Overview of Taiwan Textile Industry- 2023

Taiwan Textile Federation

2024.08

Contents

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A. Status of Taiwan Textile Industry

At the beginning stage, Taiwan textile industry imported raw materials for processing and exported most of the finished goods to overseas markets. Later, the sector turned to using materials derived from petrochemicals, and concurrently also imported raw cotton yarn and man-made staple yarn. Gradually, the industry became vertically integrated, eventually joining all the links in the supply chain, including the manufacture of man-made fibers, yarn spinning, weaving and knitting, dyeing and finishing, and apparel and accessories industries.

From its origin, the Taiwan textile industry has steadily invested in new machinery and developed novel products to meet the global market demand. As a result of these efforts, the textile industry has built a comprehensive production system, making Taiwan a major supplier of textile products to the world.

(A) Overview of Taiwan Textile and Apparel Industry

a. Scale of production, manufacturing and employment

Taiwan's textile industry is the main force in the upper and middle reaches, and the downstream industry needs ample labor, and more of them are scattered overseas, and they play a role as the driving force for the development of the upper and middle reaches of the industry. According to statistics, in 2023, there were about 4,469 textile factories in Taiwan, with an estimated number of 140,185 employees, and a total output value of NT$317.2 billion, of which the output value of the textile industry was NT$296.8 billion, accounting for 93.6% of the overall textile industry output value; the output value of the apparel industry was NT$20.4 billion, accounting for 6.4% of the overall textile industry output value. (Table 1)

Table 1 Production Value, Manufacturers and Employees of Taiwan's Textile and Apparel Industry

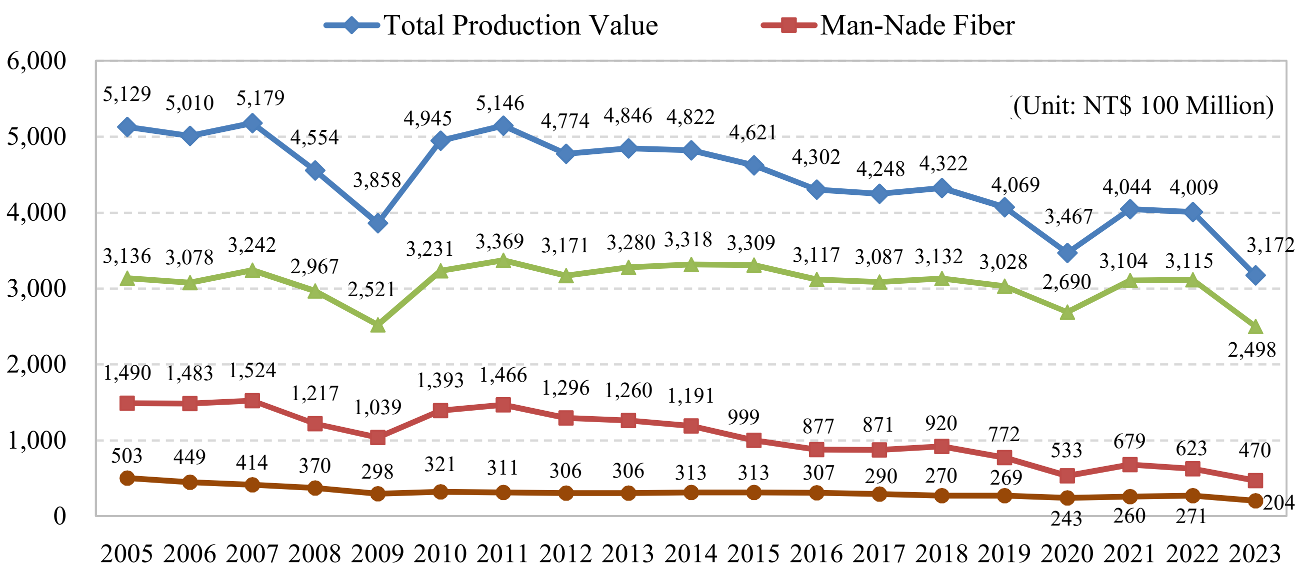
Item		Year			
		2010	2015	2022	2023
Production Value (NT$100 million)	Textile	4,624	4,307	3,735	2,968
	Apparel	321	313	263	204
	Total	**4,945**	**4,621**	**3,998**	**3,172**
Manufacturers	Textile	3,134	3,163	3,362	3,317
	Apparel	1,119	1,144	1,149	1,152
	Total	**4,253**	**4,307**	**4,511**	**4,469**
Employees	Textile	95,736	110,943	109,027	108,710
	Apparel	31,271	32,071	31,535	31,475
	Total	**127,007**	**143,014**	**140,562**	**140,185**

Note: The Statistical Department of the Ministry of Economic Affairs (R.O.C.) conducted base period and item adjustments in May 2023. As a result, the output values in the table above, starting from 2005, have all been revised.

Sources: Directorate General of Budget, Accounting and Statistics, Executive Yuan (employees), Dept. of Statistics, MOEA (production value).

In 2023, global economic uncertainty and reduced consumer confidence weakened the apparel market, slowing inventory reduction and limiting textile export orders. This caused the textile and apparel industry's output to decline by 20.7% to NT$317.2 billion compared to 2022. The man-made fiber sector saw the sharpest drop, down 24.5% to NT$4.7 billion, with the textile and apparel sectors declining by 19.7% (to NT$249.8 billion) and 24.5% (to NT$20.4 billion), respectively. Overall, the industry's value decreased by 38.2% from 2005 to 2023. (Fig. 1)

Fig. 1 Production Value of Taiwan's Textile and Apparel Industry in 2005~2023

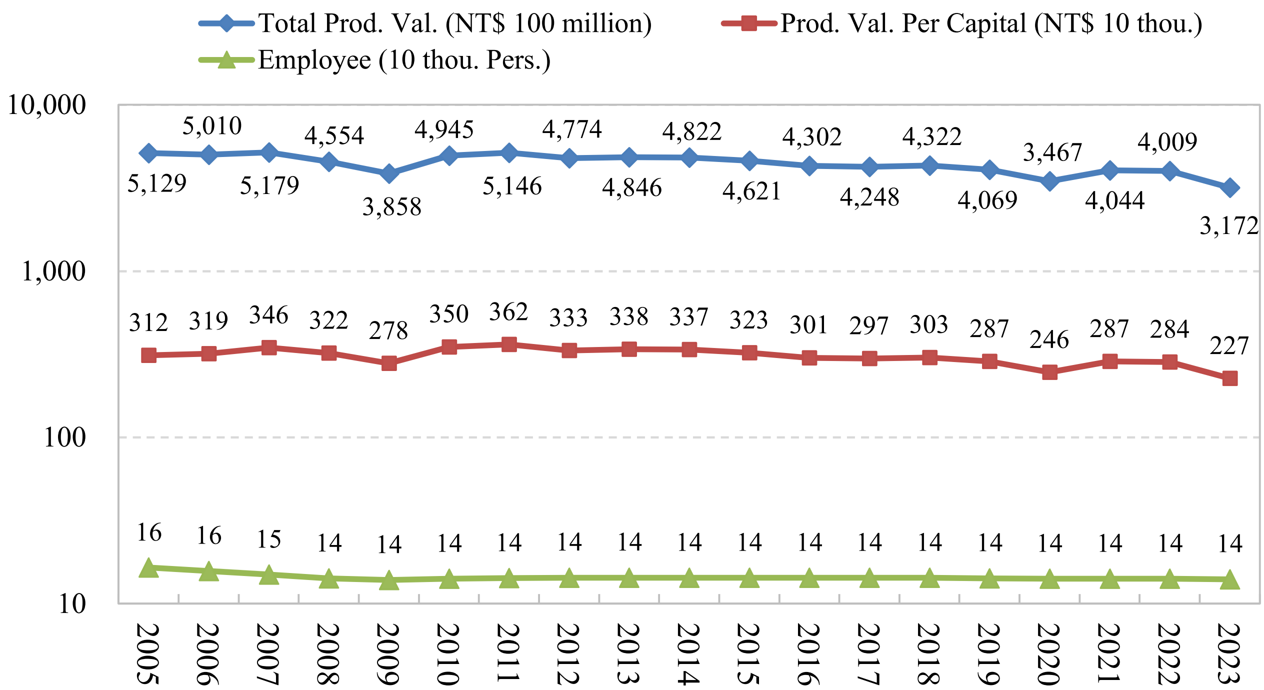


Note: The textile and apparel industry's production value includes three sub-segments, i.e. man-made fiber, apparel and made-ups, and textile.

Sources: Dept. of Statistics, MOEA.

From 2005 to 2023, the per capita industrial output in the textile and apparel industry declined by 25.1%, from NT$3.03 million to NT$2.27 million. The U.S.-China trade war and COVID-19 pandemic, starting in 2019, severely impacted global supply chains and led to significant market contraction. As a result, per capita output dropped noticeably in 2019 and 2021. In 2022, the Russia-Ukraine war and U.S. interest rate hikes caused a slight further decline, with 2023 marking the lowest point in 19 years. (Fig. 2)

Fig. 2 Production Value Per Capita of Taiwan's Textile and Apparel Industry in 2005~2023

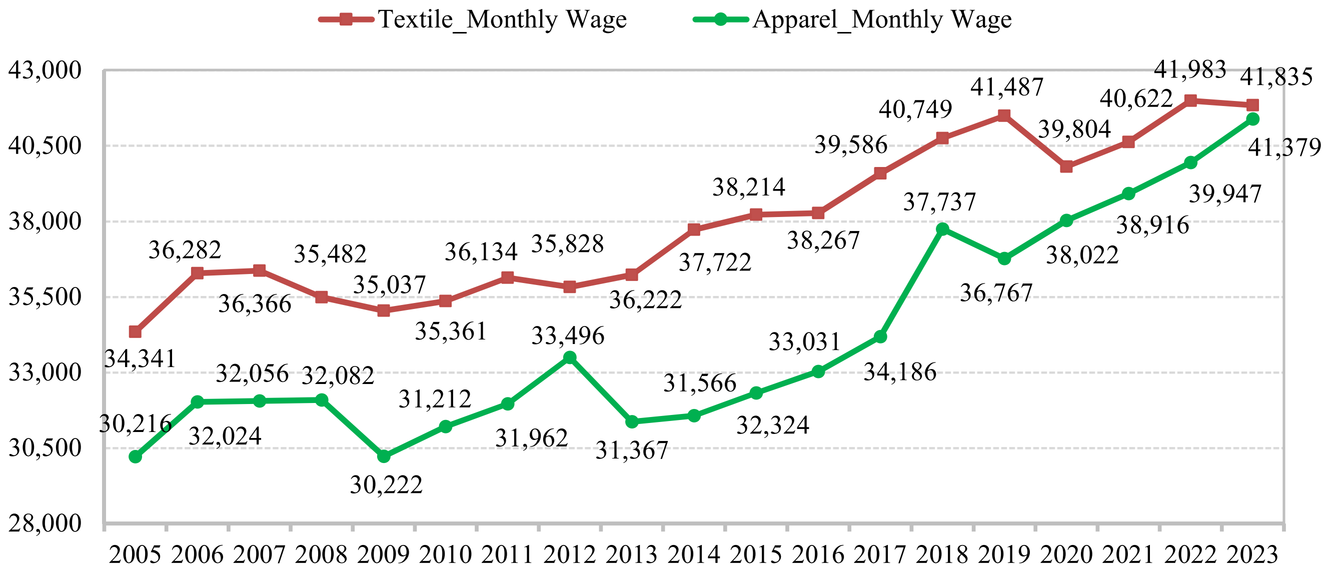


Sources: Dept. of Statistics, MOEA.

b. Taiwan's labor cost of manufacture industry

According to labor statistics from the Directorate-General of Budget, Accounting & Statistics, Executive Yuan, from 2005 to 2023, the monthly wages of textile industry and apparel industry grew from NT$34,341 and NT$30,216 to NT$41,835 and NT$41,379 respectively, with the growth rate of 21.8% and 36.9%; the average annual growth rate were 1.1% and 1.9%. (Fig. 3)

Fig. 3 The Average Monthly Wage of Textile and Apparel Industry



Sources: Directorate-General of Budget, Accounting & Statistics, Executive Yuan.

c. Textile and apparel industry: The fourth largest foreign exchange earner segment in Taiwan.

In 2023, the gross export and import values of Taiwan textile products were US$6.6 billion and US$3.7 billion respectively. In that same year, the textile and apparel industry recorded a total trade surplus of US$3 billion, which making it Taiwan's fourth largest trade surplus industry. (Table 2)

Table 2 The Export and Import Value/Trade Surplus of Textile & Apparel Industry from 2005 to 2023

(Unit: US$100 Million)

Item / Year	Export Values (A)	Import Values (B)	Trade Surplus of Textile & Apparel Industry (C=A-B)	Trade Surplus of Total Trade (D)
2005	118.3	26.4	91.9	158.2
2010	113.1	29.4	83.7	233.7
2015	108.2	35.1	73.1	481.3
2016	99.3	33.4	65.9	497.5
2017	100.7	33.6	67.1	578.8
2018	100.7	36.8	63.9	494.0
2019	91.8	35.5	56.3	434.8
2020	75.3	33.7	41.6	587.9
2021	90.2	38.6	51.6	652.8
2022	88.4	39.5	48.9	514.3
2023	66.3	36.6	29.7	805.6

Source: Compiled by TTF with data from Dept. of Statistics, MOFA.

(B) Taiwan's Textile and Apparel Exports

a. Export proportion

Due to global inflation and U.S. Federal Reserve interest rate hikes, which have caused instability in the global economy, Taiwan's textile and apparel exports in 2023 totaled US$6.6 billion, down 25.1% from 2022. Miscellaneous saw the largest drop, with an export value of US$0.4 billion, down 28.6% from the previous year, followed by fabrics, which had an export value of US$4.7 billion, a decline of 25.9% compared to the previous year. Fabrics constitute 70.7% of total exports, indicating that fabric plays an important role in the full stream of textile production. Yarn follows at 13.1% of exports, and fibers at 5.9%. Together, fibers, yarn, and fabrics account for nearly 90% of total textile exports.

Table 3　2023 Taiwan's Textile and Apparel Exports

Items	Export Volume (10,000 Tons)			Export Value (US$100 million)				Unit Price (US$/Kg)		
	2022	2023	22/23 (%)	2022	2023	22/23 (%)	Share (%)	2022	2023	22/23 (%)
1. Fiber	32.4	30.2	-6.8	4.4	3.9	-11.4	5.9	1.4	1.3	-7.1
2. Yarn	36.5	28.9	-20.8	11.6	8.7	-25.0	13.1	3.2	3.0	-6.3
3. Fabric	65.0	50.7	-22.0	63.3	46.9	-25.9	70.7	9.7	9.3	-4.1
4. Apparel	1.9	1.4	-26.3	4.4	3.4	-22.7	5.1	23.0	23.8	3.5
5. Miscellaneous	7.9	6.2	-21.5	4.9	3.5	-28.6	5.3	6.1	5.6	-8.2
Total	143.8	117.4	-18.4	88.5	66.3	-25.1	100	6.2	5.7	-8.1

Source: Compiled by TTF with data from Taiwan Customs Statistics.

b. Major export markets

In 2023, Vietnam was Taiwan's largest textile and apparel export market at US$1.7 billion, down 26.3% from 2022, representing 26.2% of total exports. China followed at US$0.9 billion (down 26.2%, 14% share), the U.S. at US$0.6 billion (down 25.3%, 8.9% share), Indonesia at US$0.4 billion (down 24.1%, 6.2% share), and Cambodia at US$0.3 billion (down 32.6%, 4.4% share). These top five markets accounted for 59.7% of Taiwan's textile and apparel exports. (Table 4)

Table 4　2023 Taiwan's Main Markets of Exported Textile Products – by Country

Country	Export Volume(10,000 Tons)			Export Value (US$100 million)				Unit Price (US$/Kg)		
	2022	2023	22/23 (%)	2022	2023	22/23 (%)	Share (%)	2022	2023	22/23 (%)
Global	143.8	117.4	-18.4	88.5	66.3	-25.1	100	6.2	5.7	-8.1
1. Vietnam	31.7	23.1	-27.1	23.6	17.4	-26.3	26.2	7.5	7.5	0
2. China	25.1	21.1	-15.9	12.6	9.3	-26.2	14	5	4.4	-12
3. USA	9.6	8.7	-9.4	7.9	5.9	-25.3	8.9	8	6.8	-17.1
4. Indonesia	6.0	4.6	-23.3	5.4	4.1	-24.1	6.2	9	8.8	-1.8
5. Cambodia	4.0	2.8	-30	4.3	2.9	-32.6	4.4	10.8	10.3	-4.6

Source: Compiled by TTF with data from Taiwan Customs Statistics.

Affected by U.S. Federal Reserve interest rate hikes, volatile international political and economic conditions, and uncertain economic recovery prospects, global consumer confidence weakened, leading to a 25.1% decline in global textile and apparel trade. The ASEAN 10 countries saw the sharpest drop, with exports falling 27% to US$2.9 billion, accounting for 43.7% of total exports. China and Hong Kong followed with a decrease of 26%, exporting US$1.1 billion and making up 17.2% of the total. In North America, exports dropped by 25.6% to US$0.6 billion, representing 9.7% of the total, while exports to Japan and Korea decreased by 17.5% to US$0.3 billion, accounting for 5% of total exports. (Table 5)

Table 5　2023 Taiwan's Main Markets of Exported Textile Products – by Area

Area	Export Volume(10,000 Tons)			Export Value (US$100 million)				Unit Price (US$/Kg)		
	2022	2023	22/23 (%)	2022	2023	22/23 (%)	Share (%)	2022	2023	22/23 (%)
Global	143.8	117.4	-18.4	88.5	66.3	-25.1	100.0	6.2	5.7	-8.1
1. ASEAN 10	53.9	40.2	-25.4	39.7	29	-27	43.7	7.4	7.2	-2.7
2. China+HK	27.6	22.9	-17	15.4	11.4	-26	17.2	5.6	5	-10.7
3. NAFTA	10.4	9.4	-9.6	8.6	6.4	-25.6	9.7	8.3	6.8	-18.1
4. Japan+Korea	9.9	8.7	-12.1	4	3.3	-17.5	5	4	3.8	-5
5. EU 27*	7.8	7.7	-1.3	3.4	2.8	-17.6	4.2	4.3	3.6	-16.3
6. Middle East	5.6	5.3	-5.4	3.2	2.7	-15.6	4.1	5.7	5	-12.3
5. Others	28.4	23.1	-18.7	14.2	10.8	-23.9	16.3	4.6	5	8.7

Note: Since 31st Jan, 2020, UK had officially left the EU, hence this table uses data from 27 member states.
Source: Compiled by TTF with data from Taiwan Customs Statistics.

(C) Taiwan's Textile and Apparel Imports

a. Import proportion

In 2023, Taiwan's total imports of textile and apparel amounted to US$3.7 billion, a decline of 7.3% from 2022. Apparels remained the largest import category at US$2.21 billion. Miscellaneous followed at US$0.5 billion, with fabrics ranking third at US$0.4 billion. Yarn and fibers were fourth and fifth, with imports of US$0.3 billion and US$0.3 billion, respectively. Compared to 2022, all categories except apparels saw a decline, with yarn experiencing the most significant drop of 37.4%.

Table 6　2022 Taiwan's Textile and Apparel Imports

Items	Import Volume (10,000 Tons)			Import Value (US$100 million)				Unit Price (US$/Kg)		
	2022	2023	22/23 (%)	2022	2023	22/23 (%)	Share (%)	2022	2023	22/23 (%)
1. Fiber	12.8	12.9	0.9	3.3	2.9	-11.4	7.9	2.6	2.3	-11.5
2. Yarn	10.1	7.9	-22.1	4.8	3.0	-37.4	8.2	4.7	3.8	-19.1
3. Fabric	9.1	7.8	-13.3	5.0	3.9	-20.6	10.8	5.5	5.0	-9.1
4. Apparel	12.3	13.3	7.8	21.1	22.1	4.4	60.3	17.2	16.6	-3.5
5. Miscellaneous	8.8	8.1	-7.9	5.3	4.7	-11.7	12.9	6.0	5.8	-3.3
Total	53.1	50	-5.8	39.5	36.6	-7.3	100	7.4	7.3	-1.4

Source: Compiled by TTF with data from Taiwan Customs Statistics.

b. Major import market

In 2023, Taiwan's top textile and apparel import sources were China and Vietnam, with values of US$1.6 billion and US$0.5 billion, accounting for 43.2% and 13.4% of total imports. Other major sources included Italy, Japan, and the U.S. Compared to 2022, imports from the top five countries declined, except for Italy and Japan, due to global economic instability. (Table 7)

Table 7　2023 Taiwan's Main Market of Imported Textile Products－by Country

Country	Import Volume(10,000 Tons)			Import Value (US$100 million)				Unit Price (US$/Kg)		
	2022	2023	22/23 (%)	2022	2023	22/23 (%)	Share (%)	2022	2023	22/23 (%)
1. Global	53.1	50	-5.8	39.5	36.6	100	-7.3	7.4	7.3	-1.4
2. China	26.3	25.6	-2.7	17.2	15.8	43.2	-8.1	6.5	6.2	-4.6
3. Vietnam	9	6.8	-24.4	5.8	4.9	13.4	-15.5	6.4	7.2	12.5
4. USA	0.1	0.1	0.0	2.2	2.5	6.8	13.6	213.5	275.4	29
5. Italy	1.4	1.2	-14.3	1.8	1.8	4.9	0	13.3	14.2	6.8
6. Japan	3.4	3.8	11.8	2.3	1.7	4.6	-26.1	6.7	4.4	-34.3

Source: Compiled by TTF with data from Taiwan Customs Statistics.

B. Overview of Global Textile and Apparel Industry

From 2005 to 2022, the global textile and apparel trade experienced an average annual growth rate of 4.1% for textiles and 6% for apparels (Table 8). Following the liberalization of textile trade in 2005, production shifted to emerging low-cost countries such as China, India, Pakistan, Bangladesh, and Vietnam. This shift, along with the removal of quotas, led to faster growth in textile and apparel trade compared to the quota-restricted era.

Table 8 Growth of Global Textile and Apparel Export

(Unit: US$ Billion)

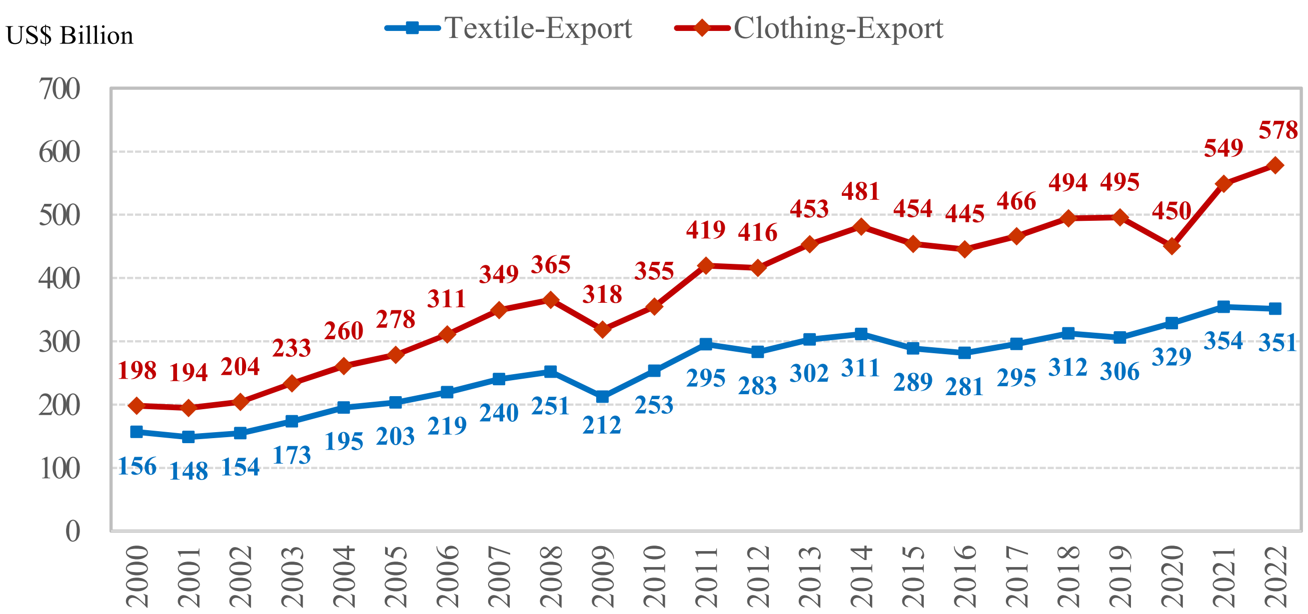
Product	2005	2010	2015	2022	2022 Growth Rate	2005-2022 Growth Value	Average Growth Rate
Textile	203	253	289	351	-0.8%	148	4.1%
Apparel	278	355	454	578	5.3%	300	6%
Total	481	608	743	929	2.9%	448	5.2%

Sources: WTO.

(A) The Statistics of Global Textile and Apparel Trade

According to data released by the WTO in 2022, the global textile trade amounted to US$351 billion, and apparel trade reached US$578 billion, totaling US$ 929 billion. This represents a 2.9% increase compared to US$903 billion in 2021. (Fig. 4).

Fig. 4 2000~2022 Global Textile and Apparel Exports



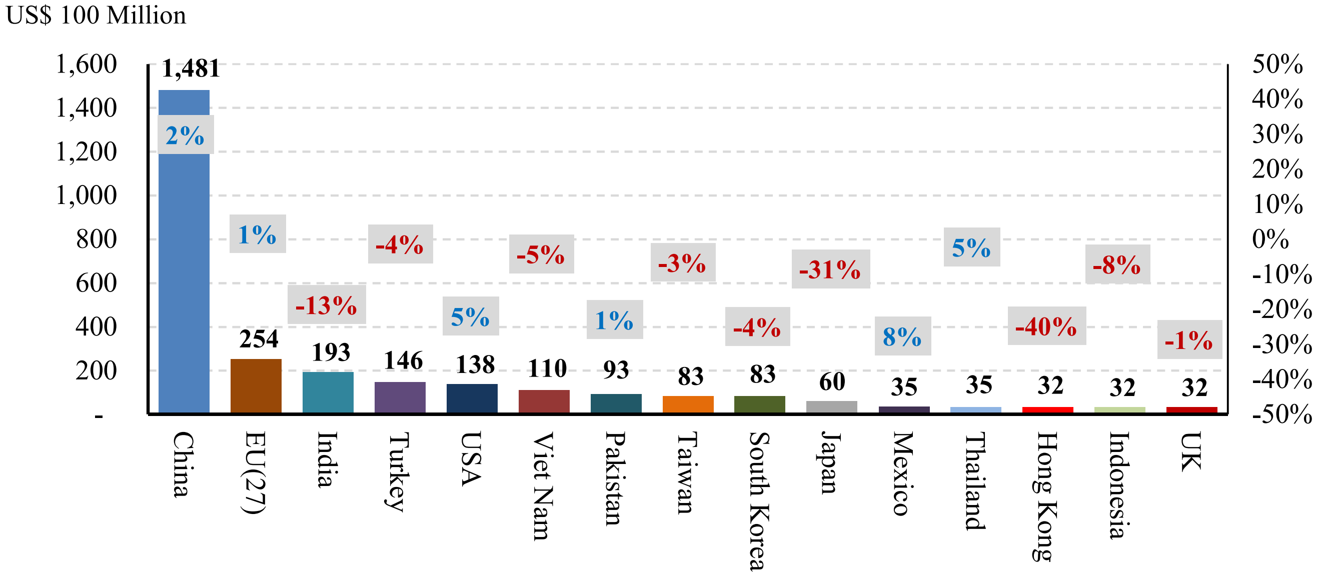
Sources: WTO.

(B) The Leading Textile and Apparel Exporting Countries in 2022

a. The leading textile exporting countries in 2022

In 2022 the global trade of textile industry amounted to US$351 billion, decreased by 0.9% compared with 2021. China was the biggest textile exporting country with the export amount of US$148.1 billion, accounting for 42.2% of the global textile trade, followed by the EU, India, Turkey, and the USA. Compared to 2021, the export value of top 5 Countries showed a positive signal, except India and Turkey. Vietnam ranked sixth, and the export value decreased by 5%; Pakistan followed. Taiwan was the 8th biggest country with the export amount of US$8.3 billion, and plays a key role in functional and Eco-friendly textiles. (Fig. 5).

Fig. 5 The Leading Textile Exporting Countries in 2022

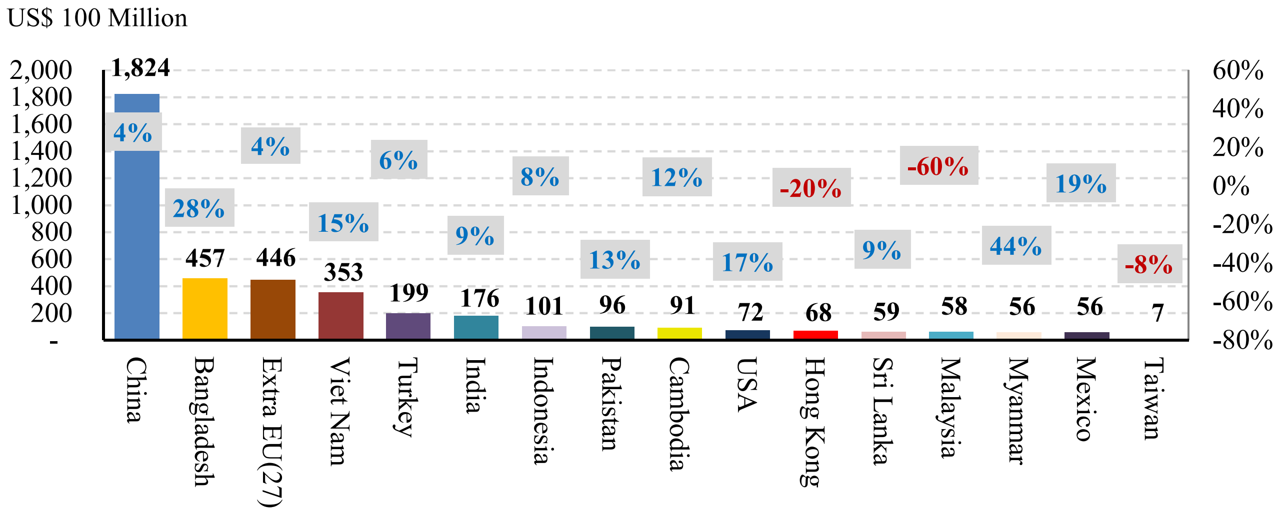


Note: Since 31st Jan, 2020, UK had officially left the EU, hence WTO only uses data from 27 member states.
Sources: WTO.

b. The leading apparel exporting countries in 2022

In 2022, the global apparel trade reached US$577.7 billion, growing by 5.3% from 2021. China remained the top exporter with US$182.4 billion, accounting for 31.6% of global trade. The next top exporters were Bangladesh, the EU, Vietnam, and Turkey. Among ASEAN countries, besides Vietnam, Indonesia, Cambodia, Malaysia, and Myanmar ranked within the top 15. Taiwan ranked 39th globally, with most manufacturers focused on exports, using Taiwan's high-quality, competitively priced yarn and fabric for small-volume, complex, or short lead-time orders produced domestically. (Fig. 6).

Fig. 6 The Leading Apparel Exporting Countries in 2022



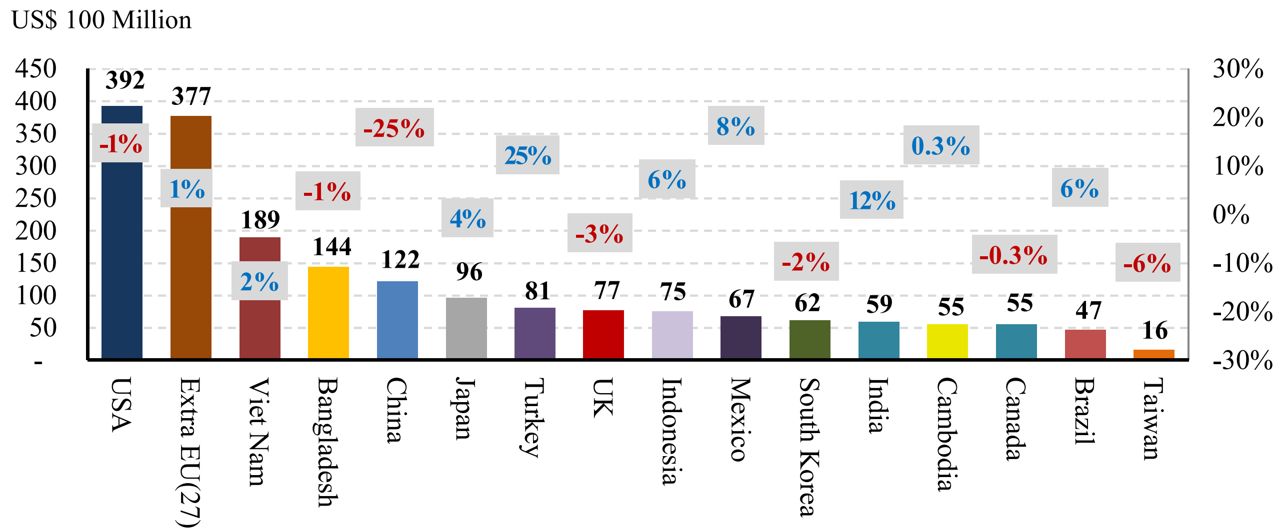
Note: Since 31st Jan, 2020, UK had officially left the EU, hence WTO only uses data from 27 member states.
Sources: WTO.

(C) The Major Textile and Apparel Importing Countries in 2022

a. The leading textile importing countries in 2022

In 2022, global textile imports reached US$386.1 billion, a slight decline of 0.9% from 2021. The top five importers were the US, EU, Vietnam, Bangladesh, and China. The US and EU remained the top two, accounting for 10.2% and 9.8% of the total. Only the EU and Vietnam saw increases, while others, especially China, declined, with a 25% drop. Taiwan imported US$1.6 billion in textiles, ranking 34th globally. (Fig. 7).

Fig. 7 The Leading Textile Importing Countries in 2022

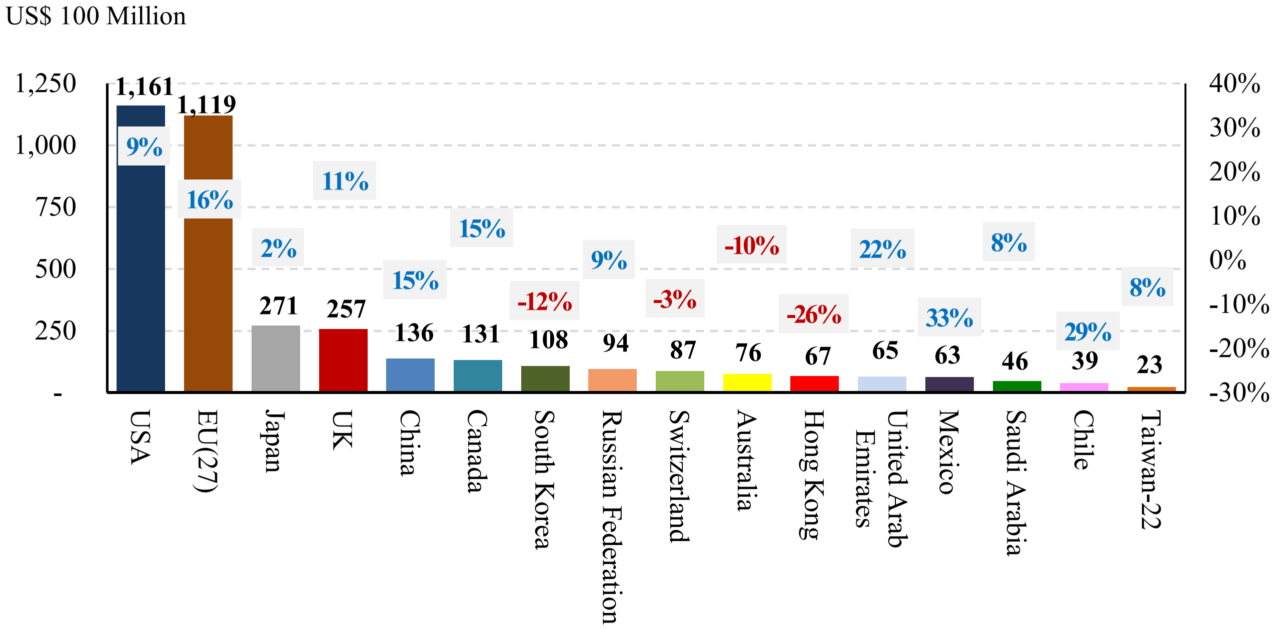


Note: Since 31st Jan, 2020, UK had officially left the EU, hence WTO only uses data from 27 member states.
Sources: WTO.

b. The leading apparel importing countries in 2022

In 2022, global apparel imports reached US$628.5 billion, growing by 8.7% from 2021. The top three markets were the US, EU, and Japan, with combined imports of US$255.1 billion, accounting for 40.6% of global apparel trade. All three markets saw growth compared to 2021. Emerging economies like Mexico are seeing rapid growth in apparel consumption, with imports continuing to rise. As consumer purchasing power in these economies increases, the global apparel import market is expected to become more diverse. Taiwan imported US$2.3 billion in apparel, ranking 22nd globally. (Fig. 8).

Fig. 8 The Leading Apparel Importing Countries in 2022



Note: Since 31st Jan, 2020, UK had officially left the EU, hence WTO only uses data from 27 member states.

Sources: WTO.

C. The Vision of Taiwan Textile Industry

In 2023, the global economy continued to face multiple challenges, including inflationary pressures, rising interest rates, the ongoing US-China trade war, and the prolonged Russia-Ukraine conflict. These factors have maintained significant uncertainty in international markets. Due to the sluggish global economic recovery, consumer demand has not shown a clear rebound, and international brands are continuously adjusting their inventories, impacting Taiwan's textile and apparel export performance. In this context, Taiwanese textile manufacturers are generally facing weak order momentum, with export values showing only limited recovery, particularly in the first half of 2023, where overall export performance fell short of expectations.

Looking ahead, although uncertainties in the global economy may gradually diminish at certain stages, inflation, interest rate trends, and geopolitical risks will continue to impact market demand and supply chain stability. Therefore, Taiwanese textile manufacturers must stay alert to global economic shifts and respond flexibly to changes in market demand. However, Taiwan's textile industry still has growth potential and inherent advantages. It is recommended to focus on the following areas for development:

(A) Deepening Digital Transformation and Smart Manufacturing

As the global digitalization trend accelerates, Taiwan's textile and apparel industry needs to further enhance its capabilities in digital transformation and smart manufacturing. This includes adopting advanced automation equipment and intelligent systems to increase production efficiency and reduce costs. Additionally, companies can leverage big data, IoT, and other technologies to optimize supply chain management, achieving full-process digital management from design to manufacturing to logistics. This will boost global competitiveness and drive sustainable industry development.

(B) Green Transformation and Global Competitiveness in Eco-Friendly Textiles

With the growing emphasis on environmental protection and sustainability, Taiwan's textile industry must actively pursue green production and a circular economy to reduce carbon emissions and energy use. Companies can achieve these goals by developing eco-friendly materials, using renewable energy, and promoting low-carbon manufacturing technologies. Additionally, responding to global demand for eco-friendly textiles by developing new products with environmentally friendly characteristics will increase market competitiveness.

The escalating issue of global warming is fueling the demand for eco-friendly textiles. Many Taiwanese textile manufacturers are already investing in areas like nylon recycling, dope-dyed fibers, and bio-based eco-friendly textiles. Taiwan has earned global recognition for its recycled PET textiles made from plastic bottles and has partnered with international brands to supply apparel for major events, receiving widespread acclaim. Looking ahead, Taiwan's textile industry should continue monitoring international trends and environmental regulations, focusing on developing competitive eco-friendly textiles to solidify and enhance its position in the global supply chain.

(C) Enhancing Development of High-Value and Differentiated Products

In recent years, the quality and added value of Taiwanese textiles have significantly improved, helping to enhance the international image of Taiwanese products and differentiate them from those of developing countries, particularly in competition with Southeast Asian and Chinese products. Moving forward, Taiwan's textile industry should continue to focus on developing high-value materials, combining technology and trendsetting design to produce more functional and differentiated fabrics and garments, thereby creating greater business opportunities.

(D) Developing Fashionable Functional Textiles

As consumer demand for high-quality textiles grows, driven by the rise of sports trends and extreme weather, the market potential for functional textiles is immense. However, modern consumers now expect not only high functionality but also elevated fashion standards. Recent preferences reflect a lifestyle that seamlessly blends sports, work, and daily living, further expanding the demand for functional yet fashionable textiles. Taiwan has established itself as a global leader in the research, development, and production of functional textiles. With major international brands increasingly launching functional fashion apparel, Taiwan should proactively seek niche opportunities to expand its market share in this sector.

(E) Strengthening Design and Brand Power

Taiwanese yarns and fabrics are highly regarded in the global market, with major international brands sourcing these materials, especially for functional products. However, Taiwan's downstream fashion design and branding efforts still need active development to capture the higher profits associated with end-consumer goods. Beyond enhancing trend awareness and refined design capabilities, branding is a path the Taiwanese textile industry must pursue. Strong brands not only create business opportunities but also drive innovation and quality in Taiwan's yarn and fabric materials. This enables deep integration of the entire supply chain, from raw materials to branded products, allowing Taiwan's textile industry to achieve renewed growth.

(F) Expanding International Markets and Deepening Collaboration

As global market demands evolve, Taiwan's textile industry should actively explore emerging markets and deepen cooperation with existing markets. For instance, strengthening relationships with Southeast Asian countries and India by establishing production bases or partnerships in these regions can help reduce production costs and quickly respond to market demands. Additionally, active participation in international exhibitions and trade promotion activities will enhance the global visibility and influence of Taiwanese textiles.