

5 March 2026

(26-1753)

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Committee on Safeguards

Original: English

**NOTIFICATION UNDER ARTICLE 12.1(B) OF THE AGREEMENT ON
SAFEGUARDS ON FINDING A SERIOUS INJURY OR THREAT
THEREOF CAUSED BY INCREASED IMPORTS**

**NOTIFICATION UNDER ARTICLE 12.1(C)
OF THE AGREEMENT ON SAFEGUARDS
(EXTENSION OF THE EXISTING MEASURE)**

INDONESIA

Yarn (other than sewing thread) of Synthetic and Artificial Staple Fibres

Supplement

The following notification, dated and received on 4 March 2026, is being circulated at the request of the delegation of Indonesia.

Pursuant to Article 7.2 and Article 12.1(b) of the WTO Agreement on Safeguards, the Government of the Republic of Indonesia, hereby notifies the Committee on Safeguards of the investigation findings concerning the extension of a safeguard measure against the importation of Yarn (other than sewing thread) of synthetic and artificial staple fibres.

1. Evidence that the safeguard measure continues to be necessary to prevent or remedy serious injury or threat thereof and that the industry concerned is adjusting

The Government of the Republic of Indonesia initiated an investigation on the extension of a safeguard measure on 25 November 2025 ([G/SG/N/6/IDN/32/Suppl.2](#)). The purpose of the investigation was to determine whether the safeguard measure should be extended.

To determine whether the safeguard measure continues to be necessary to prevent or remedy serious injury or threat thereof and whether the industry is adjusting, the Investigating Authority (Komite Pengamanan Perdagangan Indonesia/KPPI) undertook a comprehensive analysis of a broad set of data from multiple sources: the evidence provided by the Applicant's member industries in their questionnaire responses and written submissions, the information provided by interested parties (Foreign embassy, importers, importers association, and other interested parties) in their written submissions, as well as information available to the Investigating Authority including statistical databases and relevant publications.

1.1 Economic performance of the Applicant

To assess the economic performance of the Applicant, the developments of imports, and other relevant data included in its assessment, the Investigating Authority assessed the data for the period 2022-2024 ("the investigation period").

Description	Unit	Year			Changes (%)		Trend (%)
		2022	2023	2024	22-23	23-24	22-24
Production	Index	100	89.78	73.82	(10.22)	(17.78)	(14.08)
Domestic sales	Index	100	107.43	92.45	7.43	(13.94)	(3.85)
Productivity	Index	100	101.73	95.30	1.73	(6.31)	(2.38)
Utilization capacity	Index	100	88.76	76.31	(11.24)	(14.03)	(12.65)
Financial Losses	Index	(100)	(85.79)	(97.58)	(14.21)	13.74	(1.22)
Employments	Index	100	88.26	77.46	(11.74)	(12.24)	(11.99)

Source: Verification Result.

- a. The Applicant's production volume experienced a downward trend of 14.08% during the investigation period, from 100 indexed points in the period of 2022 to 89.78 indexed points in 2023, and continuously decreased to 73.82 indexed points in 2024.
- b. Along with the downward trend in production volume, domestic sales volume also experienced a downward trend of 3.85% during the investigation period, from 100 indexed points in the period of 2022 then slightly increased to 107.43 indexed points in 2023, and decreased to 92.45 indexed points in 2024.
- c. The Applicant's productivity experienced a downward trend of 2.38%. This development was attributable to a reduction in production volume that exceeded the decrease in employment levels, from 100 indexed points in the period of 2022 then slightly increased to 101.73 indexed points in the period of 2023, and decreased to 95.30 indexed points in 2024.
- d. The Applicants capacity utilization decreased with a trend of 12.65% due to the decline of production volume during the investigation period, from 100 indexed points in the period of 2022 to 88.76 indexed points in the period of 2023, and continuously decreased to 76.31 indexed points in 2024.
- e. Applicant's Financial Losses experienced a downward trend of 1.22% due to the efficiency of employments during the investigation period, from (100) indexed points in the period of 2022 to (85.79) indexed points in the period of 2023, and continuously decreased to (97.58) indexed points in 2024.
- f. In line with the decline of production volume, the number of employments experience a downward trend of 11.99%, from 100 indexed points in the period of 2022 to 88.26 indexed points in the period of 2023, and continuously decreased to 77.46 indexed points in 2024.

Description	Unit	Year			Changes (%)		Trend (%)
		2022	2023	2024	22-23	23-24	22-24
National consumption	Index	100	100.26	90.58	0.26	(9.65)	(4.82)
Market share of domestic industries	Index	100	101.45	101.05	1.45	(0.40)	0.52
Market share of imports	Index	100	82.08	87.04	(17.92)	6.05	(6.70)

Source: Verification Result, Indonesian Textile Association (API), Processed.

During the investigation period, national consumption experienced a downward trend by 4.82%. Furthermore, the market share of domestic industries increased by 0.52%, while the import market share decreased by 6.70%.

1.2 Evidence that the industry concerned is adjusting

Since the imposition of the safeguard measure, the Applicant has implemented several of the structural adjustment programmes that were committed to, including: (1) the upgrading of production technology systems through the acquisition of state-of-the-art equipment and the replacement of obsolete machinery with newer machinery in order to improve production efficiency; (2) the development of product innovation by expanding the range of coloured yarn products; and (3) the development of human resources through the provision of training programmes aimed at enhancing workforce skills and performance. The realization of the structural adjustment program that has been implemented by the applicant is as follows:

Description	Target	Realization in 2019 – 2021	Realization in 2019 – 2024
Total structural adjustment	100%	34%	65%

Source: Verification Result.

During the previous imposition (2019-2021) the structural adjustments program has been realized with an average of 34%. Furthermore, in 2019 – 2024 the structural adjustments realization progressed by 65%. The Applicant has attempted to complete the structural adjustment program commitment but has not been able to fully realize it due to continuing financial losses. Accordingly, the Applicant requires additional time to complete the structural adjustment programme.

2. Information on whether there is an absolute increase in imports or an increase in imports relative to domestic production

Description	Unit	Year			Changes (%)		Trend (%)
		2022	2023	2024	22-23	23-24	22-24
Volume of imports	Ton	14,985	12,331	11,815	(17.71)	(4.19)	(11.20)
National production	Index	100	91.90	75.12	(8.10)	(18.26)	(13.33)
Imports relative to national production	Index	100	89.54	104.95	(10.46)	17.22	2.45

Source: Statistics Indonesia, API, Processed.

Based on the table above, there was a decline in the amount of imported Subject Goods both in absolute and relative terms during the extension investigation period.

An analysis of the surge in the volume of imports of the product under investigation constitutes one of the requirements for the imposition of a safeguard measure at the stage of the initial investigation (original case). However, in the context of the extension of a safeguard measure, the existence of a surge in imports, whether in absolute terms or relative to domestic production, is not a requirement for the application of such an extension.

3. Precise description of the product involved

The product under investigation is "Yarn (other than sewing thread) of synthetic and artificial staple fibres under HS. Codes 5509.22.00, 5509.32.00, 5509.51.00, 5509.53.00, 5510.12.00, and 5510.90.00.

4. If the final measure is extended, a Member is encouraged to provide a written description of any part of the imported product that will no longer be subject to the measure

Not applicable at this stage.

5. Description of the proposed measure

The proposed measure is in the form of a specific duty (Rupiah/Kilogram).

6. Proposed date of introduction of the measure

The proposed extension of the safeguard measure is expected to come into effect on 22 May 2026.

7. Expected duration of the measure

The expected duration of the proposed extension of the safeguard measure is two years.

8. Proposed date for the review

Not applicable.

9. Expected timetable for progressive liberalization of the measure

The measure will continue being progressively liberalized, at regular intervals, at the beginning of each period of application as follows:

Period	Safeguard duty
Year 1	Rp. 324 /Kg
Year 2	Rp. 308 /Kg

10. If the notification relates only to a finding of serious injury or threat thereof and does not relate to a decision to apply or extend a safeguard measure

According to Article 7.2 and Article 12.1(b) of the WTO Agreement on Safeguards, the Government of the Republic of Indonesia hereby notifies the investigation findings concerning the extension of safeguard measures against the importation of Yarn (other than sewing thread) of synthetic and artificial staple fibres. This notification is made only for the findings of the investigation. Once the decision to extend the safeguard measure is made, it will be notified under Article 12.1(c) of the Agreement on Safeguards.

11. Information relating to the extension of a safeguard measure**11.1 Evidence that the industry concerned is adjusting and that the safeguard measure continues to be necessary to prevent or remedy the serious injury**

Based on the explanation provided in items 1.1 and 1.2 above, it can be concluded as follows:

- (a) The Applicant's performance data indicates serious injury, as evidenced by a downward trend in several performance indicators, including production, domestic sales, productivity, capacity utilization, and employment, as well as financial losses. In the absence of an extension of the safeguard measure, the Applicant would face conditions that could result in bankruptcy.
- (b) The Applicant has implemented several structural adjustment programmes as set out in the initial investigation (original case). However, the Applicant requires additional time to complete these structural adjustments in an optimal manner. In the absence of an extension of the safeguard measure, the Applicant would be unable to complete the previously planned structural adjustment programmes and would face difficulties in competing with imported goods.

11.2 Reference to the WTO document that notified the initial application of the measure

Pursuant to Article 12.1(c) of the WTO Agreement on Safeguards, on 29 May 2020, the Government of the Republic of Indonesia notified the Committee on Safeguards regarding the decision to impose safeguard measures on the imports of Yarn (other than sewing thread) of synthetic and artificial staple fibres under HS. Codes 5509.22.00, 5509.32.00, 5509.51.00, 5509.53.00, 5510.12.00, and 5510.90.00 ([G/SG/N/10/IDN/25/Suppl.1](#) - [G/SG/N/11/IDN/19/Suppl.2](#)).

11.3 Duration of the measure from initial application till the date at which it will be extended

The initial definitive safeguard measure is imposed for 3 (three) years, from 27 May 2020 until 8 November 2022 and has been extended for 3 (three) years from 22 May 2023 until 21 May 2026. The extension of the safeguard measure is proposed to be imposed for another 2 (two) years, from 22 May 2026 until 21 May 2028.

11.4 Precise description of the measure in place prior to the date of extension

The notification of the prior extension measure was circulated on 22 May 2023 under document number [G/SG/N/8/IDN/25/Suppl.2](#) - [G/SG/N/10/IDN/25/Suppl.3](#) - [G/SG/N/11/IDN/19/Suppl.3](#).

12. Information relating to exporting Members

12.1 The major exporting Members of imports of the product involved

The main exporting countries of the product concerned are People's Republic of China and Viet Nam. Imports originating from developing countries with an individual market share of less than 3% accounted for 2.89% of total imports, while imports from other countries, consisting of developed countries, accounted for 1.30% of the total imports.

Exporting Countries	2024	
	Volume (Ton)	Share of Imports (%)
Peoples's Republic of China	10,055	85.11
Viet Nam	1,264	10.70
Developing countries <3%	342	2.89
Others	153	1.30

Source: Statistics Indonesia, Processed.

12.2 If there are any exporting Members to which the measure does not apply for any reason other than the application of Article 9.1, the names of such exporting Members and reasons for non-application of the measure

Not applicable at this stage.

13. Consultations

Members who have a substantial interest in the Subject Goods shall submit a written request of consultation within a period of 7 days from the date of circulation of this notification. All written requests must be sent both in a written letter and in electronic format and must indicate the name, address, e-mail address, phone, and fax number of the Members.

In accordance with Article 12.3 WTO Agreement on Safeguards, the Government of the Republic of Indonesia is open for consultation in order to provide opportunities for those Members, consultation is scheduled to be held virtually.

The contact information for correspondence is:

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14. Members are encouraged to attach, in an electronic form, publicly available document(s) containing the relevant decision(s) made by the competent authority

The non-confidential version of the Final Report of this investigation can be found on the website of the Indonesian Safeguard Committee: <https://kppi.kemendag.go.id/penyelidikan/penyelidikan-berjalan/benang-stapel>.