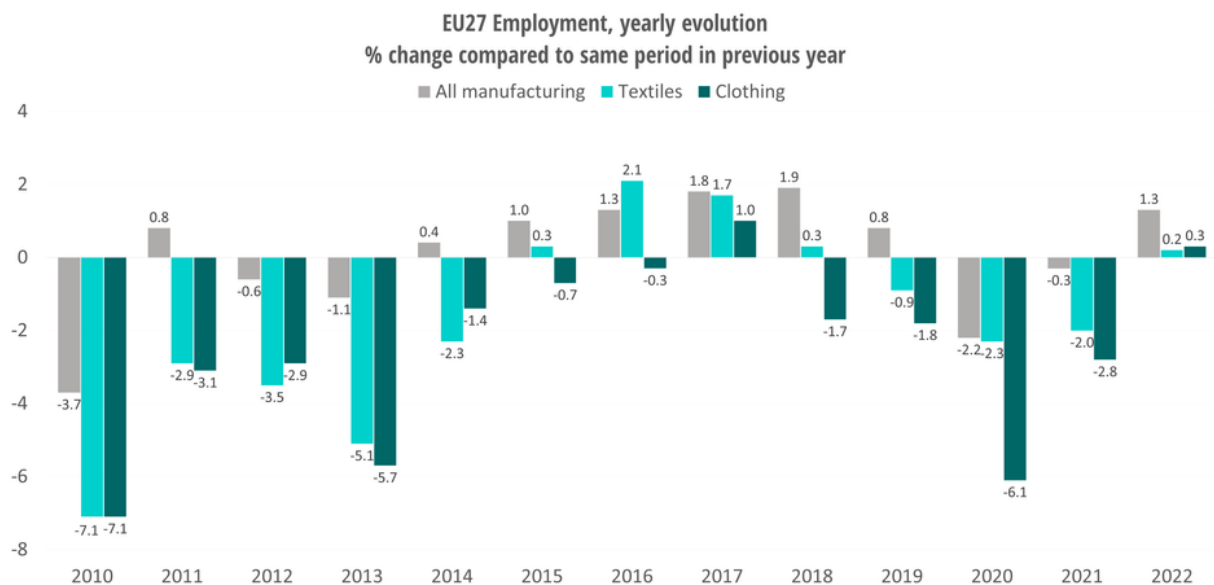
# 4. Factors influencing the EU Textile & Clothing industry

An analysis by sector, sub-sector and Member States

## 4.1. Employment

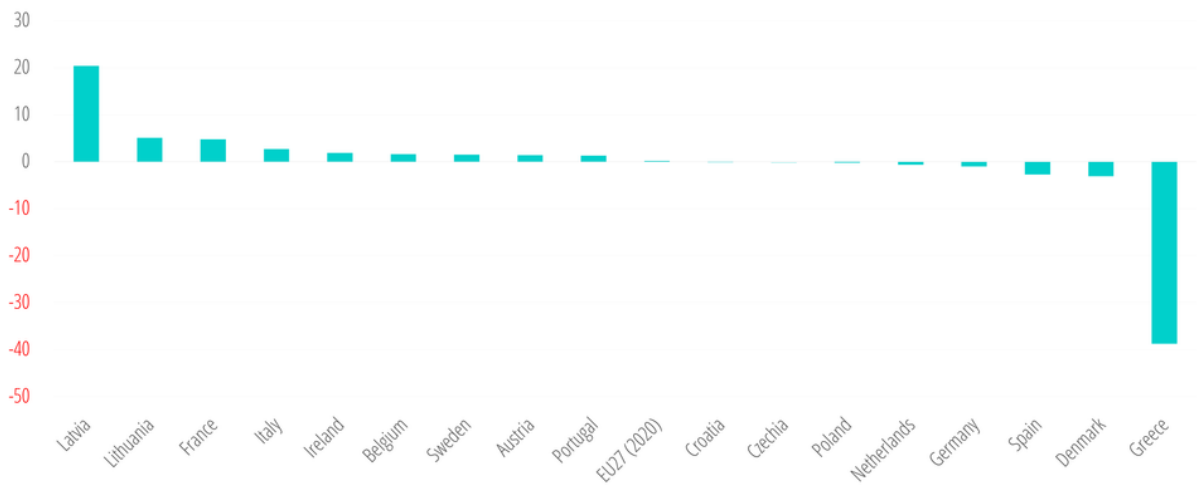
### • 2022 Yearly evolution

Throughout the year, employment evolution in the textile and clothing industry turned positive (+0.2% and +0.3%). However, after a promising start of the year, trends in the workforce pointed downwards. The labour market in the last quarter turned negative in both sectors: textiles (-2.5%) and clothing (-0.1%). When compared to its pre-pandemic level in Q4 2019, job creation in Q4 2022 was 4.9% down in textiles and 6.7% down in clothing, as firms were affected by persistent uncertainty on short-term business conditions.



While labour market has recovered more rapidly in some member states, other countries were still facing labour market challenges in 2022. Of the seven main producing countries in the **textile** industry, four witnessed an increase of their overall 2022 workforce: France (+4.8%), Italy (+2.7%), Belgium (+1.6%) and Portugal (+1.3%). Besides, employment in Poland was relatively stable, while it trended downward in Germany (-1%) and Spain (-2.7%). These seven countries concentrate over 70% of the total textile employment in the EU-27. Among other EU countries and still on an encouraging note, we can add Latvia. Finally, Greece suffered the deepest losses among the member states in the textile industry, with a -40% slump over the period.

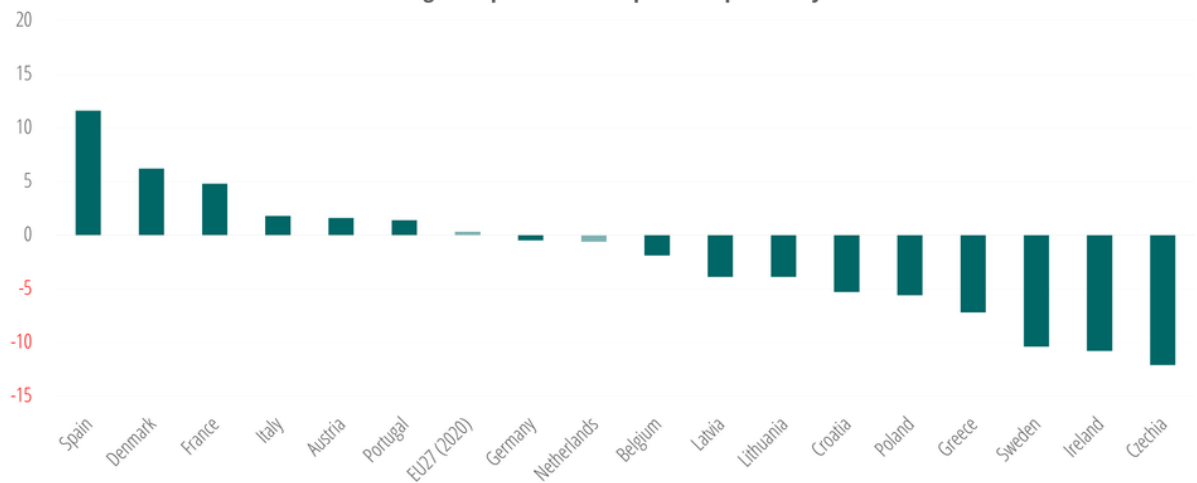
**Textile Employment, by Country 2022/2021**  
 % change compared to same period in previous year



*Missing data: Bulgaria, Cyprus, Estonia, Hungary, Luxembourg, Malta, Romania, Slovenia, Slovakia, Finland*

The labour force in the **clothing** industry increased by a sizeable +12% in Spain. Apart from Spain, Denmark, France, Italy, Austria and Portugal, most member states were not able to retain their permanent workforce or hire new workers. This was particularly the case in the Czech Rep. (-12%), Ireland (-10.8%), Sweden (-10.4%), Greece (-7.2%), Poland (-5.6%), Croatia (-5.3%), Lithuania and Latvia (-3.9%). The employment cuts have been more moderate in Germany (-0.5%), the Netherlands (-0.6%) and Belgium (-1.9%).

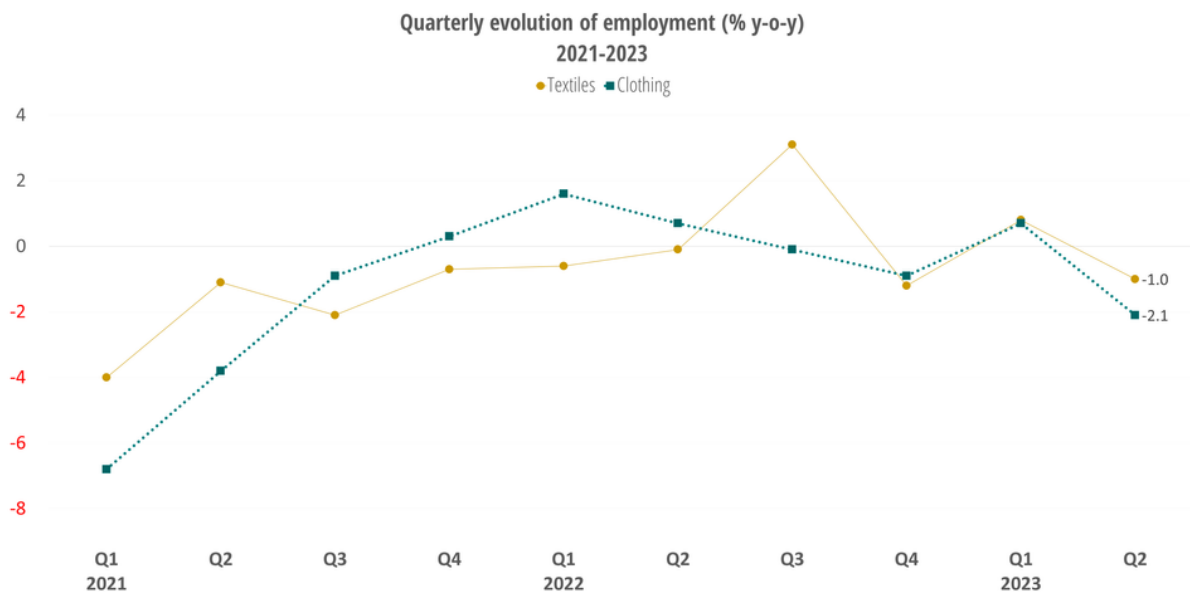
**Clothing Employment, by Country 2022/21**  
 % change compared to same period in previous year



*Missing data: Bulgaria, Cyprus, Estonia, Hungary, Luxembourg, Malta, Romania, Slovenia, Slovakia, Finland*

## • 2023 Latest trends

Thanks to the 2022 economic rebound from the severe shock caused by the COVID-19 pandemic, the EU T&C sectors continued to grow moderately in terms of employment, in the first quarter of 2023. However, after a satisfactory start of the year, trends in the EU workforce pointed downwards in both sectors on a q-o-q basis: textiles (-0.6%, against +0.4% the previous quarter) and clothing (-3.2%, against +0.9%). When compared to its pre-pandemic level in Q4 2019, job creation in Q2 2023 was still 4.4% down in textiles and 9.4% in clothing, as firms continue to grapple with shortage of skilled labour, in particular in the production area.



As economies recovered, difficulties finding people with the right skills reported by firms swiftly returned to pre-pandemic levels. The growing tension between rising job vacancies and falling unemployment rates is often interpreted as evidence of primarily supply-driven shortages. Increasing recruitment difficulties have coincided with slashed training investments by firms, raising concerns that current skills-matching challenges may become persistent in the medium term. Increasing labour market turnover and workforce ageing also underpin recruitment bottlenecks. Digitalisation and companies adopting new digital work and learning practices may have further accentuated the gap between hiring requirements and the skills of job applicants.\*

On the textile side, the encouraging evolution in Spain (+5%) was not able to offset the sharp employment decline in Ireland (-24%), in the Czech rep. (-3.2%), Italy (-3%), Greece (-1.7%), Austria (-1.5%), Croatia (-1.5%) and in other EU countries (i.e. Denmark, Germany, Poland, Portugal and Sweden), with falls between -0.2% and -0.6%. The workforce in the clothing industry strongly deteriorated in Spain (-35%), as well as in Austria (-4.6%), Ireland (-4.5%), the Czech Rep. (-2.5%) and Latvia (-2%). Employment was also down in Greece, Croatia, Lithuania, Poland and Portugal (below -2%). By contrast, the labour market strongly improved in Sweden (+8.7%), Denmark (+2.8%) and Italy (+1.3%), while it showed mild growth in France and Germany.

Unless specified, EU refers to EU27

Data source: EURATEX, based on EUROSTAT

\* Cedefop. 2023 skills in transition The way to 2035

## 4.2. Input costs

The main drivers of producer price developments are the change in price of intermediate inputs, the variations of the labour costs as well as production levels - following a change in consumer demand. Significantly higher prices on energy and raw material markets are continuing to make the market environment very challenging. The small industries are impacted more than the large manufacturers or factories as they have less scope to absorb these shocks.

This section looks at the evolution of raw materials costs (4.2.1), imports' unit prices of semi-finished goods (4.2.2), energy costs (4.2.3) and labour costs (4.2.4).

### 4.2.1. Cost of raw materials

The natural and synthetic fiber markets in 2022 were characterized by rising prices in the first half of the year and a significant decrease in demand and prices in the second half (with the exception of flax).

International **cotton** prices experienced important fluctuations in the 2022/23 season. The global economic rebound along with the upsurge of textiles demand from the previous season kept prices high until May 2022, when prices reached an eleven-year high. As a consequence of slowing global demand for cotton from June 2022, cotton prices dropped significantly. Despite the decline, prices in 2022 averaged 38% above their year-earlier levels.[1] Affected by the projected increase in global cotton production and weak consumption growth, cotton prices are expected to remain low in the new season. The price forecast of the season-average A index for 2023/24 ranges from 70 cents to 105 cents per pound[2].

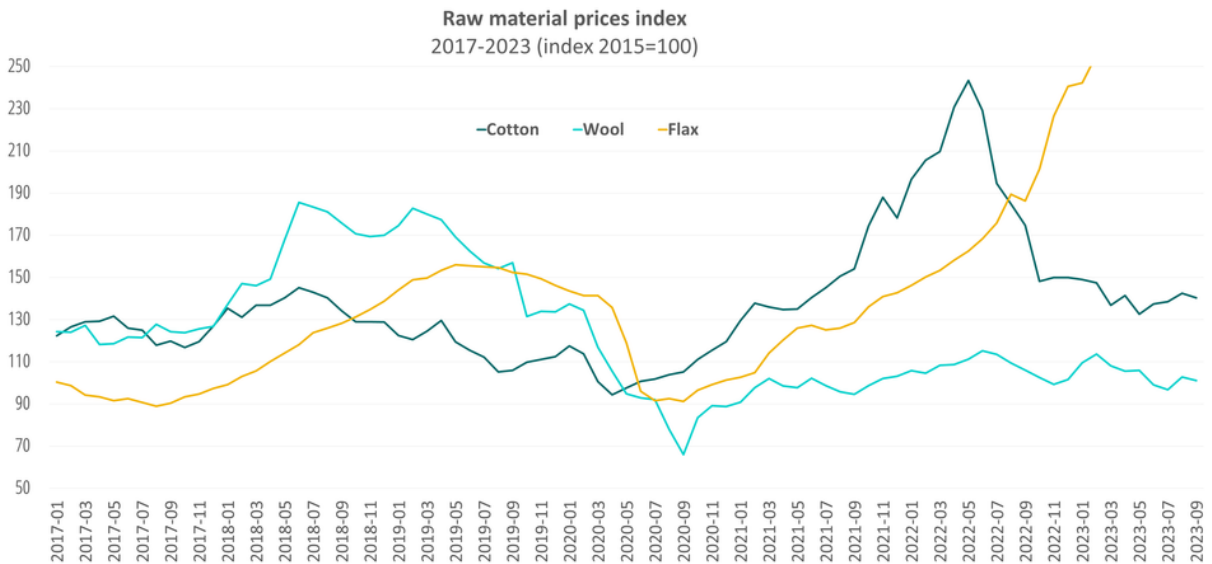
Similarly, after seeing relatively positive trends in the first half of 2022, **wool** prices turned down in the second half of the year. In September 2023, prices of wool were slightly lower compared to August, and the same month of the previous year (-5%).

Unless specified, EU refers to EU27

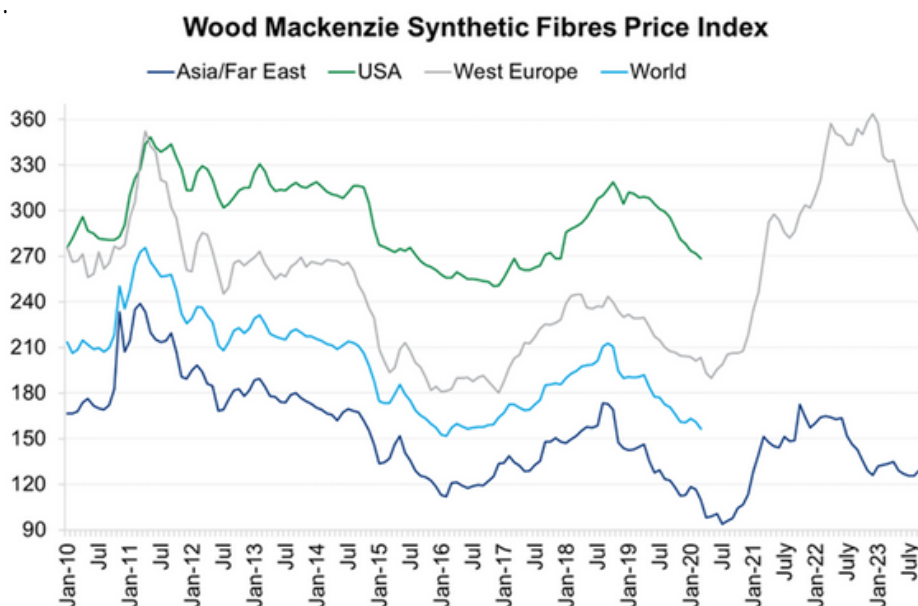
Data source: EURATEX, based on EUROSTAT

[1] OECD-FAO Agricultural Outlook 2023-2032 [2] ICAC, 2023 report

The increase in **flax** prices in the last two years is due to the impact of the health crisis on producers, but also to the cyclical context. Contrary to other natural textile fibers which experienced a decrease in prices, the current steady rise in prices, is explained by the bad weather conditions during the second quarter of 2023, in the main EU producing countries.



As a product class produced mainly from petroleum-based chemicals or petrochemicals, the price of **synthetic** fibers is highly sensitive to fluctuations in the world price of crude oil. The increase in oil prices have therefore also affected the prices of synthetic fibers, as fibers such as polyester, nylon and acrylics. With rising issues in 2022 from the war in Ukraine, which raised crude oil prices due to sanctions imposed on Russia and also volatility on cotton prices, the price of synthetic fibers continued to grow at an exponential rate of 9.8% during the year alone. However, in 2023, with recessionary fears taking shape and cotton prices set to decline as more countries ramp up their cotton production, synthetic fiber prices are set to fall again, decreasing 0.8% over the year.



Unless specified, EU refers to EU27  
 Data source: INSEE, IMF, CELC, Wood Mackenzie, IBIS World

## 4.2.2. Cost of imported semi-finished goods

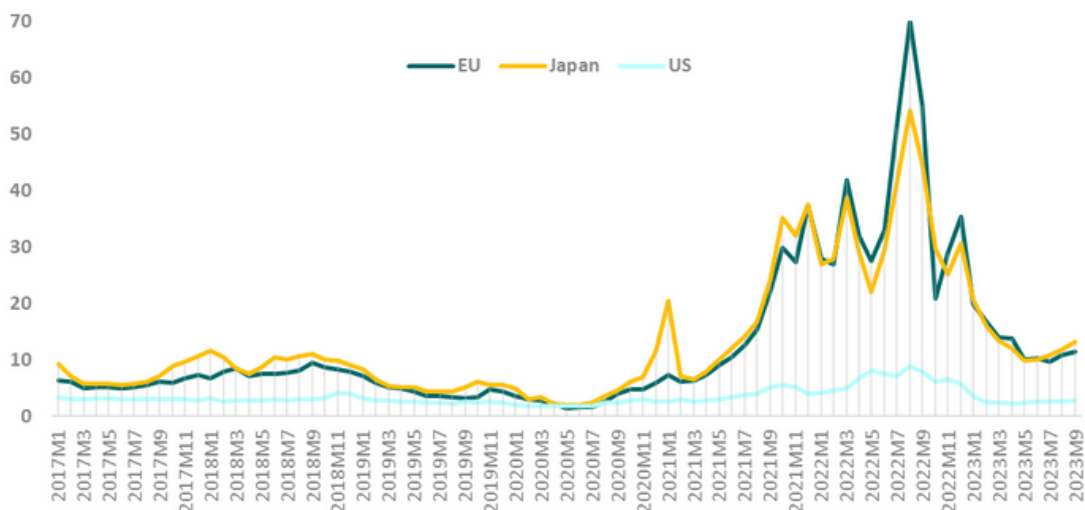
In 2022, Extra-EU import prices of semi-finished textiles went strongly up in yarns (+31%), fabrics (woven +19%, knitted +14%) and technical textiles (+5%, excl. made-up textiles). Furthermore, the evolution of import unit prices of semi-finished textiles during the first part of 2023 (January-July) was again up in woven fabrics (+4.1%) and technical textiles (+2.4%) but went down in yarns (-6.8%) and knitted fabrics (-2.3%).

## 4.2.3. Energy prices

Besides the growth of raw material costs, the T&C sector has been hurt by the price surge of energy. Prices of natural gas and electricity have soared in 2021 – up to 3 times higher - due to the global economic rebound from the coronavirus shutdowns. Furthermore, the Ukraine crisis in 2022 has seriously impacted the energy segment. Consequently, natural gas and electricity prices have reached unprecedented levels in Europe, strongly affecting the European textile industry, where energy is used intensively, especially in yarn, dyeing and finishing.

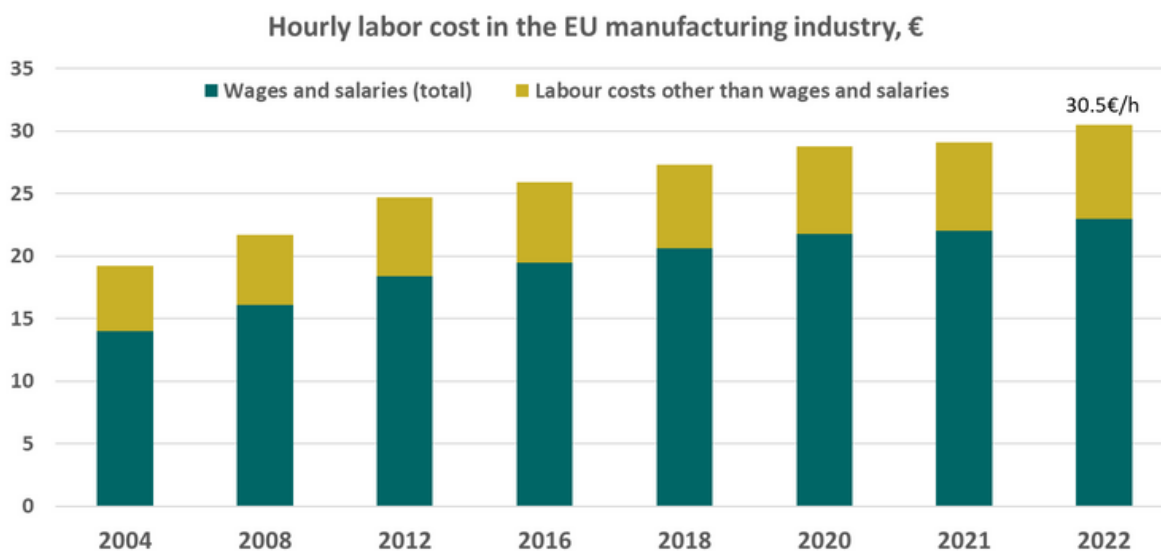
During the second quarter of 2023, prices' index of energy (electricity, gas, steam and air conditioning supply) recorded a noticeable contraction for the third time since Q2-2020. In September 2023, the natural gas prices in Europe were 80% below 2022 levels and 50% below the 2021 ones. European gas prices have eased significantly but remain 60% above their average 2015-19 levels and 4 times higher than in the USA. As a result, high energy prices continued to put European producers under significant pressure.

**Gas Prices' evolution in the EU, Japan and the US**  
(Unit: US\$ per Million Metric British Thermal Unit)



#### 4.2.4. Labour Costs

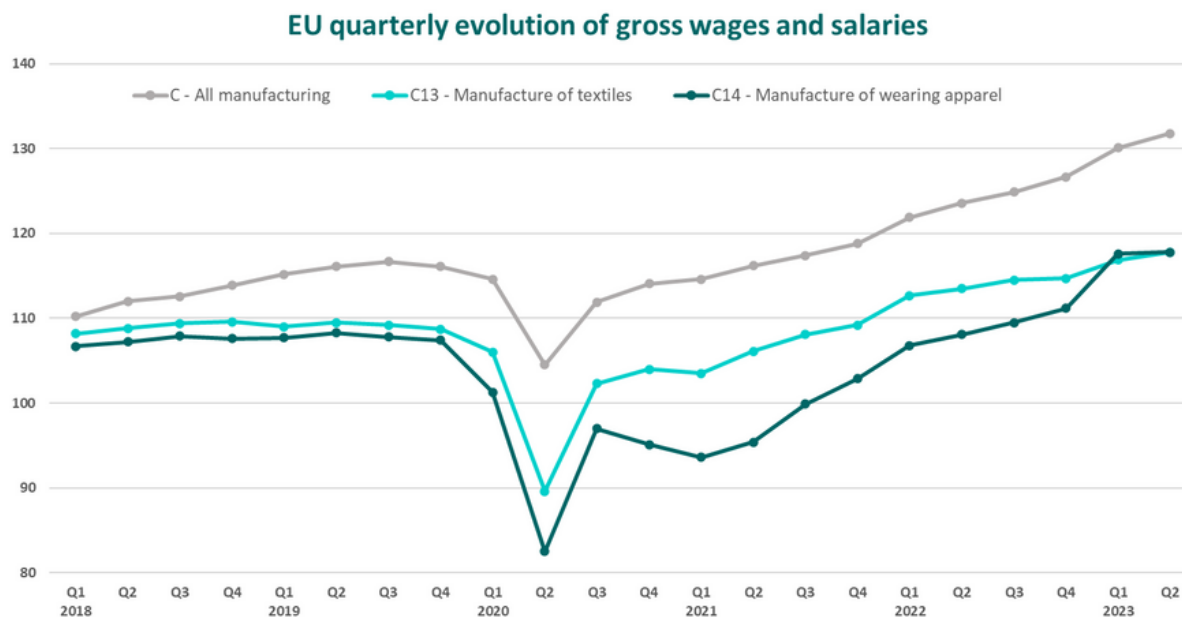
In 2021, the labour cost index (LCI)\* rose by 4.9% in the whole manufacturing industry, the highest increase since this indicator was introduced by Eurostat in 2002. The LCI shows the short-term development of the labour cost, the total cost on an hourly basis of employing labour. In other words, the LCI measures the cost pressure arising from the production factor “labour”. The labour cost, defined as the total expenditure borne by employers for employing staff, was estimated to be €30.5 per hour in 2022 (average covering the whole industry). In the second quarter of 2023, the hourly labour cost grew by 4.6% in the EU manufacturing industry, as compared with the same quarter of the previous year. The main component of labour costs are wages & salaries, with a share of 75% of total costs.



\* The index is calculated dividing the labour costs by the number of hours worked. Labour costs are made up of costs for wages and salaries, plus non-wage costs such as employer's social contributions. These do not include vocational training costs or other expenditures such as recruitment costs, spending on working clothes, etc. The LCI covers all business units irrespective of the number of employees and all economic activities except agriculture, forestry and fishing, private households and extra-territorial organisations.



Wage growth in 2022 strengthened, supported by robust labour markets and some catchup in wages to compensate workers for high inflation. Following this upward pressure, wages continued to grow at rates well above historical averages. The EU gross wages and salaries index\* was 6.6% up in textiles and 11% up in the clothing sector, as compared with the previous year. The latest figures, covering the 2nd quarter 2023, showed that wages rose at a slower pace in textile (+3.8%) and clothing (+9%, on a year-on-year basis).



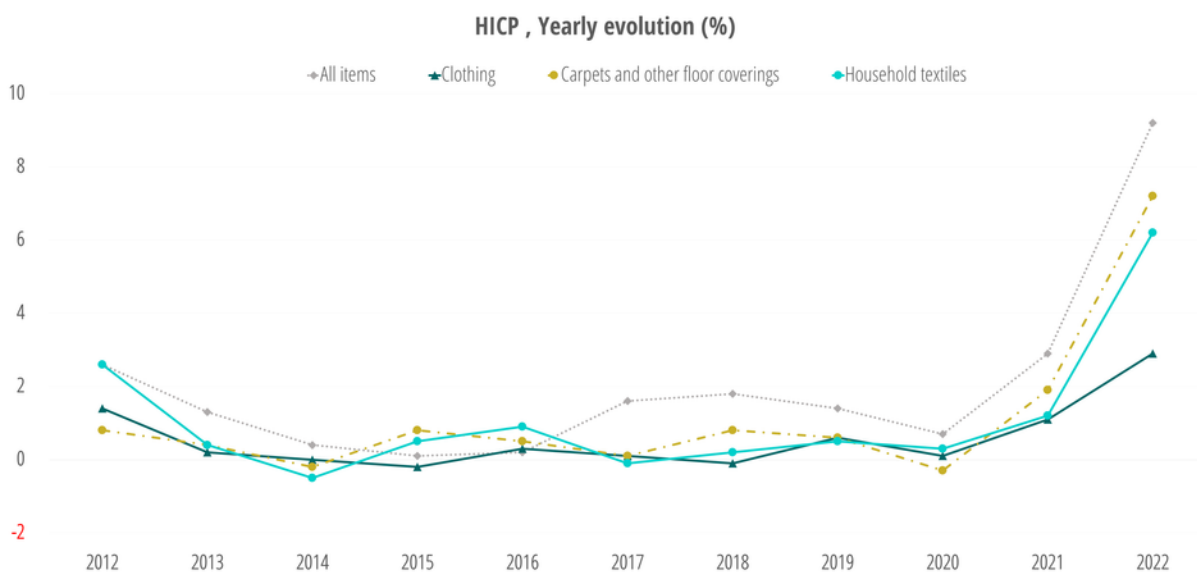
\*The index of **gross wages and salaries** is defined as the total remuneration, in cash or in kind, payable to all persons counted on the payroll (excluding agency workers), regardless of whether it is paid on the basis of working time, output or piecework and whether it is paid regularly. Included are social contributions, income taxes, etc. payable by the employee even if they are withheld by the employer and paid on behalf of the employee. Not included are social contributions payable by the employer, reimbursed expenses, training and other labour-related costs.

### 4.3. EU consumer prices

- 2022 yearly evolution

Inflation, measured by the global harmonised index of consumer prices (HICP), accelerated from 2017 to 2019, decreased in 2020 under the impact of the COVID-19 measures. In 2021 and 2022, consumer prices have consistently risen faster than expected. In 2022, EU annual inflation reached the highest level ever measured at 9.2%. Compared with 2021, when the annual value was 2.9%, it more than tripled.

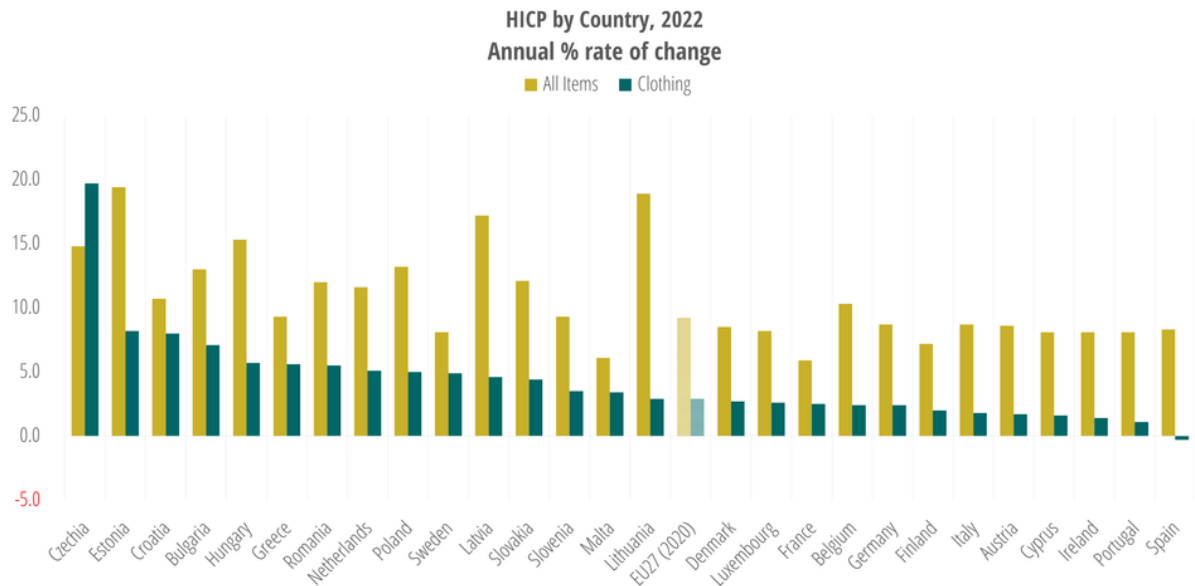
Looking at the latest annual developments in the EU, among the 12 main headings, consumer prices for housing, water, electricity, gas, and other fuels registered the highest increase in 2022, an average of 18%. Transport followed, with an average increase of 12.1%, while food and non-alcoholic beverages rose by an average of 11.9%. The other main headings all rose in 2022, between 2% and 8.1%, except the price of communications, which fell marginally by 0.1%.



As in previous years, clothing and textile related consumer prices increased less rapidly than the overall HICP, contributing to reduce the inflationary pressure on consumers. In 2022, price of garments grew by 2.9% on average. Prices of home textiles as well as carpets and other floor coverings picked up, by respectively 6.2% and 7.2%, a much higher growth rate compared to the previous year (1.1% on average).

Looking at the 2022 evolution by **countries** and by **main product groups**, we note that:

- For **clothing** products, the Czech Rep. registered the highest overall increases among the EU member states (+20%). It was also the only country registering a growth in clothing consumer prices higher than the overall HICP. By contrast, Spain experienced a slight decrease in the HICP during in 2022.
- **Carpet** prices recorded a double-digit increase in Lithuania, Denmark, The Netherlands, Hungary, Sweden, Poland and the Czech Rep. (between +11% and 15%). At the other end of the range, the lowest average annual inflation rates in 2022 were recorded in Finland and Austria (+2.7% on average). By contrast, Cyprus and Malta registered negative growth rates (-6% and -12% respectively).

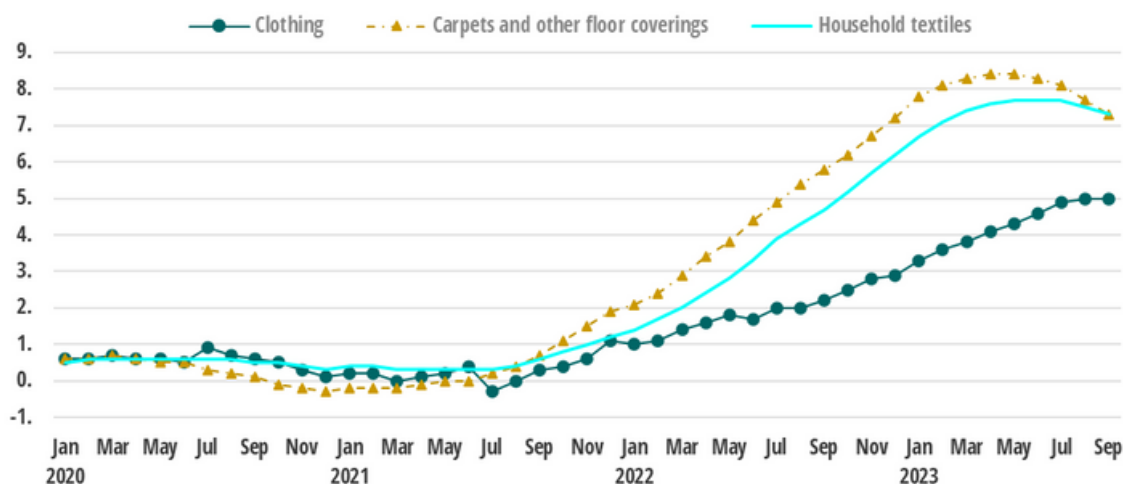


- Finally, **household textiles**' prices picked up in all member states with the exception of Ireland (-6%). Czechia recorded again the highest price increase in 2022 (+16%). The increases of harmonized prices in Poland, Sweden, Austria, Hungary, Lithuania, Slovenia, Malta, Slovakia, Estonia, Croatia, Bulgaria, Luxembourg, Germany, Finland and Denmark, were higher than the EU average (+6.2%). Greek consumers saw household textiles' prices growing slightly above +1%.

### • 2023 Latest trends

The COVID-19 health crisis is officially over, and supply-chain disruptions have returned to pre-pandemic levels. The EU economic activity in the first quarter of the year proved resilient, despite the challenging environment, amid surprisingly strong labour markets. Energy and food prices have come down sharply from their war-induced peaks, allowing global inflation pressures to ease faster than expected. Clothing and textile related consumer prices have started to ease since their peaks in June-July.

**HICP - Consumer prices of textiles & clothing**  
monthly data (12-month average rate of change)



# ANNEX - Summary tables, by Country

## EU27 figures, broken down by country

	T&C Absolute figures			Textiles - Country share			Clothing - Country share			Textiles, % Change*			Clothing, % Change*			Textiles, Index 2015=100			Clothing, Index 2015=100		
	2020	2021	2022	2020	2021	2022	2020	2021	2022	2020/19	2021/20	2022/21	2020/19	2021/20	2022/21	2020	2021	2022	2020	2021	2022
<b>Production</b>																					
EU27 (2020)	119,554	135,711	-	100%	100%	-	100%	100%	-	-11.5	9.7	-1.5	-24.6	0.4	9.1	87.6	96.1	94.7	69.0	69.3	75.6
Belgium	3,272	4,591	-	4.4%	5.2%	-	0.8%	1.1%	-	-5.5	11.3	-6.2	-14.3	-8.5	14.8	85.0	94.6	88.7	72.9	66.7	76.6
Bulgaria	1,688	1,741	-	0.8%	0.8%	-	2.1%	1.9%	-	2.0	18.7	-2.9	-13.7	-0.7	13.9	97.2	115.4	112.0	72.6	72.1	82.1
Czechia	2,505	2,862	-	2.9%	2.8%	-	1.2%	1.3%	-	-6.4	5.4	1.2	-3.0	0.2	13.1	92.2	97.2	98.4	116.1	116.3	131.5
Denmark	1,388	1,571	-	1.4%	1.3%	-	0.9%	0.9%	-	-14.1	10.0	2.5	-2.5	3.3	6.7	100.8	110.9	113.7	130.8	135.1	144.2
Germany	17,816	21,115	-	18.9%	20.2%	-	10.4%	9.7%	-	-9.0	5.5	-6.6	-20.7	-1.5	8.6	91.6	96.6	90.2	71.1	70.0	76.0
Estonia	488	509	-	0.5%	0.5%	-	0.3%	0.3%	-	-4.7	:	:	-5.5	:	100.3	:	:	96.1	:	:	:
Ireland	221	290	-	0.3%	0.3%	-	0.1%	0.1%	-	:	:	:	:	:	:	:	:	:	:	:	:
Greece	1,102	-	-	0.8%	1.0%	-	1.0%	-	-	1.4	8.7	-2.9	-32.0	23.9	9.0	104.8	113.9	110.6	59.4	73.6	80.2
Spain	9,195	10,718	-	8.7%	8.7%	-	6.6%	6.9%	-	-8.3	8.8	1.5	-26.9	27.8	7.1	89.4	97.3	98.8	87.3	111.6	119.5
France	11,823	-	-	10.1%	8.0%	-	9.7%	-	-	-13.8	6.8	2.2	-17.5	-11.0	20.8	88.4	94.4	96.5	76.1	67.7	81.8
Croatia	573	582	-	0.2%	0.2%	-	0.7%	0.7%	-	:	:	:	:	:	:	:	:	:	:	:	:
Italy	43,555	51,990	-	25.8%	27.0%	-	48.4%	52.6%	-	-21.2	16.2	0.6	-32.7	-4.1	10.1	70.9	82.4	82.9	56.7	54.4	59.9
Cyprus	36	42	-	0.0%	0.0%	-	0.0%	0.0%	-	:	:	:	:	:	:	:	:	:	:	:	:
Latvia	261	293	-	0.2%	0.2%	-	0.3%	0.3%	-	-11.9	8.5	3.3	-8.3	15.5	5.9	93.7	101.7	105.1	91.8	106.0	112.3
Lithuania	858	1,017	-	0.7%	0.7%	-	0.7%	0.8%	-	-5.5	17.2	18.3	-18.2	17.0	9.4	118.9	139.3	164.8	81.7	95.6	104.6
Luxembourg	-	-	-	-	-	-	-	-	-	:	:	:	:	:	:	:	:	:	:	:	:
Hungary	782	857	-	0.8%	0.8%	-	0.5%	0.5%	-	-6.0	14.3	-5.1	-15.4	2.0	11.9	92.7	106.0	100.6	78.9	80.5	90.1
Malta	-	50	-	0.1%	-	-	0.0%	0.0%	-	:	:	:	:	:	:	:	:	:	:	:	:
Netherlands	3,126	3,721	-	4.5%	4.3%	-	0.5%	0.7%	-	-11.2	7.4	-3.2	-8.4	12.6	10.4	91.6	98.4	95.3	94.4	106.3	117.4
Austria	1,858	2,072	-	2.3%	2.1%	-	0.8%	0.9%	-	0.9	-1.1	2.1	-32.8	-12.7	58.1	111.5	110.3	112.6	64.8	56.6	89.5
Poland	5,787	6,028	-	5.6%	5.2%	-	4.0%	3.5%	-	-2.0	13.2	8.6	-5.9	7.7	9.4	132.9	150.5	163.5	99.8	107.5	117.6
Portugal	6,096	7,785	-	5.2%	5.2%	-	6.1%	6.4%	-	-10.5	12.0	-11.2	-26.4	:	:	84.8	95.0	84.4	81.3	:	77.4
Romania	2,903	3,096	-	2.0%	1.9%	-	2.9%	2.8%	-	-10.1	4.1	-1.6	-26.8	-9.2	-4.7	86.1	89.6	88.2	52.0	47.2	45.0
Slovenia	464	-	-	0.5%	0.5%	-	0.2%	-	-	:	:	:	:	:	:	:	:	:	:	:	:
Slovakia	676	696	-	0.5%	0.5%	-	0.6%	0.6%	-	:	:	:	:	:	:	:	:	:	:	:	:
Finland	849	936	-	0.7%	0.7%	-	0.7%	0.7%	-	5.4	6.2	-7.2	-5.8	-4.4	6.8	125.0	132.8	123.3	78.0	74.6	79.7
Sweden	1,001	1,171	-	1.3%	1.3%	-	0.3%	0.4%	-	:	:	:	:	:	:	:	:	:	:	:	:
<b>Turnover (mio EUR)</b>																					
EU27 (2020)	127,283	145,381	-	100%	100%	-	100%	100%	-	-9.1	12.2	10.8	-18.3	10.6	15.3	95	107	118	82	90	104
Belgium	3,563	4,787	-	4.5%	5.2%	-	0.9%	1.0%	-	-9.0	15.3	5.8	-13.0	11.4	12.6	89	103	109	82	91	103
Bulgaria	1,753	1,804	-	0.8%	0.8%	-	2.1%	1.8%	-	-3.3	:	:	-11.7	:	:	109	:	:	83	:	:
Czechia	2,733	3,138	-	2.9%	2.8%	-	1.3%	1.4%	-	-5.4	9.5	14.9	1.7	1.0	19.4	96	105	120	127	128	153
Denmark	1,421	1,646	-	1.4%	1.3%	-	0.8%	0.9%	-	-14.1	10.9	11.3	3.8	7.4	6.9	101	112	125	149	160	171
Germany	19,797	22,963	-	19.5%	20.4%	-	11.1%	10.1%	-	-8.3	5.6	4.5	-20.3	3.6	5.7	94	99	104	72	74	78
Estonia	529	551	-	0.5%	0.5%	-	0.3%	0.3%	-	5.1	:	:	-4.1	:	:	119	:	:	111	:	:
Ireland	-	324	-	0.3%	-	-	0.1%	0.1%	-	:	:	:	:	:	:	:	:	:	:	:	:
Greece	1,250	-	-	0.9%	1.0%	-	1.1%	-	-	-11.5	24.8	6.6	-32.0	29.1	11.1	96	120	128	64	83	92
Spain	9,465	10,906	-	8.4%	8.3%	-	6.4%	6.5%	-	-9.1	13.9	9.9	-21.7	20.0	18.4	94	107	117	79	94	112
France	13,010	-	-	10.2%	8.2%	-	10.2%	-	-	-4.5	4.6	11.6	-8.3	7.0	16.4	103	108	120	90	96	112
Croatia	588	638	-	0.2%	0.3%	-	0.7%	0.6%	-	:	:	:	:	:	:	:	:	:	:	:	:
Italy	44,387	52,257	-	24.3%	25.1%	-	46.7%	49.3%	-	-15.5	20.8	18.4	-21.0	19.4	22.8	85	102	121	84	101	124
Cyprus	39	46	-	0.0%	0.0%	-	0.0%	0.0%	-	:	:	:	:	:	:	:	:	:	:	:	:
Latvia	264	297	-	0.2%	0.2%	-	0.3%	0.3%	-	-5.1	11.9	12.9	-8.2	15.6	6.7	99	111	125	101	117	125
Lithuania	864	1,008	-	0.7%	0.7%	-	0.6%	0.7%	-	-5.9	21.3	23.4	-21.8	16.0	17.5	118	143	177	80	93	109
Luxembourg	-	-	-	-	-	-	-	-	-	:	:	:	:	:	:	:	:	:	:	:	:
Hungary	904	972	-	0.8%	0.8%	-	0.6%	0.5%	-	-6.8	11.5	-3.7	-14.4	2.0	12.1	92	103	99	80	81	91
Malta	-	49	-	0.0%	-	-	0.0%	0.0%	-	:	:	:	:	:	:	:	:	:	:	:	:
Netherlands	3,508	4,030	-	4.6%	4.4%	-	0.7%	0.7%	-	-7.1	8.8	4.6	:	:	13.3	96	104	109	:	109	124
Austria	2,006	2,168	-	2.3%	2.0%	-	0.8%	0.8%	-	-1.4	11.3	12.2	-27.1	-1.2	29.7	102	114	127	60	59	77
Poland	6,426	6,603	-	5.7%	5.3%	-	4.3%	3.6%	-	-1.9	14.8	12.7	-3.6	5.6	10.3	135	155	174	106	112	124
Portugal	6,941	8,009	-	5.1%	5.1%	-	5.9%	6.1%	-	-10.9	20.9	9.0	-18.7	3.2	7.4	87	105	115	89	92	99
Romania	3,228	3,347	-	2.2%	2.1%	-	2.9%	2.6%	-	-0.7	8.5	18.1	-21.7	-1.6	13.5	125	136	160	81	80	91
Slovenia	-	-	-	0.5%	0.5%	-	-	-	-	:	:	:	:	:	:	:	:	:	:	:	:
Slovakia	791	812	-	0.5%	0.5%	-	0.7%	0.6%	-	:	:	:	:	:	:	:	:	:	:	:	:
Finland	1,023	1,162	-	0.7%	0.6%	-	1.0%	1.0%	-	5.0	7.5	4.0	-4.1	-2.4	10.7	115	124	129	100	97	108
Sweden	-	1,193	-	1.3%	1.2%	-	0.3%	-	-	:	:	:	:	:	:	:	:	:	:	:	:
<b>Employment (Thousand) - data from LFS survey</b>																					
EU27 (2020)	1,515	1,465	1,462	100%	100%	100%	100%	100%	100%	-2.3	-2.0	0.2	-6.1	-2.8	0.3	101	99	99	91	89	89
Belgium	21	20	15	2.8%	2.6%	1.7%	0.5%	0.5%	0.5%	-4.0	0.3	1.6	-5.7	-4.9	-1.9	87	87	89	85	81	79
Bulgaria	112	108	106	1.6%	2.0%	2.0%	10.9%	10.7%	10.5%	:	:	:	:	:	:	:	:	:	:	:	:
Czechia	52	42	45	5.5%	4.4%	4.5%	2.2%	1.9%	2.2%	-6.1	-0.6	-0.2	-4.4	5.3	-12.1	89	88	88	100	105	93
Denmark	-	-	-	0.5%	0.6%	0.4%	-	-	-	-3.3	0.2	-3.1	0.1	4.1	6.2	99	99	96	101	105	111
Germany	148	154	138	15.2%	16.5%	16.2%	6.4%	6.8%	5.1%	-4.7	-4.2	-1.0	-7.8	-6.3	-0.5	98	93	93	80	75	74
Estonia	9	8	8	0.7%	0.6%	0.7%	0.5%	0.5%	0.4%	:	:	:	:	:	:	:	:	:	:	:	:
Ireland	-	-	-	-	-	-	-	-	-	15.2	-17.7	1.9	18.9	53.8	-10.8	114	94	95	88		

# Summary tables, by Country

HICP															
	All Items			Clothing			Household textiles			Bed linen			Carpets and other floor coverings		
	2020	2021	2022	2020	2021	2022	2020	2021	2022	2020	2021	2022	2020	2021	2022
<b>INDEX (2015=100)</b>															
EU27 (2020)	106	109	119	101	102	105	102	103	110	99	100	107	102	104	111
Estonia	110	115	137	107	106	115	104	106	114	108	110	117	114	122	132
Lithuania	111	116	138	101	103	106	107	111	121	105	109	120	102	111	128
Hungary	113	119	137	103	103	109	103	106	116	102	105	117	99	103	116
Latvia	109	112	131	101	102	106	100	102	107	102	103	108	96	97	101
Romania	111	115	129	111	114	120	107	110	115	108	110	114	104	107	112
Czechia	111	115	132	99	106	126	111	115	133	113	119	141	98	100	111
Belgium	108	112	123	103	102	105	105	106	110	105	106	110	109	110	117
Austria	108	111	121	103	104	106	98	99	109	98	99	102	106	107	110
Sweden	108	110	119	102	107	112	106	109	120	114	118	134	103	105	117
Slovakia	108	112	125	104	105	109	102	104	112	100	101	111	100	103	110
Luxembourg	106	110	119	105	106	108	104	105	113	107	109	117	110	116	123
Netherlands	107	110	123	102	104	109	110	108	112	105	104	112	97	101	114
Malta	106	107	114	90	91	94	100	97	106	92	91	101	70	64	57
Germany	106	109	119	103	105	108	106	107	115	107	109	116	107	109	116
Slovenia	105	107	117	93	94	97	91	94	103	93	98	112	94	99	106
Bulgaria	106	109	124	98	97	104	103	105	112	102	102	109	102	101	110
France	106	108	114	100	100	103	103	105	110	100	103	109	103	106	112
Poland	109	114	129	83	82	86	105	108	120	103	105	118	99	101	112
Spain	104	107	116	105	106	105	96	97	102	92	94	98	93	92	:
Portugal	104	105	113	90	90	91	90	88	93	90	89	93	85	81	86
Finland	104	106	114	96	95	97	93	92	98	91	92	99	90	87	89
Italy	103	105	114	104	104	106	100	101	105	98	98	101	99	99	102
Croatia	103	106	117	100	100	108	94	93	99	87	85	91	99	98	103
Denmark	103	105	114	88	88	91	95	94	100	96	94	100	99	100	115
Greece	101	102	111	96	94	100	79	77	78	76	73	73	97	98	102
Ireland	101	104	112	89	86	88	67	63	59	69	65	61	97	97	100
Cyprus	100	102	110	96	98	100	88	89	94	80	81	80	87	87	81
<b>ANNUAL AVERAGE RATE OF CHANGE, %</b>															
EU27 (2020)	0.7	2.9	9.2	0.1	1.1	2.9	0.3	1.2	6.2	0.1	1.6	6.8	-0.3	1.9	7.2
Estonia	-0.6	4.5	19.4	0.7	-0.9	8.2	0.2	1.8	7.7	-0.8	2.1	6.9	1.3	6.7	7.9
Lithuania	1.1	4.6	18.9	-0.6	1.7	2.9	4.6	3.1	9.5	4.0	3.6	10.4	1.8	9.4	14.7
Hungary	3.4	5.2	15.3	0.4	-0.1	5.7	1.4	2.8	9.6	0.7	3.0	10.9	1.4	3.7	12.3
Latvia	0.1	3.2	17.2	-0.4	1.0	4.6	3.6	1.8	4.5	4.2	1.1	5.1	1.0	1.1	3.8
Romania	2.3	4.1	12.0	2.3	2.5	5.5	1.7	2.2	4.3	1.6	2.1	4.1	1.3	2.2	4.6
Czechia	3.3	3.3	14.8	4.2	6.3	19.7	3.7	3.6	16.0	5.0	4.8	18.3	0.2	1.7	10.8
Belgium	0.4	3.2	10.3	0.4	-0.6	2.4	1.1	0.8	4.2	1.4	0.8	4.1	1.8	1.0	6.8
Austria	1.4	2.8	8.6	-0.3	1.0	1.7	-2.0	1.5	9.9	-2.0	0.9	3.3	-4.7	1.2	2.5
Sweden	0.7	2.7	8.1	0.0	4.1	4.9	1.3	2.2	10.3	1.9	3.3	14.0	0.4	2.2	11.7
Slovakia	2.0	2.8	12.1	0.7	1.0	4.4	1.0	1.7	7.8	0.3	1.6	9.2	2.3	2.6	6.9
Luxembourg	0.0	3.5	8.2	0.9	0.3	2.6	3.9	1.6	7.1	4.3	1.2	8.1	2.5	5.0	6.7
Netherlands	1.1	2.8	11.6	0.3	2.4	5.1	4.4	-1.0	3.0	1.9	-1.2	7.9	-1.1	3.7	13.0
Malta	0.8	0.7	6.1	0.0	1.2	3.4	-6.1	-3.0	9.4	-4.4	-0.3	10.6	-4.3	-7.6	-12.0
Germany	0.4	3.2	8.7	-0.9	2.0	2.4	0.0	1.8	6.9	0.9	2.5	6.3	-0.1	1.9	6.3
Slovenia	-0.3	2.0	9.3	-3.4	0.7	3.5	-2.4	3.2	9.4	-1.9	4.6	14.9	-1.6	5.1	7.0
Bulgaria	1.2	2.8	13.0	-0.8	-0.6	7.1	0.6	1.3	7.1	0.7	0.3	6.3	0.9	-0.6	8.7
France	0.5	2.1	5.9	0.1	-0.1	2.5	0.8	1.4	5.3	-0.6	2.7	6.2	0.3	2.4	5.8
Poland	3.7	5.2	13.2	-2.8	-0.5	5.0	1.1	2.7	10.7	0.4	2.2	11.9	1.1	2.8	11.0
Spain	-0.3	3.0	8.3	0.7	1.0	-0.3	-1.2	1.8	4.6	-2.1	2.3	3.8	-2.1	-0.6	:
Portugal	-0.1	0.9	8.1	-2.5	-0.1	1.1	-1.5	-1.8	5.2	-2.7	-1.4	5.0	-1.2	-4.2	5.4
Finland	0.4	2.1	7.2	-0.2	-1.1	2.0	-0.7	-1.0	6.8	-0.5	0.1	8.2	-4.9	-3.2	2.9
Italy	-0.1	1.9	8.7	1.7	0.5	1.8	0.6	0.9	4.3	0.4	0.1	3.3	-0.4	0.7	3.1
Croatia	0.0	2.7	10.7	0.1	0.3	8.0	-1.4	-1.1	7.2	-1.4	-2.2	6.3	-1.6	-0.5	4.4
Denmark	0.3	1.9	8.5	-2.5	0.2	2.7	-5.5	-0.5	6.4	-4.8	-2.3	5.9	-3.5	1.2	14.7
Greece	-1.3	0.6	9.3	0.9	-1.9	5.6	-4.5	-2.9	1.6	-6.9	-3.4	0.3	0.1	1.6	3.4
Ireland	-0.5	2.4	8.1	-3.2	-2.9	1.4	-8.8	-5.3	-6.0	-9.3	-4.5	-6.1	-0.8	-0.3	3.6
Cyprus	-1.1	2.3	8.1	0.1	2.2	1.6	-3.1	1.5	5.2	-8.9	2.0	-1.4	-0.3	-0.6	-6.3

Unless specified, EU refers to EU27

Data source: EURATEX, based on EUROSTAT

# EUROSTAT GLOSSARY

## Production value

The production value measure the amount actually produced by the unit, based on sales, including changes in stocks and the resale of goods and services. The production value is defined as turnover, plus or minus the changes in stocks of finished products, work in progress and goods and services purchased for resale, minus the purchases of goods and services for resale, plus capitalised production, plus other operating income excluding subsidies). Income and expenditure classified as financial or extra-ordinary in company accounts is excluded from production value. Included in purchases of goods and services for resale are the purchases of services purchased in order to be rendered to third parties in the same condition.

*Note: Capitalised production includes the own-account production of all goods that are retained by their producers as investment. The latter includes the production of fixed tangible assets (buildings, etc.) as well as intangible assets (development of software, etc.). Capitalised production is unsold production and is valued at production cost. Note that these capital goods are also to be included in investment.*

## Production index

The **production index** is a business cycle indicator which aims to measure changes in value added at factor cost of industry over a given reference period. It does this by measuring changes in the volume of output and activity at close and regular intervals, usually monthly. In order to calculate a genuine value added indicator data would be needed for an industry's gross output as well as for the inputs used in the production of these outputs. Such data are generally not available on a monthly (or quarterly) basis. In practice, suitable proxy values for the calculation of the production index are needed.

The production index should also take into account:

- changes in type and quality of the commodities and of the input materials;
- Changes in stocks of finished goods and services, and work in progress;
- Changes in technical input-output relations (processing techniques);
- services, such as assembly of production units, repairs or planning.

Within industry, these may include:

- gross production values (deflated);
- production volumes (physical quantities data);
- turnover (deflated);
- work input;
- raw material input;
- energy input.

## Producer price index (PPI)

The (industrial) producer price index, abbreviated as PPI and also called output price index, is a business-cycle indicator showing the development of transaction prices for the monthly industrial output of economic activities. The PPI does not only serve as an early indicator of inflationary pressures in the economy before it reaches the consumer, but it can also record the evolution of prices over longer time periods.

The PPI for a specific economic activity measures the monthly change in the trading price of products and related services. The PPI is an output index – it measures price changes from the seller's perspective. The prices collected in period t should refer to orders booked during period t (at the moment of the order) and not the moment when the commodities leave the factory gates. Price indices are calculated as a weighted average of the relevant products.

The appropriate price for calculating the PPI is the basic price that excludes VAT and similar deductible taxes which are directly linked to turnover, as well as all duties and taxes on the goods and services invoiced. However, subsidies on products received by the producer, if there are any, should be added to the basic price. All price-determining characteristics should be taken into account, including the:

- quantity of units sold;
- transport provided;
- rebates;
- service conditions;
- guarantee conditions;
- destination.

# EUROSTAT GLOSSARY

## Turnover

**Turnover** comprises the totals invoiced by the observation unit during the reference period: this corresponds to the total value of market sales of goods and services to third parties. Turnover includes:

- all duties and taxes on the goods or services invoiced by the unit with the exception of the value-added tax (VAT) invoiced by the unit vis-à-vis its customer and other similar deductible taxes directly linked to turnover;
- all other charges (transport, packaging, etc.) passed on to the customer, even if these charges are listed separately on the invoice.

Excluded are:

- income classified as other operating income, financial income and extraordinary income in company accounts;
- operating subsidies received from public authorities or the EU institutions.

## Enterprise

An **enterprise** is the smallest combination of legal units that is an organisational unit producing goods or services, which benefits from a certain degree of autonomy in decision-making, especially for the allocation of its current resources. An enterprise carries out one or more activities at one or more locations. An enterprise may be a sole legal unit.

## Value added at factor cost

**Value added at factor cost** is the gross income from operating activities after adjusting for operating subsidies and indirect taxes. It can be calculated as the total sum of items to be added (+) or subtracted (-):

turnover (+);

- capitalized production (+);
- other operating income (+);
- increases (+) or decreases (-) of stocks;
- purchases of goods and services (-);
- other taxes on products which are linked to
- turnover but not deductible (-);
- duties and taxes linked to production (-).

Alternatively, it can be calculated from the gross operating surplus by adding personnel costs.

## Gross investment in tangible goods

**Gross investment** in tangible goods is defined as investment during the reference period in all tangible goods. Included are new and existing tangible capital goods, whether bought from third parties or produced for own use (i.e. capitalised production of tangible capital goods), having a useful life of more than one year including non-produced tangible goods such as land. Investments in intangible and financial assets are excluded.

## Persons employed

The number of **persons employed** is defined as the total number of persons who work in the observation unit (inclusive of working proprietors, partners working regularly in the unit and unpaid family workers), as well as persons who work outside the unit who belong to it and are paid by it (e.g. sales representatives, delivery personnel, repair and maintenance teams). It excludes manpower supplied to the unit by other enterprises, persons carrying out repair and maintenance work in the enquiry unit on behalf of other enterprises, as well as those on compulsory military service.

## Index of gross wages and salaries - SBS

The **index of gross wages and salaries** is defined as the total remuneration, in cash or in kind, payable to all persons counted on the payroll (excluding agency workers), regardless of whether it is paid on the basis of working time, output or piecework and whether it is paid regularly. Included are social contributions, income taxes, etc. payable by the employee even if they are withheld by the employer and paid on behalf of the employee. Not included are social contributions payable by the employer, reimbursed expenses, training and other labour-related costs.



# EUROSTAT GLOSSARY

## Personnel costs

**Personnel costs** are defined as the total remuneration, in cash or in kind, payable by an employer to an employee (regular and temporary employees, as well as home-workers) in return for work done by the latter during the reference period. Personnel costs are made up of wages, salaries and employers' social security costs. They include taxes and employees' social security contributions retained by the employer, as well as the employer's compulsory and voluntary social contributions.

Average personnel costs (or unit labour costs) equal personnel costs divided by the number of employees (persons who are paid and have an employment contract).

## Volume of sales index

The **volume of sales index**, more commonly called the index of the volume of (retail) sales, is the value of retail sales in terms of its volume. The volume of sales index is a volume measure of the retail trade turnover index. In order to eliminate the price effect on turnover in the retail trade, a deflator of sales is used.

This sales deflator is an index with a similar methodology to that of an output price index but it is adapted specifically for the retail trade. It reflects price changes in the goods sold rather than the sales service provided.

## Consumer price index (CPI)

The **consumer price index**, abbreviated as CPI, measures the change over time in the prices of consumer goods and services acquired, used or paid for by households. It is an important measure of inflation in the European Union (EU).

CPIs aim to cover the whole set of goods and services consumed within the territory of a country by the population. To do this, a representative set is selected; the so-called "consumer basket". Consumer goods and services include, for example, food and beverages, products for personal hygiene, newspapers and periodicals, expenditure on housing, water, electricity, gas and other fuels, health, transport, communications, education, restaurants and hotels.

Many of these goods and services are bought frequently or consumed on a daily basis.

## Harmonised index of consumer prices (HICP)

The **harmonised index of consumer prices**, abbreviated as HICP, is the consumer price index as it is calculated in the EU, according to a harmonised approach and a single set of definitions. It is mainly used to measure inflation.

## Confidence indicator

A **confidence indicator** is a statistical indicator based on the results from business surveys interrogating enterprises on their current economic situation and their expectations about future developments. Five separate confidence indicators are produced, for industry, construction, services, retail trade and consumers. Each confidence indicator is calculated as the simple arithmetic average of the (seasonally adjusted) balances of positive and negative answers to specific questions, e.g. regarding economic expectations. In order to be able to track overall economic activity, a broader economic sentiment indicator (ESI) is calculated as a composite indicator of these confidence indicators.

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## METHODOLOGICAL NOTES AND SOURCE:

Since 2020, EURATEX has reshaped the format, content and frequency of its annual traditional reports, formerly known as the "Bulletins". The 4 annual issues have been merged into two reports:

- ▶ **The Spring Report**, an analysis of the EU textile & clothing external trade
- ▶ **The Autumn Report**, an economic analysis of the EU textile & clothing industry and short-term prospects

EU Data in this report refers to EU-27 (2020).

"T&C" mentioned in this report refers to products categories which are based on the NACE classification: Textiles (division 13) and clothing (division 14). Data used in Part A of the report are from Eurostat for the economic evolution analysis combined with data collected from DG ECFIN. Part B includes analysis and data from EURATEX Members.

Data source: EURATEX, based on EUROSTAT & Members data

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#### Note

Reports for Denmark, Lithuania, Sweden, Spain, Portugal and the United Kingdom :  
not available.

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# AUSTRIA



## Fachverband der Textil-, Bekleidungs-, Schuh- und Lederindustrie – TBSL

### Textile industry

#### General economic environment and evolution of the textile industry in 2022

In 2022, economic development in Austria was divided into two parts. The first half of the year was still strongly characterized by corona-related catch-up processes, while the second half was significantly weaker due to the Russian war of aggression against Ukraine and high inflation. For 2022 economic growth is still very strong at 4.9%.

However, a technical recession, i.e. two consecutive quarters of negative growth, is expected over the course of 2022/23. In the course of 2023, the international economy recovers only hesitantly, and inflation remains comparatively high. Economic growth will therefore only be weakly positive at 0.6% in 2023.

In 2024, the global economy is expected to recover significantly and inflationary pressure to ease. Against this background, the delayed inflation settlement will lead to a strong increase in real wages and an acceleration of economic growth to 1.7%. (Source: ÖNB-Austrian National Bank)

#### Evolution of textile activity

In 2022 the value of **sold production** of textiles (including knitting) increased by 11,3 % (Corresponds to OENACE Code 13) compared to 2021.

In 2022, **sales** of textiles increased by 9.1% (to 2.8 billion euros) compared with the previous year. Technical textiles recorded an increase of 6.3% and apparel and home textiles an increase of 11.2%.

#### Factors Influencing Textiles and Their Evolution

**External Trade:** The exports of textiles increased by 12.3 %, and imports by 11.8 %.

	Import	+/- %	Export	+/- %
EU	2.288	-3.1	2.508	14.7
EFTA	85	13.3	169	10.4
Rest of Europe	523	10.8	185	4.9
Asia	2.584	28.6	93	14.4
Africa	73	35.2	312	-1.6
America	57	30.1	91	20.4
Australia	1	-1.7	7	12.2
<b>Total</b>	<b>5.611</b>	<b>11.8</b>	<b>3.365</b>	<b>12.3</b>

Jan. - Dec. 2022 (Mio €)  
Source: Statistik Austria

**Employment:** At the end of 2022, 104 companies employed a total of 10,510 people. This represents an increase of 2.0 % in the number of employees compared with the previous year.

#### Evolution of textile activity during the first months of 2023 and prospects

Although companies in the Austrian textile industry reported positive sales revenues for 2022, the results were significantly worse.

Shortages of raw materials, supply bottlenecks and supply chain interruptions as well as rising prices and the uncertain energy situation are causing severe problems.

# AUSTRIA



## Fachverband der Textil-, Bekleidungs-, Schuh- und Lederindustrie – TBSL

### Clothing industry

#### General economic environment

In 2022, the Austrian gross national product increased by 4.8 %. At the moment, the forecast for 2023 expects a decrease of -0.8 %.

#### Evolution of clothing activity

Despite all this, the year 2022, marked by unimaginable and unpredictable events, was an economically positive year for our industries. Growth was not equally strong in all product segments, but economically we were at the same level as in 2019, if not even higher.

Rising energy costs and high labor costs, which also rose more sharply in Austria last year than in many competing locations, are making an additional contribution to dampening sales. Since our companies are increasingly having problems passing on rising costs to prices, our company's earnings situation has deteriorated dramatically over the course of 2022.

**Production:** The domestic production of Clothing within Austria increased by 21 % in 2022.

The major subcontracting partners are located within the new EU-member states as well as to a smaller degree in Bosnia and Herzegovina, Serbia, Macedonia and Albania, Moldavia.

**Turnover:** In 2022 the turnover of the Austrian Clothing Industry increased by +19 % to 1,05 billion €.

**Exports/Imports:** In 2022 the exports increased by + 11.3 % (including transit products and cuts).

In the main market Germany, the exports showed a decreasing performance by -0.5 %, followed by an increase in Italy (+3.0 %) and France (+15.2 %). Exports to the USA show an increase of 29.6 % but exports to Russia show high losses in the range of -46.7 %.

Imports in 2022 decreased by 12 %. The imports from China also increased by 18 % and also imports from Bangladesh (+32 %) and Turkey (+11.7 %) gained.

**Employment:** The number of employees within the Austrian Clothing Industry decreased by – 2,3 % to approximately 5,667 employees, because of the loss of a major company in the clothing industry. number of employees within the Austrian Clothing Industry decreased by - 13 % to approximately 5,800 employees, because of the loss of a major company in the clothing industry.

#### Evolution of Clothing Industry during the first months of 2023 and prospects

While the first quarter of 2023 was characterized by a slowing upward trend in the areas in demand by consumers, from April 2023 the weakening economy will become increasingly noticeable in many segments.

A quick turnaround is currently not in sight, as incoming orders have so far deteriorated even more than production, on the one hand because our German customers' order behavior is extremely cautious and the German industrial economy is weakening, and on the other hand because global trade in goods has actually stagnated.

-----  
 Domestic production 2022 appr. € 210 million  
 Turnover 2022 (total) appr. € 1,05 billion (incl. Knitwear)  
 Number of enterprises 2022 (total) 128  
 Number of employees (total) appr. 5,667

# BELGIUM

## Fédération Belge de l'Industrie Textile, du Bois et de l'Ameublement – FEDUSTRIA

### Situation of the Belgian textile industry in 2022 and outlook for 2023

#### 1. General economic environment 2022-2023

Despite the energy price shock in 2022, the euro area as a whole narrowly avoided a recession. However, economic growth remains weak in 2023. Exports are held back by disappointing growth in world trade, partly because consumer interest has shifted to domestic services after the corona restrictions. Economic growth in the eurozone is estimated at 0.7%. Belgium was able to avoid a recession because of the size of its services sector and the support to purchasing power provided by the automatic indexation of incomes. This offset the contraction in exports. Belgian economic growth was still 3.2% in 2022, but would slow to 1.0% in 2023. Inflation peaked at 9.6% in 2022 and falls to 4.4% in 2023. 50 000 jobs would be created in 2023, following an exceptionally strong increase of 101 000 jobs in 2022. (Source : Federal Planning Bureau 7th September 2023).

#### 2. Evolution of textile activity

In 2022, the war in Ukraine and the ensuing energy crisis put an abrupt end to the recovery started after the corona crisis. Textile activity fell by 4.3% in volume in 2022 (turnover +8.6% in value; output prices up 12.9%). Textile output also fell in the first half of 2023 : -10.2% in volume (turnover -0.3% in value; output prices up 9.9%).

#### 3. Factors influencing textiles and their evolution

##### 3.1. Foreign trade : textile (excl. textile fibers and woven clothing, incl. knitted clothing and transit trade)

Textile exports (including transit and knitwear) grew by 12.5% in 2022. Imports (including transit and knitwear) increased by 20.2%. The surplus on the textile trade balance reached 1.8 billion euros.

21.2% of total textile exports are technical textiles of which exports remained stable (+0.7%). Interior textiles, with an export share of around 18.7%, grew by 1.8%. Exports of yarns (share 4.6%) went up with 15.1% while exports of woven fabrics mainly for clothing (share 4.1%) increased by 13.8%. Knitted fabrics (share 0.3%) decreased by 1.6%. Exports of knitted clothing (share 47.9%), mainly transit, was 25.5% higher than in 2021. Other textiles (share 3.1%) dropped by 5.1%.

81% of total textile exports are destined for the EU. Exports to the EU market rebounded by 15.2%. Exports to the three main export markets within the EU increased: France +17.3% (share of 23.0% in total Belgian textile exports), Germany +11.0% (share 18.0%) and the Netherlands +8.2% (share 9.7%).

# BELGIUM

## Fédération Belge de l'Industrie Textile, du Bois et de l'Ameublement – FEDUSTRIA

Belgian foreign trade in textile products, exclusive of textile fibers: breakdown per main areas.

Trade (mio EUR)	Exports (1)			Imports (2)		
	2022	2021	'22/'21 %	2022	2021	'22/'21 %
<b>Total EU – 27</b>	<b>9,838.50</b>	<b>8,541.60</b>	<b>15.2</b>	<b>4,574.50</b>	<b>4,271.10</b>	<b>7.1</b>
<b>Western Europe</b>	1,120.80	1,086.60	3.1	721.1	721	0
<b>Extra EU-27 of which:</b>						
- United Kingdom	809.70	854.70	-5.3	120.5	149.7	-19.5
- Turkey	172.4	108.4	59	541.7	518.2	4.5
<b>Eastern Europe Extra EU-27 of which:</b>						
- Russia	86.5	119.5	-27.6	75.5	55.5	36
	50.2	80.3	-37.4	7.4	8.2	-9.8
<b>North America of which:</b>						
- USA	327.2	288.8	13.3	271.8	218.8	24.2
	248	224.6	10.4	258.1	204.5	26.2
<b>Latin America of which:</b>						
Mexico	88.3	79.2	11.5	87.1	73.8	18
	13.6	10.3	32	17	29.7	-42.8
<b>Africa</b>	269.2	265.2	1.5	99.6	77.7	28.2
<b>Near and Middle-East</b>	122.2	111.3	9.8	99.1	76	30.4
<b>Far East of which:</b>						
- China	212.9	215.9	-1.4	4,365.40	3,068.00	42.3
- South Korea	63.8	76	-16	1,323.7	1,161.90	13.9
- Japan	19.2	19.8	-3	54.4	41.2	32
- Vietnam	22.9	25	-8.4	75.1	33	127.6
- Pakistan	3.7	3.8	-2.6	370.8	196.2	89
	8.7	7	24.3	422.5	270	56.5
<b>Oceania</b>	72.1	77.3	-6.7	2.7	2.4	12.5
<b>Total extra EU-27 :</b>	<b>2,299.40</b>	<b>2,243.80</b>	<b>2.5</b>	<b>5,722.20</b>	<b>4,293.30</b>	<b>+33,3</b>
<b>Total intra + extra EU-27 :</b>	<b>12137.9</b>	<b>10785.4</b>	<b>12.5</b>	<b>10296.6</b>	<b>8564.4</b>	<b>20.2</b>

Source: Institut des Comptes Nationaux

(1): country of destination

(2): country of provenance (INTRASTAT); country of origin (EXTRASTAT)



# BELGIUM

## Fédération Belge de l'Industrie Textile, du Bois et de l'Ameublement – FEDUSTRIA

### 3.2. Employment trends

In 2022, 17,338 employees were employed in the textile industry. 119 jobs were lost; a decrease of 0.7% compared to 2021.

### 3.3. Wage trends

According to provisional figures from the FPS Economy the average hourly wage in textile for 2021 was 17.39 € and for 2022 18.90 €. For 2023 there is not yet any provisional figure available. As there was a double indexation in January 2023 and one indexation in October 2023, the average hourly wage in 2023 can be estimated 19.76 €.

Fedustria estimates that the average hourly wage cost in textile amounted to 34.55 € in 2023 (33.05 € in 2022).

### 3.4. Importance of investment

In 2022, investment in the textile industry increased by 22.1% compared to 2021. Investment also increased during the first half of 2023: +8.9% compared to the same period in 2022.

Capacity utilisation in textiles fell from 71.7% in 2021 to 68.3% in 2022. During the first nine months of 2023, capacity utilisation fell further to 66.8%. Before the corona pandemic outbreak in 2019, the capacity utilisation rate was still 73.6%.

### 4. Evolution of textile activity during the first months of 2023 and prospects

The energy crisis and the ensuing out-of-control inflation, followed by the automatic wage indexation in Belgium, led to a competitiveness crisis and consequently, a handicap on export markets, which will be clearly felt from 2023 onwards. On top of that, consumers are still cautious about spending on consumer durables.

In 2024, the eurozone economy could benefit from a slight pick-up in world trade growth and household spending would be supported by cooling inflation and wage growth. This boosts economic growth in the euro area to 1.1%. Consequently, export opportunities for the Belgian economy improve, while domestic demand growth would remain almost stable. As a result, Belgian GDP growth would reach 1.3% in 2024. Inflation would average 4.1% in 2024.

(Source : Federal Planning Bureau 7th September 2023).

The expected limited economic growth in 2024 in Belgium and the EU makes the outlook for activity in the textile industry slightly positive. Meanwhile, however, the recent violence in the Middle East is creating renewed tension in energy markets and overshadowing this outlook.



# Czech Republic

## Association of Textile-Clothing-Leather Industry - ATOK

### Economic development of the textile and clothing industry in 2022

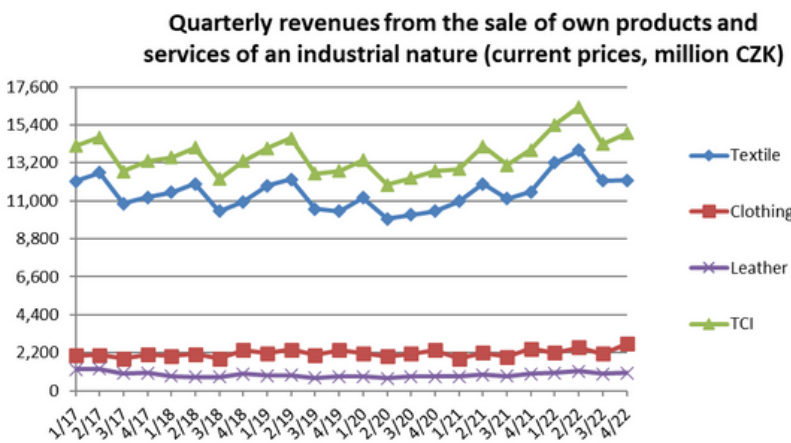
The total volume of sales in the textile and clothing industry for companies with 20 or more employees in 2022 reached CZK 61.1 billion, which means a growth of 12.9% compared to 2021. The increase in the prices of textile and clothing goods in connection with rising inflation contributed significantly to the increase in sales. The growth of production itself can be estimated to 1–2%.

Across the industry, there was a 0.7% increase in the number of employees during this period, compared to the previous period where there was a decrease. The reasons for the growth cannot yet be precisely identified. Due to the high inflation, wages increased more significantly in the clothing industry, where the share of manual labor is higher, by a full 9.8%. Average sales per employee in the textile industry then increased by 12.4%, which is less than the growth in sales alone, for the clothing industry, sales per employee also increased by 12.4%, and this is also less than the growth in sales alone.

In foreign trade in textile and clothing goods, there was a significant increase in its exported value (in CZK), namely by 8.1%, but the total volume of exported goods in kilograms decreased by 5.7%. From the above, it can be concluded that the increase in the value of exports was mainly influenced by the increase in the prices of goods. The overall trade balance for clothing goods remains in negative values for a long time, while the trade balance for textile goods is positive.

#### 1) Sales

Based on the results for the year 2022, sales at current prices in the textile and clothing industry (hereinafter referred to as TOP) reached CZK 61.1 billion. Of this, CZK 51.5 billion in the textile sector and CZK 9.6 billion in the clothing sector. This corresponds to a 13% increase in sales in TOP compared to 2021. The textile industry contributes to this by increasing sales by 12.9%, and the clothing industry by increasing sales by 13.5%.



Textile	▲ + 12.9 %
Clothing	▲ + 13.5 %
TCI	▲ + 13 %

Note: only organizations with 20 or more employees are included

Source: ATOK



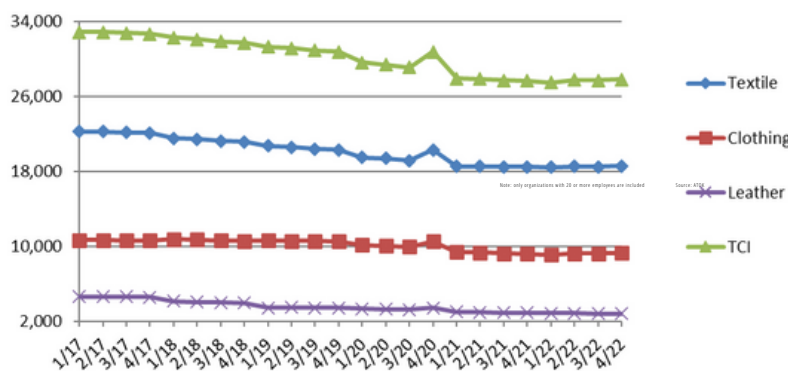
# Czech Republic

## Association of Textile-Clothing-Leather Industry - ATOK

### 2) Employment

Employment, measured by the average number of employed persons in organizations with 20 or more workers, reached a level of 27.9 thousand in TOP in 2022. of employed persons, which represents a growth of 0.7% compared to 2021. Employment in the textile industry recorded growth to 18.6 thousand. of employed persons, that is 0.5% more than in 2021. The clothing industry also saw an increase in the number of employed persons to 9.3 thousand, which is 1% more than in 2021.

Average number of employed persons



#### Employment for 2022 compared to 2021

Textile	▲ + 0.5 %
Clothing	▲ + 1 %
TCI	▲ + 0.7 %

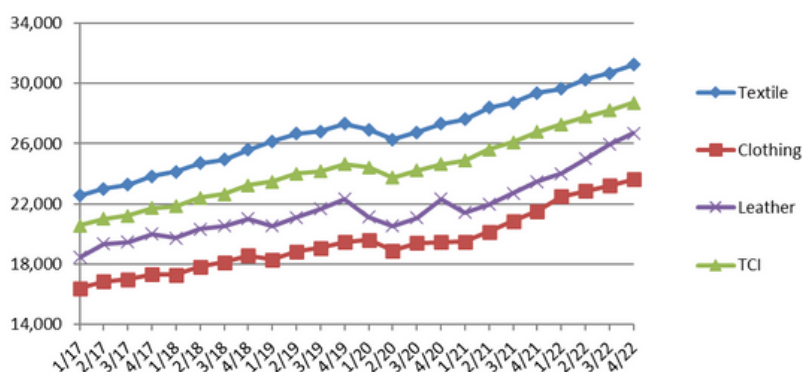
Note: only organizations with 20 or more employees are included

Source: ATOK

### 3) Wage development

The average monthly salary in the entire TOP reached for the year 2022, the value is 28.1 thousand CZK, which represents growth of 7.2% compared to 2021. In the textile industry, wages reached 31.3 thousand CZK and this value is approximately CZK 7,600 higher than in the clothing industry.

Average monthly salary (CZK)



#### Wage development for 2022 compared to 2021

Textile	▲ + 6.4 %
Clothing	▲ + 9.8 %
TCI	▲ + 7.2 %

Note: only organizations with 20 or more employees are included

Source: ATOK

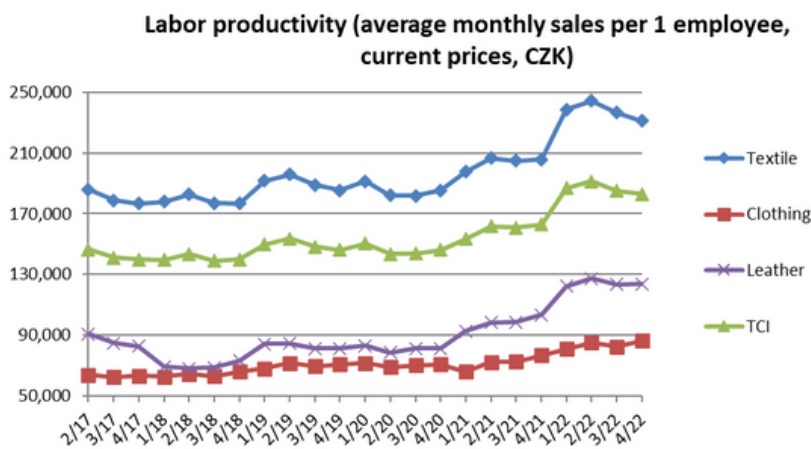


# Czech Republic

## Association of Textile-Clothing-Leather Industry - ATOK

### 4) Work productivity

Productivity, measured by the volume of sales (in current prices) per worker per year, reached a significantly higher value in 2022 in the textile industry (CZK 2,770,000/worker/year) than in the clothing industry (CZK 1,030,000/worker/year). In a year-on-year comparison, in the textile sector this productivity increased by 12.4% compared to 2021. In the clothing sector, there was a productivity increase of 12.4% compared to 2021.



#### Labor productivity for 2022 versus 2021, regular prices

Textile	▲ + 12.4 %
Clothing	▲ + 12.4%

Note: only organizations with 20 or more employees are included

Source: ATOK

### 5) Foreign trade

The value of exports of textile and clothing goods for 2022 reached CZK 145.2 billion and thus increased by 8.1% compared to 2021, of which the value of exports of textile goods increased by 9.2% and clothing goods by 7%. In the case of imports, textile goods grew by 4.8% to a total value of CZK 67.3 billion, while the value of clothing imports increased by 15.5% to CZK 104.5 billion. The clothing industry then continued to maintain a negative foreign trade balance. In contrast, the balance sheet of the textile industry returned to positive values. However, the overall balance of the textile and clothing industry is still negative.

#### Foreign trade for 2022 in nominal terms compared to 2021

<u>Export</u>	
Textile	▲ + 9.2 %
Clothing	▲ + 7 %
TCI	▲ + 8.1 %
<u>Import</u>	
Textile	▲ + 4.8 %
Clothing	▲ + 15.5 %
TCI	▲ + 11.1 %



# Czech Republic

## Association of Textile-Clothing-Leather Industry - ATOK

### 5) Foreign trade (volume)

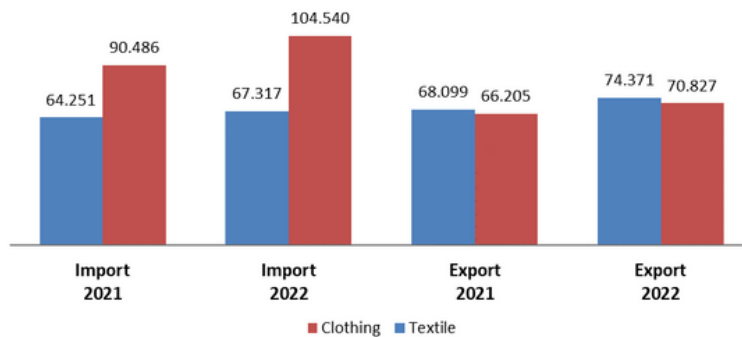
In contrast, the volume of exports of textile and clothing goods for the year 2022 in tons decreased by 5.7% compared to 2021, of which the volume of exports of textile goods recorded a decrease of 7.2%, while clothing goods, on the other hand, grew by 5.3%. In the case of imports, textile goods grew by 15.5%, while the value of clothing imports increased by 18.6%. The clothing industry continued to maintain a negative balance even in the volume of foreign trade. In contrast, the balance sheet of the textile industry remained positive, just as in nominal terms. However, the overall balance of the textile and clothing industry is negative

### Foreign trade for 2022 in terms of volume compared to 2021

Export	
Textile	▼ -7.2 %
Clothing	▲ +5.3 %
TCI	▼ -5.7 %
Import	
Textile	▲ +15.5 %
Clothing	▲ +18.6 %
TCI	▲ +16.3 %

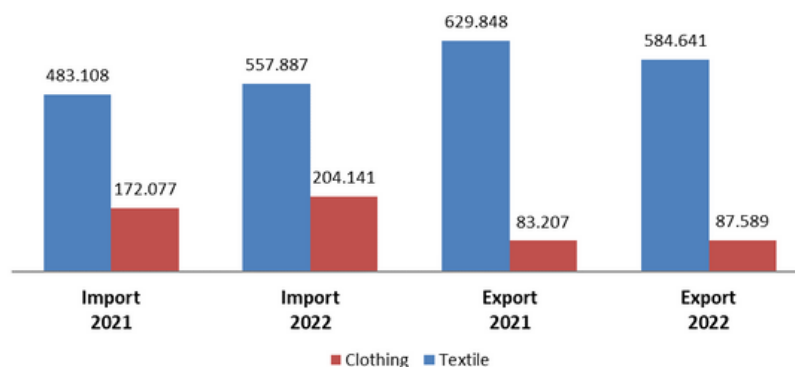
Import and Export textile and clothing goods for the year 2022 and 2021

(data in bil. CZK)



Import and Export textile and clothing goods for the year 2022 and 2021

(data in thous. tons)



Source: CZSO Foreign trade database



# Czech Republic

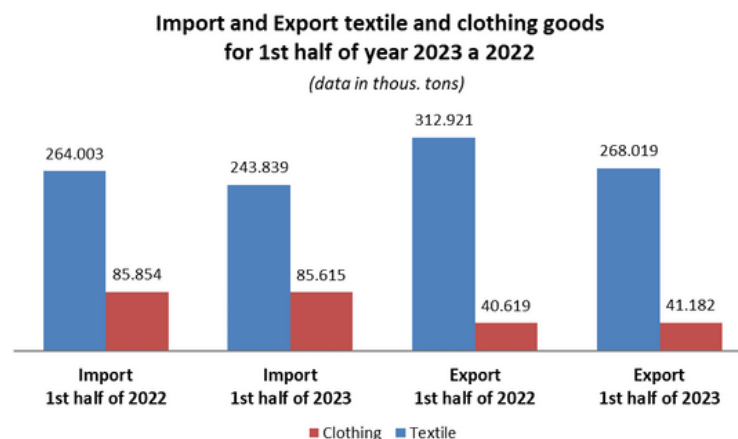
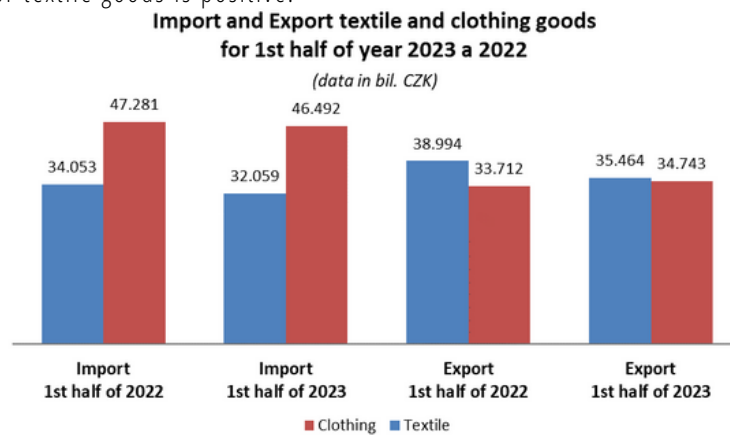
## Association of Textile-Clothing-Leather Industry - ATOK

### Economic development of the textile and clothing industry in the first half of 2023

The total volume of sales in the textile and clothing industry for companies with 20 or more employees in the 1st half 2023 reached CZK 31.1 billion, which means a decrease of 4.6% compared to the 1st half 2022. Thus, the industry has still not come to terms with the significant drop in sales from the 3rd quarter of last year. There was a decrease in employees across the industry, by 1.7%, compared to the previous period, when growth was recorded. Several factors are behind the decrease in the number of employees, among which the increase in wage costs and the poor availability of qualified labor play a significant role.

Average sales per employee in the textile industry then increased by 11.4%, although sales themselves did not grow, in the clothing industry sales per employee also increased by 7.5%, which is less than the growth in sales alone.

Unfortunately, in the foreign trade in textile and clothing goods, the exported value (in CZK) decreased by 3.4%, the total volume of exported goods in kilograms then decreased by 12.5%. The decrease in the volume of exports was largely caused by the growth of production costs, which was reflected in the price of the exported product. The overall trade balance for clothing goods remains in negative values for a long time, while the trade balance for textile goods is positive.



Source: CZSO Foreign trade database

# CROATIA

Croatian Chamber of Economy – HGK, Croatian Employers' Association, CEA Textile and Leather Industry Association

## GENERAL ECONOMIC ENVIRONMENT AND EVOLUTION OF THE TEXTILE/CLOTHING INDUSTRY IN 2022

Currently, the situation is insufficiently introduced in development and research, as well as products made in high-tech processes, production improvement, both due to lack of investment funds, and due to the burden of everyday problems that the company deals with. The Croatian textile and clothing industry in the situation in which it finds itself in relation to market movements in the near and wider environment needs an urgent transformation.

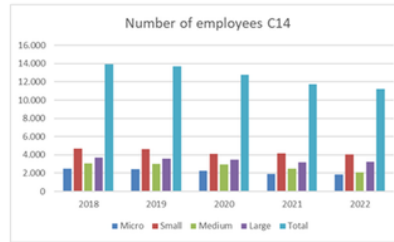
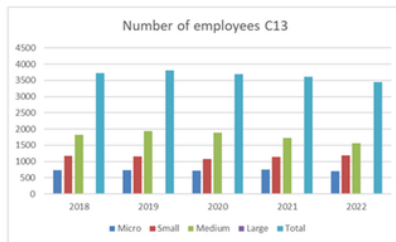
When we talk about the textile and clothing industry in Croatia in general, there is a chance for domestic producers it is certainly not in the lohn business or in the low segment of clothing retailers, which is one of the reasons for the closure of some of our large textile factories. It is in the precise analysis of the current market situation and according to the needs of the market both in the country and abroad, development of own brand, designed marketing campaigns, excellence, and in the growing field of protective textiles and clothing that we can conclude that the most stable companies are the ones that go in that direction of development.

## EVOLUTION OF TEXTILE/CLOTHING ACTIVITY

### Number of employees

Number of employees C13	Micro	Small	Medium	Large	Total
2018	738	1.171	1.821	0	3.730
2019	736	1.147	1.929	0	3.812
2020	721	1.076	1.889	0	3.686
2021	742	1.145	1.728	0	3.615
2022	704	1.189	1.561	0	3.454

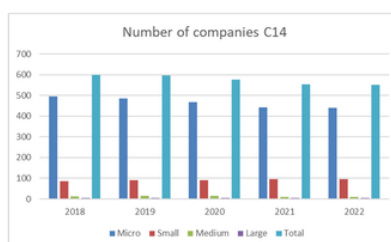
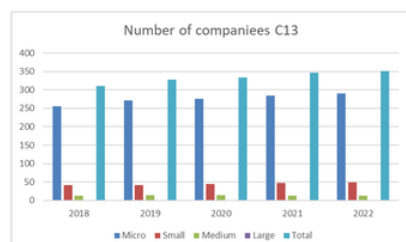
Number of employees C14	Micro	Small	Medium	Large	Total
2018	2.470	4.692	3.050	3.715	13.927
2019	2.445	4.635	3.025	3.602	13.707
2020	2.256	4.109	2.967	3.471	12.803
2021	1.920	4.135	2.474	3.191	11.720
2022	1.849	4.036	2.077	3.266	11.228



### Number of Company

Number of companies C13	Micro	Small	Medium	Large	Total
2018	256	42	12	0	310
2019	272	42	14	0	328
2020	276	44	14	0	334
2021	285	48	13	0	346
2022	290	49	12	0	351

Number of companies C14	Micro	Small	Medium	Large	Total
2018	496	86	12	5	599
2019	486	91	14	5	596
2020	467	90	14	5	576
2021	443	96	11	5	555
2022	440	95	11	6	552



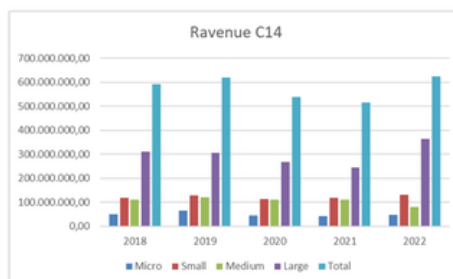
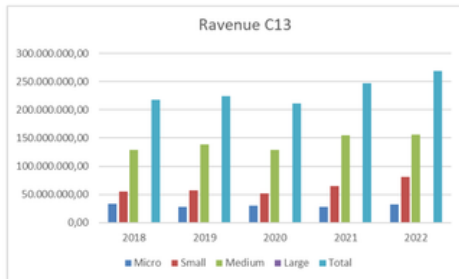
# CROATIA

Croatian Chamber of Economy – HGK, Croatian Employers' Association, CEA Textile and Leather Industry Association

## Turnover

Revenue C13	Micro	Small	Medium	Large	Total
2018	33.324.858,70	55.460.653,93	128.357.466,20	0,00	217.142.978,83
2019	27.472.481,57	57.683.216,38	138.732.649,14	0,00	223.888.347,09
2020	29.676.259,61	52.042.003,98	129.275.809,69	0,00	210.994.073,28
2021	28.048.899,86	64.588.078,17	154.531.067,89	0,00	247.168.045,92
2022	32.029.067,32	81.139.589,25	155.770.984,91	0,00	268.939.641,48

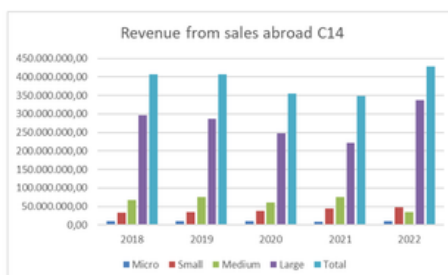
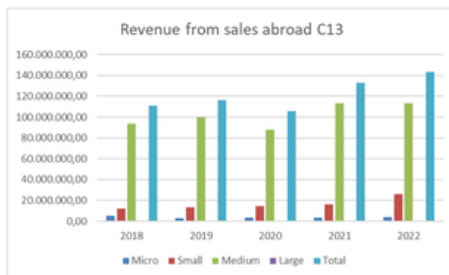
Revenue C14 €	Micro	Small	Medium	Large	Total
2018	49.862.829,26	119.089.472,19	110.360.583,72	310.835.052,49	590.147.937,66
2019	64.781.558,94	127.646.180,49	121.538.078,84	305.653.864,36	619.619.682,63
2020	45.678.001,42	113.680.437,06	111.274.812,80	266.532.672,64	537.165.923,92
2021	42.307.757,27	118.322.699,54	109.529.218,80	245.849.924,49	516.009.600,10
2022	48.134.147,27	131.258.124,25	79.342.437,31	364.490.679,41	623.225.388,24



## Revenue from sales abroad

Revenue from sales abroad C13	Micro	Small	Medium	Large	Total
2018	5.453.370,08	11.866.795,52	93.474.705,95	0,00	110.794.871,55
2019	2.689.667,90	13.528.647,01	100.149.539,45	0,00	116.367.854,36
2020	3.312.652,85	14.407.224,90	87.854.896,41	0,00	105.574.774,16
2021	3.646.691,35	16.045.591,60	113.277.936,97	0,00	132.970.219,92
2022	3.767.928,05	25.919.319,39	113.458.902,11	0,00	143.146.149,55

Revenue from sales abroad C14 €	Micro	Small	Medium	Large	Total
2018	9.978.399,60	32.747.999,05	67.637.686,23	296.519.633,95	406.883.718,83
2019	10.121.585,35	34.172.102,38	75.776.069,26	286.310.058,53	406.379.815,52
2020	9.591.692,77	37.204.833,35	60.957.306,26	247.118.800,86	354.872.633,24
2021	7.808.226,16	44.982.398,43	75.031.612,46	220.837.599,45	348.659.836,50
2022	10.065.760,66	47.320.836,54	34.668.281,38	336.257.986,59	428.312.865,17





# CROATIA

Croatian Chamber of Economy – HGK, Croatian Employers' Association,  
CEA Textile and Leather Industry Association

## FACTORS INFLUENCING TEXTILES/CLOTHING AND THEIR EVOLUTION

The most important thing is to establish a balance between traditional skills that characterize the textile and clothing sector (design, production, management and service) and new knowledge (digitalization, science, sustainability and new business models), i.e. the way out is a quick connection to modern production processes. Some Croatian textile and clothing companies have recognized their opportunities, and by investing in their own product development, design, technology improvement, employment of highly qualified engineers, they have improved their business, found a market niche and achieved a serious export result.

As niches that we can single out where Croatian manufacturers have stood out and imposed their own products on both domestic and foreign markets are the fields of textiles in construction, smart high-performance clothing, high-performance textiles for the military industry and fire protection, protective clothing, protective disposable clothing for medical purposes, Croatian umbrellas with their own design, etc.

Although the current starting points for the future development of the Croatian textile and clothing industry are challenging and complex, the textile and clothing industry in Croatia has good prospects for development, but only restructured towards production with a higher share of added value.

Product development, design, investment in knowledge, research and new technologies, designed marketing approach, sustainable economy, quality and export are the recipe for the successful survival of the industry.

## EVOLUTION OF TEXTILE/CLOTHING ACTIVITY DURING THE FIRST MONTHS OF 2023 AND PROSPECTS

Industrial production - Original indices of production volume total and NKD (Source DZS)

**INDUSTRIAL PRODUCTION - ORIGINAL INDICES OF PRODUCTION VOLUME TOTAL,  
ACCORDING TO MIGs 2009 AND NKD 2007. - 2023. / 2022. (I-IX/I-IX)**

	Structure 2023.			Index, 2023./2022. I-IX/I-IX
	IX	I-IX	IX-IX	
Total Industry	103,4	99,2	100,2	99,3
C Manufacturing Industry	106,2	99,2	100,8	99,3
<b>13 Textile production</b>	<b>73,2</b>	<b>77,3</b>	<b>70,4</b>	<b>72,2</b>
<b>14 Apparel production</b>	<b>91,7</b>	<b>93,1</b>	<b>89,0</b>	<b>93,3</b>

Source: DZS

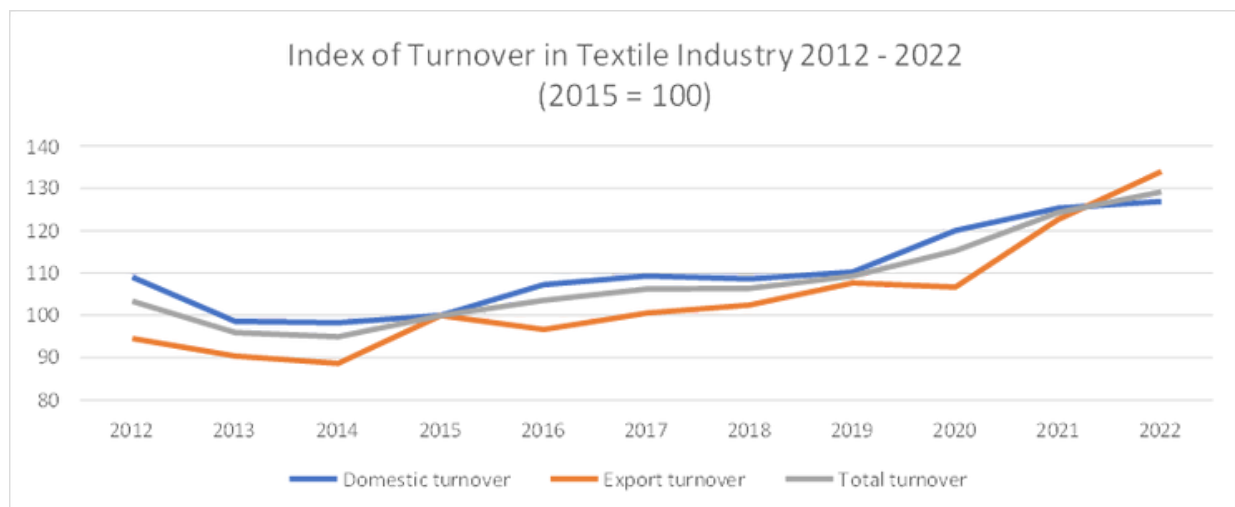
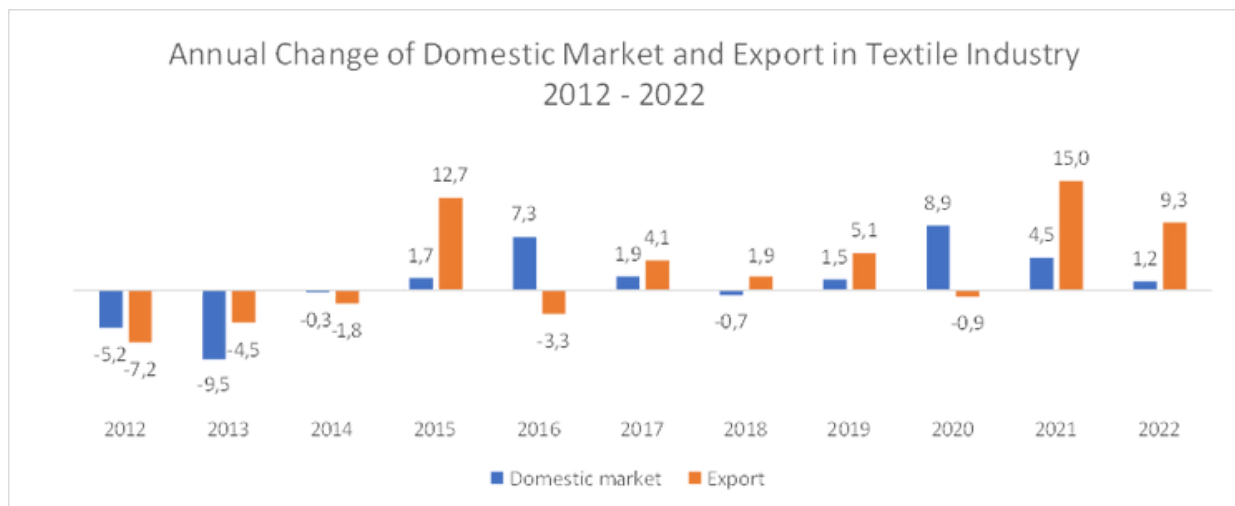
# FINLAND

## Finnish Textile & Fashion – STJM

### GENERAL ECONOMIC ENVIRONMENT

#### TURNOVER OF TEXTILE INDUSTRY

In 2022 Finnish companies in textile industry made a turnover of 498 million euros and employed 2 100 persons. Turnover of textile industry grew by 3.9 % at that same time period. The most essential driver for growth was export sales which increased by 9.3 %. Domestic turnover grew by 1.2 %.



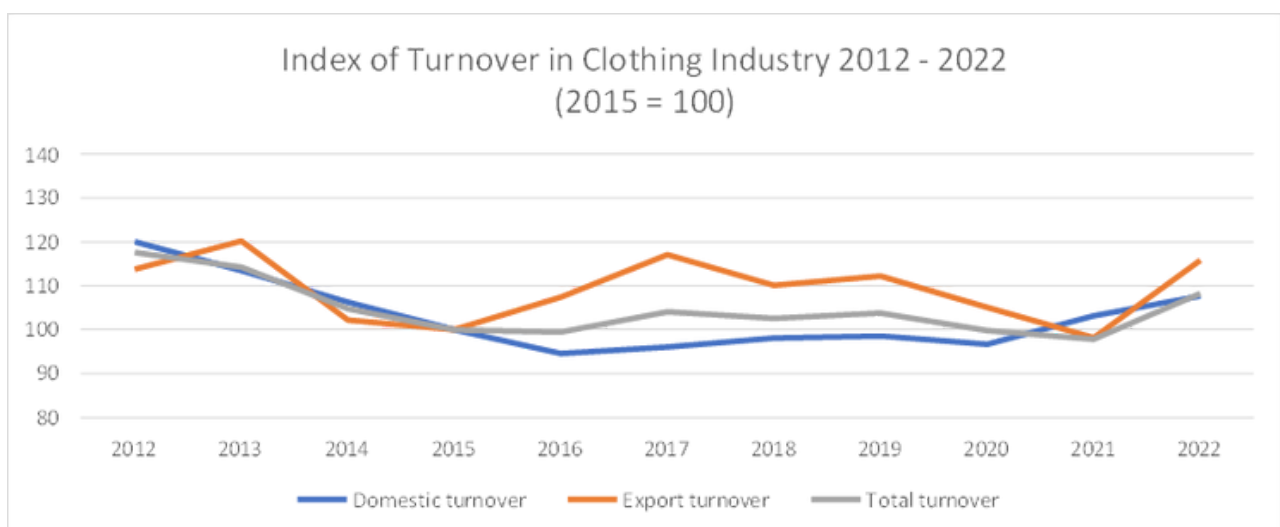
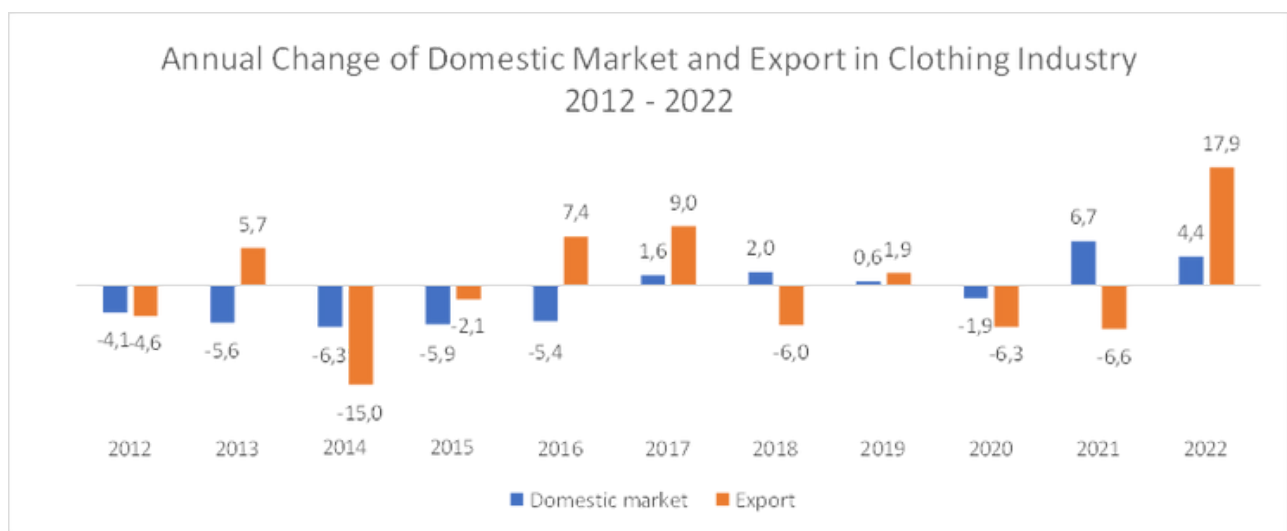
Source: Statistics Finland.

# FINLAND

## Finnish Textile & Fashion – STJM

### TURNOVER OF CLOTHING INDUSTRY

The clothing industry in Finland made a turnover of 657 million euros and employed 2 300 persons in 2022. Turnover of the clothing industry increased by 10.7 % in 2022. Export turnover grew by 17.9 % and domestic sales by 4.4 %.



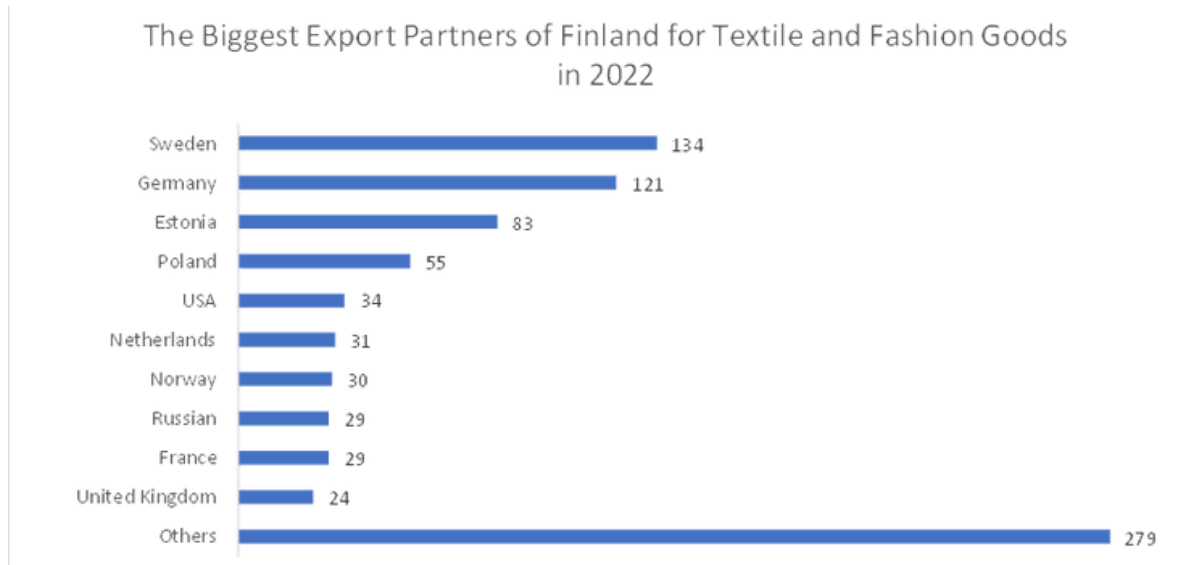
Source: Statistics Finland.

# FINLAND

## Finnish Textile & Fashion – STJM

### EXPORT OF TEXTILE AND FASHION GOODS

The export of textile and fashion goods from Finland increased by 12.3 % in year 2022 and the value of exports was 851 million euros. The three biggest export partners of Finland were Sweden, Germany, and Estonia and they accounted for approximately 40 percent of total exports.



The main products in textile and fashion export were clothing and technical textiles. The share of clothing was 332 million euros which was 39 % of the textile and clothing export. The value of the technical textiles exports was 227 million euros (27 %) and the value of footwear exports 142 million euros (17 %).



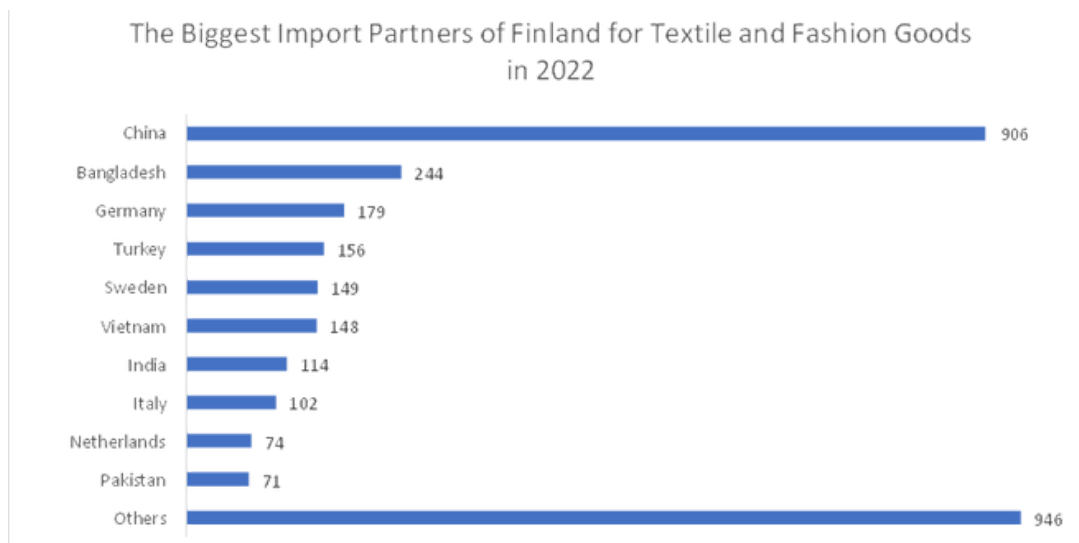
Source: Customs Finland.

# FINLAND

## Finnish Textile & Fashion – STJM

### IMPORTS OF TEXTILE AND FASHION GOODS

The import of textile and fashion goods from Finland increased last year by 21.7 % and the value of imports was 3.08 billion euros. The three biggest import partners of Finland are China, Bangladesh, and Germany and they account for about 43 percent of total imports.



Clothing was the main import product segment. The import of clothing was 1768 million euros, equivalent to 57 % of the total textile and clothing imports. The value of the footwear imports was 418 million euros (14 %) and home textile imports was 377 million euros (12 %).



Source: Customs Finland.

# FRANCE



Union des Industries Textiles – UIT

Union Française des Industries Mode & Habillement – UFIMH

## Situation of the textile-clothing industries in France in 2022 and outlook for 2023

### 1. General economic climate

1.1. On average over the whole of 2022, GDP grew by 2.5% in France.

1.2. In the same year, household consumption expenditure rose by 2.1% (all products combined).

1.3. Finally, the unemployment rate reached 7.1% in 2022, compared to 8.7% in 2018 (Source: ILO).

### 2. Activity evolution

#### 2.1. Production index (source INSEE)

In 2022, textile production increased by 2.5% in volume compared to 2021 (NAF 13).

In the clothing sector (NAF 14), output increased by 21.3%.

#### 2.2. Turnover Evolution (Source INSEE)

The turnover of the textile industries (NAF 13) recorded an increase of 10.0% in 2022, while that of the clothing industries (NAF 14) benefited from a growth of 16.8%.

### 3. Factors influencing the textile & clothing activity

#### 3.1. Domestic demand (Source IFM Panel)

The trend for 2022 is up 3.9% compared to 2021. The trend observed in 2021 (+8.2% compared to 2020) did not continue and the turnover generated in 2022 remains on average 4.4% lower than in 2019. According to the different distribution channels, it should be noted that mass distribution channels as well as pure players and cataloguists (source FEVAD) are the only ones to have benefited from an increase in turnover compared to 2019, respectively +8.3% and +2.5%.

#### 3.2. Foreign trade (source French Customs, IFM calculations)

Textile: Harmonised System (HS) Chapters 50 to 60 + 63

Clothing: chapters 61 and 62

*The product cutting used by IFM is in line with that of Euratex. However, it does not fully reflect the scope of ITU and UFIMH membership.*

## FRANCE

Union des Industries Textiles – UIT

Union Française des Industries Mode &amp; Habillement – UFIMH

## IMPORTATIONS FRANÇAISES SUR LA PERIODE JANVIER - DECEMBRE 2022

EN MILLIERS D'EUROS

	Habillement (Vêtements maille et chaîne et trame)		Textile	
		% de Variation 2022 / 2021		% de Variation 2022 / 2021
<b>Total</b>	25 480 367	24%	8 320 219	12%
UE à 27	4 532 151	15%	3 948 602	8%
Extra UE	20 961 088	27%	4 425 943	15%
PPM (1)	3 574 452	20%	755 147	17%
Balkans (2)	123 236	39%	33 226	29%
Asie	15 803 078	29%	3 015 264	13%
Autres pays	1 497 064	18%	883 519	20%

(1) Pays du Pourtour Méditerranéen

(2) Balkans occidentaux

	Habillement (Vêtements maille et chaîne et trame)		Textile		
		% de Variation 2022 / 2021		% de Variation 2022 / 2021	
Chine	6 267 782	16%	Chine	1 569 735	5%
Bangladesh	4 205 020	51%	Italie	957 999	19%
Italie	2 078 998	20%	Allemagne	615 973	6%
Turquie	1 659 744	22%	Pakistan	517 808	32%
Vietnam	1 354 465	38%	Belgique	503 333	2%
Inde	1 131 940	29%	Turquie	434 411	20%
Tunisie	961 860	23%	Inde	399 729	17%
Cambodge	917 509	30%	Espagne	365 440	14%
Maroc	816 205	11%	Pays-Bas	354 936	14%
Pakistan	626 110	21%	Portugal	251 707	5%
Portugal	481 125	23%	Royaume Uni	225 886	31%
Myanmar	444 575	67%	Pologne	225 024	15%
Allemagne	295 568	-11%	Tunisie	220 467	8%
Sri Lanka	274 595	38%	Bangladesh	124 328	32%
Belgique	269 541	42%	États-Unis	115 061	26%
Pays-Bas	258 590	10%	Autriche	105 301	22%
Indonésie	240 246	26%	Roumanie	105 214	-26%
Roumanie	218 219	26%	Japon	100 632	32%
Espagne	197 656	34%	Vietnam	93 986	10%
Bulgarie	185 423	30%	Corée du Sud	87 950	17%

## FRANCE

Union des Industries Textiles – UIT

Union Française des Industries Mode &amp; Habillement – UFIMH

 EXPORTATIONS FRANÇAISES SUR LA PERIODE JANVIER - DECEMBRE 2022  
 EN MILLIERS D'EUROS

	Habillement (Vêtements maille et chaîne et trame)		Textile	
		% de Variation 2022 / 2021		% de Variation 2022 / 2021
<b>Total</b>	13 188 298	26%	5 372 382	14%
UE à 27	7 308 378	19%	2 754 016	10%
Extra UE	5 947 951	32%	2 643 817	19%
PPM (1)	248 257	36%	880 634	26%
Balkans (2)	12 430	37%	28 280	21%
Asie	2 728 688	29%	672 637	26%
Autres pays	-805 909	-18%	639 082	-4%

(1) Pays du Pourtour Méditerranéen

(2) Balkans occidentaux

	Habillement (Vêtements maille et chaîne et trame)		Textile		
		% de Variation 2022 / 2021		% de Variation 2022 / 2021	
Italie	1 597 028	20%	Allemagne	505 846	2%
Espagne	1 402 995	10%	Tunisie	497 555	21%
Allemagne	1 350 089	13%	Belgique	494 010	13%
Chine	1 074 352	8%	Italie	417 297	16%
États-Unis	952 688	79%	Chine	394 028	22%
Belgique	875 886	18%	Espagne	362 948	8%
Royaume Uni	844 280	21%	États-Unis	232 638	16%
Pologne	480 284	27%	Maroc	215 027	22%
Pays-Bas	452 270	42%	Suisse	198 492	22%
Hong Kong	412 959	24%	Royaume Uni	190 863	-12%
Japon	402 816	63%	Pays-Bas	185 910	11%
Suisse	359 088	15%	Pologne	164 255	10%
Singapour	294 911	58%	Portugal	106 410	17%
Corée du Sud	277 441	53%	Turquie	101 159	74%
Portugal	220 527	30%	Roumanie	100 589	9%
Émir. arabes unis	138 835	44%	Madagascar	94 324	32%
Grèce	116 033	36%	Tchèque Rép.	74 230	11%
Roumanie	110 130	32%	Autriche	57 894	20%
Autriche	106 650	27%	Hong Kong	42 641	60%
Hongrie	104 807	40%	Suède	41 881	13%



# FRANCE



Union des Industries Textiles – UIT

Union Française des Industries Mode & Habillement – UFIMH

## 4. Other factors influencing the textile and clothing activity

### EMPLOYMENT IN THE TEXTILE AND CLOTHING INDUSTRIES

(Source: INSEE)

	1998	2020	Change %
Textiles (Activity Sector 13)	105 950	34 617	-67%
Clothing (Activity Sector 14)	133 322	35 968	-73%

The textile-clothing sector lost 71% of its workforce between 1998 and 2020.

## 5. Prospects for 2023

While the easing of concerns related to the health crisis could have suggested an improvement in the market situation in 2022, inflationary pressures have changed the situation. The increase in clothing prices, even if it appears modest compared to other consumption items, has weighed on sales. In addition, the increase in prices for essential goods such as food has led some households to review their consumption choices to the detriment of fashion purchases.

In 2023, clothing and textile consumption is expected to be comparable in value to that of 2022. As a result of the rise in prices, there has been a decline in the volume consumed.

## GERMANY

Gesamtverband der deutschen Textil- und Modeindustrie – Textil + Mode



konjunktur 02.2023

(destatis-figures: December 2022)

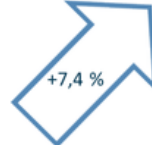
## 2022 ECONOMIC REPORT

Turnover

Employment

Exports

Retail



## Summary

The economic figures for 2022 are largely positive compared with the previous year. However, the Corona crisis and the Ukraine war have weighed heavily on the industry: Raw material prices and energy costs have risen massively. Logistics, inflation, rising interest rates and availability also had a massive financial impact in some cases.

Although sales increased across all sub-segments, the nominal sales increases were offset by extreme cost increases. As a result, returns came under severe pressure, particularly in the textile segment. The importance of foreign markets continues to grow.

Exports and sales with foreign countries contributed significantly to the positive figures for 2022. The Ukraine war brought further distortions, which further clouded companies' assessments and prospects. Companies are currently only hesitantly adding staff. At the current margin, companies are somewhat more optimistic again, but the economic climate is not yet at pre-crisis levels.

2022 in detail:

## Turnover

Overall, 2022 closes with an increase in sales of +11.7%. Textiles increased by +7.7%, apparel even by +19.4%. However, this is the nominal growth. Due to high inflation, the real and seasonally adjusted increase for apparel was around +12.0%. In the case of textiles, on the other hand, real sales fell by around -6.0% due to the heavy impact of energy cost increases and raw material shortages.

# GERMANY

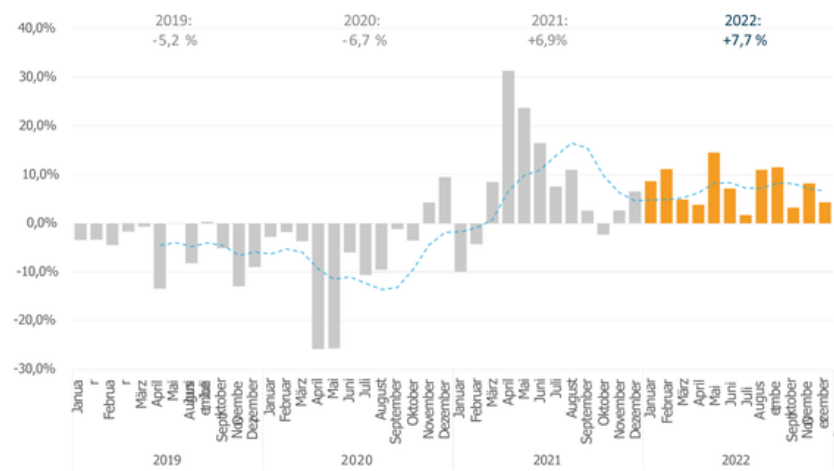


Gesamtverband der deutschen Textil- und Modeindustrie – Textil + Mode



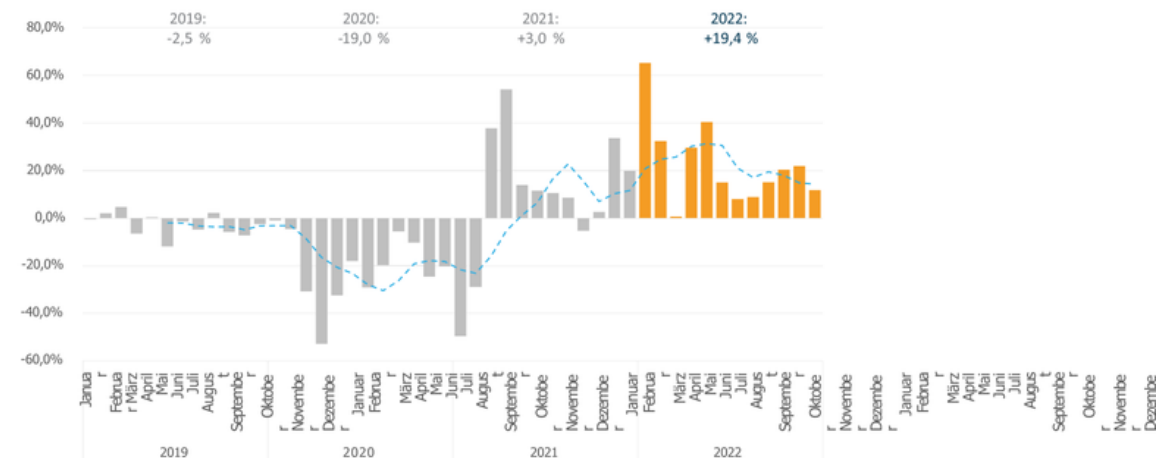
## Turnover development textiles

Change vs. same month of previous year (column), 6-month average (line)

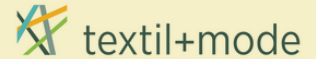


## Turnover development clothing

Change vs. same month of previous year (column), 6-month average (line)



# GERMANY



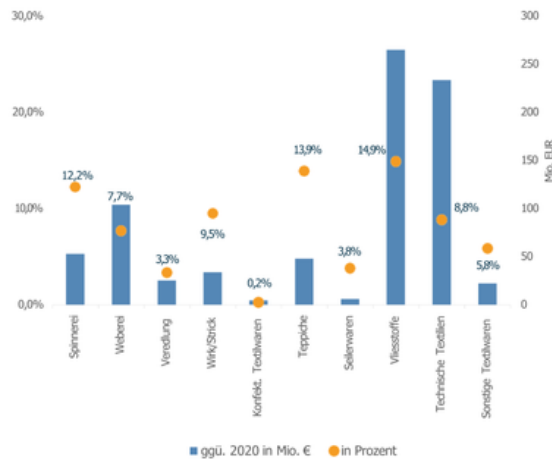
Gesamtverband der deutschen Textil- und Modeindustrie – Textil + Mode



## Segment development

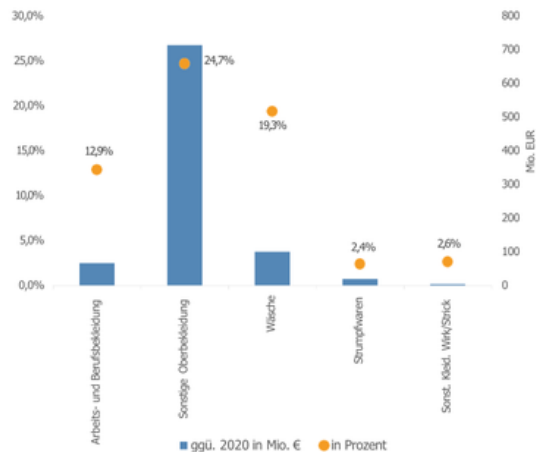
All segments of the Textile Division were up. Technical textiles and nonwovens showed strong growth in both absolute and relative terms. Carpets and knitted/knitted fabrics also saw a clear increase in sales compared with the previous year. There was hardly any change in made-up textile goods following the relatively significant increases in home textiles in the Corona years. The carpet segment again recorded a plus following the recent significant losses.

Turnover changes in the **textiles segment 2022**



In the clothing segment, almost all sub-segments posted significant sales gains following the crisis years. In the strongest sub-segment alone, other outerwear, there was an increase of just under +25.0%. By comparison, the increase in hosiery was rather modest at +2.4%.

Turnover changes in the **clothing segment 2022**



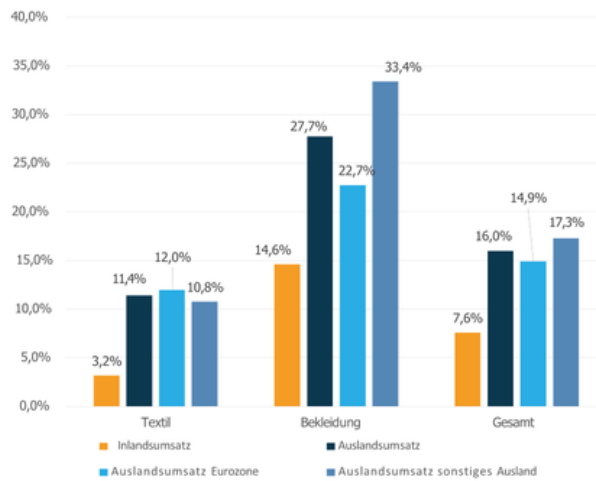
# GERMANY

## Gesamtverband der deutschen Textil- und Modeindustrie – Textil + Mode

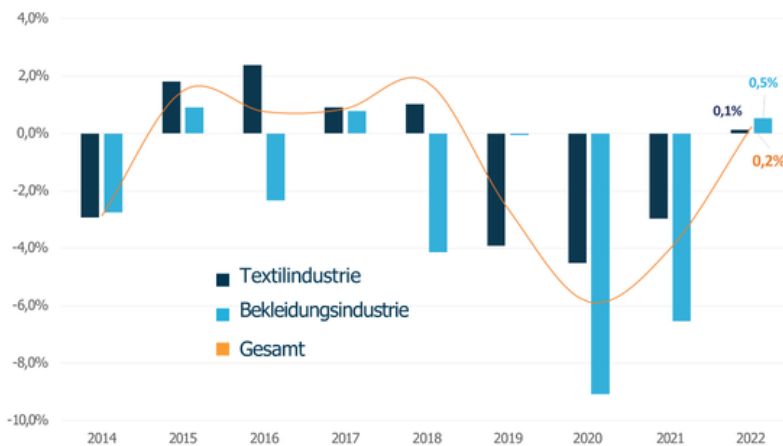


The increases in sales are being driven to a large extent by demand outside Germany. This is shown by the overview of the target region for sales. As in previous years, this is particularly true of apparel, where sales to non-EU countries in particular are up by a third. In the case of textiles, the increases are not quite as high, but here too the weight of foreign sales is many times greater. Overall, therefore, the importance of foreign sales markets continues to grow for both textiles and apparel.

Turnover changes in 2022 compared to 2021



Employment (annual average)



# GERMANY

## Gesamtverband der deutschen Textil- und Modeindustrie – Textil + Mode



Employee numbers were already declining immediately before the Corona crisis. In 2020 and 2021, the figures continued to fall significantly. In the past year 2022, the number of employees was now stabilized – at a low level: The number of employees increased slightly, both in textiles (+0.1%) and in apparel (+0.5%). Overall, employment thus increased by +0.2 % on average for the year.

Hours worked, on the other hand, fell slightly by -0.3% on average for the year: hours worked in the textile sector fell by -0.7%, while hours worked in the clothing sector rose by +0.6%. By contrast, total wages and salaries increased by a comparatively substantial +5.3% (textiles +4.3%, apparel +7.5%).

### Production

Domestic production<sup>1)</sup> developed differently in the segments: while textiles reported -7.1% lower production in 2022 as a whole, apparel increased by +9.9% in the same period, albeit from a very low level due to Corona.

### Prices

Following the unprecedented increases in 2021, procurement prices for raw materials continued to rise at double-digit rates in 2022. The increases in the price of gas were particularly strong. However, the most important precursors for textile raw materials, such as plastics and man-made fibers, also continued to grow significantly and are at record levels.

By contrast, the producer price indices (selling prices domestic sales) for textiles and apparel rose only at a disproportionately low rate: textiles +11.3%, apparel +3.7%.

#### Sales prices

Textiles +11,3 %

Clothing +3,7 %

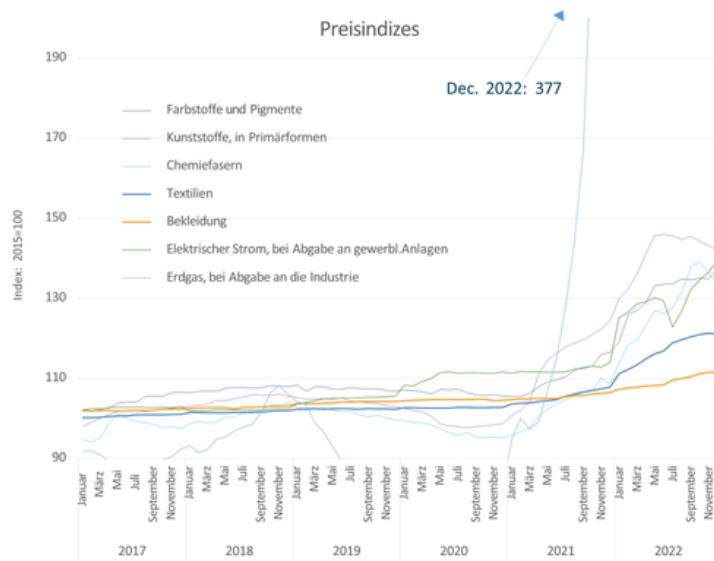
Purchase prices	2022 compared to 2021 (total year)	December 2022 compared to December 2021
Dyes	+19,1 %	+17,8 %
Plastics, in primary forms	+23,6 %	+14,1 %
Manmade fibres	+23,8 %	+22,8 %
Electric current	+16,1 %	+22,4 %
Gas (industrial customers)	+162,8 %	+36,4 %

## GERMANY

Gesamtverband der deutschen Textil- und Modeindustrie – Textil + Mode



Price indexes\*: Sales prices textiles/clothing and important purchase prices



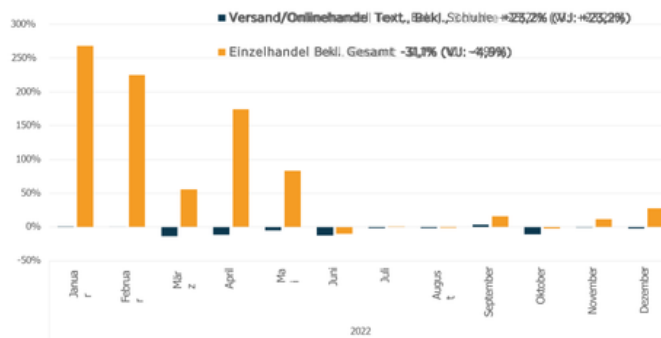
## Retail

Retail change in turnover 2022	
Clothing retailers	+31,1 %
Total retail	+7,9 %

Apparel retail sales increase very significantly due to the base effect: Due to the lockdown measures, the sales target from the first months of 2021 was extremely low. Since the middle of 2022, sales have stagnated both stationary and online.

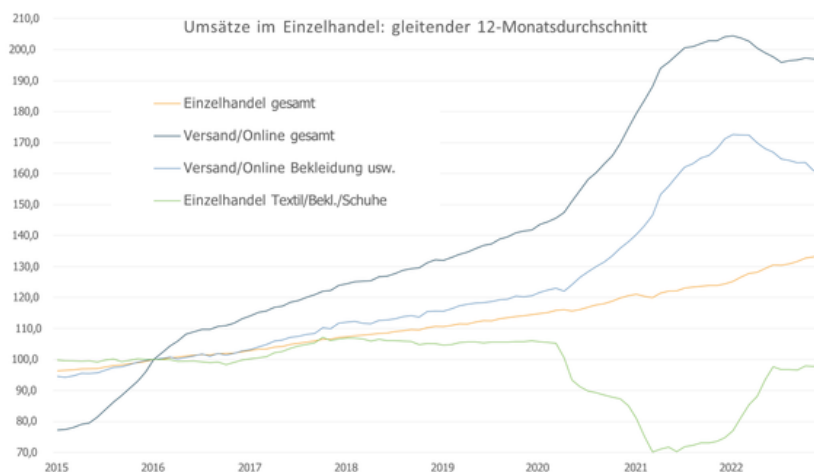


Textiles, clothing and leather goods retailers 2022  
online and in total (changes compared to same month of the previous year)



The smoothed data for the last few years show that mail order has benefited greatly from the Corona measures. Nevertheless, the unprecedented losses in stationary retailing have only been offset very hesitantly.

Retail turnover development | Index: 2015=100





# GERMANY

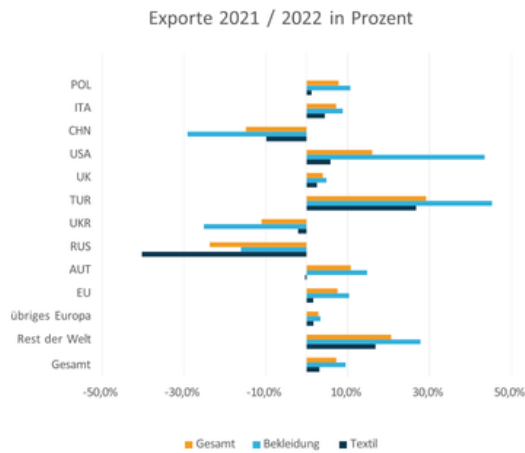
## Gesamtverband der deutschen Textil- und Modeindustrie – Textil + Mode



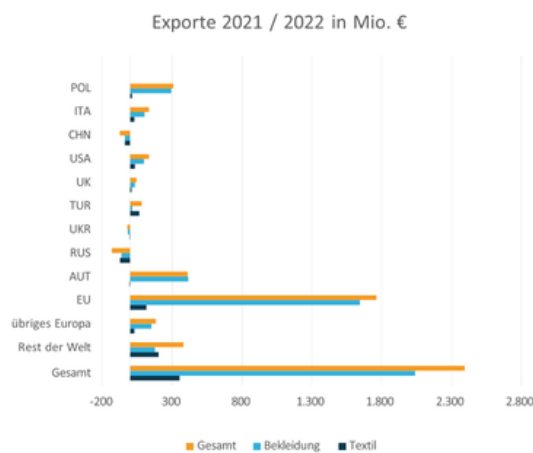
### Foreign trade

Exports in 2022 developed positively. Overall, exports increased by +7.4%. The EU continued to grow as the most important export region. China was among the countries with declining export volumes, largely due to the less competitive prices compared with East Asia last year. More was exported to the USA and Turkey, and exports to the UK also increased again. The only loser by weight – apart from China – was Russia.

### Export changes 2022 to 2021 in percent



### Export changes 2022 to 2021 in million EUR



# GERMANY

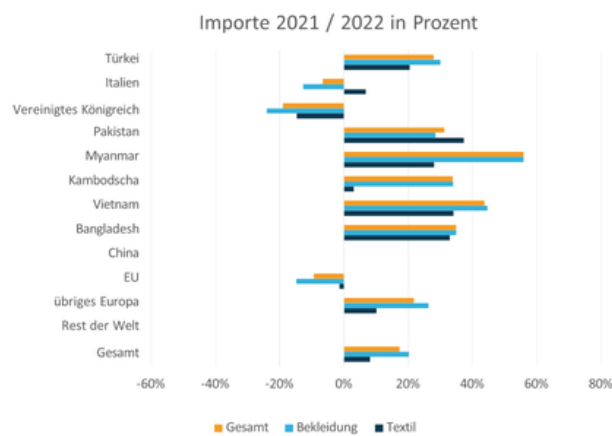
## Gesamtverband der deutschen Textil- und Modeindustrie – Textil + Mode



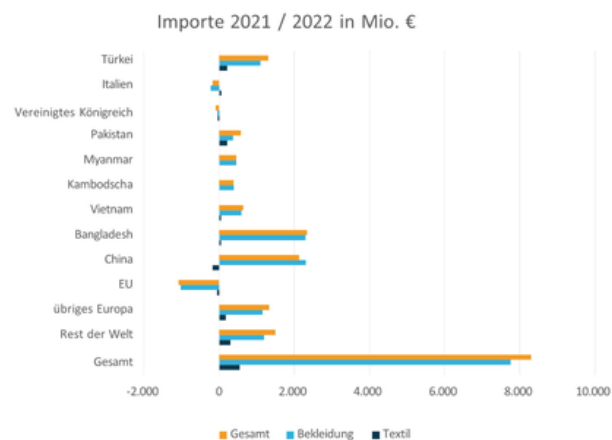
By contrast, the volume of imports from the EU declined. This applies to the EU as a whole as well as to important importing countries, especially Italy. Brexit is having a very strong impact on imports from the UK, but the absolute volume is less significant. Germany imported more from traditional importing countries such as China and Bangladesh, but other countries in the Southeast Asian region such as Vietnam, Cambodia and Myanmar also increased, in some cases significantly.

Overall, textile imports increase by +4.1%, while apparel imports rise by as much as +22.0%. Imports as a whole thus increase by +17.2%.

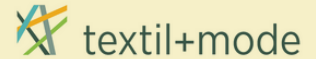
### Import changes 2022 to 2021 in percent



### Import changes 2022 to 2021 in million EUR EUR



# GERMANY



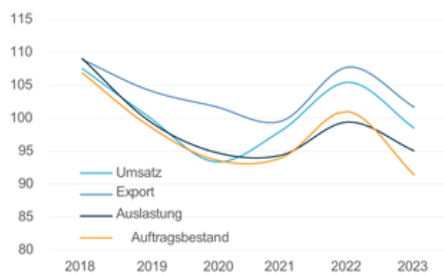
## Gesamtverband der deutschen Textil- und Modeindustrie – Textil + Mode



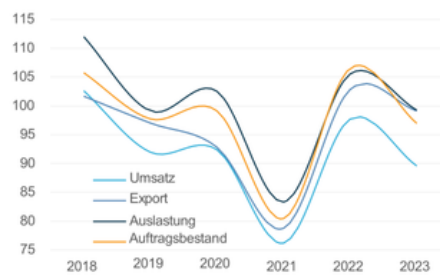
### Short term outlook

The survey conducted by the German Textile+Fashion Association at the beginning of 2023 shows that the assessment of the situation and short-term expectations have deteriorated. However, the previous year's survey was completed before the Ukraine invasion. Nevertheless, it cannot be assumed that the crisis has already been overcome, particularly in the case of textiles, as companies tend to assess the situation as slightly worse than at pre-crisis levels. In apparel, the impact of Corona was very high, but the momentum of the subsequent recovery has been interrupted.

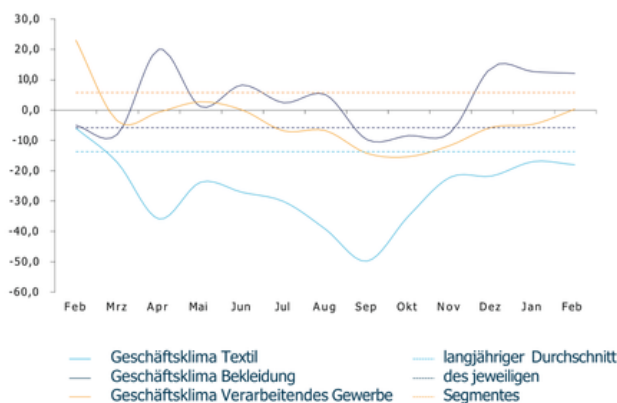
#### Climate Textiles



#### Climate Clothing



The ifo business climate index for textiles tended to deteriorate in the wake of the Ukraine war until September and has since recovered somewhat. The assessment of the business climate for apparel was similar. Overall, apparel companies were and are somewhat more positive and confident than textile companies. Due to the greater integration with other industrial sectors, the trend in the assessments for textiles is similar to that for industrial companies overall.



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 Textil- und Modeindustrie e.V.  
 Reinhardtstraße 14–16  
 D-10117 Berlin

## GERMANY

## Gesamtverband der deutschen Textil- und Modeindustrie – Textil + Mode



## KEY FIGURES FOR THE TEXTILES AND CLOTHING INDUSTRY

All figures are only for companies with 50 and more employees, unless otherwise stand.

	TEXTILES		CLOTHING		TEXTILES + CLOTHING	
		± FH change from previous year		± FH change from previous year		± FH change from previous year
<b>1 Employees</b>						
December 2022	48 377	0,9	21 255	-1,7	69 632	0,1
January - December 2022	48 564	0,1	21 908	0,5	70 472	0,2
Companies with 1+ employees (projection)	71 514		32 261		103 775	
<b>2 gross total of wages &amp; salaries (in million EUR)</b>						
December 2022	169	5,1	80	9,2	249	6,4
January - December 2022	2 018	4,3	928	7,5	2 946	5,3
<b>3 Hours worked (in thousands)</b>						
December 2022	5 123	-1,0	2 422	0,0	7 545	-0,7
January - December 2022	71 279	-0,7	29 827	0,6	101 106	-0,3
<b>4 Turnover (in million EUR)</b>						
December 2022	761	5,7	416	11,7	1 177	7,7
January - December 2022	11 057	7,7	6 230	19,4	17 288	11,7
Companies with 1+ employees (projection)	17 940		10 509		28 449	
<b>5 Production (Index: 2015=100)</b>						
November 2022	91,1	-8,9	83,0	18,7	-	-
December 2022	69,2	-10,5	81,0	17,7	-	-
October - December 2022	-	-10,7	-	9,2	-	-
January - December 2022	-	-7,1	-	9,9	-	-
<b>6 a) New orders (Index: 2015=100)</b>						
November 2022	103,3	-6,9	95,0	3,8	-	-
December 2022	88,0	-4,8	57,9	-4,3	-	-
October - December 2022	-	-5,4	-	0,5	-	-
January - December 2022	-	4,6	-	10,2	-	-
<b>6 b) Volume of orders</b>						
November 2022	191,1	18,4	201,3	13,7	-	-
December 2022	194,3	16,1	205,6	17,7	-	-
October - December 2022	-	19,6	-	16,6	-	-
January - December 2022	-	20,1	-	21,3	-	-
<b>7 Prices (producer price index, domestic sales, 2015=100)</b>						
November 2022	121,2	13,0	111,4	4,9	-	-
December 2022	121,0	12,3	111,4	4,7	-	-
October - December 2022	-	12,8	-	4,8	-	-
January - December 2022	-	11,3	-	3,7	-	-

Continued →

## GERMANY

## Gesamtverband der deutschen Textil- und Modeindustrie – Textil + Mode



8 Retail	TURNOVER BASE YEAR 2015			PRICES BASE YEAR 2015		
	December 2022	Oct – Dec 2022	Jan – Dec 2022	December 2022	Oct – Dec 2022	Jan – Dec 2022
Change from previous year in fh						
Clothing retailers	25,4	11,9	31,2	4,1	3,4	1,0
Total retail	6,0	6,3	7,9	10,7	10,7	8,0

9 Textiles foreign trade	DECEMBER			CHANGE ± fh change from previous year	JANUARY – DECEMBER		CHANGE ± fh change from previous year
	2022	2021			2022	2021	
Exports							
Textiles	865	906	-4,5	12 550	12 181	3,0	
Clothing	1 946	1 867	4,2	24 403	22 213	9,9	
Total	2 811	2 773	1,4	36 954	34 393	7,4	
Imports							
Textiles	900	1 026	-12,3	13 535	13 003	4,1	
Clothing	3 229	3 042	6,1	42 838	35 116	22,0	
Total	4 128	4 068	1,5	56 372	48 119	17,2	
Import surplus	1 317	1 295	1,7	19 419	13 726	41,5	
Raw materials							
Exports	77	87	-11,6	1 194	1 166	2,4	
Imports	76	76	-0,2	1 291	1 047	23,4	

## 10 New orders and production indexes from selected economic sectors

TEXTILES SECTOR							
	New orders (2015=100)	± fh change from previous year	Production (2015=100)	± fh change from previous year	Turnover in million EUR	± fh change from previous year	
Preparation and spinning of textile fibres							
December 2022	89,8	22,3	57,8	-5,7	27	1,2	
November 2022	103,3	8,4	87,3	3,3	46	18,4	
January - December 2022	96,6	8,1	80,5	-1,5	484	12,2	
Weaving							
December 2022	79,5	-8,9	55,3	-13,3	87	-0,5	
November 2022	94,3	-0,5	80,0	-3,7	126	7,7	
January - December 2022	94,7	6,8	79,2	-4,8	1459	7,7	
Finishing of textiles and clothing							
December 2022	96,3	-4,0	88,7	-11,2	55	-7,2	
November 2022	107,9	-10,6	111,6	-3,4	68	3,6	
January - December 2022	112,2	4,8	108,6	-2,1	780	3,3	
Manufacture of knitted and crocheted fabrics							
December 2022	68,2	-5,1	42,8	-20,0	23	-4,2	
November 2022	81,1	-4,3	69,4	-5,2	34	8,2	
January - December 2022	90,1	4,1	66,1	-10,2	390	9,5	
Manufacture of made-up textile articles, except clothing							
December 2022	101,0	-1,8	75,7	-7,6	166	4,2	
November 2022	114,6	-16,5	91,6	-17,3	180	-2,8	
January - December 2022	111,1	-8,6	94,2	-9,8	2064	0,2	

Continued →

## GERMANY

## Gesamtverband der deutschen Textil- und Modeindustrie – Textil + Mode



## TEXTILES SECTOR

	New orders (2015=100)	± fh change from previous year	Production (2015=100)	± fh change from previous year	Turnover in million EUR	± fh change from previous year
<b>Manufacture of carpets</b>						
December 2022	52,2	24,9	40,1	-5,2	37	54,5
November 2022	59,3	-4,0	47,4	-30,9	35	2,8
January - December 2022	61,8	11,9	49,4	-14,8	392	13,9
<b>Manufacture of cordage</b>						
December 2022	74,9	-14,2	45,5	-21,8	8	-13,9
November 2022	82,3	-28,2	81,0	-6,4	13	6,5
January - December 2022	83,5	-7,4	82,9	-7,6	160	3,8
<b>Manufacture of non-wovens and articles made from non-wovens, except clothing</b>						
December 2022	107,2	-9,2	83,1	-8,1	135	11,2
November 2022	127,7	4,6	102,7	-6,5	175	14,0
January - December 2022	134,2	10,2	105,2	-7,3	2047	14,9
<b>Manufacture of technical textiles</b>						
December 2022	83,8	-9,4	68,4	-13,1	198	6,3
November 2022	102,0	-8,8	93,8	-7,8	265	13,8
January - December 2022	116,7	12,0	91,0	-7,7	2882	8,8
<b>Manufacture of other textiles n. e. c.</b>						
December 2022	80,4	-3,1	63,8	-5,2	27	10,5
November 2022	98,9	-19,1	85,1	-8,2	36	7,3
January - December 2022	97,2	-11,0	79,6	-9,1	400	5,8

## CLOTHING SECTOR

	New orders (2015=100)	± fh change from previous year	Production (2015=100)	± fh change from previous year	Turnover in million EUR	± fh change from previous year
<b>Manufacture of leather clothes</b>						
December 2022	66,0	20,0	59,1	556,7	2)	2)
November 2022	38,3	-13,9	50,5	238,9	2)	2)
January - December 2022	48,0	-16,9	59,5	167,6	2)	2)
<b>Manufacture of workwear</b>						
December 2022	121,9	2,8	104,8	-8,9	45	7,1
November 2022	152,9	10,1	113,7	-6,0	58	10,7
January - December 2022	136,8	10,6	103,6	-1,6	577	12,9
<b>Manufacture of other outerware</b>						
December 2022	53,2	-6,2	79,0	41,1	226	16,7
November 2022	100,1	12,0	72,4	52,7	323	31,4
January - December 2022	90,2	15,0	69,4	23,5	3605	24,7
<b>Manufacture of underwear</b>						
December 2022	47,6	0,2	73,4	-4,8	42	9,3
November 2022	56,9	-13,1	92,1	9,4	53	20,4
January - December 2022	72,6	13,5	80,6	3,4	615	19,3
<b>Manufacture of other clothing and accessoires n. e. c.</b>						
December 2022	31,6	-31,2	47,7	-25,4	2)	2)
November 2022	75,0	-12,4	62,0	-26,5	2)	2)
January - December 2022	86,8	-0,8	63,3	-14,4	2)	2)

Continued →

## GERMANY

## Gesamtverband der deutschen Textil- und Modeindustrie – Textil + Mode



## CLOTHING SECTOR

	New orders (2015=100)	± FH change from previous year	Production (2015=100)	± FH change from previous year	Turnover in million EUR	± FH change from previous year
<b>Manufacture of articles of fur</b>						
December 2022		2) 2)	2)	2)	-	-
November 2022		2) 2)	2)	2)	-	-
January - December 2022		2) 2)	2)	2)	-	-
<b>Manufacture of knitted and crocheted hosiery</b>						
December 2022	109,0	5,7	118,4	16,4	74	6,7
November 2022	122,2	-9,3	129,0	7,9	84	4,6
January - December 2022	119,3	0,2	109,3	1,6	810	2,4
<b>Manufacture of other knitted and crocheted clothing</b>						
December 2022	19,7	123,9	70,7	22,1	5	-7,1
November 2022	75,5	28,0	53,7	-3,9	9	-8,6
January - December 2022	73,5	-0,2	63,7	17,3	126	2,6

<sup>1)</sup> Domestic production development includes a strong structural component, especially in the apparel segment. The high degree of foreign trade integration also distorts the presentation of volumes, so that the production figures can only provide limited information on the state of the economy; another indication of this is the apparent lack of correlation between domestic production and domestic employment.

<sup>2)</sup> Data available, but not published for data protection reasons.

Source: Statistisches Bundesamt, Wiesbaden

# GREECE

## Hellenic Fashion Industry Association – SEPEE

### 1. General economic environment

2022 like 2021 was a year of recovery from the pandemic Covid19. All economic figures returned to the level of 2019 and in some cases were even better.

- The GNP increased by 5,6%.
- Exports of goods and services increased by 36,7% and imports increased also by 42,2%.
- Private consumption increased by 6.2%.
- The production index increased in 2022 by an average annual rate of 5,6%.
- Unemployment rate at the end of 2022 decreased to 11,6% from 12.7% the year before.

### 2. Evolution of textile/clothing activity in 2022

- The production index in the Greek clothing sector increased by 9,1% in 2022 but in the textile industry decreased by 2,9%.
- Employment: During 2022 the total number of employees in the textile and clothing sector decreased by 1.8%. At the end of 2022 the number of employees in textiles and clothing was 22,100 (15,750 in clothing and 6,350 in textiles).
- The wages increased by 2,8%.

### 3. Trade (exports - imports)

Like all other economic indicators, exports and imports of the clothing & textile sector were positive. The total export value in clothing and textiles increased by 8,8%. Exports increased by 14.4% in the clothing sector and by 22,8% in textiles. Exports in cotton, silk, wool and other fibers decreased by 7,3%.

Total imports in textile and clothing increased by 28,7%. Imports in clothing increased by 30,2% compared to 2021. Imports in the textiles sector increased by 24,5% and imports of cotton, silk, wool and other fibers increased by 25,3%.

External trade			
	2022	2021	D%
<b>Exports</b>			
Clothing	1.080	943	14.4%
Textile	556	453	22.8%
Cotton, silk, wool & other fibres	670	723	-7.3%
<b>Total</b>	<b>2.305</b>	<b>2.118</b>	<b>8.8%</b>
<b>Imports</b>			
Clothing	2.697	2.071	30.2%
Textile	841	675	24.5%
Cotton, silk, wool & other fibres	121	96	25.3%
<b>Total</b>	<b>3.658</b>	<b>2.843</b>	<b>28.7%</b>

(amounts in million €)



# HUNGARY

## Association of Hungarian Light Industry – AHLI

### General economic environment and evolution of textile/clothing activity in 2022

In 2022, the volume of GDP of Hungary grew by 4.6% compared to the previous year.

#### 1. Evolution of textile/clothing activity in 2022

##### Production index

Year	Production volume indices							
	2015	2016	2017	2018	2019	2020	2021	2022
<b>T/C industry</b>	99.5	95.6	111.1	94.2	100.8	96.8	109.9	100.5
<b>Manufacturing industry</b>	109.2	101.4	104.9	103.7	106.3	94.0	109	105.4

The following table shows the production value (MHUF) and the volume indices of the various sectors and their subsectors:

		Production value MHUF		Volume index %
		2021	2022	22/21
<b>13</b>	<b>Manufacture of textiles</b>	<b>180 235</b>	<b>204 778</b>	<b>95.3</b>
13.1	Preparation and spinning of textile fibres	18 669	17 521	74.7
13.2	Weaving of textiles	28 775	30 276	81.3
13.3	Finishing of textiles	2 572	1 121	41.3
13.9	Manufacture of other textiles	130 218	155 860	102.8
<b>14</b>	<b>Manufacture of apparel</b>	<b>91 580</b>	<b>111 186</b>	<b>111.9</b>
14.1	Manufacture of apparel, excl. fur apparel	85 568	103 117	110.8
14.12	Manufacture of work wear	12 991	15 904	108.4
14.13	Manufacture of other outerwear	45 733	45 864	94.7
14.14	Manufacture of underwear	17 414	25 597	136.4
14.3	Manufacture of knitted and crocheted apparel	9 390	7 569	127.0

The sales figures and the breakdown of total turnover are as follows:

2022	Domestic sales			Export sales			Total sales		
	MHUF	MEUR	%*	MHUF	MEUR	%*	MHUF	MEUR	%*
Textile	30 716	78.5	71.0	168 470	430.5	102.3	199 187	509.0	95.8
Clothing	36 124	92.3	97.8	74 553	190.5	119.8	110 677	282.8	111.6

\*year on year

The share of export sales has increased in both sectors: in textile from 79.2 to 84.6, in clothing from 63.0 to 67.4%.

# HUNGARY

## Association of Hungarian Light Industry – AHLI

Number of companies in staff categories:

Branch	Year						Total
		0 or unknown	1-9	10-49	50-249	> 250	
Textiles	2022	1386	1350	103	30	<3	2873
	2021	1370	1345	102	28	<3	2849
Clothing	2022	898	2616	200	47	5	3786
	2021	963	2755	208	52	6	3984

## 2. Factors influencing the textiles/clothing sectors and their evolution

### 2.1 Domestic demand

In terms of volume, retail sales in shops increased by 21 % in 2022 year-on-year. Retail sales of both clothing and home textiles increased: 16.5% and 12% respectively.

Év	Retail sales (without cars)		Sales for apparel		Sales for home textiles	
	Value MHUF	Index %	Value MHUF	Index %	Value MHUF	Index %
2018	11 002 448	109.8	653 236	113.7	132 844	117.5
2019	12 137 927	110.3	714 218	109.3	147 314	110.9
2020	12 407 032	102.2	618 730	86.6	150 898	102.6
2021	13 795 174	111.2	721 290	116.5	154 470	102.4
2022	16 779 681	121.0	843 981	116.5	174 859	112.0

The share of textiles (incl. domestic textiles) and clothing increased in overall retail sales mainly following the increase in the sales of apparel.

Year	2015	2016	2017	2018	2019	2020	2021	2022
Share	5.98	6.28	6.53	6.79	6.71	6.21	6.35	6.07

# HUNGARY

## Association of Hungarian Light Industry – AHLI

### 2.2 Prices

At an annual level, industrial producer prices (measured in HUF) in textile were 19.6% higher than in 2021, the producer prices in clothing rose significantly less.

	Manu- facturing	13 Textiles	14 Clothing
Export sales	120.0	119.4	107.1
Domestic sales	133.2	120.4	109.0
Total sales	123.3	119.6	107.7

Consumer prices went up by 14.5% on average, while only 5.5% higher prices were paid for clothing and footwear products than in 2021.

### 3. Other elements characterizing the textile/clothing activity in 2022

#### 3.1 Employment trends

Hungarian Statistical Office collects the data for employment and income the whole circle of companies from 2022 onwards. The indices for this year show increase, compared to 2021, when the data were collected only in companies with >5 employees. The increase of employment in 2022 partly comes from this change of methodology. In reality there was a 2.4% increase in textile sector, while the number of employees in clothing decreased by 2.8% in 2022.

	2016	2017	2018	2019	2020	2021	2022	Index 22/21
Textile industry	12 158	12 287	11 915	7 316	6633	7267	7945	109.3
Clothing industry	20 213	18 760	18 047	20 439	18259	17126	17670	103.2
Total T/C	32 371	31 048	29 961	27 755	24892	24393	25 615	105.0

Based on the Labour Force Survey, employment in the T/C industry was about 40% higher than these figures.

#### 3.2 Wage trends

In 2022, average gross earnings amounted to 515 766 HUF (1318 EUR) at corporations employing at least five persons. It is an increase of 17.5 % compared to the previous year. The average earnings in our industry were much lower: The average earnings in the textile industry were 391 003 HUF/month (999 EUR) It is 7.2 % increase in HUF compared to 2021. The average pay in the clothing sector was – as usual – even lower: 298 400 HUF/month (745 EUR). It is an increase of 18.1% compared to 2021.

# HUNGARY

## Association of Hungarian Light Industry – AHLI

### 4. Evolution in textile/clothing activity during the first half of 2023 and future prospects

Branch	Indices (100: Jan-July of previous year)			
	Domestic sales	Export sales	Total sales	Production
	2022. jan-jul	2022. jan-jul	2022. jan-jul	2022. jan-jul
Manufacturing	109.0	102.4	104.3	104.7
Textiles	80.9	106.6	101.8	98.6
Clothing	11.6	130.3	123.9	124.9

HUF/EUR: 391.33



# ITALY

## Federazione Tessile Moda – SMI



### 2022-2023 ITALIAN TEXTILE-FASHION INDUSTRY

According to the annual report drafted by the Confindustria Moda Study Centre for Sistema Moda Italia (SMI) - the Italian Textile and Fashion Federation - in 2022 the Italian Textile- Apparel industry showed the same favourable trend observed in 2021, growing 17.8% year on year. As a result, the Industry turnover surged to EUR 62,491million with an impressive increase of EUR 9.5 billion over twelve months. Thanks to this rebound, 2019 full-year result was exceeded by EUR 6.5 billion, making up for the contraction due to the COVID-19 pandemic. This trend was fully confirmed by the pre-closing figures released in February by Sistema Moda Italia.

The Industry's average turnover mirrors the performance of the two key sectors that show similar growth rates: the Textile industry grew by 19.3%, and Apparel witnessed an increase of 17.1% (For the purpose of this report, the Apparel Industry includes clothing, outerwear and underwear, knit fabric, hosiery and buttons).

**Table 1.1 - The Italian Textile-Fashion Industry (2016-2022)<sup>1</sup>**

(Millions of current euros)

	2016	2017	2018	2019	2020	2021	2022
<b>Turnover</b>	52 846	54 069	54 972	55 946	44 713	53 032	62 491
Var. %		2,3	1,7	1,8	-20,1	18,6	17,8
<b>Value of Production</b>	34 528	35 142	35 008	34 501	26 738	32 038	36 538
Var. %		1,8	-0,4	-1,4	-22,5	19,8	14,0
<b>Exports</b>	29 638	30 683	31 551	32 842	27 483	32 420	38 537
Var. %		3,5	2,8	4,1	-16,3	18,0	18,9
<b>Imports</b>	20 843	21 238	21 935	22 477	21 662	21 698	28 719
Var. %		1,9	3,3	2,5	-3,6	0,2	32,4
<b>Trade balance</b>	8 795	9 446	9 616	10 366	5 822	10 722	9 818
Var. %		7,4	1,8	7,8	-43,8	84,2	-8,4
<b>Apparent consumption</b>	25 733	25 696	25 392	24 136	20 917	21 315	26 720
Var. %		-0,1	-1,2	-4,9	-13,3	1,9	25,4
<b>Companies (no.)</b>	46 608	46 073	45 558	44 688	43 878	42 986	41 380
Var. %		-1,1	-1,1	-1,9	-1,8	-2,0	-3,7
<b>Employees (thousands)</b>	399,6	400,1	398,1	393,7	378,6	370,8	372,6
Var. %		0,1	-0,5	-1,1	-3,8	-2,1	0,5
<b>Structural indicators (%)</b>							
Export/Turnover	56,1	56,7	57,4	58,7	61,5	61,1	61,7
MPM (on turnover)	47,3	47,6	48,4	49,3	55,7	51,3	54,5

Source: Confindustria Moda on data by ISTAT, M ovimprese, Sita Ricerca and own surveys



The turnover of the upstream sector rose to €21.1 billion and downstream industries reached €41.4 billion in revenues, both exceeding the pre-pandemic levels of 2019. In 2022, exports of textiles were up 18.8% and downstream exports recorded a growth rate of 18.9% y/y. For both macro-sectors, the domestic demand rose both in terms of consumption by Italian households and especially of midstream demand as detailed in the report further below.

In 2022 the value of production - a variable that estimates the value of Italian production net of import marketing - grew 14.0% on 2021 in line with the growth of the turnover. The value of production of the upstream sector increased by 18.4%, while downstream industries showed a slowdown, with value of production growing by a modest 6.8%.

In 2022 employment and companies' dynamics - that are typically less affected by cyclical changes and more closely monitored by government institutions - appeared to lag behind market recovery. According to the estimates of the Confindustria Moda Study Centre for SMI based on data provided by the Chambers of Commerce, the trend observed was in fact, not particularly positive despite the improved economic scenario. The number of companies fell on average by 3.7% year-on-year, a reduction of just over 1,600 units resulting in an estimated 41,380 industrial and non-industrial companies of which 23.9% still operating in the textile sector and 76.1% in the clothing sector. Upstream and downstream firms have been equally affected by business closures: -4.0%, and -3.6%, respectively. In contrast, employment rose to around 372,600 with an average increase of 0.5% (that is tantamount to an increase of just over 1,810 workers in the year considered). In the Apparel Industry employment remained flat, more or less at the previous year's levels (roughly -120 workers in absolute terms) while the textile industry recorded a growth of 1.5%, corresponding to approximately 1,700 workers.

As for 'apparent consumption', which refers to both the midstream demand and the final consumption of Italian households, Confindustria Moda Study Centre for SMI report shows a growth of 25.4% in 2022. This trend was obviously influenced by imports, which are included in the calculation of this indicator. Therefore, breaking down this number could help better understand the market trend. As far as end consumers are concerned, the survey carried out by Sita Ricerca on behalf of SMI reveals that the sell-out of Textile and Clothing products to resident Italian households grew by a modest 8.2%, a trend observed for all the products considered. With reference to distribution channels, in the period including 2022 S/S and 2022-23 F/W seasons, all distribution channels recorded an increase in sales (as illustrated in more detail in Chap. 4) with the exception of outlets/stokists, which were down 7.3% - accounting for 1.1% of the total, and "other channels", (1.3% of the total), that dropped by 26.0%. Chains and franchises were the best performers with a growth rate of 13.9%, and a market share of 46.6%, reinforcing their leading position as key distribution channels followed by the on-line channel (up +7.6%) and large-scale retailers (+6.8%). The other component of apparent consumption i.e. midstream demand for semi-finished textile products, enjoyed a significant recovery of demand in all the midstream sectors: wool (+33.7%), silk (+31.2%) and cotton-linen (+20.7%).

The analysis of foreign trade shows that in 2022 imports and exports remained largely positive: imports recorded an acceleration and were up 32.4%, exceeding 28.7 billion Euros; the textile production grew 28.4%, while finished garments surged by 34.2%. Exports rose to EUR 38.5 billion (up 18.9%) reaching 61.7% of the total. Upstream and downstream exports performed similarly well: +19.2% and +18.2% respectively.

## Federazione Tessile Moda – SMI



The combined effect of trade flows has driven Italy's trade surplus down by 8.4% from 10.7 billion in 2021 to just over 9.8 billion, with a reduction of approximately 900 million in twelve months. Much of the reduction is once again attributable to the textile sector. Consequently, the Industry's trade surplus accounted for 9.4% of Italy's trade manufacturing surplus.

The breakdown by geographies of foreign trade figures for the Italian Textile and Clothing Industry show that in 2022 exports to EU-27 (post-Brexit) grew by 21.0% accounting for 49.0% of the total, while exports to non-EU countries (51.0%) increased by 16.9%. As for imports, the EU area recorded an increase of 27.9%, while flows from non-EU countries accelerated reaching 57.0% of the total (up +35.9%).

The analysis of foreign trade by country of destination reveals that the key markets experienced a positive evolution during 2022, with only two exceptions within the top 20 destinations, namely Hong Kong (-4.2%) and Russia (-29.2%). France and Germany, still ranking first and second in terms of value, grew by 23.5% and 18.0% respectively. The United States recorded the best performance among the Top20, i.e. +46.4%, accounting for 7.7% of the Industry's total exports, followed by Switzerland - mostly a logistics and trade hub for global luxury players - with an increase of 7.9%. Exports to Spain, ranked fifth, were up 19.7% year- on-year. China slipped to sixth in the list with a growth rate of 8.8% and South Korea grew 28.2%. Also exports to the UK (+7.4%) and Romania (+14.1%) showed a favourable trend.

Despite the 2022 rebound, it is worth considering how many, and especially which countries have not yet recovered the pre-pandemic levels of 2019. Exports to the United Kingdom are down 23.5% compared to 2019, and the reduction is even more marked for Hong Kong (-25.4%); Japan stands at -17.4%. Among the top ten destination countries, Austria (-0.3%) is still slightly below 2019 levels while the gap for Russia is definitely much wider (-32.3%), Exports to Russia were significantly impacted by the war that began at the end of February 2022.

Among Italy's import partners, China firmly held the first position in 2022 as it has been the case over the past decade, with a share of 19.9% of the total (up 37.1% on 2021). The breakdown of imports from China show Apparel growing by 40.5% and Textiles by 33.0%; this performance was contributed by all the components of the supply chain that reported a significant growth. Imports from Spain, n. 2 in the ranking, rebounded by 29.8% and accounted for 7.4% of total imports. Germany and Bangladesh follow with a growth of 31.6%, and 60.6% respectively. France dropped to fifth place, despite an increase of 21.9%. These three trade partners account for a similar share in total imports: 7.0% for Germany and 6.9% for Bangladesh and France. Scrolling down the list of top partners, Turkey, sixth, was up 17.8%, while the Netherlands grew by 35.9%. The value of imports from Romania exceeded EUR 1 billion, with an increase of 27.8%. India and Belgium grew 37.2% and 37.0% respectively.

A comparison of the Textile-Clothing industry with the Italian manufacturing industry as a whole confirms once again the prominent role played by the former in the country's economy. In 2022 the Textile-Fashion Industry (including leather goods and footwear according to the ISTAT classification introduced in 2011), accounted for 7.9% of the added value generated by the Italian manufacturing (-0.2 percentage points compared to 2021) and 11.9% of the employment (the same percentage of 2021). The incidence of the Textile-Clothing Industry on total manufacturing exports stood at 6.6% (but it was 7.2% in 2019).

# ITALY

## Federazione Tessile Moda – SMI



When it comes to the trade balance, the Textile-Clothing industry is one of the Italian manufacturing sectors with a trade surplus. Not considering industrial machinery and equipment which alone, generated a surplus of €50.3 billion, in 2022 the Textile and Clothing Industry's surplus amounted to 9.8 billion, a result similar to that of other strategic sectors such as leather goods (14.3 billion) food and beverages (11.2 billion in total); and ahead of furniture (9.3 billion), jewellery (7.7 billion) and eyewear (3.2 billion). Textiles and Clothing contributed 9.4% of Italy's manufacturing trade balance (it was 6.0% in 2020).

Looking at Europe, according to Euratex preliminary estimates, the Textile-Clothing Industry's turnover was approximately EUR 167.0 billion in 2022, up 13.8% year-on-year: Italy played the leading role once again accounting for 37.4% of the total.

Globally, the latest data available reveal that in 2021 Italy was the sixth largest exporter of textiles and clothing in the world after China, Bangladesh, India, Vietnam and Germany and ahead of Turkey and the United States. Like Italy, all these countries recorded an increase in exports during 2021; India grew the most with 35.1%. Italy's share of world textiles and apparel exports rose to 4.2% of which 3.1% textiles and 5.0% apparel. More in detail, Italy remains the world's leading exporter of wool yarns and fabrics, accounting for 29.4% of the sector's total exports. (This figure fell by 1.8% between 2017 and 2021). Even in sectors where it faces more aggressive and direct competition by global players, Italy keeps its primacy: it is the second largest exporter of pure silk fabrics, with a share of 19.2% on the sector's world trade, and the third largest exporter of apparel, with a share that is however limited to 6.0%.

Italy ranks fourth in hosiery production with a share of 4.7% and fifth in knitwear production, with a share of 4.1%; as for cotton, Italy is n.8 as it accounts for only 2.8% of the world trade but it has risen to the seventeenth position in home textiles, although its share is only 1.0% of the total.

In the period considered -from 2017 to 2021- only silk fabrics (+0.9%), clothing (+0.3%) and knitwear (+0.2%) saw their share grow while all the other sectors shrank: similarly to wool yarns and fabrics, hosiery lost 1.7% of its share and cotton 0.5% while the loss of home textiles was limited to -0.1%

The strategic role played by Italy at global level is confirmed by the "privileged" position it enjoys as supplier for important trade partners among the world's leading economies. The breakdown of the textiles and clothing imports of these countries shows that trade relations with Italian companies are paramount and Italian businesses appear consistently at the top of the list.

As regards the main EU partners, in 2021 Italy was the second largest supplier for France and Portugal, fourth for Germany and fifth for Spain. More specifically, in 2021 Italy accounted for 11.8% of Portugal's textile-clothing imports, 9.1% of France's, 6.7% of Spain's and 5.9% of Germany's.

As far as non-EU countries are concerned, Italy is the second main partner to Hong Kong, the United Kingdom and Switzerland, third to China and South Korea and fourth to the United Arab Emirates and Turkey. It is n. 6 supplier for Russia and Japan but only n. 12 for the USA. In terms of incidence on the total, Switzerland and China account for the largest share, 9.8% and 9.6% respectively. Italy's share of Hong Kong's textile-clothing imports stands at 8.8% but the figure goes down to 6.9% of UK's imports and to 6.2% of UAE's. The incidence is close to 5.5% for South Korea, Turkey and Russia, Even though Italy accounts for only 1.8% of US imports of textiles and apparel it retains its role as one of the main European partners as it is second only to Turkey (2.5% share) while Germany accounts for 0.7%, Portugal 0.5% and France 0.3% of the total.



## Federazione Tessile Moda – SMI



These figures obviously refer to direct flows only and do not factor in triangulations. Italy is the undisputed n.1 European trading partner for the main Asian economies and it compares favourably with all the other competitors of the Old Continent: taking South Korea as an example, Portugal, Romania and Germany each have a share of less than 1.0%; Hong Kong's third trading partner is France (immediately after Italy, but with a share of 3.4%). China's top European suppliers alongside Italy are France and Germany, with a share of 2.5% and 1.6% respectively. As for Japan, the other European partners rank 16th and down: France, Romania, the United Kingdom, Portugal and Germany each account for 0.5% to 0.3% of Japan's total imports of textiles and clothing.

The analyses of exports can be supplemented with the Trade Performance Index, i.e. the composite competitiveness index developed by the International Trade Centre, which combines the export figures reported above with other variables (i.e. per capita exports, product diversification/concentration, market diversification/concentration, share in national exports, share in world markets). In 2021 (the latest available data at the closing date of this Report), Italy's Apparel sector ranked first in the ranking including 128 countries and the Italian textile sector<sup>1</sup> ranked second out of 135 countries.

At the end, the chapter the outlook for 2023 is provided based on the Interim Report on "Textiles, Fashion and Accessories" (Indagine Rapida Congiunturale) that was carried out between July and September 2023 and released at the end of September 2023. Weighing the answers of the Textile-Clothing companies, asked about the evolution of their and the sector's turnover, Q2 2023 closes with an average growth of 1.3% compared to the same period of 2022. Order intake remains moderately positive, and is expected to grow by 1.7% compared to Q2 2022. The Industry turnover is expected to show a positive trend in the first half of 2023, estimated at +7.1% (thanks to the growth of 12.9% achieved in Q1).

The sentiment among market participants for the full year 2023 was analysed from a purely qualitative perspective: 31% of the surveyed SMI companies are confident that 2023 full year result will be in line with 2022. However, as many as 39% of the respondents fear that 2023 may turn out to be worse than 2022, while 30% expect an improvement on the previous year. What emerges is therefore an extremely varied picture.

As far as employment is concerned, 75% of SMI respondents expect their workforce to remain unchanged at the end of 2023 compared to end 2022. 8% expect a decrease in the number of employees, and 17% expect an increase. As already mentioned, the respondents were asked purely qualitative questions, thus their answers provide only a rough estimate of the companies' short-term dynamics.

At the closing date of this report, ISTAT data on foreign trade in the first half of 2023 showed exports growing by 5.6% and imports slowing down to +0.6%. Apparel exports grew by 8.9%, while Textiles recorded a contraction of -1.2%. Looking at the destination markets, exports to France and Germany, the first and second largest destination countries, grew by 13.8% and 7.8% respectively, while exports to the United States grew by 1.9%. Exports to Switzerland fell sharply by 16.1%. By contrast, exports to Spain increased by 2.8% and to China by 2.5%.

<sup>1</sup> For further details see HYPERLINK "<https://tradecompetitivenessmap.intracen.org/tpic.aspx>"

# ITALY

## Federazione Tessile Moda – SMI



The UK recorded a negative result and was down by 1.1%. At the same time, Hong Kong posted a double-digit growth of 16.3%.

Finally, coming to the data on the use of temporary lay-offs schemes in the first half year, between January and June 2023 the temporary lay-offs authorised by INPS (the Italian Institute for Social Security) for the Textile-Clothing industry amounted to 11.8 million hours, down 49.9% compared to the first six months of 2022 which reflects market improvement. Most of the hours (71.6%) involved blue-collars, the remaining were accounted for by white-collars. 76.7% of the authorised temporary lay-offs involved textile firms vs. 23.3% of apparel companies.

# NETHERLANDS



## MODINT - Brancheorganisatie Mode, Interieur, Tapijt en Textiel

### The economic situation in the sector in 2022 and 2023 prospects

#### Looking forward to a good final quarter in 2023?

Current events: Furniture and home furnishing stores (minus 3.2 percent), clothing stores (minus 9 percent) and stores selling shoes and leather goods (minus 14.4 percent) have seen significantly lower turnover in September 2023.

The third quarter is over, the winter season has started, if that still exists, how are we doing? Well, if we look quarterly, it appears that only the first quarter of 2023, measured in volume, was slightly better than the same quarter in 2022. After that, sales in volumes by stores scored lower in the second and third quarters of 2023. In turnover, price increases naturally play the most important role. The difference between value and volume is greatest in the second and fourth quarters. In that sense, in the last quarter of 2023 must be profitable to successfully end the year. In-home furnishings, turnover is maintained at a certain level, but volumes are declining. In B2B markets, such as corporate clothing and technical textile products, the flag may be different because sales to large companies and governments continue, but here too cost increases had to be passed on.

In September, inflation in the Netherlands, without energy and motor fuels, at 5.5%, was much higher than the total inflation including energy and fuels only 0.2 percent. The price increases for clothing are approximately in line with inflation excluding energy, except for children's clothing, which has risen less in price. The percentage price increases for carpet and household textiles were actually even higher. A lower purchasing frequency by consumers makes it easier to pass on price increases, which could be an explanation. The idea that the inflation wave is over and will even turn into deflation certainly does not apply to our sectors.

Passing on price increases means that the margin that existed in September 2020 between the inflation of import prices of textiles and the selling prices of textiles by the industry will be restored in September 2023. It must be remembered that these statistics apply to the "textile industry", which also includes the carpet industry. Since 2021, import prices have increased faster than output prices. Higher costs usually could not immediately be passed on to a customer in higher prices. And raw materials and purchasing are not the only price increases that companies are confronted with, such as energy and wage costs, in addition to debts from Covid periods. Investments in sustainability and, for example, the payment to the UPV will be added in the near future.

At the beginning of 2023, the industry's selling prices were significantly increased and import costs were already falling, so that as of September 2023 there will again be an 8 percentage point difference between inflation in import prices and selling prices. This does not mean that this is the ideal value and that it will remain at that level. The margin of 4 percentage points that existed in September 2020 between the inflation in import prices of clothing and the selling prices of clothing has doubled in September 2023 to 8 percentage points. It must be remembered that these figures only apply to the "clothing industry", while many companies fall under "clothing wholesale" for the Dutch statistical agency CBS. The clothing industry is only small compared to the wholesale business.

# NETHERLANDS



## MODINT - Brancheorganisatie Mode, Interieur, Tapijt en Textiel

With rising prices, we also expected the turnover in wholesale of clothing and shoes to increase, but this actually fell in the second quarter of 2023. Figures for the third quarter are not yet available. The turnover of wholesalers in clothing and shoes recorded a minus of 5.7 percent compared to the second quarter of 2022. Hopefully the showrooms were full again and volumes and prices will not decline further, although we know that the retail sector is having a difficult time. The textile industry (including carpets) saw turnover decline in the first half of 2023, especially domestically compared to the first half of 2022, while the clothing industry saw exports go down. As mentioned earlier, many companies and brands that we know in the Dutch clothing sector are registered as wholesale trade companies, so this statistic for the clothing industry once again has limited value.

In the meantime, the Netherlands is more than living up to its reputation as a “trading country” in clothing and textiles. In 2022, clothing worth more than 17 billion euros was imported and a value of more than 14 billion euros were exported. Textile imports amounted to 5 billion euros, while 5.8 billion were exported. The high exports mainly come from the strong carpet industry in the Netherlands.

**Conclusion:** for all sectors, including B2B such as textile semi-finished products and work clothing, everything currently depends on the ability to pass on increased import, raw material, wage and energy costs. In addition, chain effects and chain delays determine turnover, especially where the volumes of textile products sold have fallen. The consumers and end-users seem to be hesitant. Will volumes recover, can costs be passed on, on to a good last quarter of 2023? Or should we learn to live with lower, sustainable volumes with a healthy return via new business models?

Source of statistics [www.cbs.nl](http://www.cbs.nl)



# POLAND

## PIOT - Federation of Apparel and Textiles Industry Employers

### General economic environment and evolution of the textile/clothing industry in 2022

In 2022, the clothing and textile industry continued to feel the effects of the economic crisis caused by the Covid 19 pandemic, intensified by the war in Ukraine. The sanctions imposed by the European Union on Russia and Belarus and Russia's policies caused a crisis in the energy and raw materials market, which manifested and is still manifesting itself in the limited access to energy raw materials and the increase and unpredictability of their prices, entailing an overall galloping price increase (inflation) and contributing to the breakdown of previously stable supply chains. These processes have been compounded by general economic uncertainty, resulting in increased business risks.

Consumer behavior and the position of businesses were mainly affected by price and cost increases. Counting year-on-year, prices rose by 16.6%. According to the CSO, consumer inflation in 2022 was 14.4%. The price increase in the industrial processing group was 18.8% for December 2022 and 12.4% for January and February 2023. This was mainly due to the increase in the prices of electricity, gas and steam, which amounted to 66.8% in 2022. This, and the weakening of the Polish zloty against the main transaction currencies - the dollar and the euro - resulted in a sharp increase in costs in clothing and textile companies, further compounded by the increase in the minimum wage, which rose by 19% from January 2023.

But despite the many adversities, we estimate that the sector has done quite well anyway in 2022.

According to official statistics from the Central Statistical Office (CSO) covering companies with more than nine employees, against the background of the situation of the entire EU clothing and textile industry, the picture in Poland is generally not far off the EU average and, in some values, has improved significantly. In 2022, the value of sold production of the Polish T-O sector reached PLN 27.6 billion, of which textiles accounted for PLN 18.9 billion - an increase of 7.5% and clothing PLN 8.7 billion - an increase of 11.6%. The gross financial result for textile companies amounted to PLN 585.8 million - a decrease, by 20% and for clothing PLN 363.7 million - an increase of 8.24%.

Average employment in the sector was 94 thousand people, of which 45.7 thousand people worked in the textile industry (down 0.4%) and 48.8 thousand people in the clothing industry (down 5.3%). In the Polish industry as a whole, employment increased by 1.4%.

The number of companies in the sector declined in 2022, although we note an increase in the number of companies in the textile sector. As of 31.12.2022, there were 9649 enterprises in the textile sector (658 more than in 2021), and 21655 enterprises in the clothing sector (859 less than in 2021).

However, when one compares data from before the pandemic to data for 2022, one can conclude that the Polish textile industry is recovering, as the number of companies increased by 521 over three years. The clothing sector looks quite different. As of 31.12.2019, 24,205 entities were operating, so in 3 years we have lost 2,550 enterprises in the clothing industry.



# POLAND

## PIOT - Federation of Apparel and Textiles Industry Employers

The average wage has increased. In the textile sector up 9 %, and in the clothing sector up 11.7 %. In the Polish industry as a whole, wages increased by 11.5 %.

Investment outlays in the clothing industry amounted to PLN 83.6 million (down by 1.92%) and in the textile industry to PLN 482.2 million, (up by 33.2%). The industry as a whole incurred capital expenditure of PLN 10.9 billion (up 21.5% in 2021).

In 2022, exports still have not returned to their pre-pandemic value, when they amounted to PLN 14.1 billion. According to the data summarising the foreign trade results for 2022, clothing and textiles are ranked 15th out of 21 export sections. The total value of exports amounted to PLN 9.9 billion, increasing year-on-year by 11.2%. The share of exports in sales revenue is 58.3% in the textile sector and 37, 7% in the clothing sector.



### Evolution of textiles and clothing activity during the first months of 2023 and prospects

The first half of 2023, unfortunately, saw a decline in production due to the slowdown in consumption, e-commerce recorded increases of around 8%. The companies reported that the fulfillment rate resulting from the orders portfolio for the first half of 2022 is 70%, and in the second half of the year capacity occupancy is estimated at 65%. The situation in the retail market is very difficult, with many large-format shops downsizing, some brand retail chains reducing the number of shops and some closing down, due to a significant reduction in consumption, which, according to the Central Statistical Office, fell by as much as 21% after six months of this year. Households are significantly reducing their consumption purchases due to the drastically increasing burden of housing maintenance - rising energy, gas and petrol prices.

In government procurement, the situation is slightly better with a year-on-year increase of 25% in the value of public procurement for the first half of the year. Since the beginning of 2023, we have seen a reduction in inflation, which is currently at 10%. For the time being, the export market seems to be the most stable, with a slight increase of 3.5%. There are worrying signs from businesses that they are planning to lay off workers if the government announcements are confirmed about a further increase in the minimum wage by a planned 15% and the release of frozen energy and gas prices. Companies with rising production costs will not be able to cover them, as consumers will not accept an increase in product prices, and thus the margin earned with fixed prices will not cover costs.

## ECONOMIC ACTIVITY

in the Textile, Garment,  
Leather and Footwear Industries

### Relative Importance of the Activity – Gross Value Added

According to the data of the Statistical Office of the Republic of Serbia, the gross value added (GVA) of the textile, garment, leather and footwear industries, in 2021, amounted to EUR 400.9 million, which accounts for 0.9% of the total realized GVA of the Republic of Serbia, with the year-on-year real growth rate of 0.7%.

In the structure of the gross value added of the section of manufacturing industry, the share of

the manufacture of wearing apparel amounts to 3.0% (EUR 210.2 million). The realized GVA in the manufacture of textiles amounts to EUR 108.0 million (1.6% GVA of the manufacturing industry), while in the manufacture of leather and related products, it amounts to EUR 82.7 million (1.2% GVA of the manufacturing industry).

Year-on-year growth of gross value added was registered in the manufacture of leather and related products, while decline was recorded in the manufacture of textiles (-4.0%) and the manufacture of wearing apparel (-1.1%).

Gross value added (GVA) in textile, garment, leather and footwear industries,  
in 2021

Code of section and activity divisions	Code of section and activity divisions	Share in GVA, in %		Real growth rates (2020 = 100, %)
		in total	by section	
	Republic of Serbia	100.0	-	7.4
<b>Section C</b>	<b>Manufacturing</b>	<b>15.7</b>	<b>100.0</b>	<b>5.1</b>
Division 13	Manufacture of textiles	0.2	1.6	-4.0
Division 14	Manufacture of wearing apparel	0.5	3.0	-1.1
Division 15	Manufacture of leather and related products	0.2	1.2	14.4

Source: SORS, precalculation by Centre for Strategic Analyses, Analytics, Planning and Publications (CCIS).

Note:

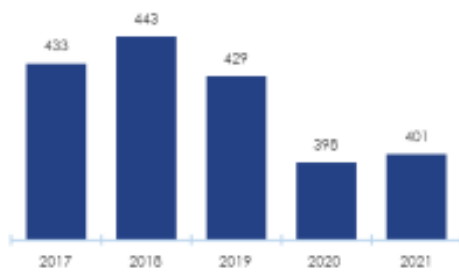
In total = the share of activity sections and divisions of CA [2010] in the recorded GVA of the Republic of Serbia  
by section = the share of activity division of CA [2010] in the GVA of the activity section of CA [2010] It belongs to

# SERBIA

## ASSOCIATION OF TEXTILE, GARMENT, LEATHER AND FOOTWEAR INDUSTRIES



GVA, current prices, in textile, garment, leather and footwear industries (in EUR million)



Source: SORS, precalculation by Centre for SAAPP (CCIS).

GVA, real growth, in constant prices of the previous year, in textile, garment, leather and footwear industries (in %)



Source: SORS, precalculation by Centre for SAAPP (CCIS).

Share of GVA in textile, garment, leather and footwear industries in GVA of the Republic of Serbia, 2021 (in %)



Source: SORS, precalculation by Centre for SAAPP (CCIS).

Note: For the precalculation of GVA in textile, garment, leather and footwear industries, the following areas of activity are included according to CA(2010): 13-Manufacture of textiles, 14-Manufacture of wearing apparel, 15-Manufacture of leather and related products.



 ECONOMIC ACTIVITY IN THE TEXTILE, GARMENT, LEATHER AND FOOTWEAR INDUSTRIES

### Companies and Entrepreneurs

According to the calculations of the Chamber of Commerce and Industry of Serbia, and based on the data of the Business Registers Agency, in 2022, total of 1,774 companies operated in the textile, garment, leather and footwear industries, which account for 1.3% of the total registered companies in the Republic of Serbia. Out of that number, the majority of companies are registered for the manufacture

of wearing apparel (58.7%). A substantially lower number of companies operated in the manufacture of textiles (24.0%), whereas the lowest number of active companies is in the manufacture of leather and related products (17.3%).

In addition to companies, in 2022, about 6,140 entrepreneurs were engaged in the textile, garment, leather and footwear industries.

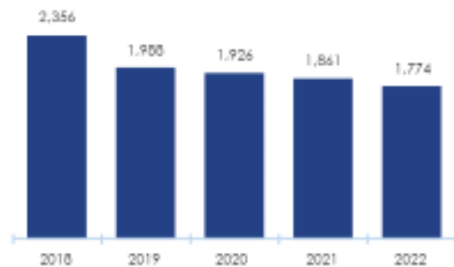
#### Active companies and entrepreneurs engaged in textile, garment, leather and footwear industries, in 2022

Code of section and activity divisions	Active companies and active entrepreneurs	Active companies		Active entrepreneurs	
		number	year-on-year change, in %	number	year-on-year change, in %
	Republic of Serbia	136,275	2.1	307,737	6.1
Section C	Manufacturing	20,134	-2.1	44,617	3.3
Division 13	Manufacture of textiles	426	-6.2	1,195	-0.6
Division 14	Manufacture of wearing apparel	1,041	-3.6	4,290	0.0
Division 15	Manufacture of leather and related products	307	-6.1	655	3.1
<b>TOTAL</b>		<b>1,774</b>	<b>-4.7</b>	<b>6,140</b>	<b>0.2</b>

Source: Serbia Business Registers Agency, precalculation by Centre for Strategic Analyses, Analytics, Planning and Publications (CCIS).

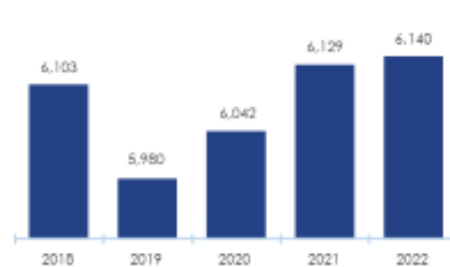


**Number of companies in textile, garment, leather and footwear industries**



Source: Serbian Business Registers Agency (SBRA), precalculation by CCIS.

**Number of entrepreneurs in textile, garment, leather and footwear industries**



Source: Serbian Business Registers Agency (SBRA), precalculation by CCIS.

**Share of the number of companies in textile, garment, leather and footwear industries in the total number in the Republic of Serbia, 2022 (in %)**



Source: Serbian Business Registers Agency (SBRA), precalculation by CCIS.

Note: For the precalculation of the number of companies in textile, garment, leather and footwear industries, the following areas of activity are included according to CA(2010): 13-Manufacture of textiles, 14-Manufacture of wearing apparel, 15-Manufacture of leather and related products.

**Share of the number of entrepreneurs in textile, garment, leather and footwear industries in the total number in the Republic of Serbia, 2022 (in %)**



Source: Serbian Business Registers Agency (SBRA), precalculation by CCIS.

Note: For the precalculation of the number of entrepreneurs in textile, garment, leather and footwear industries, the following areas of activity are included according to CA(2010): 13-Manufacture of textiles, 14-Manufacture of wearing apparel, 15-Manufacture of leather and related products.

## ECONOMIC ACTIVITY IN THE TEXTILE, GARMENT, LEATHER AND FOOTWEAR INDUSTRIES

### Turnover

The total realized turnover, i.e. the total value of sold products and services in the non-financial business economy in the Republic of Serbia, in 2021, amounted to EUR 125.6 billion, which constitutes a

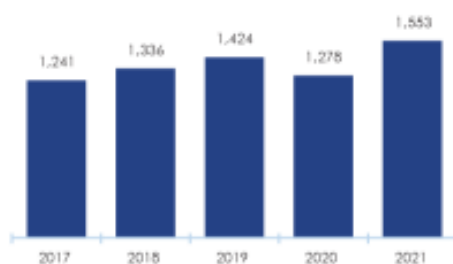
year-on-year growth of 31.1%. The textile, garment, leather and footwear industries, in 2021, recorded the total turnover of EUR 1.6 billion, which accounts for 1.2% of the realized turnover in the non-financial business economy in the observed year.

#### Turnover in textile, garment, leather and footwear industries in 2021

Code of section and activity divisions	Turnover in non-financial sector	Turnover in non-financial sector	
		in million EUR	year-on-year change, in %
Republic of Serbia		125,624	31.1
Section C	Manufacturing	36,354	23.4
Division 13	Manufacture of textiles	455	19.6
Division 14	Manufacture of wearing apparel	760	22.6
Division 15	Manufacture of leather and related products	338	21.5
<b>TOTAL</b>		<b>1,553</b>	<b>21.5</b>

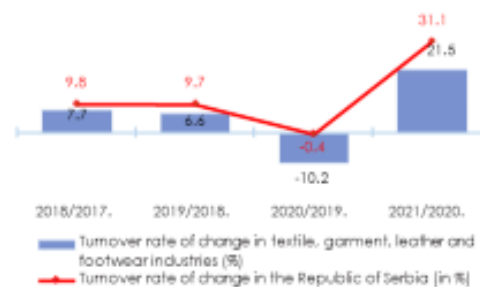
Source: SORS, precalculation by Centre for Strategic Analyses, Analytics, Planning and Publications (CCIS).

#### Turnover in textile, garment, leather and footwear industries (in EUR million)



Source: SORS, precalculation by Centre for SAAPP (CCIS).

#### Year-on-year turnover rate in textile, garment, leather and footwear industries (in %)



Source: SORS, precalculation by Centre for SAAPP (CCIS).

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## ASSOCIATION OF TEXTILE, GARMENT, LEATHER AND FOOTWEAR INDUSTRIES



### Industrial Production

In 2022, in the section of manufacturing, industrial production grew by 1.4% as compared with 2021. If the period from 2018 is observed, it is noticed that this economic indicator has recorded a continued year-on-year growth.

In the manufacture of wearing apparel, in 2022, industrial production decreased by 1.4% as compared with the previous year, by 4.6% in the manufacture of textiles, while the manufacture of leather and related products recorded increase in industrial production by 2.0%. In the five-year period (2018–2022), the manufacture of textiles recorded the highest average annual drop in the industrial production of 3.1%.

Year-on-year rate of change in textile, garment, leather and footwear industries (in %)



Source: SORS.



## ECONOMIC ACTIVITY IN THE TEXTILE, GARMENT, LEATHER AND FOOTWEAR INDUSTRIES

### Employment

According to the data of the Statistical Office of the Republic of Serbia, in 2022, the total of 2.2 million employees were registered in the Republic of Serbia at legal entities and with entrepreneurs. In the textile, garment, leather and footwear industries, the number of employees at legal persons and entrepreneurs in 2022 reached 60,686, which is lower by 2.0% as compared with 2021.

The majority of employees are in the manufacture of wearing apparel, 35,272 (y-o-y drop of 2.6%), in

the manufacture of leather and related products the number of employees is 13,327 (y-o-y growth of 0.8%), whereas the lowest number of employees is in the manufacture of textiles, 12,087 (y-o-y drop of 2.9%).

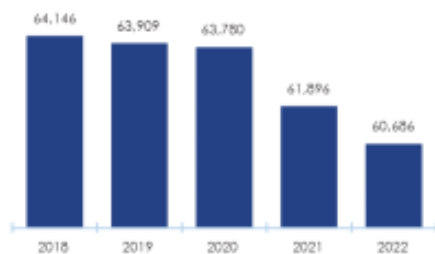
In the total number of employees in the Republic of Serbia, the share of employees in the textile, garment, leather and footwear industries is 2.7%. The five-year (2018–2022) average decline in the number of employees in the mentioned industries amounts to 1.4%.

**Registered employment in textile, garment, leather and footwear industries, in 2022**

Code of section and activity divisions	Registered employment	Number of employees		Share in employment, in %	
		number of employees	year-on-year change, in %	in total	by section CA(2010)
	Republic of Serbia	2,253,473	1.8	100.0	-
Section C	Manufacturing	495,994	0.5	22.0	100.0
Division 13	Manufacture of textiles	12,087	-2.9	0.5	2.4
Division 14	Manufacture of wearing apparel	35,272	-2.6	1.6	7.1
Division 15	Manufacture of leather and related products	13,327	0.8	0.6	2.7
<b>TOTAL</b>		<b>60,686</b>	<b>-2.0</b>	<b>2.7</b>	

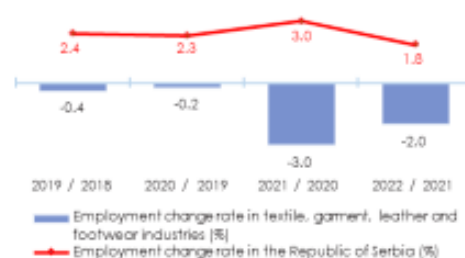
Source: SORS, precalculation by Centre for Strategic Analyses, Analytics, Planning and Publications (CCIS).

**Number of employees in textile, garment, leather and footwear industries**



Source: SORS, precalculation by Centre for SAAPP (CCIS).

**Year-on-year rate of change in employment in textile, garment, leather and footwear industries (in %)**



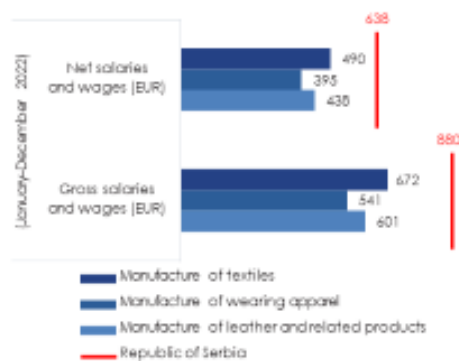
Source: SORS, precalculation by Centre for SAAPP (CCIS).

## Salaries and Wages

In the period January–December 2022, the average salaries and wages paid out in the Republic of Serbia amounted to EUR 880, whereas the average salaries and wages without taxes and contributions (net) stood at EUR 638. The growth in salaries and wages, in the period January–December 2022, as compared with the same period in 2021, amounted to 13.8% nominally, i.e. 1.7% in real terms.

In 2022, the highest average salaries and wages were paid out in the manufacture of textiles [EUR 672] and they were lower by 23.6% in comparison to the average salaries and wages in the Republic of Serbia. The average salaries and wages in the manufacture of leather and leather products are lower by 31.6% [EUR 601], whereas the lowest salaries and wages are recorded with the manufacture of wearing apparel, and amount to EUR 541 [38.4% below the Republic average].

Salaries and wages,  
January–December 2022  
(in EUR)



Source: SORS, precalculation by Centre for SAAPP (CCIS).



▶ ECONOMIC ACTIVITY IN THE TEXTILE, GARMENT, LEATHER AND FOOTWEAR INDUSTRIES

### Foreign Trade

The export of textile products, in 2022, amounted to EUR 1.6 billion, which is higher by 20.9%, as compared with 2021, and it accounts for 5.8% of the total exports of goods of the Republic of Serbia. The average annual export growth rate in the five-year period (2018–2022) amounts to 6.5%.

In 2022, the import value amounted to EUR 1.8 billion, which is higher by 20.1%, as compared with 2021, and it accounts for 4.7% of the total imports of the Republic of Serbia. The average annual growth rate in imports in the five-year period (2018–2022) amounts to 10.6%.

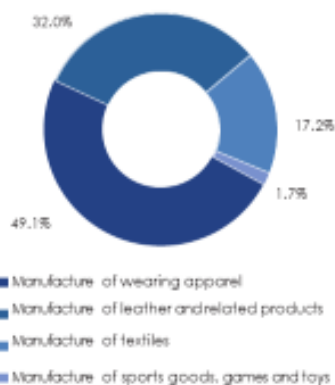
The deficit in the foreign trade in textile products amounted to EUR 238.9 million, with the coverage of imports by exports of 87.0%. Since 2019, there has been a deficit in foreign trade in these products.

Foreign trade in textiles, wearing apparel, leather and related products, annual data, 2018–2022



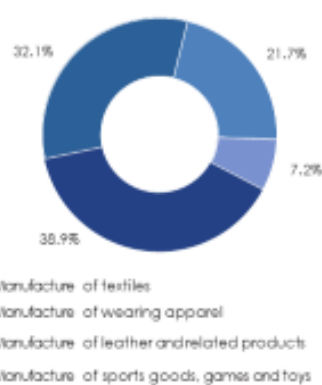
Source: SORS, precalculation by Centre for SAAPP (CCIS).

Export structure of textiles, garment, leather and related products, in 2022 (in %)



Source: SORS, precalculation by Centre for SAAPP (CCIS).

Import structure of textiles, garment, leather and related products, in 2022 (in %)



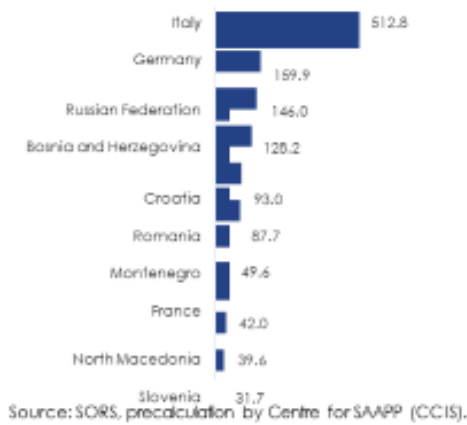
Source: SORS, precalculation by Centre for SAAPP (CCIS).

# SERBIA

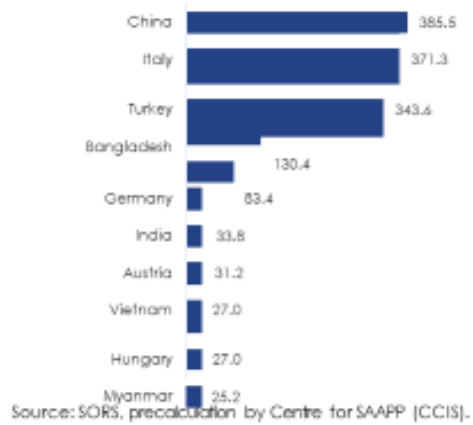
## ASSOCIATION OF TEXTILE, GARMENT, LEATHER AND FOOTWEAR INDUSTRIES



**Export of textiles, garment, leather and related products by country, 2022  
(In EUR million)**



**Import of textiles, garment, leather and related products by country, 2022  
(In EUR million)**





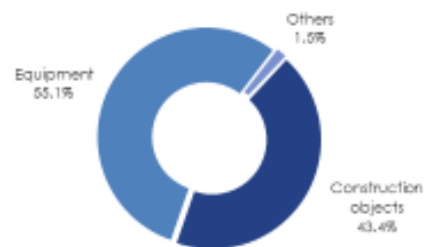
## ECONOMIC ACTIVITY IN THE TEXTILE, GARMENT, LEATHER AND FOOTWEAR INDUSTRIES

### Total Realized Investments

The total realized investments in fixed assets in the textile, garment, leather and footwear industries, in 2021, amounted to EUR 65.3 million, out of which 51.6% were realized in the manufacture of wearing apparel (EUR 33.7 million), 19.8% in the manufacture of textiles (EUR 12.9 million) and 28.6% in the manufacture of leather and related products (EUR 18.7 million).

In the structure of these investments, the investments in domestic and imported equipment had the largest share (55.1%). Lower investments were made in buildings and civil engineering (43.4%), while the remaining 1.5% account for investments in intellectual property – research and development, software, databases and other.

### Structure of realized investments in fixed assets in textile, garment, leather and footwear industries, in 2021



Source: SORS, precalculation by Centre for SAAPP (CCIS).

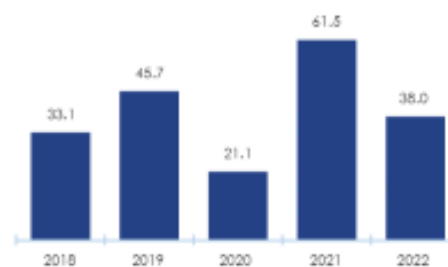
### Foreign Direct Investments

According to the preliminary data of the National bank of Serbia, in 2022, the total net inflow of FDIs in the Republic of Serbia, on ground of investments of non-residents, amounted to EUR 4.4 billion.

In the manufacture of textiles and manufacture of wearing apparel, the net inflow of EUR 38.0 million was achieved, which accounts for 0.9% of the total FDIs in the Republic of Serbia.

In the five-year period (2018–2022), the total net inflow of FDIs in the textile, garment, leather and footwear industries amounted to EUR 199.4 million, and the highest inflow was just recorded in 2021 (EUR 61.5 million).

### Net FDI inflow, based on non-residents' investments, annual data (in EUR million)



Source: NBS, precalculation by Centre for SAAPP (CCIS).

Note: In accordance with the "Manual for the preparation of the balance of payments and international investment position no. 6, IMF", the mentioned economic branch includes: **Manufacture of textiles and wearing apparel**. Industries are classified according to the statistical classification of economic activities of the European Community (NACE Rev.2, 2008).

## Annual Assessment of Business Activity

### Investments

According to the results of the [CCIS Survey on Business Activity of the Domestic Economy](#), the surveyed companies in textiles, garments, leather and footwear industry state that in the structure of investments the following items have the largest share: imported equipment (46.7% of realized investments in 2022, i.e. 47.4% of total planned investments in 2023), buildings and land (23.9% of realized investments, i.e. 26.9% of total planned investments), and are least interested in investing in intellectual property (only 2.2% of the realized investments in 2022, i.e. 1.9% of planned investments in 2023).

### Structure of the realized and planned investments (% of respondents)

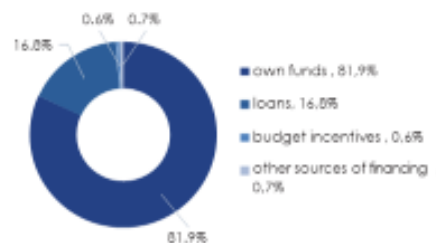


Source: CCIS Survey on Business Activity of the Domestic Economy (n realized = 33, n planned = 38).

### Financing

In 2022, the largest number of the surveyed companies in textiles, garments, leather and footwear industry mainly use their own funds in business operations (81.9%) and loans (16.8%). Budget incentives and other sources of financing have a negligible share in the structure of sources of financing.

### Structure of the sources of financing in 2022 (% of respondents)

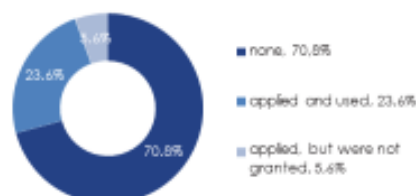


Source: CCIS Survey on Business Activity of the Domestic Economy (n=72).

### Incentives

In 2022, the incentives of state institutions and local self-governments were used by 23.6% of the surveyed companies in textiles, garments, leather and footwear industry, whereas 70.8% of the respondents stated that they did not apply for those funds.

### Did you apply for any subsidies granted by state institutions or local self-governments in 2022? (% of respondents)



Source: CCIS Survey on Business Activity of the Domestic Economy (n=72).

The number of the surveyed companies in textiles, garments, leather and footwear industry is indicated by the letter "n" (sample size).

# SWITZERLAND

## Swiss Textiles

### Textile industry

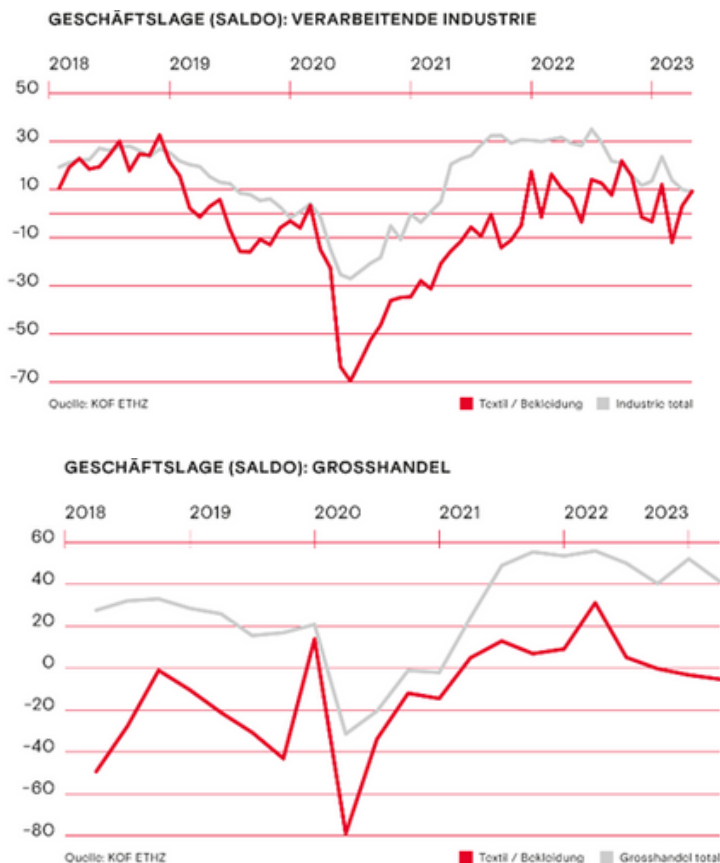
#### General economic environment and evolution in 2022

For the textile and apparel industry, the past few years have been marked by various problems. While the pandemic brought global trade to a virtual standstill, there were hopes for a quick recovery after the pandemic ended. However, this has not happened since then. The war in Ukraine, which has led to an energy shortage, has played a large part in this. For the textile and clothing industry in particular, a seamless energy supply is essential, and it reacts very sensitively to price movements in this area. This led to a difficult price cycle in 2022 and also 2023. Rising energy prices forced producers to raise prices. At the same time, strong overall inflation led to a decline in demand.

Now that the supply chain problems of the pandemic have eased, there is too little demand and empty order books. This is also reflected in the KOF survey data. Capacity utilisation in the manufacturing industry is falling again after a recovery phase, the business situation is assessed to be mixed and the order backlog is estimated to be in the majority. The textile trade in particular is suffering from the current situation. The textile exports were just slightly higher in 2022 at 1.2 million Swiss francs.

Wholesale trade in turn assumed a strong start to 2022. This sentiment again cooled a little in the course of the year. Nevertheless, clothing trade in particular rose in 2022. In 2022, clothing worth 993 million Swiss francs was exported, which is a good 50 million more than in the previous year.

Course of Business: Manufacturing Industry and Wholesale



The company's overall economic situation is illustrated by the course of business. Test participants answered the following question: "We judge the overall course of business to be good, satisfactory, bad at present". The seasonally adjusted balance of positive and negative answers is shown.

# SWITZERLAND

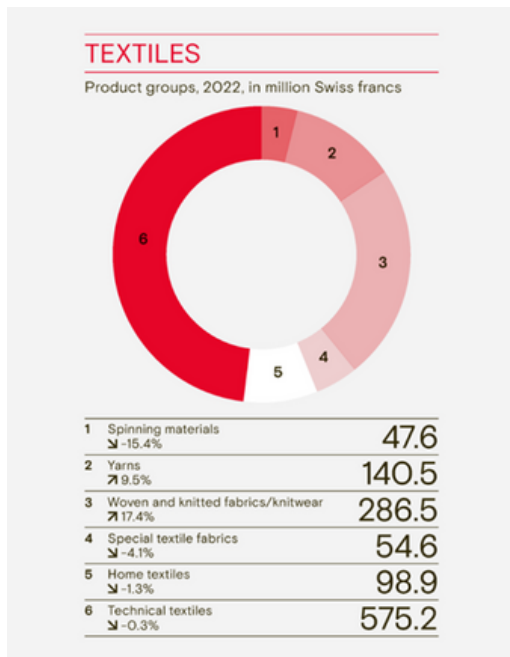
## Swiss Textiles

### Factors influencing textiles & clothing and their Evolution

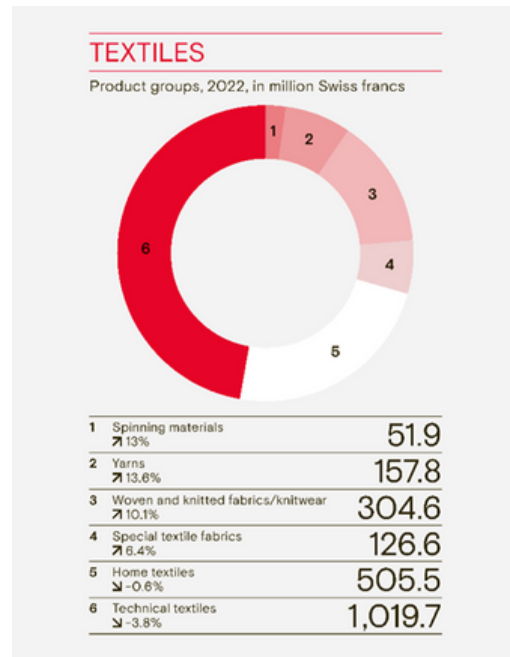
#### Exports and Imports

2022 was a bit of a mixed year for the trade. Textile exports increased only slightly, and growth was in the low single-digit percentage range in 2022. Due to the uncertain situation, consumption in important sales countries tended to decline.

#### Textiles Exports

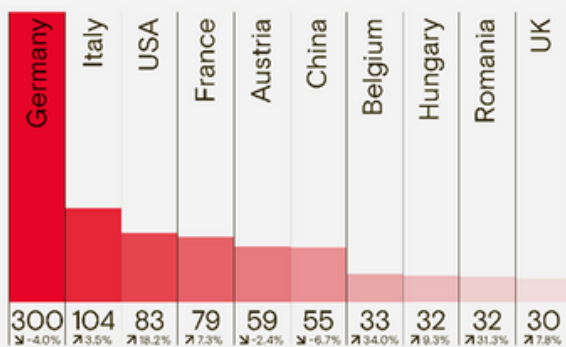


#### Textiles Imports



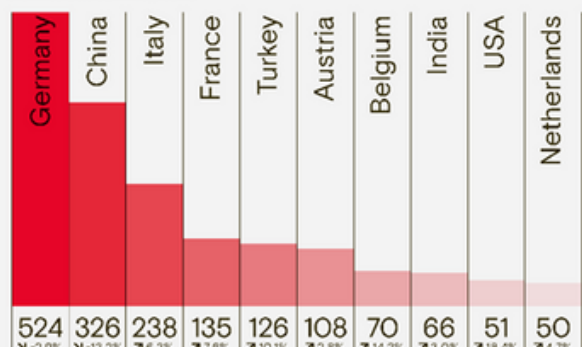
#### EXPORT DESTINATIONS, TEXTILES

In million Swiss francs, 2022



#### SOURCING COUNTRIES, TEXTILES

In million Swiss francs, 2022

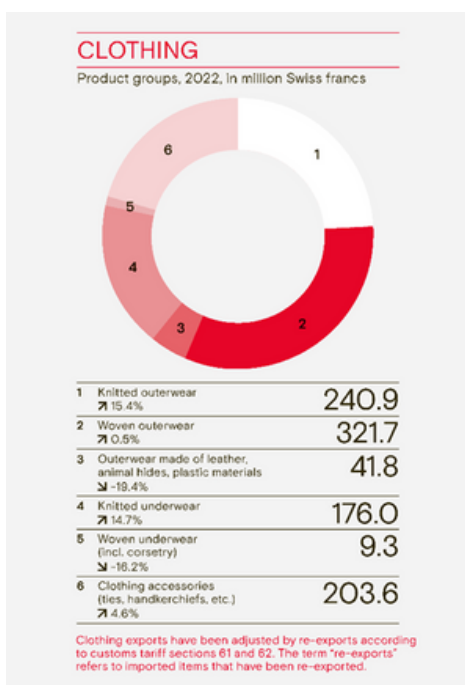


# SWITZERLAND

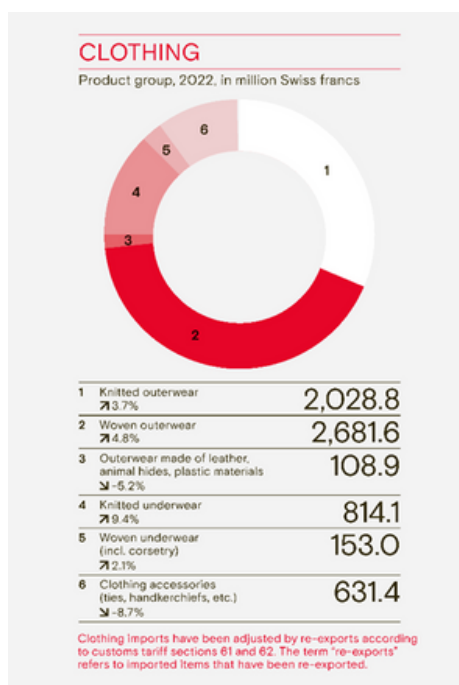
## Swiss Textiles

The situation is somewhat different for clothing exports. After a strong start to 2022, exports fell. In the third quarter, a decline was even recorded. However, the trend reversed in the last quarter and exports rose by more than 10 per cent. While important markets such as Germany and China also recorded a decline in demand here, it is primarily the European market that is experiencing increased demand. Exports rose by a around 19 per cent.

### Clothing Exports

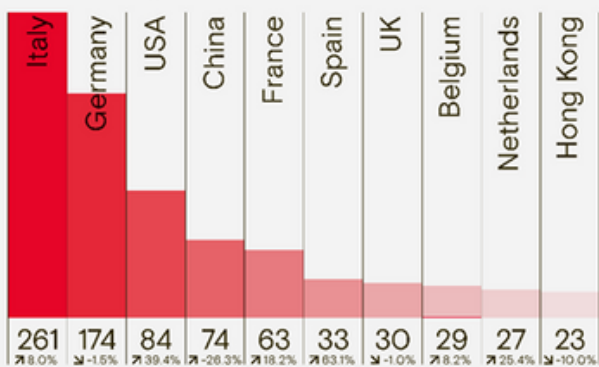


### Clothing Imports



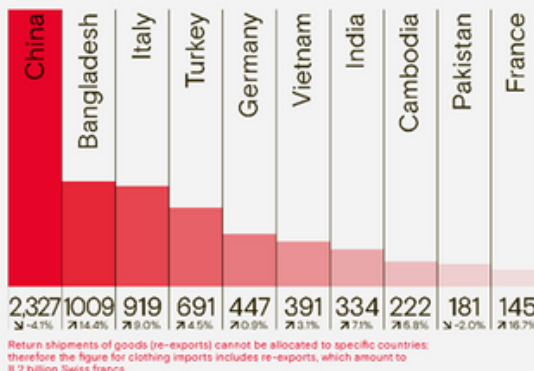
### EXPORT DESTINATIONS, CLOTHING

in million Swiss francs, 2022



### SOURCING COUNTRIES, CLOTHING

in million Swiss francs, 2022



# SWITZERLAND

swiss **TEXTILES**

## Swiss Textiles

### Evolution of textiles and clothing activity during the first months of 2023 and prospects

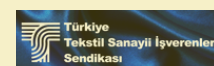
2023 has continued to mean that the textile and apparel sector cannot get out of crisis mode. Due to the still ongoing war in Ukraine, the energy situation is volatile and prices have risen, especially in the first half of the year. This has also led to a further strengthening of the Swiss franc. This may be positive for imports, but on the export market it is a hindrance, especially at times when there is a high level of price sensitivity among customers.

After there were slightly increased export rates in 2022, the figures fell again in 2023. Most recently, declines of around 7 percent were recorded compared to the same quarters of the previous year. This was due to weak demand in key markets such as Germany.

The textile processing industry in particular is suffering. The business situation is assessed as negative and trade figures are declining. Clothing wholesale is sending more positive signals. In the middle of the year, more positive assessments were made for the first time in a while and clothing exports are continuing to rise in 2023.

However, there is hope that the next few months will bring a brief respite. Inflation is falling and the energy situation no longer seems quite as precarious as it did a year ago. For a sustainable recovery, however, a stabilisation of the global situation is needed. After several years in crisis mode, companies are running on fumes and reserves are at a minimum. A recovery phase is therefore clearly necessary. However, this also depends on how world events will develop.

# TURKEY



Turkish Clothing Manufacturers' Association – TGSD , Turkish Textile Employers' Association – TTSIS  
Turkish Apparel Exporters' Association – IHKIB , Turkish Textile & Raw Material Exporters' Association – ITHIB

## General economic environment and evolution of the textile/clothing industry in 2022

The year 2022 was marked by the supply chain disorders after the pandemic, increases in raw materials and logistics – which inevitably affected the price of final goods – as well as the war conditions in Ukraine and security perceptions in general.

High inflation rates became a major concern for many stakeholders in the supply chain, but it has started to be effective in Turkish economy, which strongly affected apparel exporters, together with currency increases.

Investments in digitalization and e-commerce continued to increase, as well as in green energy, which reflects the commitments of the Turkish textile and apparel industries on EU Green Deal objectives.

On the other hand, stagnation on consumer demands in many apparel import markets is influential on orders, which in turn affects the financing of future business. Additionally, limited consumer preferences to pay more for sustainable goods is increasingly being discussed in shaping the industry motivation given the decreasing demand due to global economic conditions.

In terms of economic indicators, textile and apparel industries contribute to GDP by 6.7%, manufacturing production by 13.5%, manufacturing labor force by 26.2% and export earnings by 13.9% in 2021.

### Production Index

In 2022, the Turkish apparel and textile industry experienced a high production increase reflecting the increasing level of investments after the pandemic.

2015=100	Total Industry	Manufacturing Industry	Textile Industry	Apparel Industry
Production Index	143.8	146.5	131.7	179.9
Index Change	5.7	6.8	-4.7	27.7

### Business trends - total turnover

Textile and apparel industries had decreasing total turnover compared to total and manufacturing industry averages.

2015=100	Total Industry	Manufacturing Industry	Textile Industry	Apparel Industry
Turnover Index	878.7	875.8	803.0	696.8
Index Change	113.9	113.6	91.5	105.5

### Business trends – productivity per person

The productivity per person employed in apparel has increased in the year 2022.

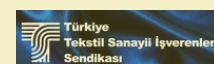
2015=100	Total Industry	Manufacturing Industry	Textile Industry	Apparel Industry
Productivity per person employed Index	113.4	113.6	108.2	126.2
Index Change	-0.9	0.1	-7.9	15.3

### Business trends – capacity utilization rates

The capacity utilization rates of apparel industry recorded high levels in 2022.

2015=100	Manufacturing Industry	Textile Industry	Apparel Industry
Capacity Utilization Rates	76.50	71.29	80.27

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## Factors influencing textiles/clothing and their evolution

### Domestic demand

The yearly domestic market retail sales index increased by 10.2% in 2022. The retail sales of garments, home textiles and footwear, on the other hand, increased by 20.4%.

2015=100	Total Retail Sales	Textiles, Clothing & Footwear
Domestic Retail Sales	144.0	192.5
Index Change	10.2	20.4

### Imports - Exports

Export Figures of Türkiye in Billion Euro	World			EU (27)			Share of the EU (27) - 2022
	2021	2022	Change	2021	2022	Change	
<b>Total Exports</b>	190,4	242,8	27,5%	79,7	100,5	26,1%	41,4%
<b>Apparel Exports (CN 61+62+63)</b>	17,9	21,3	18,6%	10,9	12,9	18,1%	60,5%
<b>Textile Exports (incl. Fibers) (CN 50-60)</b>	11,2	12,5	11,0%	4,2	4,5	6,5%	36,2%
<b>Fiber Exports</b>	0,6	0,7	34,9%	0,2	0,4	45,3%	47,3%

Import Figures of Türkiye in Billion Euro	World			EU (27)			Share of the EU (27) - 2022
	2021	2022	Change	2021	2022	Change	
<b>Total Imports</b>	229,4	347,5	51,5%	72,3	89,2	23,4%	25,7%
<b>Apparel Imports (CN 61+62+63)</b>	1,5	2,5	66,7%	0,4	0,6	50,0%	24,0%
<b>Textile Imports (incl. Fibers) (CN 50-60)</b>	8,2	11,9	45,1%	1,9	2,2	15,8%	18,5%
<b>Fiber Imports</b>	3,2	4,6	43,8%	0,8	0,7	-12,5%	15,2%



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## Prices

December 2022 (Change according to the average of last 12 months) (Source: TUIK)

- Producer Price Index (%): 128.47
- Consumer Price Index (%): 72.31

## Employment Trends

Employment of apparel industry increased in 2022.

2015=100	Total Industry	Manufacturing Industry	Textile Industry	Apparel Industry
Employment Index	127.0	129.1	121.6	143.1
Index Change	6.8%	6.9%	3.5%	11.4%

## Wage Trends

The industry wage increase is higher in the total industry and manufacturing industry.

2015=100	Total Industry	Manufacturing Industry	Textile Industry	Apparel Industry
Wage Index	564.5	581.4	570.7	644.9
Index Change	86.3%	86.7%	77.3%	94.0%

## Investments

In 2022, the industry registered an increasing rate of investments in the state investment promotion scheme and reached to about 51.5 billion Turkish liras, a record high level of the scheme since its start date of 2012.

On the other hand, due to deviation of Turkish lira against the Euro, the investments in Euro terms recorded a decrease of -17.2% in textiles and -1.9% in apparel.

## Evolution of textile/clothing activity during the first months of 2023 and prospects

The year 2023 is mainly marked with decreasing consumer demands and political uncertainty. Under these circumstances, the industry is also concerning about the financial capacity for new investments on sustainability.

## Production Index - Monthly

Production Index Change (2015=100)	Total Industry	Manufacturing Industry	Textile Industry	Apparel Industry
January	4,6	6,0	-11,4	17,2
February	-8,2	-8,2	-27,2	4,0
March	0,4	1,9	-16,5	9,6
April	-1,3	-0,2	-11,7	1,3
May	0,2	1,1	-10,0	10,5
June	0,2	1,7	-13,9	-0,1
July	7,6	7,6	-0,6	-5,4
August	3,1	1,8	-8,5	-11,4
September	4,0	3,7	-9,2	-9,9

## Turnover Index - Monthly

Turnover Index Change (2015=100)	Total Industry	Manufacturing Industry	Textile Industry	Apparel Industry
January	66,1	66,6	34,2	64,6
February	44,8	44,7	7,6	39,6
March	42,7	43,0	16,0	46,2
April	41,9	42,0	22,8	39,6
May	34,9	35,3	16,4	45,8
June	42,5	42,7	22,4	44,2
July	62,7	63,1	51,7	49,8

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## Capacity Utilization Rate - Monthly

2022-10	2022-11	2022-12	2023-01	2023-02	2023-03	2023-04	2023-05	2023-06	2023-07	2023-08	2023-09	2023-10	Monthly %	Yearly %
<b>Manufacturing Industry</b>														
76,9	75,9	76,5	75,3	75,2	73,5	75,4	76,0	76,8	77,1	76,1	77,3	77,4	0,1%	0,7%
<b>Textile Industry</b>														
71,2	70,4	71,3	69,4	70,2	66,1	67,2	70,0	70,8	70,4	70,8	71,1	70,7	-0,5%	0,7%
<b>Apparel Industry</b>														
81,6	81,5	80,3	78,3	78,7	75,9	77,6	77,5	77,3	78,6	76,4	75,8	76,4	0,7%	6,4%

## Export - Import Figures - Monthly

Export Figures of Türkiye in Billion Euro	World			EU (27)			Share of the EU (27) - 2022
	2022 Jan.- July	2023 Jan.- July	Change	2022 Jan.- July	2023 Jan.- July	Change	
<b>Total Exports</b>	133,3	132,2	0,6%	65,0	65,4	0,6%	49,5%
<b>Apparel Exports (CN 61+62+63)</b>	12,0	11,3	-5,8%	7,5	6,8	-9,3%	60,2%
<b>Textile Exports (incl. Fibers) (CN 50-60)</b>	8,1	7,4	-19,4%	3,1	2,5	-19,4%	33,8%
<b>Fiber Exports</b>	0,1	0,1	0,0%	0,0	0,0	0,0%	20,0%

Import Figures of Türkiye in Billion Euro	World			EU (27)			Share of the EU (27) - 2022
	2022 Jan.- July	2023 Jan.- July	Change	2022 Jan.- July	2023 Jan.- July	Change	
<b>Total Imports</b>	191,0	200,1	4,8%	56,5	65,8	16,5%	32,9%
<b>Apparel Imports (CN 61+62+63)</b>	1,3	1,8	38,5%	0,3	0,5	66,7%	27,8%
<b>Textile Imports (incl. Fibers) (CN 50-60)</b>	7,4	5,3	-28,4%	1,3	1,2	-7,7%	22,6%
<b>Fiber Imports</b>	3,2	1,7	-46,9%	0,4	0,4	0,0%	23,5%

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