



PRESS RELEASE

Public Relations Bureau
Gd. I Lt. 2, Jl. MI Ridwan Rais No. 5, Jakarta 10110
Tel: 021-3860371/Fax: 021-3508711
www.kemendag.go.id



KPPI Stops *Safeguard Measure* Investigation Import of Artificial Filament Yarn

Jakarta, September 2, 2024 – The Indonesian Trade Safeguards Committee (KPPI) on Friday (30/8) terminated the investigation into trade safeguard measures *against* imports of artificial filament yarn. The commodities in question have harmonized system (HS) code numbers 5403.10.00, 5403.31.10, 5403.31.90, 5403.32.90, and 5403.41.90 according to the 2022 Indonesian Customs Tariff Book (BTKI). The decision to terminate the investigation was based on the results of the investigation which concluded that imports of artificial filament yarn could not be subject to trade safeguard measures.

KPPI Chair Franciska Simanjuntak explained that the conclusion was reached because there is no domestic industry that produces artificial filament yarn in the domestic market. *"From the investigation, we know that there is no domestic industry that produces artificial filament yarn in the domestic market. Therefore, imports of artificial filament yarn cannot be subject to trade security measures,"* said Franciska.

Franciska said, there are three things that underlie the conclusions drawn. First, Attachment I in letter Number B/363/IKFT.5/IND/VII/2024 from the Ministry of Industry on July 24, 2024 regarding the submission of data and information on artificial filament yarn and woven fabrics from artificial filament yarn. Second, data from the Ministry of Industry based on the Indonesian Standard Classification of Business Fields (KBLI) 20301. Third, KPPI's visit to the Center for Standardization and Service of the Textile Industry on July 25, 2024.

"From the results of the Safeguard Import Duty (BMTP) investigation and field verification of the import of artificial filament yarn, it was concluded that the 10 applicant companies listed in the initial evidence of the application only produce artificial staple yarn; not artificial filament yarn. Staple yarn is not a similar item or a product that directly competes with artificial filament yarn. The machines used in producing artificial staple yarn cannot produce artificial filament yarn because they have different production processes," said Franciska.

The TPP investigation into imports of artificial filament yarn goods began on October 27, 2023. This investigation follows up on an official request submitted by the Indonesian Textile Association (API) representing 10 companies on September 18, 2023. API asked KPPI to investigate trade *safeguard measures* on imports of filament yarn goods artificial.

Based on data from the Central Statistics Agency in 2020, the amount of imports of artificial filament yarn products was 1,191 tons, in 2021 it increased by 51 percent to 1,804 tons, then in 2022 it increased by 48 percent to 2,676 tons, and in 2023 it decreased by 11 percent to 2,371 tons. In terms of trend, the amount of imports of artificial filament yarn goods during 2020-2023 increased by 28 percent.

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For further information contact:

M. Rivai Abbas

Head of Public Relations Bureau

Ministry of Trade Email:

pusathumas@kemendag.go.id

Francisca Simanjuntak

Chairman

Indonesian Trade Security Committee

Email: kppi@kemendag.go.id

