



Technical Assistance to Support
Promotion of Social Dialogue in Lebanon

المساعدة التقنية لدعم تعزيز الحوار الاجتماعي في لبنان



Promoting Social Justice in Lebanon

Ministry of Labor

EUROPEAN UNION - GOPA FASHION AND JEWELLERY SECTOR LABOR MARKET ASSESSMENT

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I. Executive Summary

Background

This Labour Market Assessment was conducted as part of the '**Promotion of Social Dialogue**' program in Lebanon, funded by the European Union and implemented by GOPA.

The EU-funded Project is aiming to enhance the capacity of the Government of Lebanon and the Lebanese Social Partners and Civil Society to be promoters of Social Dialogue in order to strengthen social protection and improve and enforce labour legislation.

This project is part of the EU funded program "Promotion of Social Justice", which follows a comprehensive approach to human development in supporting increased access to information, enhanced participation of citizens in decision making and advanced social protection in support of inclusive and sustainable growth.

The **specific purpose** of the Technical Assistance Contract between the EU and GOPA Consultants is to increase the capacities of the Ministry of Labour and Tripartite Social Partners to be promoters of social dialogue.

Three **results** have to be achieved in order to reach the purpose:

1. Operational and legal framework for social dialogue developed
2. Institutional and technical capacity of the Ministry of Labour and its tripartite social partners is reinforced to promote social dialogue
3. Tripartite social dialogue and collective bargaining are promoted at national level

The project is implemented by the Ministry of Labour (MoL).

Beneficiaries and partners of the project are the MoL- especially the Labour Inspection Department of the MoL, the National Employment Office (NEO), the Economic and Social Council (ECOSOC), Employer Organizations, Trade Unions, Civil Society Organisations and other relevant stakeholders involved in Social Dialogue.

is to improve the information base regarding current and future economic trends and labour market demands in order to better address skills needs for the Lebanese economy in the digital sector and the jewellery/fashion design sector. Ultimately the LMA is focused on expanding economic opportunities of vulnerable Lebanese communities as well as Syrian and Palestinian refugees by improving access to employment, supporting MSME, and building technical capacity of private and government run vocational training centres.



Objectives

This comprehensive labor market analysis aims at supporting the Ministry of Labor and National Employment Office (NEO) in creating better linkages in the fashion and Jewellery sector, whereby businesses would be able to identify and recruit skilled labor, while job seekers, notably youths and women, would have a better access to jobs in this sector. It guides training providers and academic centers in conceiving a workforce ready to detect and grasp employment opportunities. Similarly, it proposes strategies and stipulates adequate policy formation in the sector.

Surveys were conducted with a total of 35 Jewellery businesses, and 106 Fashion businesses – 36 Micro businesses, 42 Small businesses, and 28 Medium and Large businesses. Moreover, six focus groups were carried out with employees and potential employees in the sector, including three groups with women and three groups with youths.

Finally, eleven key informant interviews were carried out with small and mid-sized Jewellery and fashion design companies in Lebanon.

Sector Overview and Performance

Lebanon has strong brand equity, human capital and experience in Creative Industries, including design and crafts. However, there are missed opportunities related to positively exploiting that talent in order to leverage the strengths of this economic sector. The country's strong design capabilities are being overshadowed by the decreasing availability of craftsman and technical labor to support the development of the sector.

Jewellery, particularly pearls, precious stones and metals are considered among the main exported commodities in Lebanon. In 2015, exports were pegged at \$407.26M with a 15% share of the total Lebanese exports. In fashion, according to Blominvest, during the boom period of 2009-2012, Lebanon's apparel market size grew by an average annual rate of 3.9%, indicating a promising retail sector. Both sectors are not however immune to the current economic downturn, nor is the fashion sector, but pre-crisis performances indicate a strong potential for growth.

Key Findings

The Jewellery and fashion sector largely depend on skilled workers. In Jewellery, where the average number of employees per business is around 15, the majority of workers are skilled. Fewer employees tend to be skilled in the fashion sector because there are more low skilled jobs such as truck drivers and logistics personnel.

The most in-demand position in the Jewellery sector is the goldsmith and in the fashion sector, the tailor. Other required positions in fashion and Jewellery are Jewellery repair technicians, Jewellery designers, knitting technicians, sewing machine operators, creative pattern cutters,



and fashion designers. That said, there are very few to no job openings in these two sectors. And even for companies that do have openings, there were one or two jobs at most.

Unsurprisingly, the preferred recruitment method used by employers is word of mouth. This is a common practice among employers in Lebanon and has been an issue for job seekers across all sectors.

When it comes to recruiting women, employers did not perceive any challenges. However, women who are seeking employment felt that there were many challenges related to working in fashion and Jewellery. The first mentioned issue was the low wages, absence of flexible working hours and competition by male employees and foreigners. Cultural and social discrimination was also mentioned as an issue by women, whereby they felt that employers did not want to commit to employing women if they were married and had families, if they were pregnant or if they were veiled.

In the Jewellery sector, respondents found no obstacles in recruiting youth members, although they did complain about the lack of skills, knowledge and working experience. Job seekers and employees discussed other concerns during focus group discussions stating that academic and training institutes as well as universities did not take into consideration the needs of the private sector when designing their curriculum and courses. Similar concerns existed for the fashion sector, although young job seekers in this sector had more options in terms of education and training notably thanks to the renowned fashion design school ESMOD, more trainings and opportunities for internships which they were able to find in the market.

Most businesses provide in-house training to their employees as they lacked the resources to outsource training or contract an external consultant.

Recommendations

The Jewellery and fashion sectors are decreasingly attractive to young Lebanese job seekers. And those that are still interested in them are more likely to seek opportunities abroad. But these two sectors remain a source of pride for Lebanon and can be revived with the adequate support, including in training and education.

Companies should provide trainings after hours for women, organize roundtables and discussions with small and large businesses to identify training and education needs, provide hands on training to teach students how to become more detailed oriented. SMEs could support employment and skills development by providing more apprenticeship/internship opportunities for young graduates and women, involving them more actively in the production process. Meanwhile, The Ministry of Labor and NEO can encourage the introduction of sewing and Jewellery design courses as electives at schools/universities.

They could also create an updated database of Jewellery and fashion businesses, reach out to them, identify their employment needs, job descriptions and requirements in order to advise job seekers accordingly.



The Government could also play a role by reducing export and import taxes on raw materials which are causing logistical issues and restricting designers from scaling internationally, highlighting e-commerce as an essential component of Jewellery and fashion, etc.

II. Fieldwork Summary

The private sector surveys and focus groups in the jewellery and fashion sectors were conducted by a team of enumerators recruited by InfoPro. These in-depth face-to-face interviews were carried out with General Managers/Managing Directors or Human Resources Managers of private companies across the Beirut and Mount Lebanon Governorates; the choice of the person to be interviewed was assessed according to every company and its organizational structure.

The Database for businesses to be screened consisted of a total of 32,285 companies in the Digital Sector, 6 and it was prepared using the following sources: The Chamber of Commerce, Industry and Agriculture of Beirut- Mount Lebanon (CCIB), 5 Index, Kompas, and a list provided by a consultant from GOPA Worldwide Consultants. However, InfoPro faced several problems finding a sufficient amount of companies that fit the required criteria to form part of the study; therefore, a process of Ground Scanning was put in place to enlarge the pool of companies in the three sectors.

InfoPro conducted in-depth face-to-face interviews with a total of 141 company owners/top managers. The Jewellery and Fashion Design sector were split in order to allocate adequate samples for each sub-sector. Companies were distributed in the following manner:

| Fashion Design Sector | | Percent | Frequency |
|-------------------------|---|-------------|------------|
| Governorate | Beirut | 27% | 29 |
| | Mount Lebanon | 73% | 77 |
| Company Size | Micro (1-4 Employees) | 34% | 36 |
| | Small (5-20 Employees) | 40% | 42 |
| | Medium and Large (More than 20 Employees) | 26% | 28 |
| Total | | 100% | 106 |
| Jewellery Design Sector | | Percent | Frequency |



| | | | |
|---------------------|---|----------------------|-----------|
| Governorate | Beirut | 40% | 14 |
| | Mount Lebanon | 60% | 21 |
| Company Size | Micro (1-4 Employees) | 43% | 15 |
| | Small (5-20 Employees) | 49% | 17 |
| | Medium and Large (More than 20 Employees) | 9% | 3 |
| Total | | 100% | 35 |
| Grand Total | | 141 Companies | |

A. Recruitment of Enumerators and Field Teams

A meticulous recruitment process was conducted to ensure the best quality of enumerators is selected. InfoPro recruited a total of 12 enumerators with relevant and suitable backgrounds and with prior experience in conducting surveys. The recruitment process used a combination of divert means. At first, InfoPro started by contacting people from its research database who have worked with the company before, and proved to be able to deliver an excellent output. In addition, InfoPro also assessed its recruitment website: <http://www.jobs.com.lb> to identify potential candidates. Finally, InfoPro also posted announcements for the positions in local newspapers and on some specialized recruitment websites. A pool of potential candidates was chosen, and they were interviewed in InfoPro offices. After the interview process, all approved candidates had to undergo a series of tests that include IQ, English, data entry and editing. Candidates who passed the test with the highest grades were shortlisted to work on the project. From the shortlisted candidates, the 12 enumerators were selected according to the following criteria:

- Candidates must be university graduates;
- Candidates must have a good understanding of the Arabic language;
- Candidates must possess the required professionalism, attitude, and appearance to be able to deal with the owner/top management team of the companies to be surveyed.

Moreover, successful candidates also needed to be fully available throughout the fieldwork period. It is important to note that the phone operators who were in charge of taking appointments with owners/ top management of companies were experienced InfoPro full-time employees, who have extensive knowledge in dealing with the top management of companies



in a professional manner, and prior experience in appointment taking.

B. Training

Training for Enumerators

The consistency and accuracy of enumerator performance is vital for a successful output. Thus, the enumerators were trained on the proper way of administering the questionnaire by the project manager on the 17th of July, 2018, in InfoPro premises in the presence of a consultant from GOPA Worldwide Consultants. It is important to note that prior to the training the questionnaire was approved by GOPA and it was translated to Arabic by InfoPro. The training also consisted of extensive role playing to ensure that surveyors were asking the questions on the proper manner. Moreover, the training focused on tackling typical mistakes and errors that commonly happen, such as not recording responses exactly as stated, changing the question wording while reading out loud, or omitting qualitative information provided by the respondent that might be of added value. Additionally, enumerators were trained on project specifics, such as, differentiating between project segments (E.g. Skilled employees and skilled employees with no experience), to ensure their complete understanding of the study. Enumerators were also trained to be prepared to handle objections they could encounter while administering the questionnaire to the interviewed business owners/top managers.

Training for Phone Operators

Phone operators were also trained by the project manager for the specific purpose of screening the companies, and consequently proceed to appointment taking solely with the companies that fit the screening criteria. The InfoPro phone operators in charge of screening companies and taking appointments was trained and provided with a customized guide to follow, with the following instructions:

- Adequate manner of introducing InfoPro and GOPA Worldwide Consultants;
- Project information, objectives, and scenarios to be able to secure an appointment;
- Company screening criteria and official invitation email (to be developed in Section IV).

C. Fieldwork Implementation

Post recruitment and training, the InfoPro phone operators consequently started appointment taking and scheduling the in-depth face-to-face interviews on the 18th of July 2018. Prior to appointment taking, the trained phone operators screened the companies of the Database following the criteria below:



- **Screening Criteria 1- Company Activity:** Companies must have the majority of their activities allocated in either:
 - Design;
 - Consultancy;
 - Manufacturing;
 - Repair;

Moreover, companies that practice the retail activity were accepted as long as they have the highest percentage of their activities allocated to one or more of the four aforementioned ones.

Selected company activity types per sector:

| Activity Type of the Fashion Design Sector |
|---|
| Requested Activity Type |
| 1-Manufacture/Design of wearing apparel |
| 2-Manufacture/Design of leather and related products |
| 3-Retail sale of clothing, footwear and leather articles in specialized stores (focus on high-class fashion) |
| 4-Specialized design activities (fashion design related to textiles, wearing apparel, shoes, Jewellery etc.) |
| Activity Type Not Required |
| Companies which only practice retail, wholesale and/or trade activities of the Fashion Design sector did not fit the required criteria. However, as an exception, it was only allowed the single activity of retail and wholesale for High-End fashion retailers (i.e. Aishti, and similar company profiles). |

| Activity Type of the Jewellery Design Sector |
|--|
| Requested Activity Type |
| 1- Manufacture of Jewellery, bijouterie and related articles |
| 2- Design of Jewellery, bijouterie and related articles |



Activity Type Not Required

Companies which only practice retail, wholesale and/or Trade activities in the Jewellery Design sector, did not fit the required criteria.

- **Screening Criteria 2- Company Location:** As previously mentioned, companies must be located in the Beirut or Mount Lebanon Governorates.
- **Screening Criteria 3- Operational Date of the Company:** Companies must have started their operations before 2017.
- **Screening Criteria 4- Company Size:** Company size was also part of the screening criteria to ensure proper distribution across company sizes.

After the selected companies were screened and the phone operators scheduled an appointment with the companies that fit the screening criteria, an official invitation letter was sent from InfoPro to corroborate the appointment, which included project objectives and the topics in which the survey is delving in. Moreover, the InfoPro phone operators also contacted the company to be surveyed to confirm the enumerator's arrival the next day.

Upon the enumerator's arrival to the company and prior to commencing the interview with the company owner/top manager, the enumerators presented an official letter validating that InfoPro is conducting a study on behalf of GOPA Worldwide Consultants and the Ministry of Labor (MoL), as part of the European Union (EU) funded project "Promotion of Social Dialogue". The data collection period ended on the 14th of September 2018.

D. Lessons Learned

- There was a lack of proper job description/task distribution, especially in micro and small company sizes. Might be important to consider how this can affect their hiring process.
- The Ground Scanning process was a very efficient way to include suitable companies on the Database, especially in the Fashion and Jewellery Design sectors.
- The fieldwork team faced difficulties scheduling appointments with large companies in the Fashion Design sector as the decision makers/owners are on constant travel.
- It should be noted that many of the large fashion enterprises outsource a high percentage of their work; many of the companies were thought to be medium and large enterprises but were in fact categorized as micro and small ones due to this matter.



III. Findings

A. Sector Overview and Performance

a. Industry Overview

Lebanon has strong brand equity, human capital and experience in Creative Industries, including Jewellery and fashion design and crafts. However, there are missed opportunities related to positively exploiting that talent in order to leverage the strengths of this economic sector.

Jewellery

The Lebanese Jewellery market is a big and competitive market estimated at a size of \$600 million. It is divided into 3 subsectors: low-end, medium and high-end products. Some estimate the Jewellery market to be at \$4.5 billion which will be equivalent to 16% of Lebanon's GDP (Gross Domestic Product), but no statistical data, nor official publication can confirm this figure.

The sector is monopolized by a number of family owned businesses, like Tabaa, Hakim Mouawad, Mouzannar, and Bonja. It encompasses locally designed items, as well as international brands licensed through the local private jewelers.

As for the customers, it has been estimated that 70% are locally based and 30% are foreigners. The diversified client base manages market risks resulting from political instability or economic upheavals that Lebanon is constantly facing.

In 2004, some jewelers estimated the local consumption to be \$50 to \$70 million used by 2 to 5% of the local population. Usually the upper class are those who buy Jewellery, whereas the others would rather invest in gold in its purest form. The middle class used to spend a lot on Jewellery, but with the economic deterioration, many diverted their spending on gold or kept their money cash earning interests.

Jewellery, particularly pearls, precious stones and metals are considered among the main exported commodities in Lebanon. In 2015, exports were pegged at \$407.26M with a 15% share of the total Lebanese exports. This percentage was equivalent to 35% in 2011 when the exports of the Jewellery sector ranked in the first position followed by the exports of the base metals (12%) and the machinery and the electrical equipment with a similar share of 12% (Blominvest Bank, Lebanon's Jewellery Sector: Success Story, Locally and Abroad, 2012).



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Lebanese law does not impose taxes on the exported products, however the exported item is taxable by the destination country. For instance, the average charge in the Arab World is around 5%. For Europe, VAT is the only imposed tax, as for the states the products are tax free.

The top export destinations are South Africa (44%), United Arab Emirates (25%), Switzerland (13%), Saudi Arabia (5%) and Hong Kong (3%). Other export destinations include Saudi Arabia and Jordan (Blominvest Bank, Lebanese Jewellery Industry: Radiant yet Opaque, 2016). According to the European Ministry of Foreign Affairs, Lebanon was, in 2014, among the top 5 largest Jewellery exporters to Europe.

It has been estimated that there is a huge differential amount, approximately \$177 Million, resulting from the difference between the imported rate of diamond per carat (\$19.67 per carat) and the exported one (\$708 per carat). Their export value is 36 times more than their import value (Executive Magazine, Secrets of the Stones, 2010). However, in the absence of official statistics, KPCS estimate these figures to be exaggerated and the difference value to be insignificant.

As specified by the Syndicate of Expert Goldsmiths and Jewelers in Lebanon (SEGJL), the sector employs around 8,000 workers out of which 2,000 are qualified jewelers (Blominvest Bank, 2012). Others would estimate the industry at 20,000 employees including business retailers, freelancers and manufacturers (Business, Battling to stay in the ring, 2004).

The labor hour is relatively cheap, amounting to \$62.5/hour compared to \$119/hour (equivalent to 100 euro) in Europe. The labor force is cheap but highly-skilled and experienced. In principle, Lebanon is a member of the World Intellectual Property Organization which is supposed to protect 'all creations of human intelligence' among which are the manufacturers and all those employed in the field.

However, aside from the political instability and the economic upheavals, the local market itself faces some difficulties resulting from the inexperienced merchants working in the industry. These amateur merchants underpay the manufacturers whom in turn minimize their costs and produce accordingly low-quality products.

Fashion

Meanwhile, Lebanon's fashion retailing has long served the Arab tourism market which has been on a slippery slope since 2011. According to Blominvest, during the boom period of 2009-2012, Lebanon's apparel market size grew by an average annual rate of 3.9%, indicating a promising retail sector. However, the current political stalemate and instability coupled with spill over effects from the Syrian crisis have weighed heavily on the tourism sector as well as on spending by Lebanese citizens, This has affected the growth of Lebanon's apparel market. The market has been contracting every year since 2013 by at least 4% to 5%, reaching closer



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to 20% decline in 2017.

Lebanon nonetheless remains a reference in fashion and design for the Middle East region, its fashion designers in haute couture have become world renown brands, and outstanding creativity is a unique differentiator for professionals in this sector. The Lebanese culture is favourable to the development of such a sector.

That said, in general, most of the companies in fashion and Jewellery are small family businesses, or retail stores. Research findings revealed that fashion businesses are somewhat more diverse in nature, however Jewellery businesses are usually smaller, except for a few large groups such as Moukarzel, Antoine Saliba, Zougheib and others. The largest company interviewed in the fashion sector had 50 employees, and the largest company in the Jewellery sector had 30 employees. Most of the businesses interviewed through were designers and manufacturers of clothes and Jewellery.

b. Market Trends

There is somewhat of a revival in niche segments of both industries, as Lebanese consumers are increasingly willing to consume locally made products and purchase products that are made locally.

“Made in Lebanon’ has become an attractive selling proposition, whether in Jewellery and fashion or other sectors. In response to this, there have been efforts at least by international organizations, to revive local produce. In 2015, UNIDO (United Nations Industrial Development Organization) launched a pilot program to connect the Lebanese national identity to the products manufactured. The purpose was to nurture the sector with creative products that would attract potential buyers, particularly the expatriates.

The UNIDO project was initially to build a system of support in one of the creative industries in Lebanon, i.e. the Jewellery sector. It started with artisanal makers of Jewellery in the Bourj Hammoud area (located in the suburbs of the capital Beirut). Matched with the names of famous Lebanese designers, the aim was to disseminate skills and abilities among artisans in the hope of connecting them to the European markets (Executive, *Sharing Lebanon’s artisanal treasures with the world*, 2015).

Similarly, in 2016, the Jewellery cluster of Bourj Hammoud, in collaboration with UNIDO launched Creative Lebanon. This pilot boutique is a platform and a creative hub allowing SME and entrepreneurs to share their creative work and their know-how with the local markets¹.

¹ <https://www.facebook.com/JewelleryClusterBourjHammoud/>



c. Companies and Main Activities

A total of 106 Fashion businesses including 36 Micro businesses, 42 Small businesses, and 28 Medium and Large businesses – were interviewed as part of the conducted surveys.

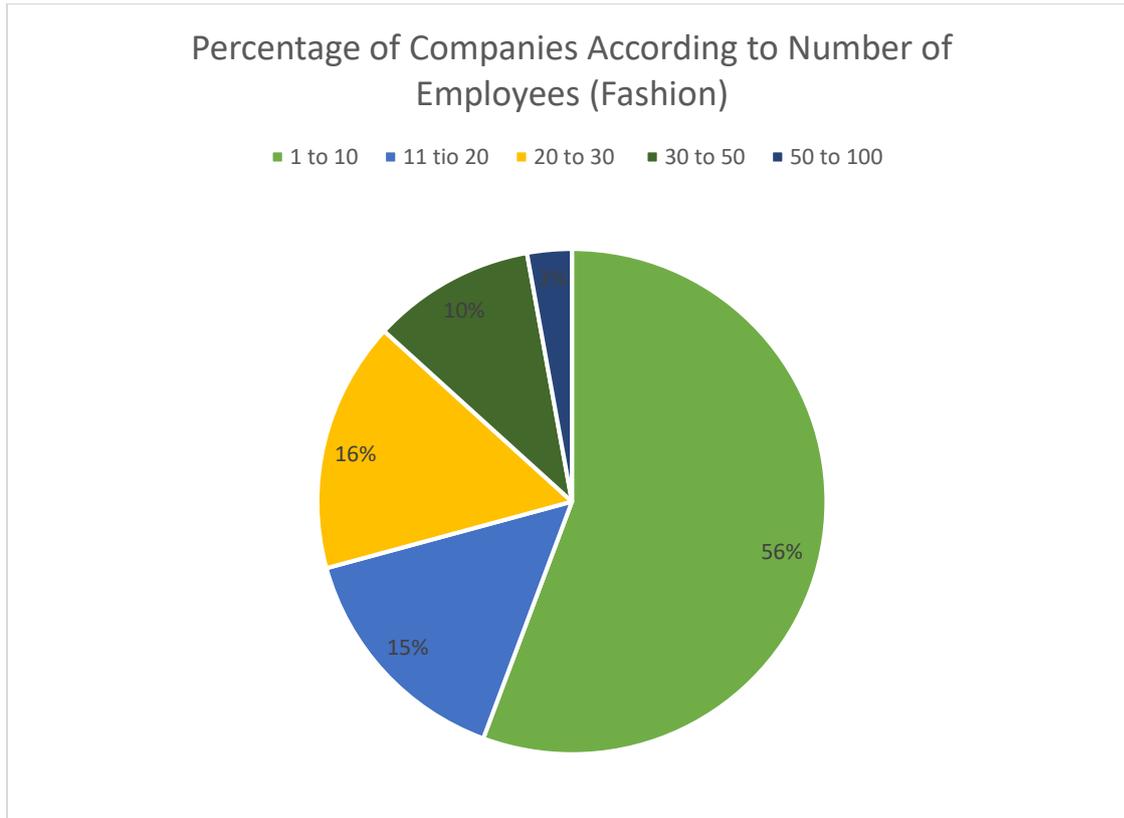


Figure 1: Percentage of companies according to number of employees (Fashion)

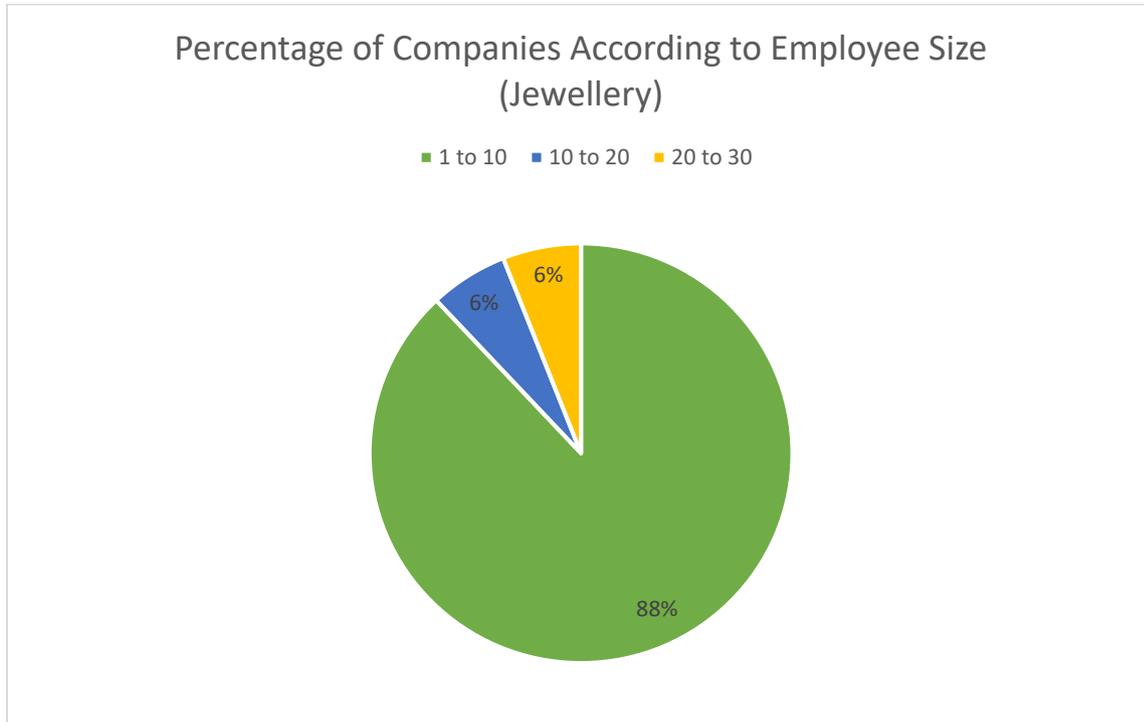


Figure 2: Percentage of companies according to number of employees (Jewellery)

In general, most of the companies in the fashion or Jewellery sectors are small family businesses, or retail clothing stores. Fashion businesses are somewhat more diverse, however Jewellery designers are usually small businesses, with the exception of a few larger groups such as Moukarzel, Antoine Saliba, Zougheib and others. The largest company interviewed in the Fashion sector had 50 employees, and the largest company in the Jewellery sector had 30 employees.

All 35 companies in the Jewellery sector were designers/manufactures of Jewellery and retail stores.

In the fashion sector, business activities are more diverse, ranging from design to retail sales, manufacturing of leather or other products, and manufacturing of wearing apparel.



Figure 3: Main business activity (fashion sector)

d. Expected Growth

Most companies did not expect any growth in the coming years, and this is the direct result of the economic downturn in Lebanon which has affected these sectors in many ways. First, consumer confidence is at an all-time low, and second, high spending Gulf tourists who used to shop in Beirut notably for jewellery and fashion have snubbed the country for several years.

Jewellery companies were more optimistic than fashion companies, more likely because these find it easier to export or target Lebanese expatriates during their visits to the country. Lebanese jewellery is also renowned and very unique in terms of designs and quality, whereas fashion does not necessarily compete with international brands and retailers that are found in the GCC and Europe.

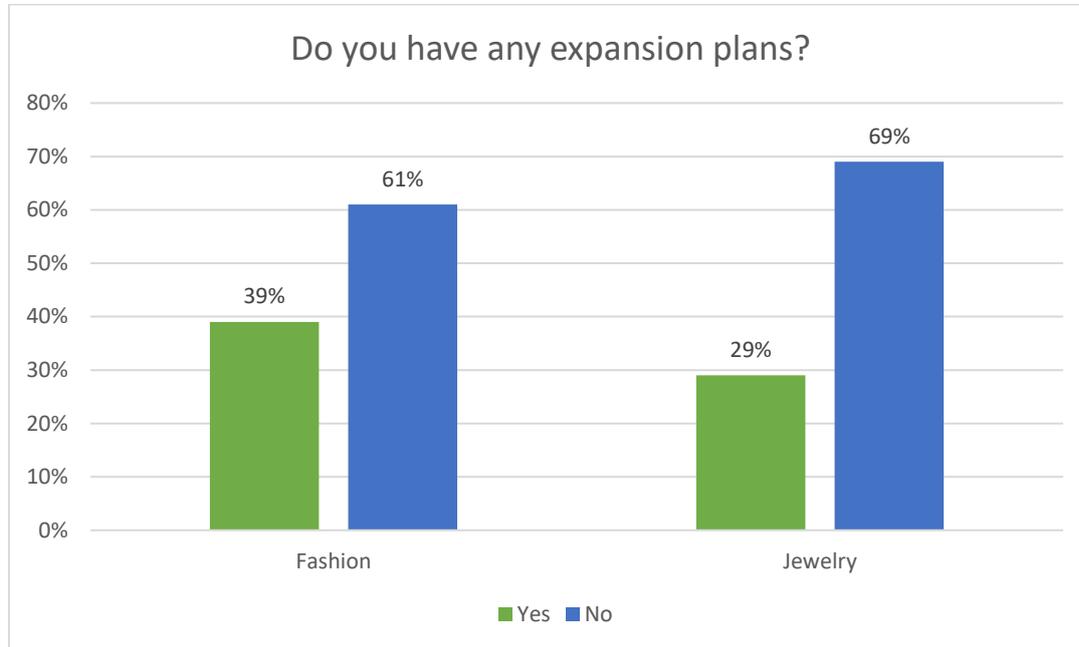


Figure 4: Expansion plans

For those who did foresee expansion, they were either looking at introducing new products, expanding geographically or increasing marketing efforts. Answers differed between the fashion and jewellery sector. For the Fashion sector, the most common response was related to increasing marketing in order to increase sales, whereas in the Jewellery sector, the most widespread answer was scaling to global markets and opening more branches abroad.

Fashion companies need larger premises or warehouses in order to expand internationally which makes it challenging for them compared to jewellery companies.

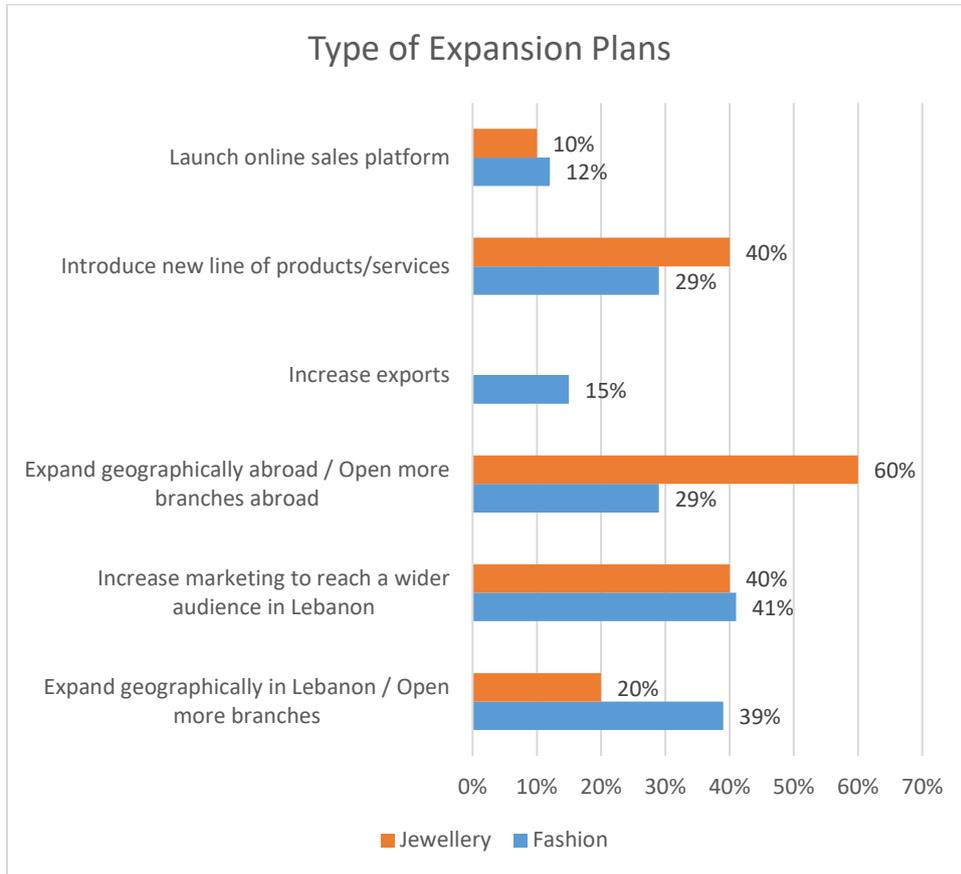


Figure 5: Expansion plans

Unlike the stable condition of companies in the digital sector, most of the respondents from the Business Surveys projected a decrease in growth compared to previous years. Many have attributed this to the weak economic situation in Lebanon, which has slowed down the demand in the market for luxuries such as jewellery and Lebanese brands.

As many as 65% of interviewed fashion companies expected a decrease in revenues while 63% of jewellery companies expected the same outcome. Only 11% of jewellery companies and 17% of fashion companies expected growth in the years to come.

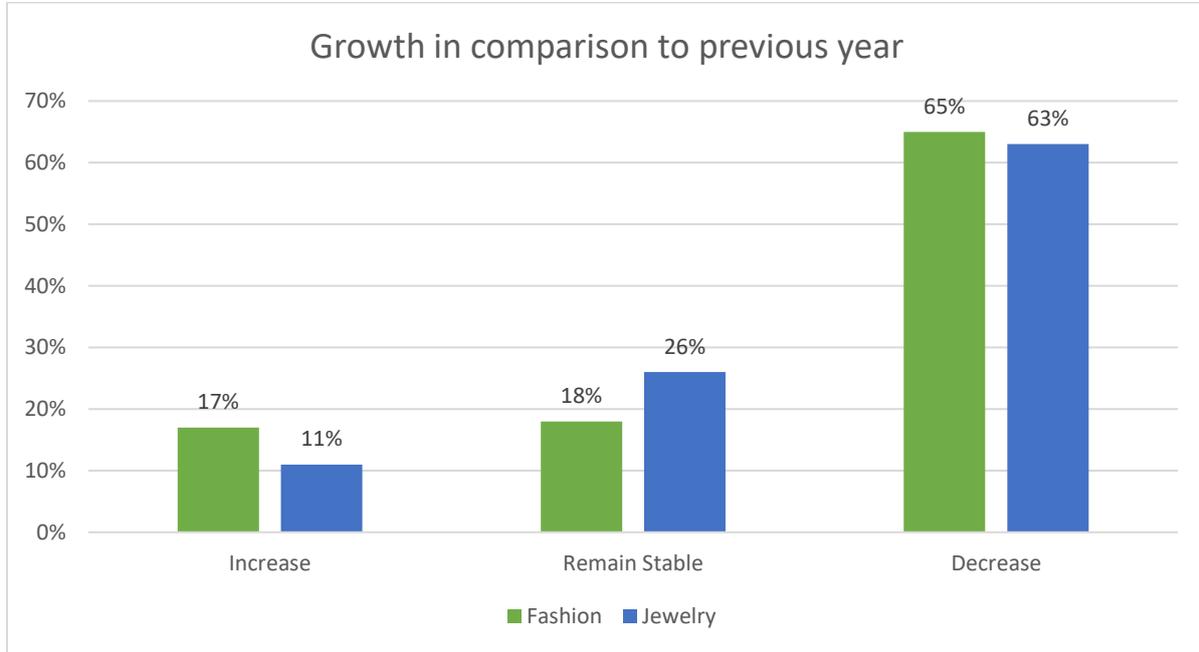


Figure 6: Growth in comparison to the previous year

During key informant interviews, respondents also provided a closer look at their main concerns:

“This year, we have seen a downgrade. However, I don’t think that it is restricted to our sector only, it’s an economic situation which has affected all of Lebanon. We noticed a slight decrease. People are not buying as much as they used to. For example, people used to come to buy a gift and they’d buy something of their own as well. Now they don’t have the luxury to buy for their own, so they only buy a gift.” – KII Muriel Azarian

Nevertheless, when asked about possible growth in the future, jewellery businesses projected a slight increase in revenues, whereas fashion business owners believed that the situation would remain stable.

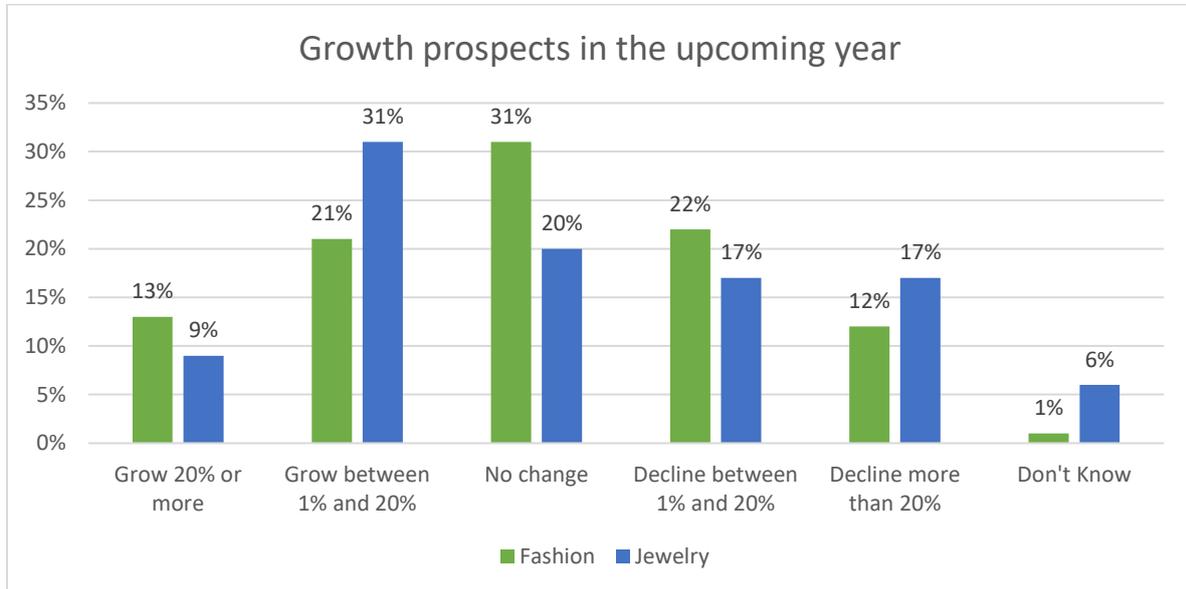


Figure 7: Growth prospects in the coming year

Given the small size of businesses in this sector, most businesses refused to disclose financial information, and those who did estimated a turnover below USD 50,000.

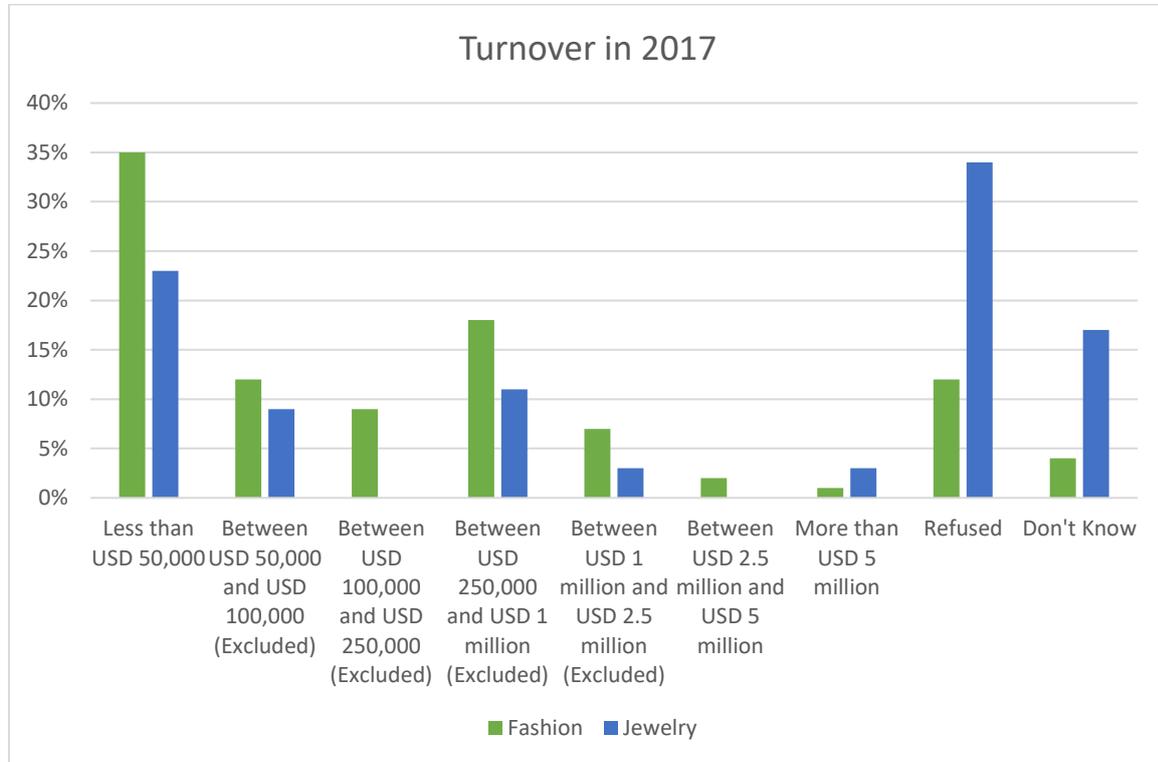


Figure 8: Turnover in 2017

e. Challenges

According to the Business Surveys, many concerns were voiced regarding the obstacles faced by business owners in the fashion and Jewellery sectors. Like in many other sectors, owners are affected by the weak economic situation, an increase in the cost of rents, rising labour costs, and a shortage in financial investments.

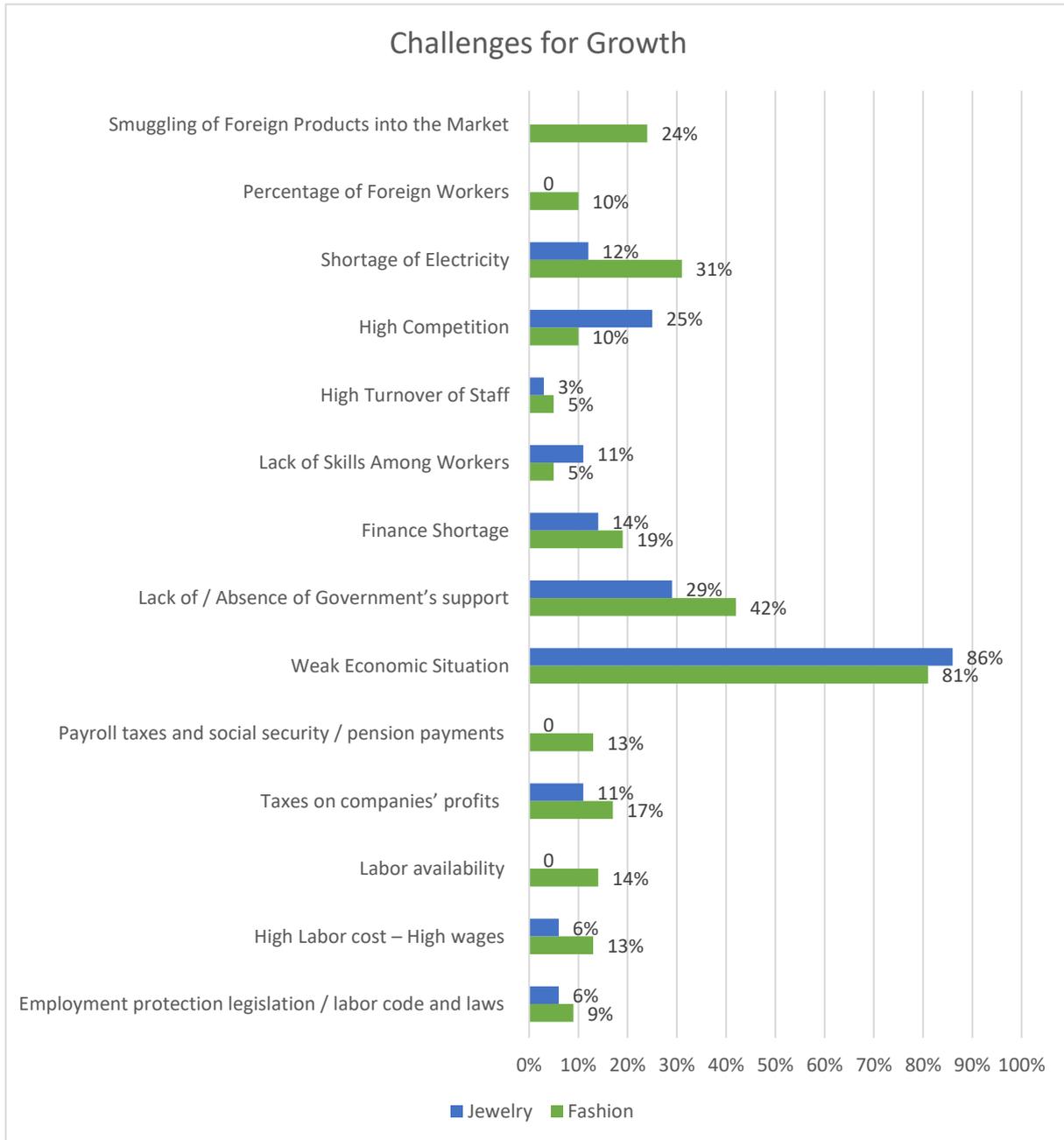


Figure 9: Challenges for growth

Other challenges which were mentioned in the Business Surveys, such as lack of/absence of government's support and harsh export laws were also mentioned during Key Informant Interviews.



“Anything regarding logistics is not easy. It’s not easy to sell abroad.” – KII Christina Debs

“There is a very big gap between the lower end and higher end of the prices, and the product itself does not have significant difference. There is no common ground for pricing. It’s not organized.” – KII Muriel Azarian

Moreover, the quality of items produced varies, as there are no barriers to entry to the market. Low priced fashion and jewellery products enter the market freely and affect the local industry and manufacturers. The absence of adequate regulation and control on imports is therefore a major issue. It was mentioned as more of a concern to fashion businesses rather than jewellery businesses.

f. New Business potential

There are no or very low barriers to entering the Jewellery and fashion sector in Lebanon. Anyone can launch a business without necessarily having any expertise or educational background in gemology or fashion design. That said, some skills and talents are essential to the establishment of a well-functioning business.

Lebanese jewelers and fashion designers are highly creative. They compete with international brands and best-in-class groups. Lebanese creatives are highly skilled in Jewellery making. According to Berge Arabian, a senior member of the SEGJL, “The designs, the model making, the execution of the casting process in all its five stages, the setting, electroplating, polishing and so on, all are taught here in our country and [produced] uniquely by Lebanese craftsmen” (Executive Magazine, *Secrets of the Stones*, 2010).

The bejeweled watches have been identified as a potential market. Partnering with Swiss horologists, Lebanese jewelers design, execute and encrust the pieces with diamonds, selling them at prices reaching up to \$100,000 per piece.

The development of e-commerce presents new opportunities for both Jewellery and fashion sectors. Many businesses have already embraced this change, and some have established their businesses entirely based on the e-commerce business model. These are often considered as tech or digital startups. Moreover, the extensive use of social media for campaigns and promotions have made platforms like Facebook, Twitter, and Instagram essential ingredients for newcomers. Many new businesses such as lebelik² and giftstolebanon³, thrive on such a model.

² <http://lebelik.com/>

³ www.giftstolebanon.com/



Recently, bloggers pages have become an interactive tool to promote Jewellery brands. Bloggers, mainly women are becoming the style and beauty gurus setting the trends in the Jewellery and fashion market. They are becoming the leaders in fashion and influencing the Jewellery market as a whole. Famous Lebanese⁴ and Middle Eastern bloggers are creating a new community, including loyal fans and building a base for innovative Jewellery items⁵ and raise product visibility.

Such developments can benefit the sectors and should be taken into consideration when establishing a new business or even as core elements of new businesses.

g. Support mechanisms

The Lebanese Syndicate of Jewelers plays an active role in protecting the end users from buying copied or fake items, or poorly manufactured products. Commercial gemological laboratories have been established for detecting the authenticity and quality of the products according to international standards.

Several initiatives have been developed to attract young entrepreneurs to venture in new start-ups. For instance, in 2014, PRIME project “Promoting Intergenerational learning in Mediterranean countries” was a joint collaboration between the Chamber of Commerce in Tripoli, and the Syndicate of Jewelers in the North. The project aimed at transferring skills and expertise to the youth interested in the gemology sector. It also generated mentoring schemes for potential entrepreneurs and facilitated the exchange of experiences and the know-how. By considering the social and economic needs of the region, it aimed at creating developmental outcomes and fostering job opportunities.

In 2000, WGC (World Gold Council⁶) suggested to reduce the custom duties to 4% in order to compete with the UAE market. Acknowledging the need to resuscitate the sector, the Lebanese government took drastic measures to support the field, such as dropping the VAT to 1.2% and cutting down by half the custom duties on imported finished gold Jewellery.

In February 2016, the Center for Sustainable Training at the Antonine University (Baabda) hosted a workshop addressing the challenges that face the Jewellery industry and stressing the importance of the authorities’ support to this industry.

In the fashion sector, there is little to no support available to businesses. According to a report by Endeavor, most fashion destinations across the world have fashion councils such as the

⁴ Famous Lebanese bloggers specialized in Jewellery and fashion: Samar Seraqui de Buttafoco, Bizzita, Stephy E. Alb Lebanon Beirut, Blog Baladi.

⁵ A list of Lebanese Social Media Influencers (citizen influencers, professional influencers and celebrity influencers) has been developed. <https://www.linkedin.com/pulse/top-lebanese-social-media-influencers-follow-joe-ghantous>

⁶ WGC is the authority on Gold



British fashion council, councils of fashion designers of America, National Chamber for Italian fashion, Fédération Française de la Couture, du Prêt-à-Porter des Couturiers et des Créateurs de Mode and many others. These represent their countries' fashion industry, organize events and promote young designers. In Lebanon, the Lebanese Syndicate of Fashion Designers, while existent, does not do much. One of the reasons may be that the Lebanese market is too small and successful designers prefer to organize fashion shows in more international and prestigious locations. Fashion weeks are organized locally by private event planning firms. Young talent in all creative sectors often exhibit their work through punctual fairs such as Afkart (since 2002). A recent initiative by the Mena Design Research Center, the Beirut Design Week, initiated in 2012, has also boosted the design sector. It promotes all Lebanese designers (fashion or other) by organizing workshops, talks and exhibitions during one week once a year. Many respondents participated in a series of enterprise skills workshop organized by the British Council, delivered in 2011 by Percy Emmett and Sarah Thelwall.

Another organization that repeatedly came up in interviews is the Starch organization. Founded by Rabih Kayrouz and Tala Hajjar and in collaboration with Solidere, Starch is a local non-profit organization that helps emerging Lebanese designers. The program typically lasts a year during which the organization helps selected designers develop and market their collection. Designers exhibit their clothes (or accessories) in the Starch boutique in Saifi Village, in collaboration with Solidere.

B. Labour Market

a. Labour Structure

Most respondents hire mainly skilled workers, according to the business surveys. In the Jewellery sector, where the average number of employees per business is around 15, most of the workers are skilled. Whereas in the Fashion sector, less employees tend to be skilled.

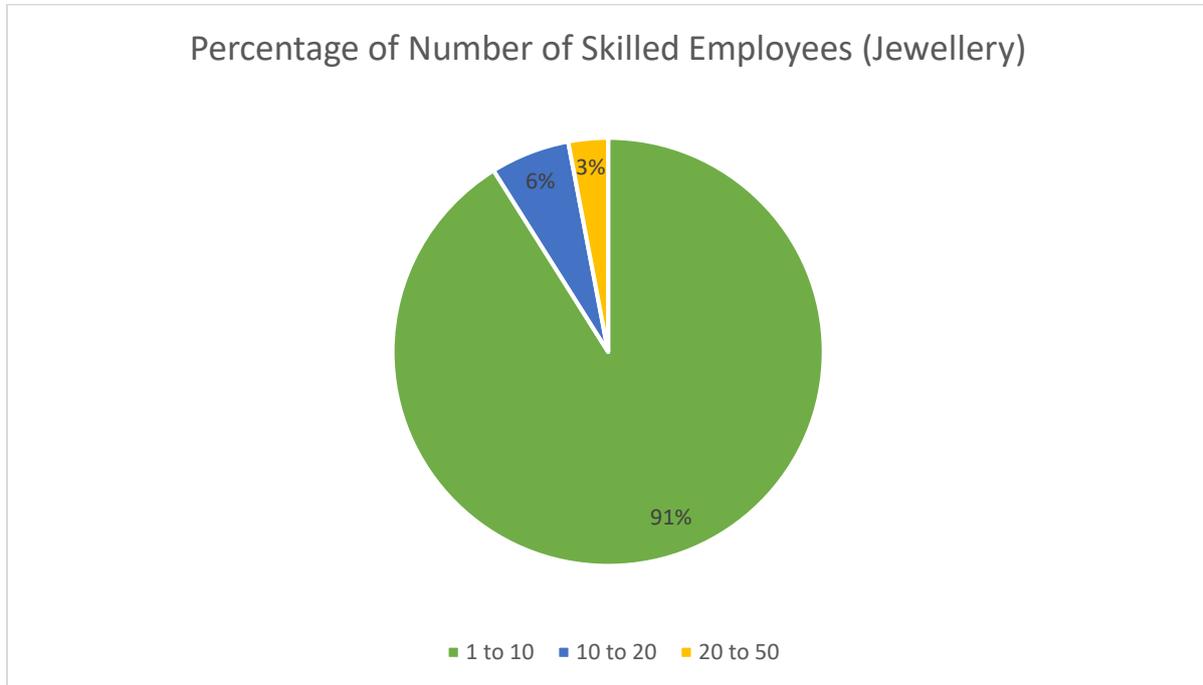


Figure 10: Skilled employees in the Jewellery sector

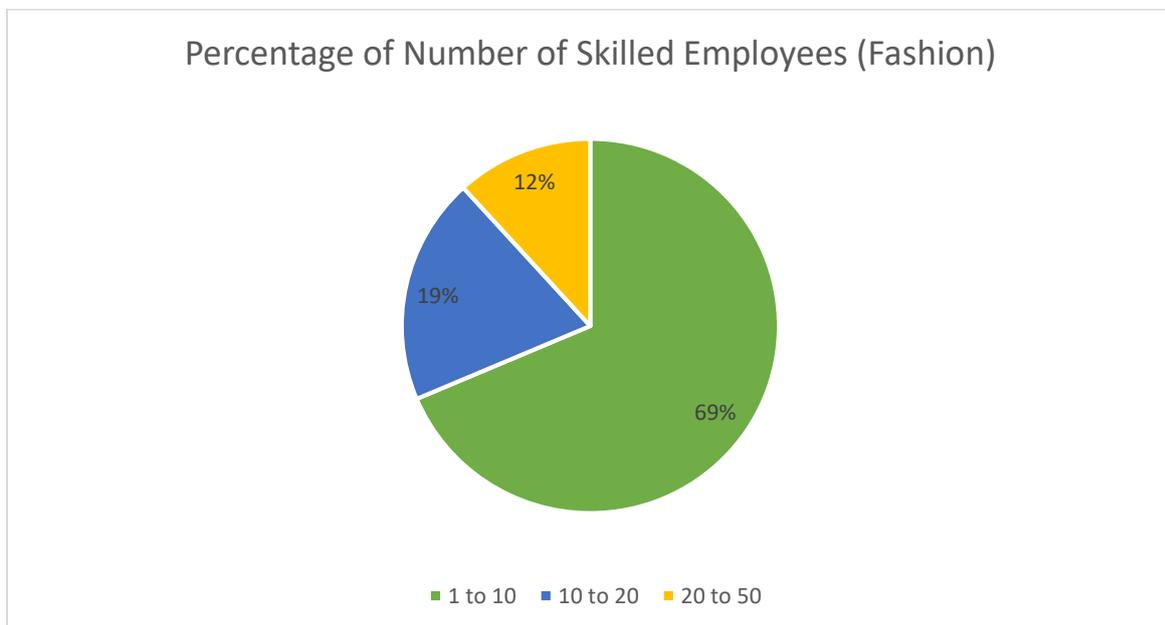


Figure 11: Source - Business Surveys General Output, Fashion Sector

Out of these skilled employees, the clear majority is given to male employees. In both Fashion and Jewellery, men dominate job positions.



In the fashion sector, 37% of companies do not employ any women, and the rest only employ a few, whereas in Jewellery, about 0 to 7% of employees are women. Nevertheless, respondents from the focus group discussions have made opposing statements regarding the added value of women in the workforce. Some believe that women are more skilled at implementation than design, as male designers are skilled in knowing what looks good on a woman.

“In design, men are better than women whereas in terms of implementation, there are more women than men.” – Respondent N. 4, Unemployed Adults, Fashion, Female.

Others believe that women are better at design, instead of implementation.

“I always believe that she will be good in the design of Jewellery but not the execution.”
– Respondent N. 6, Unemployed Youth, Jewellery, Male.

“What I see is that on the level of implementation, fixing and labor work, the majority of workers are men unlike the design level. Women might work from their home or they might not have stores of their own or they work in factories as employees. When you walk on the streets, you mostly find men working in tailoring.” – Respondent N. 2, Unemployed Youth, Fashion, Female.

Some have stated that women bring added value to both design and implementation.

“Designs made from wax are done better with the hands of a woman than a man. Furthermore, regarding sorting jewels, women have a magnificent eye for this. Those who decided to study this; it needs a lot of studying, even more than studying law, are amazing in sorting. A woman gets it right 90% right and 10% wrong. While men, only 60% get it right and they are considered experts” – Respondent N. 3, Employed Adult, Fashion, Male

The number of youths working in fashion and Jewellery is also limited. Young employees are often perceived as a threat to older ones, especially when they are well trained, skilled and educated. This is mainly because there is rarely any room for growth and career development, and employees often spend extended periods of time in the same position. On another note, younger employees are often children or relatives of business owners, and are therefore privileged and expected to take control of the company, keeping it in the family and not necessarily expanding it any further.

Only 5% of fashion businesses had more than 20 young employees and none of the Jewellery businesses, while 5% of fashion businesses and 3% of Jewellery businesses had between 11 and 20 young employees. Most businesses had five or less young employees. This of course is also relative to the size of the businesses which is usually small for both sectors.

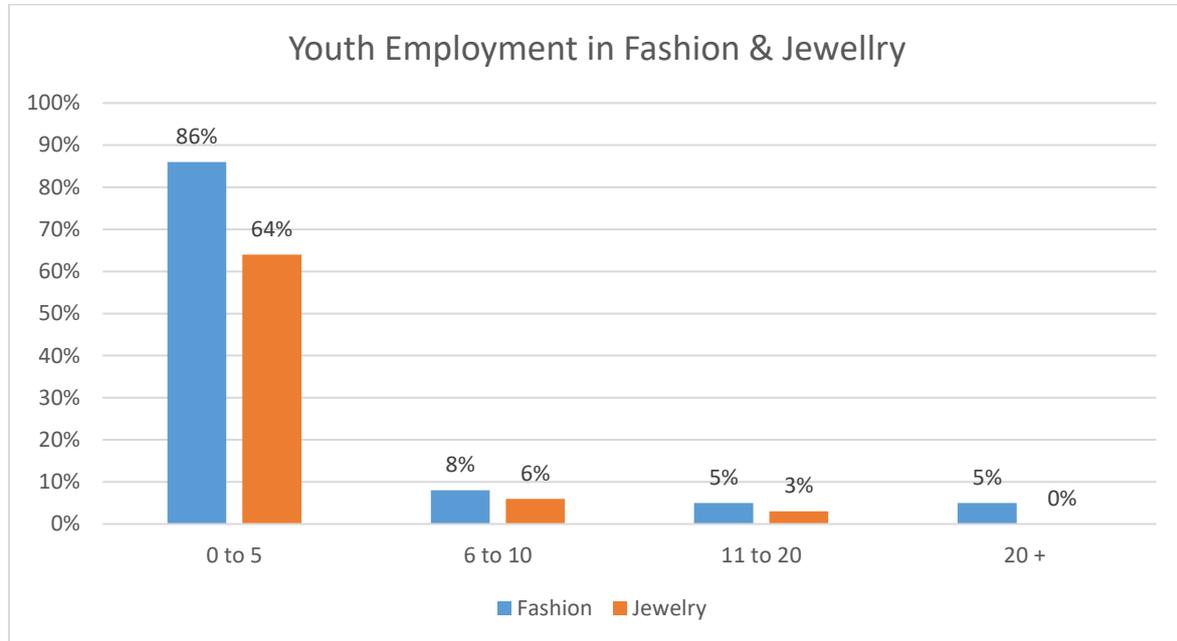


Figure 12: Youth employment in fashion and jewellery

When it comes to hiring foreigners, although most business owners indicated that they preferred to recruit Lebanese talent, discussions during focus groups suggest otherwise. Employees and potential employees believe that foreigners are working in the sector without any government restrictions and charging lower salaries or fees for their services, which creates unfair competition and makes it increasingly challenging for them to secure jobs.

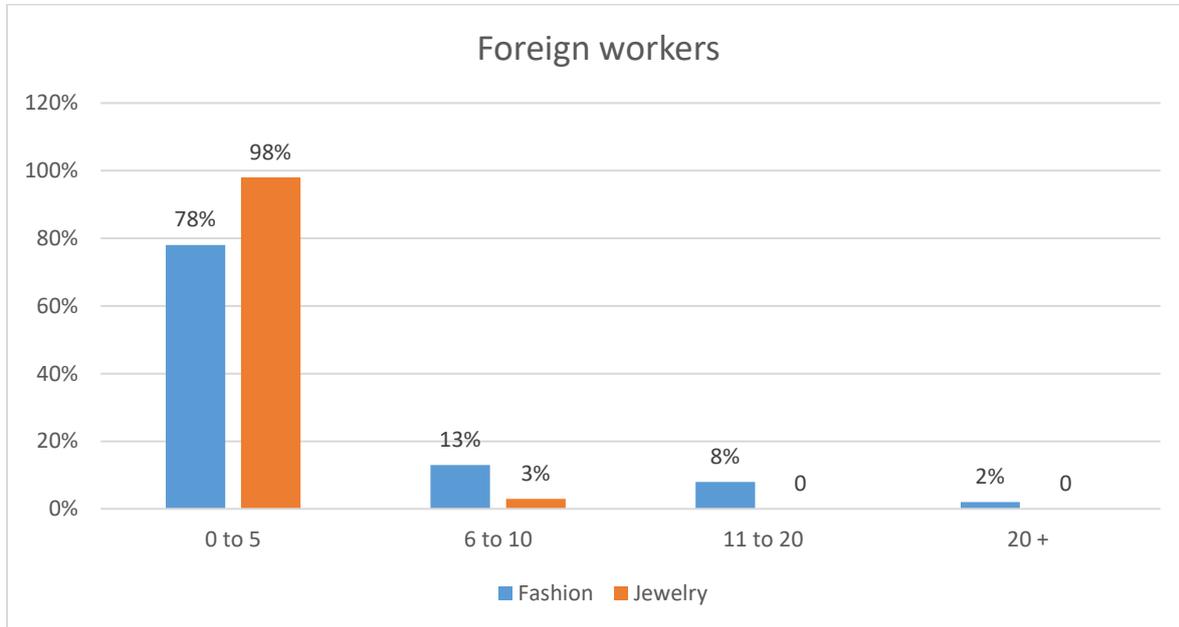


Figure 13: Foreign workers

However, according to focus group discussions, foreign workers are becoming competitors to Lebanese manufacturers:

“A Syrian-Kurd opened a shop next to mine; he has a sewing and spraying machines. He charges USD one per clothing unit; therefore, I’m also obliged to charge USD one and I can’t charge more. So our situation is regressing and we are not being able to earn enough money.” – Respondent N. 3, Unemployed Adults, Fashion, Female.

Moreover, respondents have indicated during focus group discussions that even in those sectors, foreigners were being favored over Lebanese workers because of the lower cost of employment. In the Jewellery sector, only Syrians and Palestinians are working in the sector, while other nationalities are also seen working in the fashion sector.

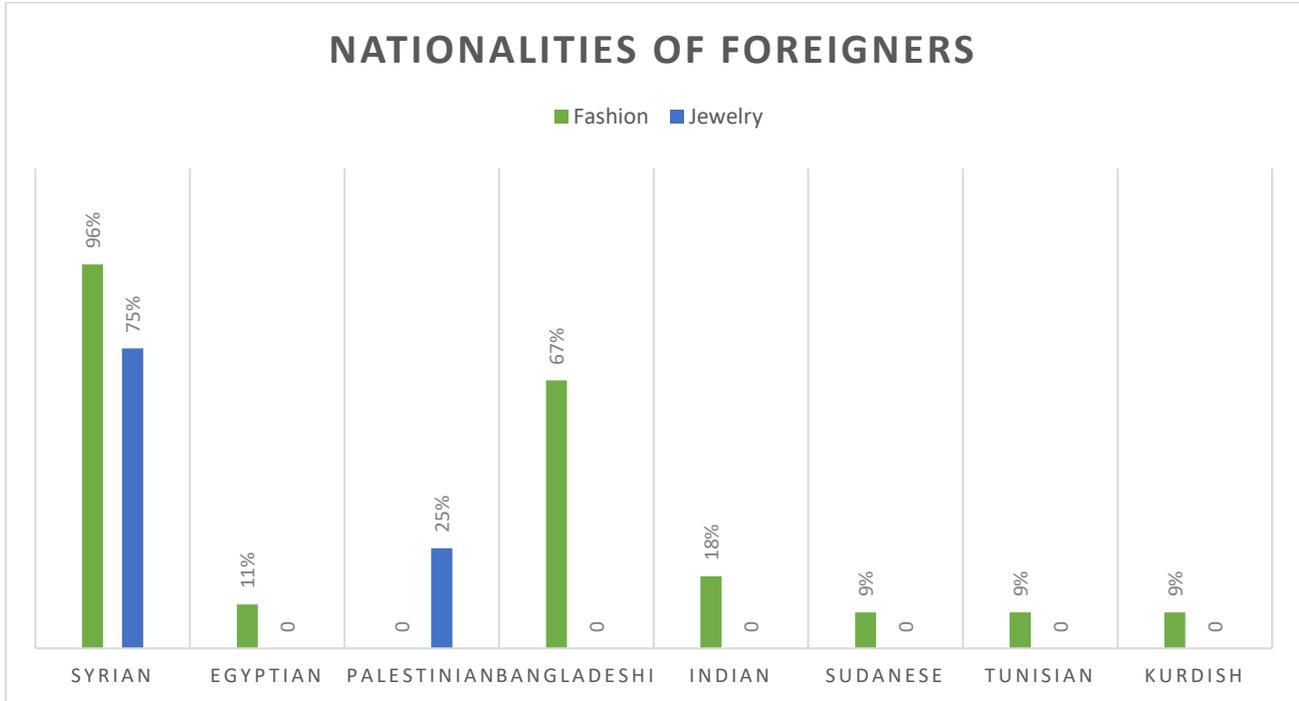


Figure 14: Nationality of foreign workers by sector

b. Recruitment Plans

Most companies in both sectors had no job openings at the time of carrying out the field research. This is strongly associated to the weak economy, decreasing sales and challenging situation that businesses are facing.

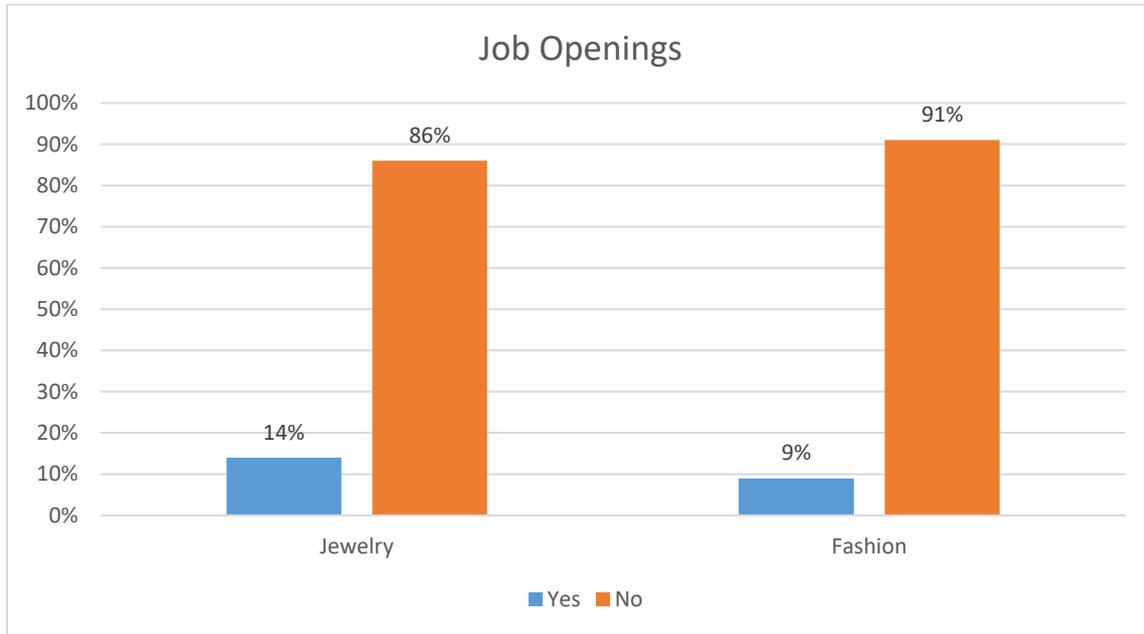


Figure 15: Job Availabilities by Sector

When it comes to recruitment, respondents from both the fashion and Jewellery sectors mostly stated that they will not be increasing nor decreasing their number of staff. Nevertheless, some respondents were positive about future recruitment prospects and had a few job openings available.

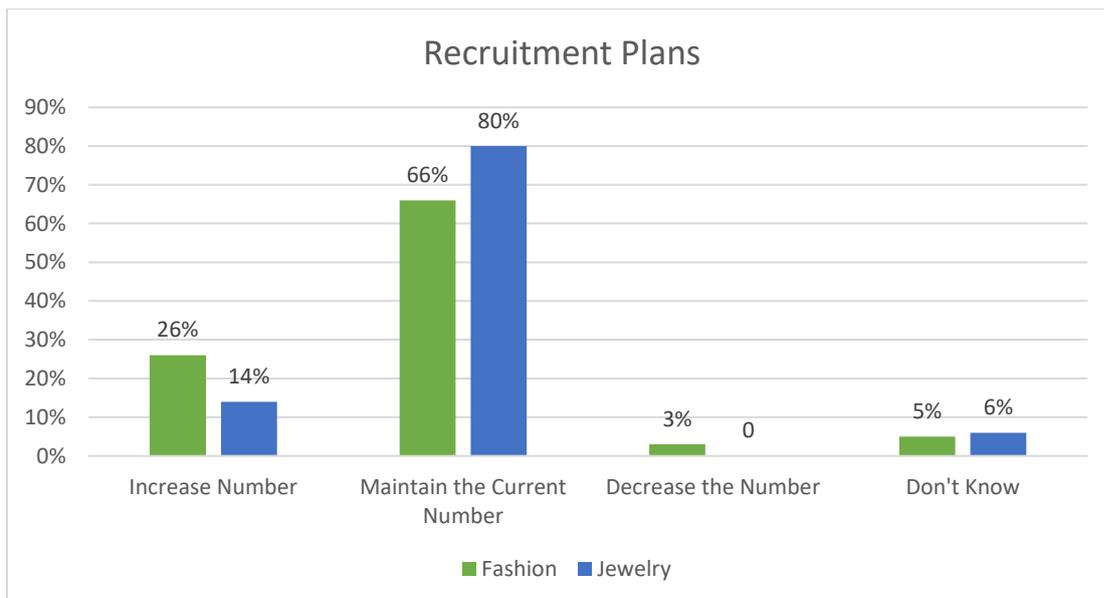


Figure 16: recruitment plans by sector



Five Jewellery companies had one job opening, another five fashion companies had one opening and two fashion companies had two opportunities. In the fashion sector, another company had three job openings, one had five and one more had seven.

Jewellery companies mostly needed Jewellery designers and Jewellery repair technicians, while fashion companies looked for tailors, fashion designers, creative pattern cutters, ironers and sewing machine operators.

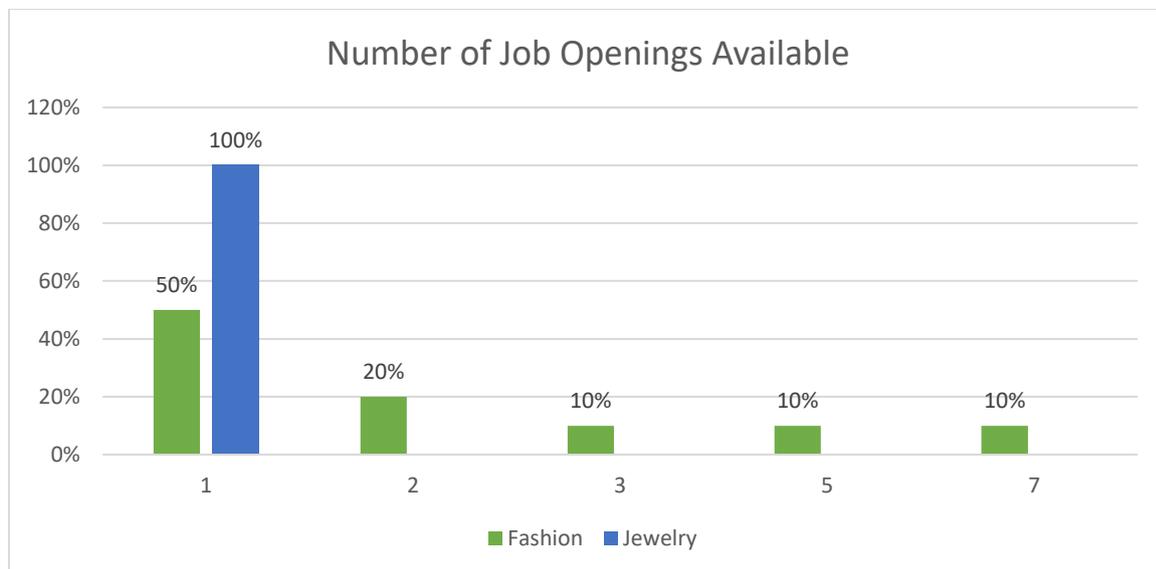


Figure 17: Number of jobs available

C. Skills

a. Most Important Skills in the Sector

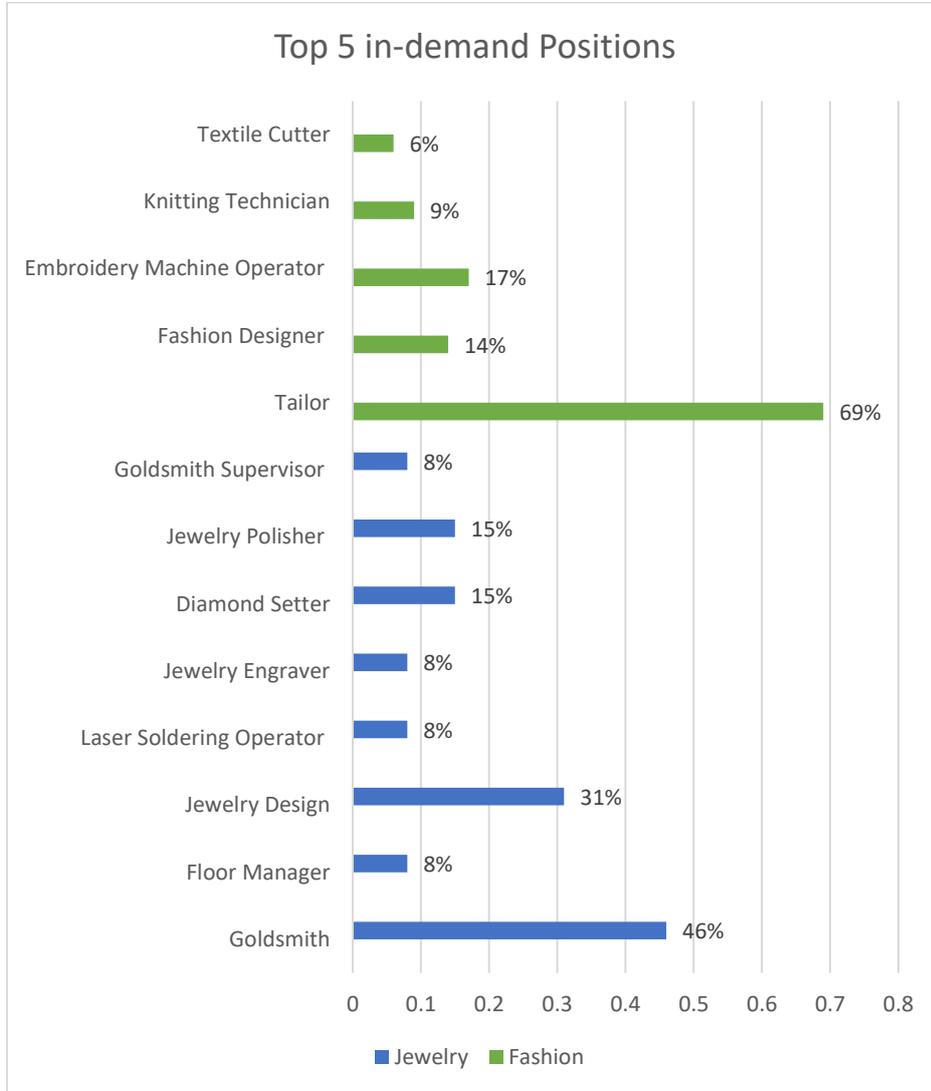


Figure 18: Top five in demand positions

The most in-demand position in the Jewellery sector is the goldsmith and in the fashion sector, the tailor. Other required positions in fashion and Jewellery are Jewellery repair technicians, Jewellery designers, knitting technicians, sewing machine operators, creative pattern cutters, and fashion designers.

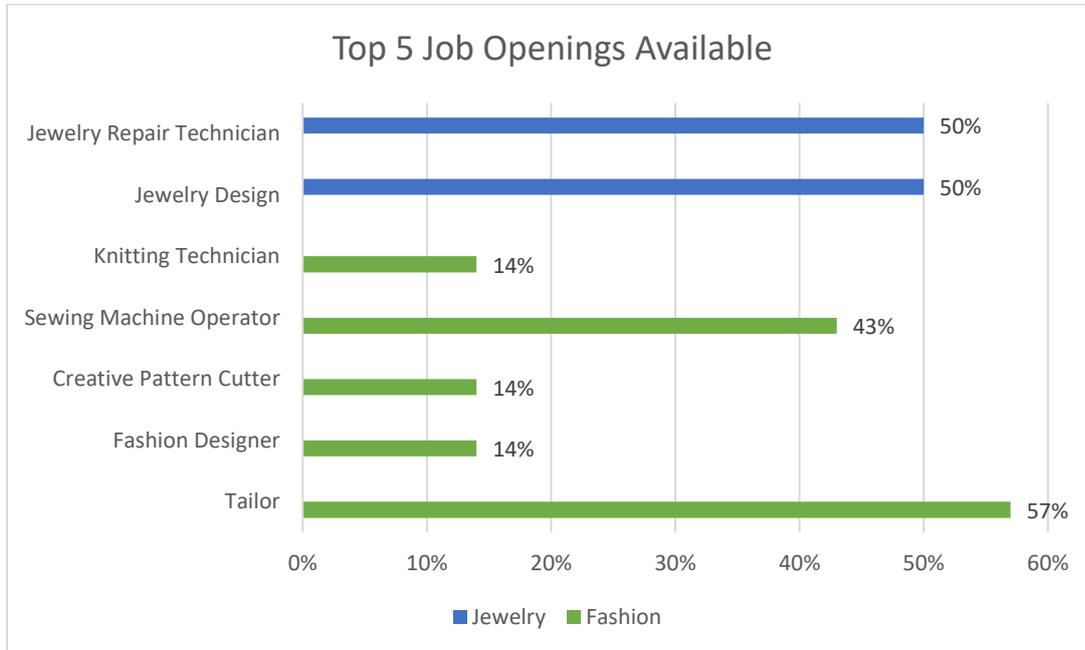


Figure 19: Top 5 job openings available

b. Skills Gaps

When asked about skills gaps, some companies mentioned soft skills such as the lack of leadership, capacity to work independently, discipline, and creative thinking.

Other missing skills include casting gold, moulage fashion techniques, beading, knitting, tailoring, final retouching, technical speed and machine operating.

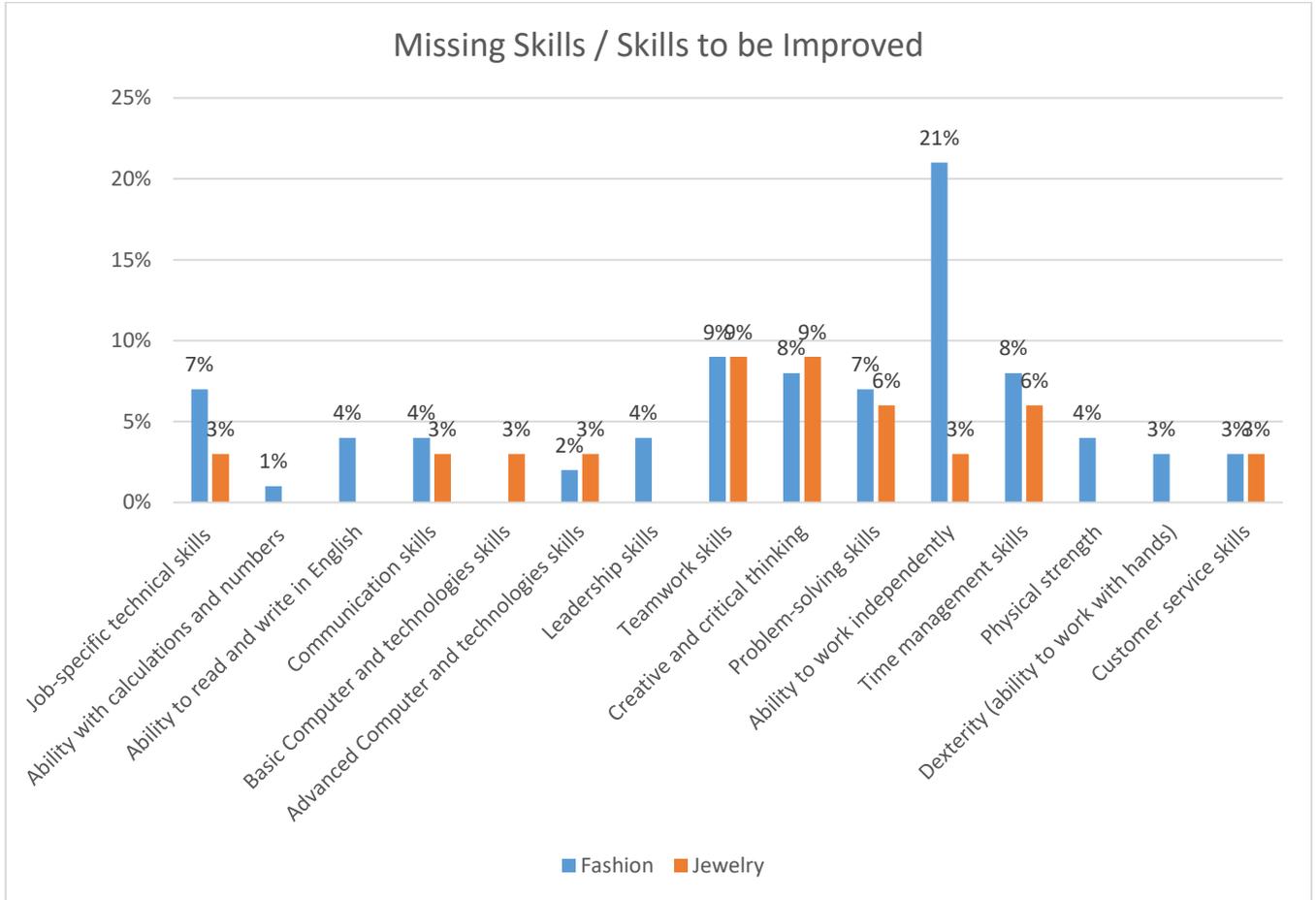


Figure 20: Skills gaps by sector

For technical skills, the major issue was the need for a closer attention to details. This is mainly because the difference in quality of the work can make or break a company and its reputation. Reparation of damages as well as the reproduction of items made are costly and should therefore be avoided by Jewellery and fashion manufacturers. Employers are struggling to find talented and meticulous individuals who can guarantee a high-quality product.

“Finding talented people with adequate practical skills is more difficult to find. I am someone who pays close attention to details, so if a piece is made with half-hazard I will not be satisfied to show it to my customers because it’s not good enough for them. The lecture in business is details because the customers want something perfect.” – KII Christina Debs

“The quality of the pieces is really good. However, it is lacking a certain finesse. She must send back the piece a couple times before agreeing on it, which is something that she (Muriel) does not struggle with at her atelier in Paris.” – KII Muriel Azarian



D. Recruitment

a. Recruitment methods

According to the Business Surveys the majority of recruitment takes place through “Word of Mouth”, indicating that employers are referred to a candidate through a reference or mutual acquaintance. 89% of both fashion and jewellery businesses have indicated this to be their preferred recruitment method. This is the case in many sectors across Lebanon and is favouring well connected individuals to the expense of others who might be equally if not even more qualified. Many respondents from Focus Group Discussions warned that this method was disrupting the meritocratic process of job applications. According to the participants, the absence of a reference or “leverage” should not positively or negatively affect their application.

This has caused a lot of discomfort and distrust in the system, as stated by members of the focus group discussions.

“You also need interference from someone with leverage [“wasta”]” – Respondent N. 1, Unemployed Youth, Fashion, Female.

“A person would only work if he has an intermediary [“wasta”] in the company” – Respondent N. 7, Unemployed Youth, Fashion, Male.

Social media and newspaper are the two other preferred channels for recruitment, with 17% of fashion businesses and 14% of Jewellery businesses using these for recruitment; and 19% of fashion businesses using newspapers for recruitment. Jewellery businesses do not use newspapers as much though.

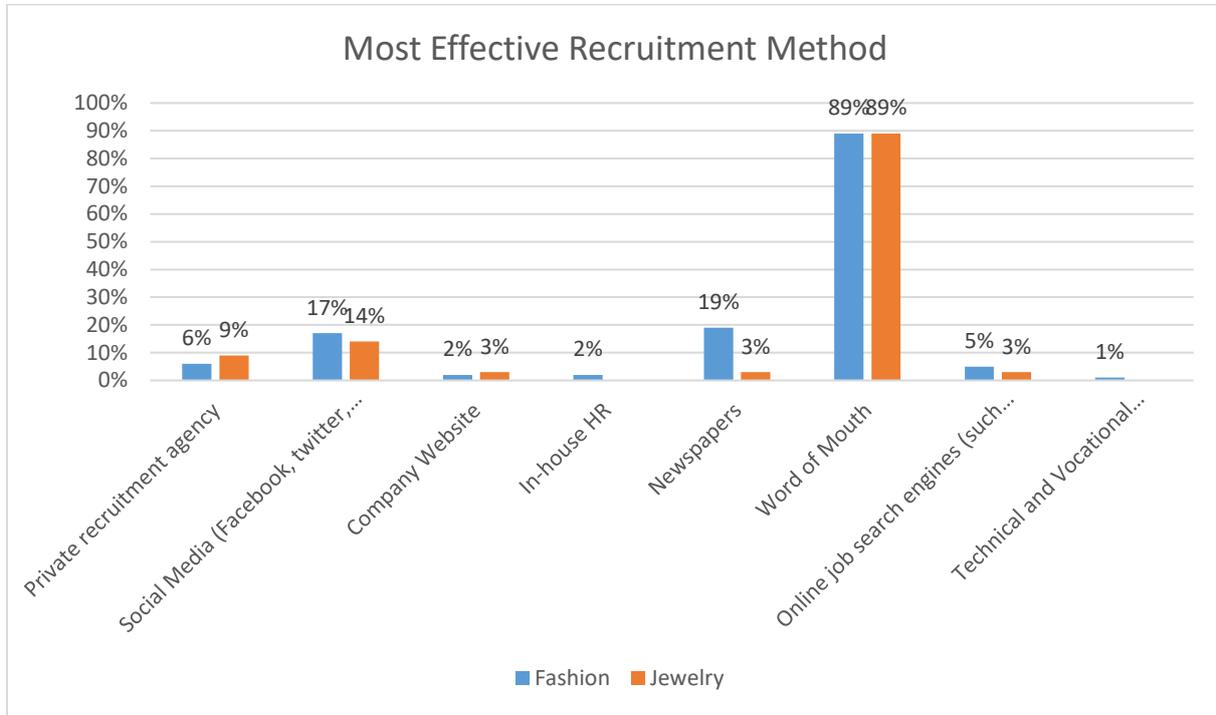


Figure 21: Most effective recruitment method

b. Recruitment challenges

Fashion businesses have faced more challenges in recruitment than jewellers have. IN fact, 56% of fashion businesses said that they faced challenges compared to just 44% of Jewellery businesses.

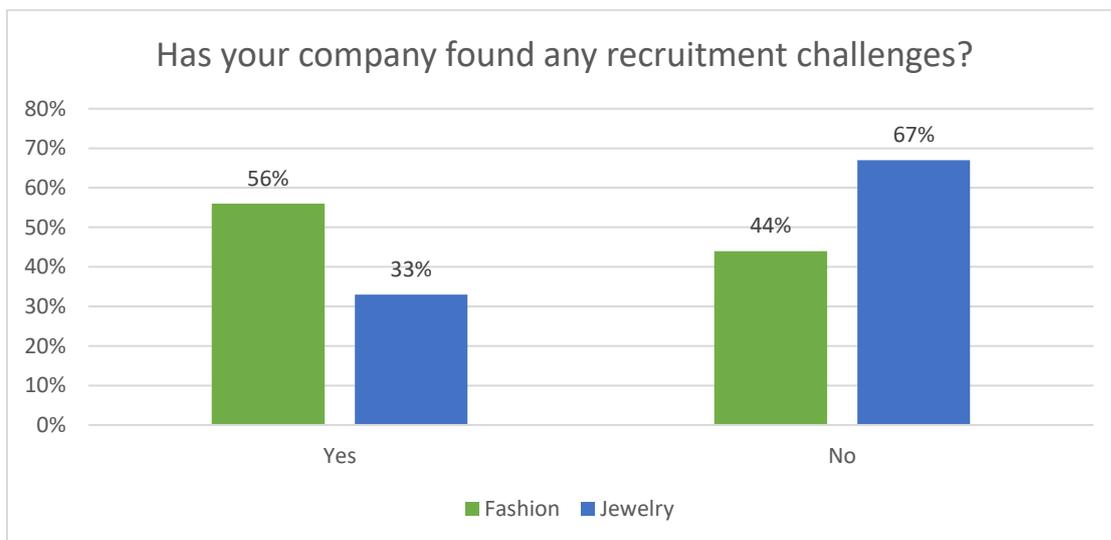
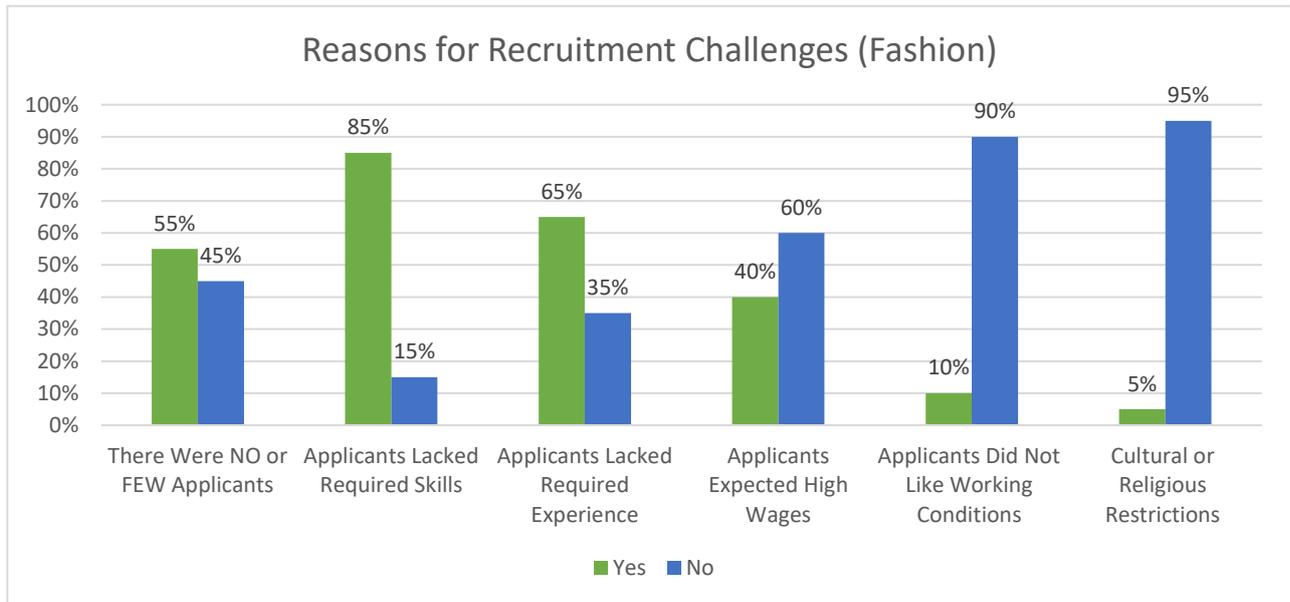


Figure 22: Recruitment challenges



In the fashion sector where companies faced a myriad of challenges in recruitment, problems included the lack of applicants, lack of experience, and lack of skills, which could indicate that the mismatch between labor supply and demand is staggering.



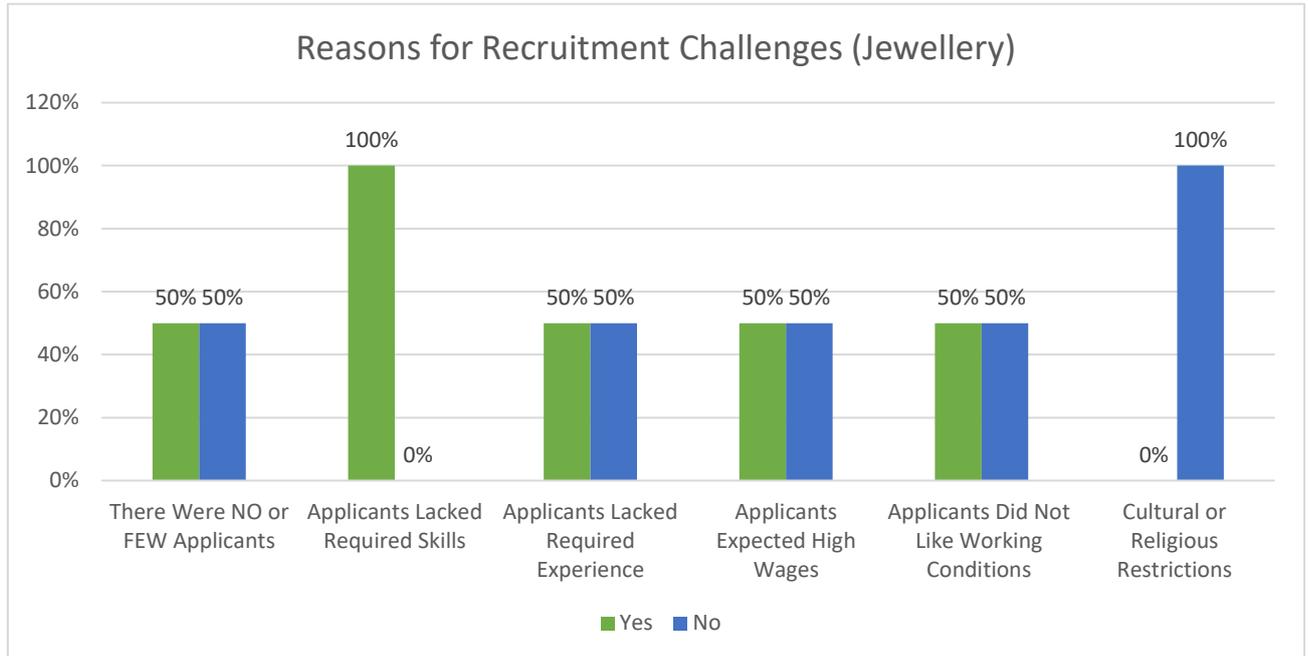
In the jewellery sector, the most frequent reason behind recruitment challenges was the lack of required skills and experience. This was also reinforced by the Key Informant Interviews, where one respondent stated that the most talented graduates are leaving the country and are finding better opportunities abroad. The reasons behind this could be the low salaries and scarce opportunities in this sector.

On the other hand, talents that remain in Lebanon are not developed due to the absence of training and poor workforce development efforts.

“The government is not helping these artisans, most of them are working as valet parking and other unrelated jobs. We had an exceptional labor force in the past, but today it is becoming more mediocre due to the neglect of the government. The setters and artisans in Switzerland, in France, they are Lebanese and Armenian. They are leaving the country.” – KII Christina



Debs





E. Women in the Fashion/Jewellery Sector

Traditional Lebanese jewelers are usually held by multi generation families such as Mouawad, Tabbah, Chatila, George Hakim, Atamian, Zoughaib, Antoine Hakim and Khoury Bros , all of which are dominated by male jewelers. However, there are no formal statistics detailing the ratio of male/female manufacturers and designers involved.

That said, many of the entrepreneurs that have recently entered the market are women. They are often housewives that decided to develop a hobby, starting at a small scale by designing Jewellery from home, incurring minimum operational costs, and marketing their products to their close circle of friends. Some of these businesses have developed over time into a sustained business. Social media platforms including Facebook and Instagram mainly have played a crucial role in marketing and advertising products. Many of these women entrepreneurs such as Nada G, Lina Rai, and others succeeded in developing a market brand that is opening up internationally.

Some have channeled their success by linking their names to professional institutions. For instance, Nada G. was nominated among other women, and specifically jewelers, for the Women Entrepreneur of the Year at the Brilliant Lebanese Awards. This is a project that has been launched by a Lebanese Bank (BLC) to encourage women to open their own businesses.

There are many other initiatives that aim at empowering women in the economic field, and particularly the Jewellery sector.

BIAT assisted many women in developing business plans and initiate sustainable businesses in Jewellery design. Women in Akkar (North of Lebanon) benefited from sub- grants for the purpose of opening up Jewellery businesses.

In the fashion industry too, the biggest names are men such as Elie Saab and Rabih Kairouz, and although many younger 'women' brands have emerged it is also strongly dominated by men in general.

When it comes to recruiting women in their workforce though, employers in the fashion and Jewellery sector seemed to have mostly lagged as seen from earlier charts on the proportion of women working in these sectors. That is despite the fact that 70% of fashion businesses and 50% of Jewellery businesses stated that they faced no specific challenges when recruiting women.

However, women who are seeking employment in the sector voiced their concerns, considering that employers were not committed to the recruitment of women and did not make any concrete attempts to meet their needs.

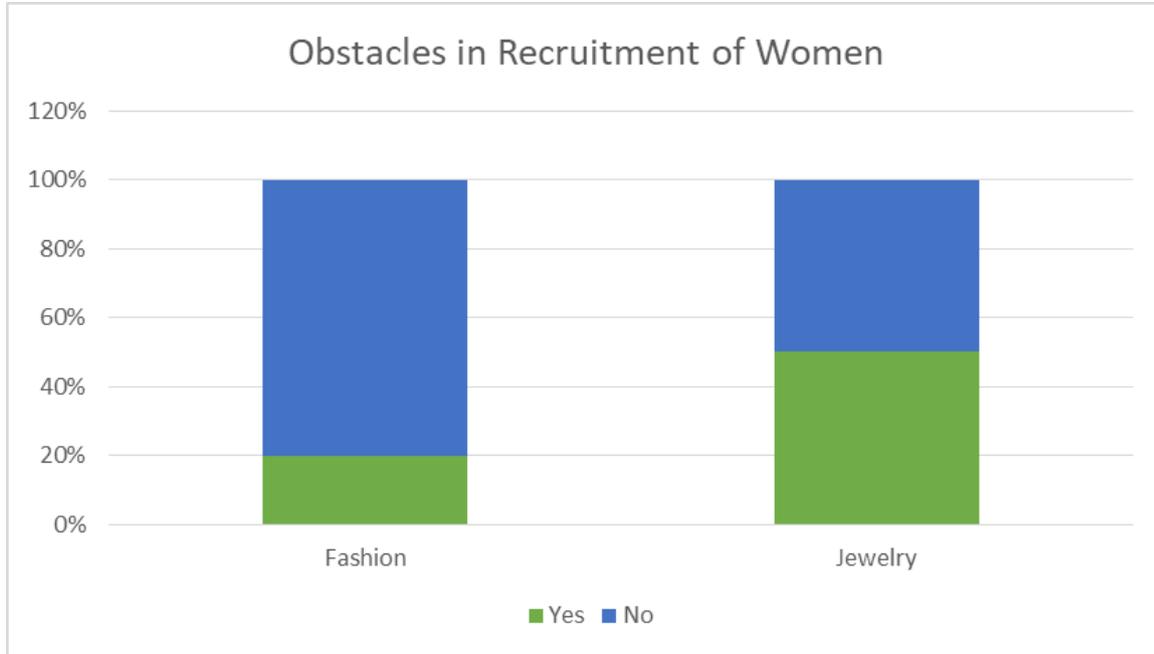


Figure 23: Challenges in recruiting women

Women interviewed during focus groups discussed many issues that they felt could deter them from working in Jewellery or fashion. One of them was the low salaries:

“Everything is nice about this sector except profitability; I’m being obliged to teach tailoring in two schools in addition to my tailoring job because I’m not able to earn enough money from sewing.” – Respondent N. 4, Unemployed Adults, Fashion, Female.

Other challenges that they faced included the lack of potential for skills development and career growth. As women often need to juggle between a career and a family, there is very little time left for them to take on any trainings or courses in order to work on improving their skills.

“You wouldn’t have the time to learn if you have to attend your working hours and take care of your family. A person would love to learn but having such responsibilities prevents you from having even one second to learn.” – Respondent N. 3, Unemployed Adults, Fashion, Female.

Moreover, some expressed concerns over cultural discrimination: *“I am presentable and I can display the image they seek to show at the store. They rejected my application because I wear a veil.” – Respondent N. 3, Unemployed Youth, Fashion, Female.*

Another key issue is the high proportion of businesses that do not provide maternity leave to women: as much as 32% of fashion and 34% of Jewellery businesses stated that they did not



provide any maternity leave. Women are far less likely to consider work at a company where there is no maternity leave.

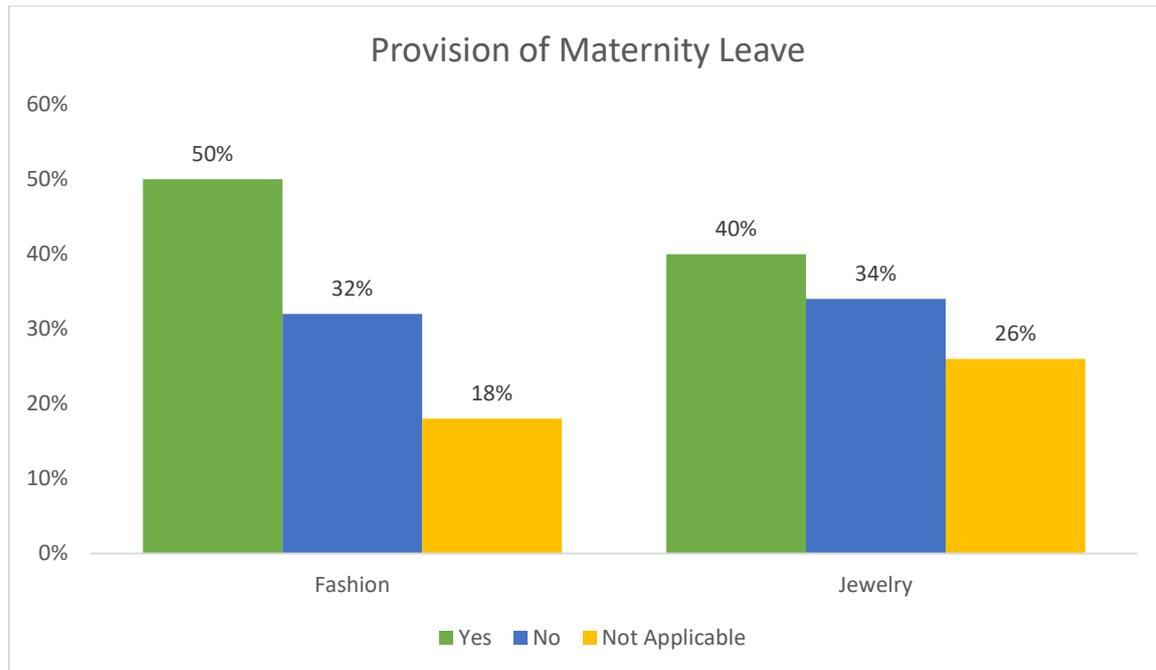


Figure 24: Provision of maternity leave

F. Youths in the Jewellery / Fashion Sectors

Lebanon has a thriving creative workforce, and some of its designers are world-famous and highly sought after by consumers from across the world. That said, interest in the sector is mostly directed towards design and creation, and much less so in craftsmanship and technical work. Young Lebanese talents are more likely to seek a creative or design-oriented education and there is now a real lack of craftsmanship skills which are required to keep the industry strong.

There are few to no training programs which could help direct youths towards such occupations. Craftsmanship is often passed on from generation to generation within the same families rather than being taught or developed by institutes. Moreover, the sectors are not necessarily attractive from an economic point of view, because opportunities for growth and career development are limited, and income is low. Moreover, the sector is currently heavily



impacted by the economic slowdown.

This has led to the low proportion of young employees in the fashion and jewellery sectors. That said, 100% of respondents in the Jewellery sector said that they found no obstacles in recruiting young employees. In contrast, 50% of fashion businesses stated that they did face challenges.

These challenges were mainly related to their skills knowledge and work experience. This was further verified by discussions that took place during focus groups, as young job seekers felt that the adequate education and training to develop skills required for these sectors were not available. According to some respondents institutes and universities do not provide training on topics that are requested by employers, be it in fashion or jewelry. Examples mentioned included gold design. Graduates therefore enter the market with theoretical know-how, and no real work experience.

“I wish there was someone to teach us the Jewellery design skill in addition to teaching us using actual gold instead of paper (for practice).” – Respondent N. 6, Unemployed Youth, Jewellery, Male.

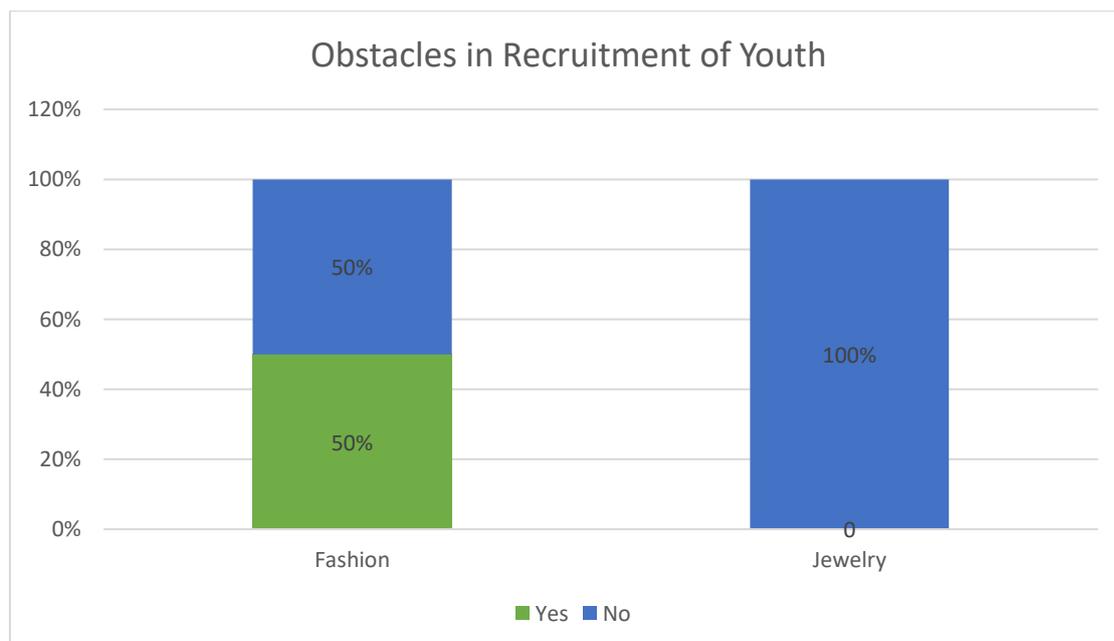


Figure 25: Obstacles in recruitment of youths



Some other issues faced by youths in the sector are related to benefits and remuneration. Many small businesses cannot provide even some of the most basic benefits because of their weak economic situation. These are benefits that are usually expected by job seekers and that are deemed essential to their wellbeing. According to focus group discussions, the most essential benefit is access to social security.

“First of all, I look for promotion, social security, salary, advancement opportunities in addition to having vacations, especially the annual vacation. I really care about getting all the rights and benefits of the work.” – Respondent N. 3, Unemployed Youth, Jewellery, Male.

“I look for the company that secures my stability and not to have a toxic work environment. In addition to the provision of social security, medical insurance, school compensation...etc. such things are more important than the salary; that’s why many people want to have a public sector job.” – Respondent N. 3, Unemployed Youth, Fashion, Male.

“What’s also important is being registered in the NSSF. Companies may hire you but they don’t insure you. This is something important in any job, before the time and before anything else.” – Respondent N. 4, Employed Adult, Fashion, Male.

Another major request was the scaling of the salary to the working hours, considering that the wages are too low in comparison to the economic situation in Lebanon.

“So I left the job because of the salary, days off, working hours... what can I do with USD 500” – Respondent N. 7, Unemployed Youth, Fashion, Male.

One more respondent stressed the presence of a work contract, as many are employed without ever signing one, or signing with bad conditions.

“All of these can be summarized in one point that isn’t much available in this sector which is not having work contracts.” – Respondent N 2, Unemployed Youth, Fashion, Female.

G. Training and Education in the Sector

a. Trainings Provided

All businesses surveyed reported that in-house training was the most used form of training



given to employees. Some 8% of jewellery businesses also mentioned training through equipment and another 8% mentioned training centres.

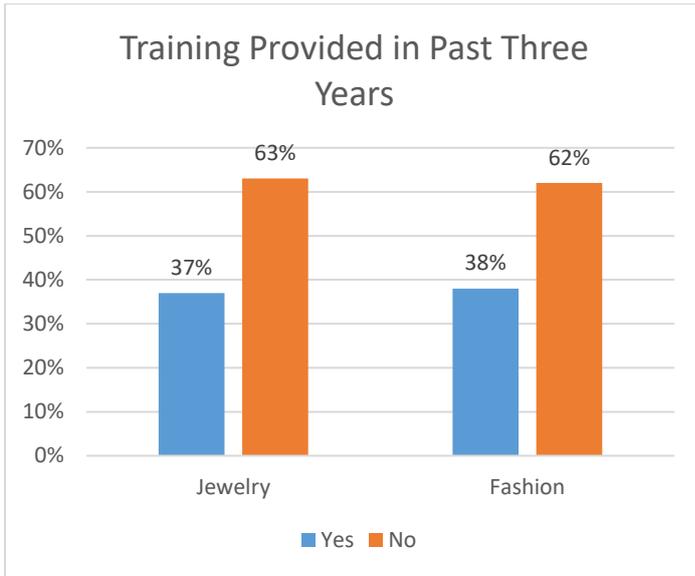


Figure 26: Training provided in past three years

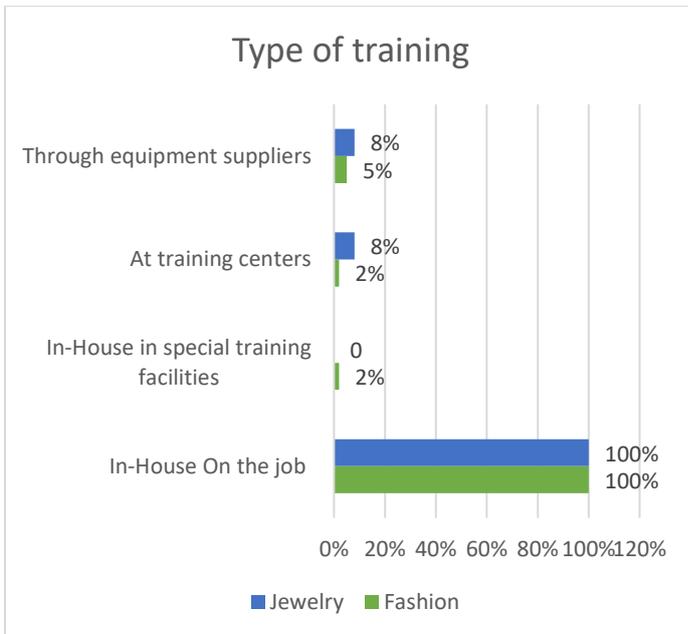


Figure 27: Type of training

Among those who did provide training to their employees, 85% of jewellery and 80% of fashion



businesses said that training was focused on new machines and new products. Other topics for both sectors included communication skills and teamwork. 15% of fashion businesses also referred to job specific training. Fashion businesses also mentioned other soft skills such as sales, time management, and leadership skills.

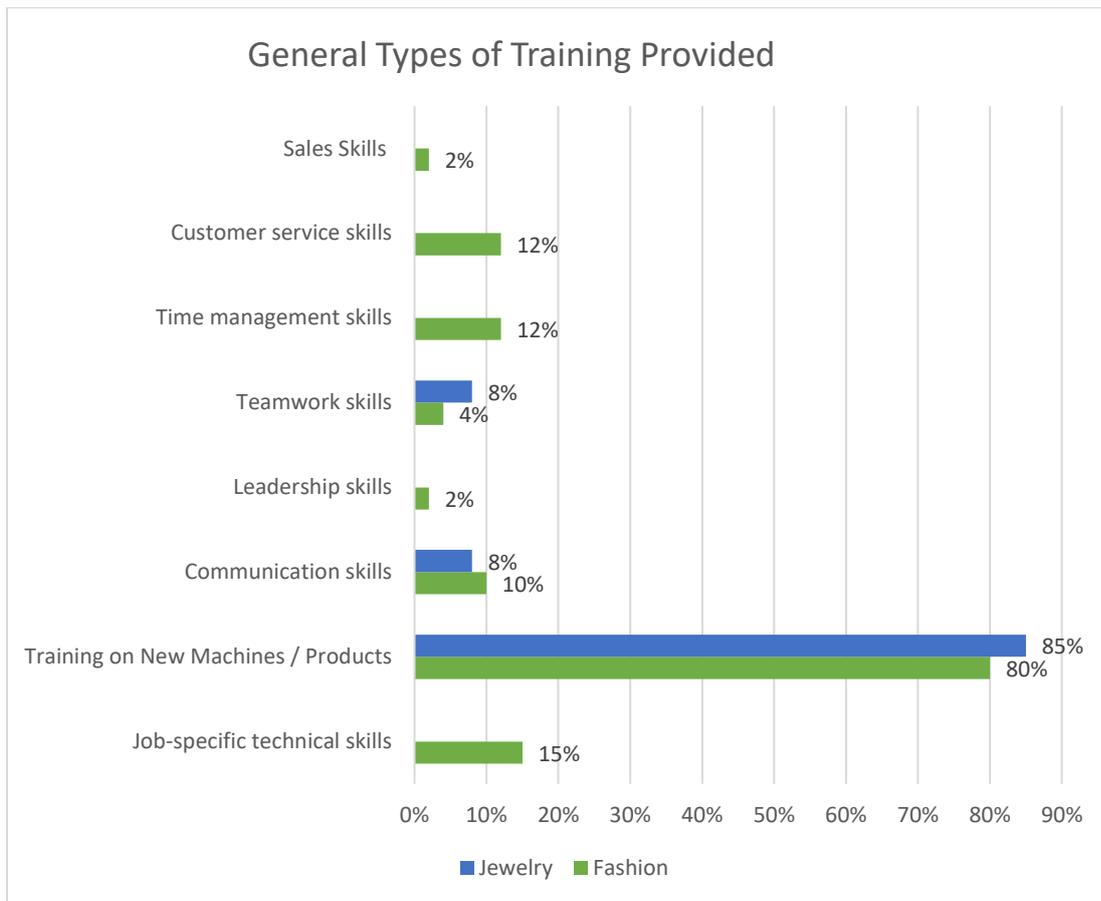


Figure 28: General types of training provided

The timing for training is usually after the introduction of a new machine, or a new job specific technical skill.

That said, businesses felt that in-house training was not necessarily the best solution. During in-house training, many felt that the discipline and craft is not being well translated from trainer to trainee and that the skill was not easily grasped.

“I try to teach the way that I work. I put a lot of energy in my training. But despite all of that, I always have to be present in order to supervise.” – KII Christina Debs



b. Education

Most businesses do not trust the quality of education in terms of building an adequate and qualified workforce. 67% of fashion businesses and 80% of Jewellery businesses said thought that TVETs and Universities are not doing a good job compared to just 28% of fashion and 17% of Jewellery businesses who believe that they are in fact doing a good job.

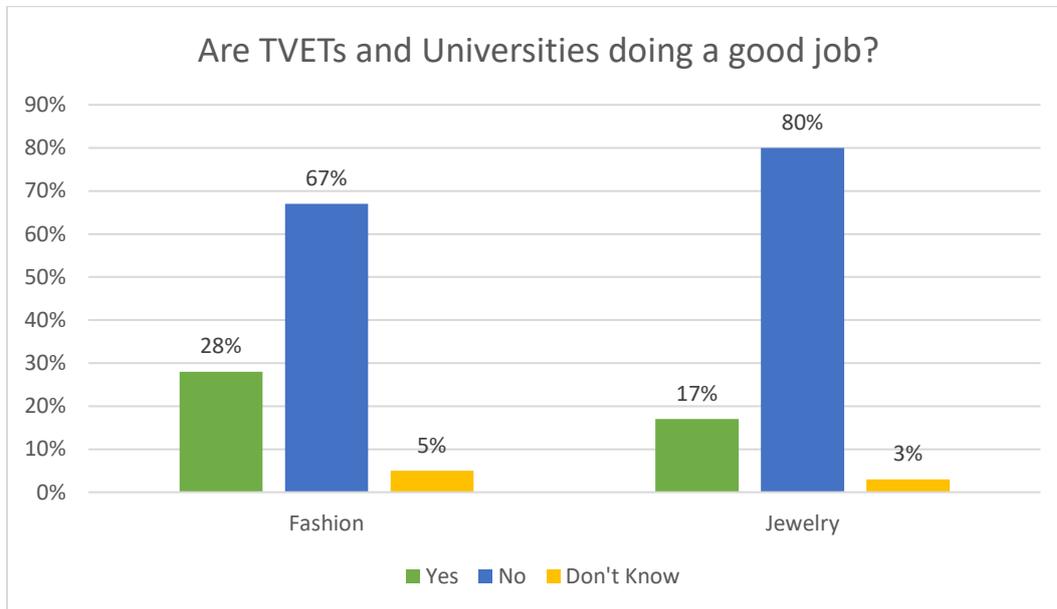


Figure 29: Perceived quality of TVETs and Universities

By the same token, respondents from focus group discussions voiced their concerns with the current universities and TVET curricula. The lack of technical expertise and trainings integrated to the academic cursus was one of the major concerns.

“Those institutes don’t help graduated students by giving them the required training that allows the graduates to enter the sector and work in factories for example.” – Respondent N. 4, Unemployed Youth, Fashion, Male.

“There are so many advanced technologies that teach advanced Jewellery work, but there are no vocational institutes to teach this in Lebanon. Even if a student studied gemology at college, and decided to go to an institute to learn how the gems are attached/combined; these institutes aren’t even in collaboration with factories that may provide certificates and internships for the students.” – Respondent N. 2, Employed Adults, Fashion, Male.



Moreover, the lack of soft-skills training at these institutions was also criticized, as many employers pay close attention to soft-skills during interviews.

“What is lacking is in our education system. It isn’t enough to teach students how to tailor and implement designs; they should teach a woman how to present herself, present her portfolio, and build her own brand. I believe this is what is lacking.” – Respondent N. 2, Unemployed Youth, Fashion, Female.

And last, the scarcity of training institutes was a further concern, as well as the government’s inaction regarding this issue.

“There are no academies in Lebanon that teaches fashion design with a reasonable price so that people would be able to study this major.” – Respondent N. 6, Unemployed Youth, Fashion, Male.

“If there was an official governmental vocational institute, people who aren’t wealthy will still be able to study it.” – Respondent N. 2, Unemployed Youth, Fashion, Female.

As a result of the misperceptions and negative attitude towards education institutes, the majority of fashion and Jewellery businesses said that they do not collaborate with TVETs or universities. This is a clear indicator of missed opportunities for collaboration, knowledge exchange, and talent transfer. Only 5% of fashion and 6% of Jewellery businesses collaborate with TVETs, while 14% of fashion and 6% of jewerly businesses collaborate with universities.

Two training institutes were mentioned by Jewellery businesses: Al Kafaat and Malak College. The institute technique Al Kafaat offers a two year Jewellery specialization which integrates some soft skills as well as technical skills such as drawing, design and creation, colouring techniques and more.

For fashion, respondents mentioned Al Kafaat, ESMOD, the WHY institute, Centre Technique Saint Basile, NDM institute and the Academy of Fashion Design.

ESMOD is the most renown school of fashion design in Lebanon and has the best reputation among employers and job seekers alike. It was repeatedly mentioned by 67% of businesses that do collaborate with a training or education institute.

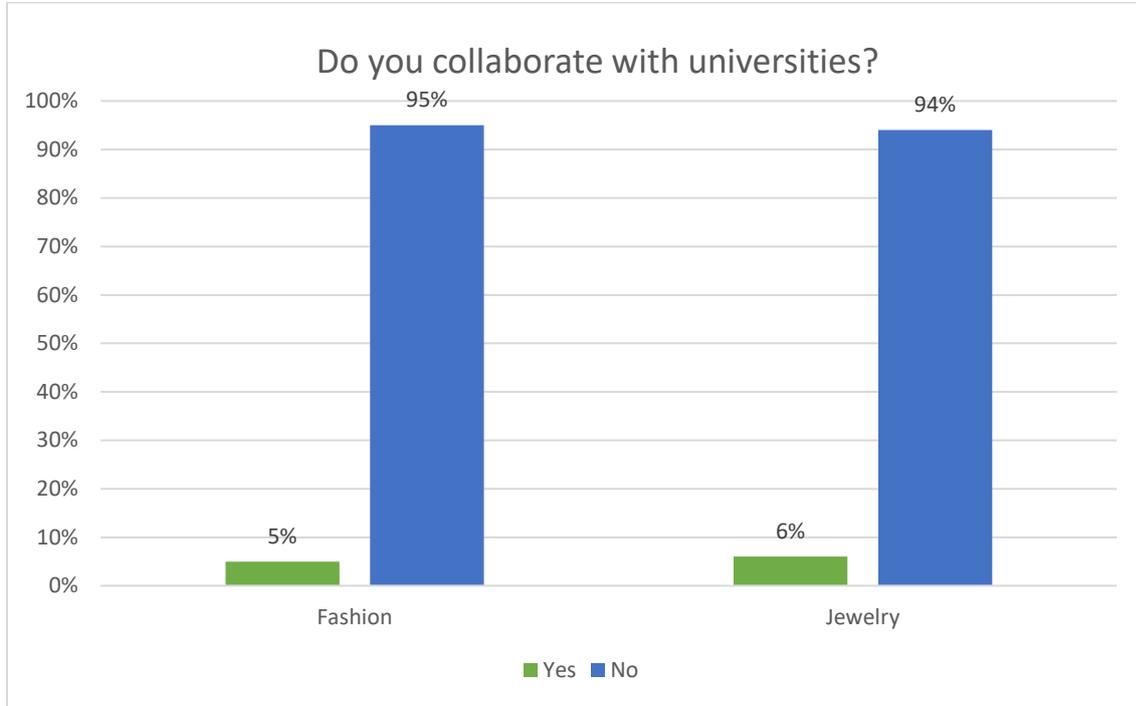


Figure 30: Collaboration with universities

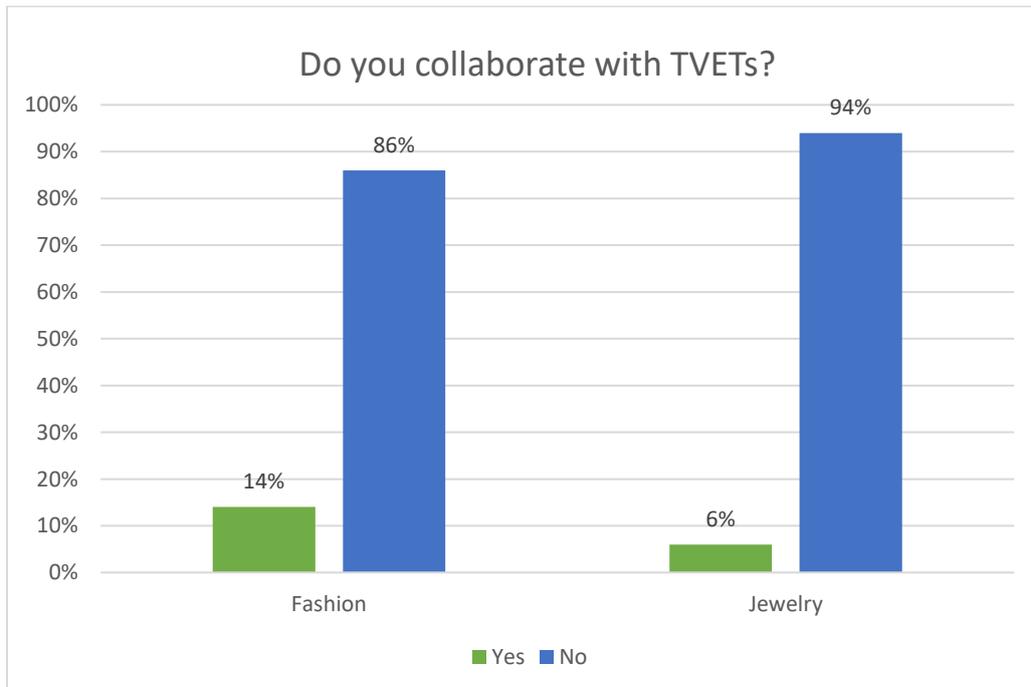


Figure 31: Collaboration with TVETs



iv. Recommendations

Training & Education Recommendations:

- Provide trainings after hours for women, in order to balance with their work and provide new opportunities for career development and for jobs that they would otherwise not be able to achieve.
- Provide affordable trainings on new trends, techniques and machines emerging in the fashion/Jewellery sector.
- Create linkages between fashion/Jewellery students and designers / business through job fairs and other events.
- Organize roundtables and discussions with small and large businesses to identify training and education needs.
- Provide hands on training to teach students how to become more detailed oriented.
- Teach students how to work with raw materials.
- Provide more training on soft skills, prepare students for the job market through mock-interviews, CV writing, etc.

SME Recommendations:

- Provide more apprenticeship/internship opportunities for young graduates and women.
- Involve women more actively in the production process.
- Create stronger linkages with universities and suggest event formats that can bring together SMEs and potential employees within the framework of constructive discussions.
- Launch design competitions to identify the best talent for design, crafts competitions for craftsman, etc.
- Share factory spaces / machines and facilities with one another to reduce costs.
- Create a more active syndicate to discuss labor issues and needs.
- Do not rely on word of mouth for job searching. Keep the process meritocratic by posting jobs online and reaching out to universities, TVETs and training centers.
- Think of creative benefits that do not involve added spending for the organization, but can add value to employees and create a stronger sense of belonging.
- Pool resources with all companies active in the sector and organize an event / conference or job fair to discuss skills and opportunities in fashion and Jewellery.
- Combine digital and fashion/Jewellery by establishing more advanced e-commerce platforms and scaling internationally.
- Connect with incubators, accelerators and venture capitalists to receive support and funding for e-commerce activities.



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- Tap into the growing pool of digital talent to digitize operations and globalize marketing efforts.

Ministry of Labor and NEO Recommendations:

- Encourage the introduction of sewing and Jewellery design courses as electives at schools/universities.
- Create an updated database of Jewellery and fashion businesses, reach out to them, identify their employment needs, job descriptions and requirements in order to advise job seekers accordingly.
- Create more awareness about fashion and Jewellery business.
- Inspect working conditions of Jewellery and fashion businesses to preserve and protect employee rights from contracts, to access to the NSSF, etc.
- Monitor the incidence of foreign versus Lebanese employees in the sector, recommend a quota for foreigners versus Lebanese workers that would reduce pressure on Lebanese job seekers and guarantee access to jobs in this sector.
- Provide better support to existing training/educational institutes in the Jewellery sector such as Al Kafaat to attract more students and advertise their programs more aggressively.

Government and Policy Makers

- Reduce export and import taxes on raw materials which are causing logistical issues and restricting designers from scaling internationally.
- Revive Lebanon as the fashion and Jewellery hub of the country by boosting exports and international exposure of brands. Provide support and incentives to move towards an export mentality.
- Highlight e-commerce as an essential component of Jewellery and fashion



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