Syrian refugee designing its cloth pattern in the frame of a training in textile, Akkar, 2018, PUI

MARKET ASSESSMENT

Labor Market Assessment in Akkar and Tripoli – LEBANON – March 2018

SUMMARY

This report was developed by Kanj Hamade for PU-AMI

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1. BACKGROUND

Since 2012, PU-AMI has developed an integrated response to populations affected by the Syrian crisis, leading activities in Beirut, Mount Lebanon, Saida and Akkar. In 2018, in line with the LCRP 2017/2020, PU-AMI will focus on increasing self-sufficiency among vulnerable populations (both host and refugee), through safe, stable and sustainable livelihood opportunities[1].

In Akkar, PU-AMI is implementing an integrated community-based approach. In 2015 and 2016 PU-AMI has consolidated its working area to the North-West region of the Governorate (Sahel Area), with a comprehensive and integrated intervention offering shelter, WASH, education, protection, health and infrastructure activities and services to the host and refugee communities. PU-AMI is also implementing projects focused on the promotion of livelihood opportunities for Syrian refugee and vulnerable Lebanese communities, such as Cash for Work (CFW) (since 2014), and a Food for Assets (FFA) intervention supported by WFP (in 2017).

PU-AMI is currently planning to implement Food for Training (FFT) activities with women, aiming to support short term food needs and improve income generating skills. 60 Syrian and Lebanese women will participate in a six-month sewing training, which will enable them to gain skills in techniques and increase their opportunities to access to livelihood opportunities in the textile labor market in Akkar.

Through stakeholders and community consultation, PU-AMI identified the textile sector as a strong avenue for women to create livelihood opportunities in Akkar. However, further assessment and research are needed to fine-tune training offering and facilitate access to livelihood opportunities.

Within that background the objectives of the present assessment are to provide an evidenced-based understanding of the current and potential market needs, gaps, trends as well as stakeholders interactions within the textile sector in Akkar and Tripoli. It will aim at identifying related livelihood opportunities for vulnerable Syrian and Lebanese individuals. The assessment will formulate programmatic recommendations to enhance PU-AMI short-term (24 months) livelihood activities and increase the creation and/or facilitation of livelihood opportunities for vulnerable individuals.

[1] PU-AMI project designs and interventions will include: identifying employment and self-employment opportunities for vulnerable target groups, provision of short-term employment opportunities through labor intensive construction and rehabilitation of public infrastructure and community assets, support in launching and developing income generating activities based on market assessment findings, along with the provision of technical support and material assistance, provision of employment support services through facilitating access to vocational training and soft skills development, partnerships with national and local stakeholders for the provision of quality trainings that align with market needs, and engagement with the municipalities and private sector within the communities of intervention.

2. LITERATURE REVIEW

Akkar is the most deprived governorate in Lebanon. Sharing about 100 km of borders with Syria with at least 27 border villages[2], Akkar was the first Lebanese region to host Syrian refugees fleeing instability and violence back in March 2011[3]. The predicament is how a historically fragile and one of Lebanon's poorest regions manages hosting the highest number of vulnerable refugees. Approximatively, 100,000 Syrian refugees are registered with UNHCR (and a significant, yet unknown number unregistered); in addition to around 24,000 Lebanese living below the poverty line. As a matter of fact, the majority of families in Akkar are deprived, and face serious poverty having highest level of inequality in Lebanon[4]. This situation is creating growing pressure on local resources, infrastructure, and labor markets causing tensions between local communities.

The Lebanon Emergency Market Mapping Analysis (2013)5 tackled the effects of the Syria crisis that vary across sectors and regions; and the increased economic challenges facing Akkar manifested in major increase in labor supply. Wages of skilled and unskilled Lebanese workers have reportedly decreased, along with the predictability and duration of part-time or seasonal employment. These implications are related to the high degrees of informality that characterizes the local (and national) labor market prior to the Syria crisis including: inadequate working conditions, low wages, relatively long working hours, irregularity of available work (beyond seasonality), few formal contracts, as well as no health, retirement or other benefits for many workers. Following the EMMA assessment, a series of studies pertaining to livelihoods and economic development in Akkar have been undertaken. The hereunder section presents their main findings, while textbox 1 presents the finding of labor market and business assessment with a more general focus.

Akkar Business Climate Assessment is a research published on October 2015 by International Rescue Committee and UK Aid to study the key constraints and attitudes, needs, and objectives of entrepreneurs in the formal and informal Akkar economy; hereby identifying current skills gaps and market information gaps within Akkar labor market; as well as identifying market opportunities through products and services in high demand. The research used mixed methods including a quantitative survey of 375 businesses in 63 locations, along transportation corridors and inside major population centers of Akkar. It also conducted key informant interviews with employers and key economic actors in North Lebanon; as well as business roundtable discussions with local business owners and managers. The study described a highly segmented and largely informal ecosystem of self-financed microenterprises focused on nearby final consumers. The research also showed that

[2] UN Office for the Coordination of Humanitarian Affairs, August 2014
[3] Nora Berneis and Julia Bartl, Understanding the heightening Syrian Refugee Crisis and Lebanon's Political Polarization, Carthage Research and Information Center, June 2013, p.16
[4] UNDP, MOSA and CAS (2008). Poverty, growth and income distribution in Lebanon. UNDP and MOSA, Beirut.
[5] INGO consortium, funded by UKAID – report published in 2013.

entrepreneurship support should be channeled in underserved sectors with a recognizable investment potential, along with targeted technical assistance.

Textbox 1: Findings from recent labor market research

UNDP – "Mind the Gap" (UNDP, 2017)

UNDP commissioned an assessment of the labor needs in three sectors: construction, agro-food and ICT entitled "Mind the Gap: A Labor needs assessment for Lebanon", which was published recently in March 2017. Based on a survey of 240 enterprises conducted in 2016 and distributed at the national level, the study reported skill gaps between and within semi-skilled labor and stressed the need for vocational training for these workers. Within the agro-food sector specifically, around 40% express that hiring and keeping qualified employees is challenging for them. At least half of the respondents expressed a need for skills in market research, advertising, and marketing. As for semi-skilled workers, the lack of training on quality control techniques and monitoring and evaluation methods is the biggest obstacle they face.

Oxfam – "Skill Gap Analysis" (2016)

Oxfam has commissioned a skill gap analysis for the regions of Mount Lebanon, Tripoli and the Beqaa. The findings reported an optimistic growth outlook among SMEs in the services sector that hoped for political improvement and successful work strategies in the coming years. There was a discrepancy in perceiving the impact of the Syrian crisis: while enterprises in Beqaa saw a positive outcome, half of the enterprises in Mount Lebanon saw negative repercussions on the national economy. Among the reported barriers to hiring; skills, legal framework and cultural issues were the most dominant. Enterprises report a gap between the educational background of the labor force and the job market needs. Within the agro-food sector, the report saw a role for employing Syrians in the sector through adequate training on specialized machinery. Key informants suggested that sector has potential for growth provided it is supported with new methods, specialized machinery and technologies to improve productivity, competitiveness, and possibly labor absorption capacity. Key informants also added that small-scale agro food producers need support that could reduce their production costs such as subsidizing transportation costs.

Oxfam – Businesses development Service's needs (2016)

A skill gap analysis validation was also implemented by Oxfam in the same regions with a set of qualitative and quantitative data among enterprises in the food-related and construction sectors. In Mount Lebanon, the identified sectors were construction, food related (food and beverage and catering) gardening and manufacturing. The food related sector employs the largest number of full time employees, the majority being females. Most employers prefer hiring trained and educated employees instead of unskilled labor because they lack the resources to train new comers but at the same time they're looking for candidates who are willing to work for long hours at low wages. Enterprises expressed a willingness for partnerships with vocational training programs as well as training needs in many areas.

A group of assessments reports were published in 2014 by UNHCR and REACH mentioning Multi Sector Community Assessment of Informal Settlements, WASH Assessment of Syrian Refugee Households in Akkar Governorate, Lebanon, and Livelihoods Assessment of Syrian Refugees in Akkar Governorate.

The Livelihoods Assessment of Syrian Refugees in Akkar Governorate aims to obtain in-depth information about the conditions, opportunities and challenges of the labor market in Akkar Governorate, and therefore to inform the development of livelihoods interventions targeting Syrian refugees with particular focus on the vulnerable situation of Syrian women. It was found that refugees chose Akkar as a safe hosting shelter due to the low living cost. It was found also that most refugees have low level of education, with female refugees having less likely had access to education than their male counterparts. As for employment, the study shows that a majority of working refugees - especially men - are employed in informal sector especially in construction and agriculture where there are no contracts or any social security benefits. The average income in Akkar was reported to be markedly below the official Lebanese minimum wage, set at 30,000 LBP (USD 20) per day. On average, refugees earn 20,000 LBP (USD 13) per day, with women much more likely to be paid less[6]. Alternative sources of income proved to be a key feature in refugees' life in Akkar.

To collect these findings, the survey tool used (including core indicators) was based on a household-level form created by the REACH Information Management Unit and informed by indicators and findings from previous livelihoods assessments conducted in other operational areas[7]. In total, 171 households were interviewed, a number corresponding to 95% confidence and 7.5% margin of error.

The WASH Assessment of Syrian Refugee Households in Akkar Governorate, Lebanon assessed water, sanitation, and hygiene (WASH) needs especially in Akkar which has already fragile infrastructure placed under additional strain by the significant population increase. Survey tools used for this assessment were core indicators, based on a household-level form created by the National WASH Working Group in Lebanon, and additional indicators from an August 2014 Oxfam assessment of Knowledge, Attitudes, and Practices (KAPs) in the Tripoli+T5. It was found that difficulties obtaining drinking water are widespread especially among households living in substandard buildings; whiles refugees living in informal settlement have ready access to water but may consume sources that are of a low quality and stored unsafely water that is not clean. As for sanitation, there was an urgent need to improve latrine access and quality in a substantial majority of refugee households where they also lack privacy. Findings on hygiene and health were also alarming. Poor hygiene practices are the product of a lack of access to (financial) resources in some cases, and a lack of knowledge in others. Thus, interventions that promote access to WASH facilities and hygiene promotion were recommended.

In the Multi Sector Community Assessment of Informal Settlements it was found that extreme poverty and limited income-generating opportunities accompanied the life of refugees in the informal settlements. The needs for urgent intervention in basic shelter, water, and sanitation infrastructure, and shelter reinforcement (especially in winter) were identified. Plastic sheeting, floor raising kits, and site improvements to protect against rain and snow were identified as the most urgent shelter needs. It was found also that WASH standards fall short on basic infrastructure like latrines and ways to manage solid waste. Public health and environmental conditions for refugees and Lebanese host

[6] Livelihoods Assessment of Syrian Refugees in Akkar Governorate 2014, p.3
[7] Mercy Corps, 'Things Fall Apart', Political, Economic and Social Instability in Lebanon, Report June 2013; ACTED, Labor Market Assessment in Beirut and Mount Lebanon 2014

communities can be maintained by providing receptacles for solid waste and facilitating implementing garbage collecting routine in their daily activity. Regarding livelihoods, informal settlement residents have low skill levels and are subject to social marginalization, with widespread debt and dependency on landlords for shelter, debt, and employment. Education is a crucial concern. Parents are reluctant to send children outside of the settlement fearing from safety, bullying, and due to transportation costs.

Previous assessments showed the need for an integrated approach that tackles basic needs, such as food security, shelter and WASH – and as a matter of fact most local and international organization and agencies action have (in most of the cases) successfully tackled these issues. Together with continuous basic needs interventions access to livelihoods for both Syrian refugees and host communities is on the agenda of humanitarian and development actors.

3. APPROACH AND METHODOLOGY

The aim of this research is to explore potential for livelihood opportunities for vulnerable Lebanese and Syrian refugees – especially women, either through potential waged employment, or through self-employment and home-based business activities. The assessment's geographical scope includes: all municipalities as well as formal and informal settlement in Akkar's coastal area reaching up to Halba, i.e. the region between Abdeh, Halba and Arida. A specific focus will be given to Halba, Burj Al-Arab, Tell Mayaa and Knaiseh villages.

The research looked at the textile sector from two lines of inquiry.

The first line of inquiry used quantitative methods and collected data from self-employed tailors in the textile industry, including home-base businesses. The quantitative findings allowed to profile textile-self-employment and home-based activities. It also provided an in-depth understanding of the demand for sewing, tailoring and repair services, the level of skills needed as well as the level of profitability of such activity.

The research used snow ball sampling[8] method to survey textile self-employment in the research area. A total of 61 surveys were collected. Quantitative data collection took place between the 8th and the 19th of December 2017, a period (Fall and Winter) that has been reported by value chain actors as a high demand season for tailoring services[9]. All surveyed self-employed tailors were Lebanese.

[8]Surveyed self-employed tailors were requested to name three of their peers, two of which would then be visited by the enumerators.

[9] This may have slightly influenced the study results as interviewee may have reported higher income that in a lower demand season. The seasonality of demand for tailoring services is a limiting factor influenced

The second one used qualitative methodology to explore market and employment opportunities offered by small and medium size textile enterprises – including cloth factories, and linked sectors such as the furniture sector. Key Informant Interviews (KII) allow to capture an in-depth understanding of the textile sector dynamics.

The Key Informant Interview (KII) guidelines – annexed to this report – revolves around the following thematic areas:

- The impact of the Syrian Crisis – as well as the broader changes in dynamics as perceived by the interviewee. This section of the KII will also discuss dynamics of changes in the sectors, e.g. competition dynamics, policy changes, etc.
- Growth expectation from the perspective of the businesses as well as from the perspective of the sector actors. This section looks at the sector opportunities, barriers to growth, as well as the institutional and policy mechanisms needed to improve the sector and potentially create value chain positive dynamics.
- Workforce challenges, skills need and gaps, the situation of the vocational schools and training centers. The guidelines will allow the research team to identify challenges and barriers to work, with an emphasis on barriers to work of Syrian women refugees.

The research used a snow ball methodology to interview Micro Small and Medium enterprises (MSMEs) and key stakeholders in the research area as well as in Tripoli City.

Element of context, including the overall development, the historical development and the changes in the textile sector will also be discussed with key stakeholders in the north including the Tripoli Chamber of Commerce, Industry and Agriculture.

Finally, a mapping of existing Technical and Vocational Education and Training (TVET) institutions has also been undertaken by the research team. The results of the mapping exercise are attached to this report. The mapping would allow to spot potential linkages between PU-AMI livelihoods programs and TVET institutions.

The hereunder table summarizes the different methodological tools:

Table 1: Summary of the research data collection design

Stakeholders / Textile sector's actors	Approach/ Tool	Geographical area	#
MSMEs (textile workshops and factories, handicraft cooperatives, furniture cluster companies)	Qualitative snow ball sampling–KII	Research area and Tripoli	17
Self-employment and home-based activities	Quantitative – field survey using Kobo	Research area	61
Key economic actors (Tripoli Chamber, BIAT, Tripoli entrepreneurs' initiatives)	Qualitative (based on attached KII guidelines)	Tripoli	3
International and local NGOs	Lessons learned meeting	Tripoli and Akkar	2
TVET institutions	Desk review mapping –	Tripoli and research area	N/A

4. RESEARCH FINDINGS

4.1. SELF-EMPLOYMENT AND MICRO-ENTERPRISES IN THE TEXTILE SECTOR

4.1.1. Self-employment profiles

All surveyed self-employed tailored were working informally, i.e. without any type of official registration. Women represented 80 percent of the surveyed sample. Two third of surveyed self-employed work from home, this figure raises to 80.7 percent for self-employed women.

In term of education (see table 2 below), only 8.7 percent of interviewees have achieved secondary or university education. No interviewed man had reached university education, and none of the 61 interviewees had received formal vocational education (secondary level)[10]. As a matter of fact, the mapping of TVET institutions (in annex I) showed that no public or private TVET institutions provide sewing and tailoring trainings and diploma in Akkar and Northern Lebanon[11].

Table 2: Distribution of attained education level

Education	Elementary or less	Intermediary	Secondary	University
All	24.6%	66.6%	7.0%	1.7%
Women	11.1%	80.0%	6.7%	2.2%
Men	33.3%	58.4%	8.3%	-

[10] Research data shows that 19.6% of interviewees have learned sewing technics through vocational training (not formal vocational education) – see section 4.1.4 on skills

[11] The Lebanese Ministry of Education website report a sole vocational school for BP, BT, and LT diploma in tailoring and fashion design, i.e. the Public Vocational Institute of Sarafand (South Lebanon).

Most of self-employed tailors, 78.5 percent, have established businesses prior to 2001. The data collection did not identify any self-employed men who had established businesses after 2000. In fact, 83.3% of men have established businesses before 1991, this figure is as low as 34.1% for women.

Nonetheless, data show that the rate of establishment of tailoring business is decreasing, it seems that although it was an attractive option for women in the early 1990's, the trend has slowed down and self-employment in the textile industry is not an attractive option for youth. Overall, people working in this sector are an aging population.

Table 3: Distribution of year of establishment

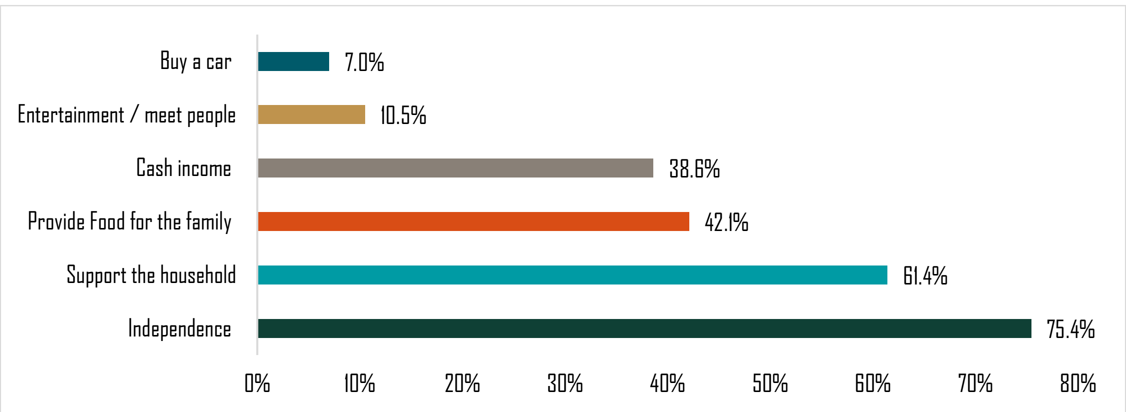
Year of establishment	1990 or before	1991 to 2000	2001 to 2010	2011 and after
All	44.6%	34.0%	10.7%	10.7%
Women	34.1%	38.6%	13.6%	13.6%
Men	83.3%	16.7%	-	-

4.1.2. Incentives for self-employment

Data on incentives for self-employment as reported by surveyed tailors (Figure 1) shows that individuals engage in such activity for the following reasons:

- Social empowerment, especially for women, that feel empowered by their ability to earn income. Independence is the most cited of incentives (75.4 percent of the surveyed sample), but also entertainment / meeting people (10.5 percent), as well as the ability to buy a car and thus being able to also move freely (7.0 percent).
- Generation of a cash income (and therefore of a sustainable livelihoods) is indeed a major reason to engage in tailoring activities. For many, especially women, it is a way to support the household (61.4 percent), or to generate a direct cash income (cited by 38.6 percent of interviewees).
- Meet basic needs, 42.1 percent of surveyed tailors reported that providing food for the family is one of the main incentives for self-employment.

Figure 1: Incentives (opportunity provided) by self-employment as expressed by surveyed individuals



Reporting of incentives for self-employment shed the light on the high vulnerability of the surveyed population, but also on the willingness for empowerment and readiness to engage in economic activities; the latter is not always the case for women in vulnerable households.

4.1.3. Working conditions

Working hours

Distribution of working hours are reported in Table 4 below.

Table 4: Distribution of working hours

Working hours	Less than 4	4 or 5 hours	6 or 7 hours	8 hours	More than 8
All	8.8%	33.3%	28.1%	24.6%	5.3%
Women	11.1%	37.8%	31.1%	15.6%	4.4%
Men	-	16.6%	16.6%	58.4%	8.3%

Data show that more than 40 percent of self-employed tailors in Akkar work part-time, e.g. five hours or less per day. This figure raises to almost 50 percent for women and is as low as 16.6 percent for men. Individual choices on working time are primarily related to time constraint for women having to manage both households work and business activities. During field data collection interviewed tailors did not report having to lower working time because of lack of demand for their services, as a matter of fact time management is reported as the second main challenge faced by tailors.

Work hazard

Presence of physical pain as well as the type of physical pain are reported in Table 5 and Figure 2 below.

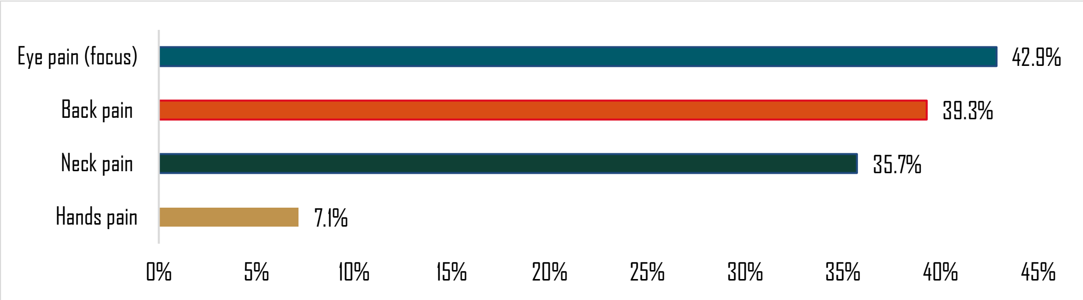
Table 5: Physical pain due to working conditions

Presence of physical pain	Yes	No
All	50%	50%
Women	51.1%%	48.9%
Men	66.6%	33.3%
Work 6 hours or more per day	65.0%	35.0%
Work 5 hours or less per day	11.8%	88.2%
Established in 2000 and before	55.0%	45.0%
Established after 2000	45.2%	54.8%

Half of surveyed tailors reported suffering from physical pain, this figure raises to two-third of men, as they tend to work longer hours and have established their business prior to 2000. Tailors that work more 6 or more hours per day have reported physical pain in 65.0 percent of the cases.

Difficulty in vision focus is the most reported pain (42.9 percent), followed by back and neck pain (39.3 and 35.7 percent respectively). Also, approximatively 25 percent of tailors that have reported physical pain, suffer from two or three symptoms. Furthermore, work injuries as well as physical pain have been reported as a major challenge by 40 percent of the surveyed sample (see section 4.1.7 Challenges and prospects).

Figure 2: Type of physical pain reported by self-employed tailors



Issues related to work hazards and improvement of work environment (either in the tailor shop or at home) are essentials that need to be taken into consideration and improved. The vast majority of vulnerable households do not have access to health insurance, and often have to rely on negative coping strategies, such as the sale of productive assets to undertake needed treatment and/or chirurgical interventions.

4.1.4. Skills

In 58.9 percent of the cases tailors have learned their craft from a peer, i.e. working as an apprentice, this figure slightly differs between men and women. One third of male tailor have learned sewing and tailoring from their father and have continued a family business, while this figure is lowered for women (18.2 percent). Approximatively 20 percent of tailors have enrolled in a form of vocational training or another (accelerated training, or standards vocational education[12]).

Only 14.8 percent of interviewees are currently training an apprentice; and of those who are not, 26 percent declared their willingness to do so; i.e. approximatively 40% of self-employed tailors are currently training or willing to train an apprentice.

Table 6: How did you learn sewing?

Learning method	Vocational training	From my mother/ father	From a peer (apprenticeship)

[12] There are currently no vocational school providing training on sewing and tailoring in Akkar, however, it is highly probable that such programs existed in the past and/or that some of the tailors did learn the craft outside Akkar, including potentially in Syria.

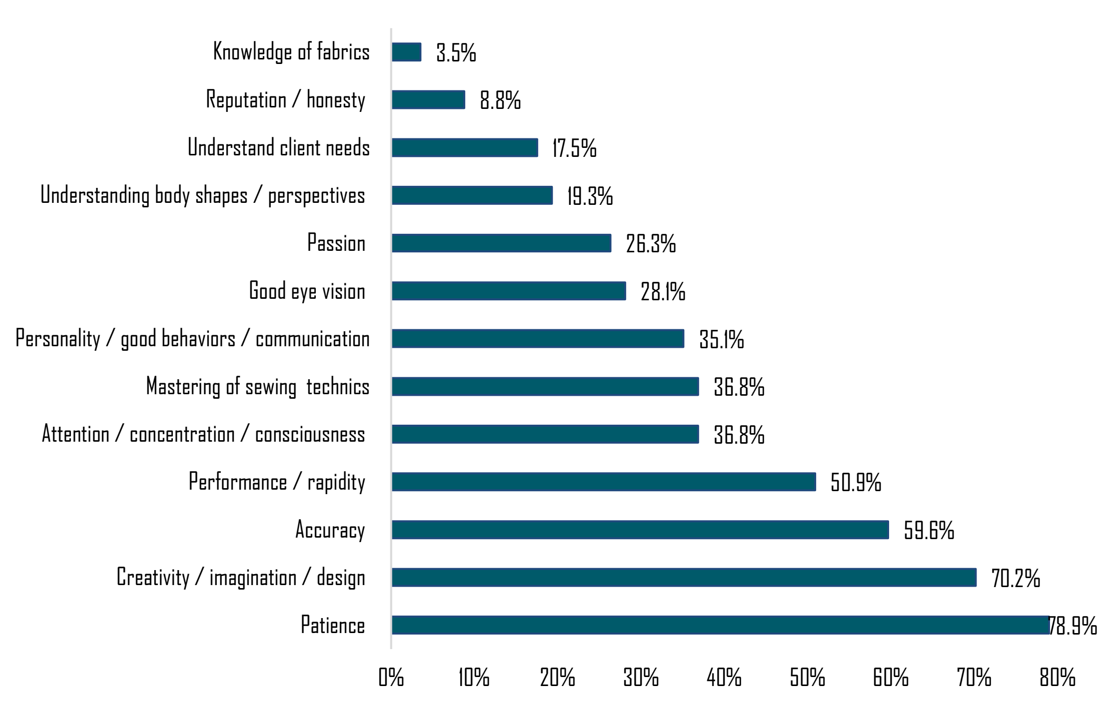
All	19.6%	21.4%	58.9%
Women	20.4%	18.2%	61.4%
Men	16.6%	33.3%	50.0%

The skill set needed to undertake tailoring activities – as reported by self-employed tailors in Figure 3 below– can be divided into four categories:

1. Soft skills: the most reported skill was “patience”. It was mentioned by 78.9 percent of the surveyed tailors. Other soft skills including “attention / concentration / consciousness”, “personality / good behaviors / communication”, and “passion” were also mentioned by respectively 36.8, 35.1 and 26.3 percent of the self-employed tailors.
2. Innovation and design: the second most reported skill was “creativity / imagination / design”, which was cited by 70.2 percent of tailors. Also, the ability of the tailor to “understand body shapes and perspectives” (cross cutting with technical skills) was cited in approximatively one fifth of the survey. The focus on this element shows that with the availability of relative affordable imported cloth, self-employed tailors are aware of the needs to incorporate a touch of creativity and design in their cloth to be able to attract more clients. Indeed, this particular element shall be put in context, innovation does not necessarily refer to the ability of the local tailor to create its own design but rather to its capacity to follow-up on existing trends, e.g. introduce new colors or fabric, and learn new technics on a continuous basis.
3. Technical skills: “accuracy”, “performance / rapidity”, “mastering of sewing technics” represent some of the core technical skills needed for this craft. They were mentioned respectively by 59.6, 50.9% and 36.8 percent of the tailors. Mastering sewing, and tailoring technics is a sine qua none condition to engage in the business. However, technical skills were not the one mentioned more often, this indicates that competitive edge of tailors remain in their ability to master cloth design and develop a wide range of interpersonal and soft skills.
4. Client satisfaction: Although less reported – “understanding of client needs” was cited 17.5 percent of the time – client satisfaction is at the core of the ability of self-employed tailors to sustain business. As a matter of fact, several of the soft skills reported are also linked to the management of client relationships. Furthermore, client “personality and requirements” are reported to be the main challenges faced by self-employed tailor (see section 4.1.7).

Vocational training program aiming at supporting existing businesses and/or aiming at offering livelihood opportunities -for young vulnerable Lebanese and Syrians living in Akkar- should include modules tackling the fours elements of the required skill set.

Figure 3: Skills reported as important by self-employed tailors



4.1.5. Supply and demand of tailoring services

Table 7 and 8 report supply of, and demand for tailoring and cloth repair services in Akkar. Data show that the principal activities of textile self-employed businesses is cloth repair. It is undertaken by all tailors, which have almost unanimously reported a very high demand for this service.

Tailoring uniforms is the second activity, undertaken by 78.9 percent of surveyed self-employed tailors (91.7% of male tailors), followed by tailoring of women cloth (dresses and pants) at 66.7 percent of tailors. Also, the data suggest a shift in demand, from men tailored cloth to women tailored cloth. Demand for tailored men cloth has been reported as very low to low by 77.2 (shirt), 80.7 (pants) and 87.7 percent (suits) of interviewed tailors; while demand for tailored women dress has been reported as medium to high by 61.4 (pants) and 69.3 percent (dresses) of the surveyed sample.

Demand for leather has been reported as very low to low at a rate of 86.0 (repair) and 91.1 percent (tailoring), while demand for uniform tailoring has been reported as medium to high by two third of the surveyed sample. However, data suggest that the structure of demand for tailored cloth is determined by supply of services; as female tailors tend to not provide men cloth tailoring services (only 15.6 percent of them do).

Table 7: Supply of tailoring and cloth repair services

Services	All	Women	Men	Est. 1990 and before	Est. after 1990
Repair cloth	100%	100%	100%	100%	100%
Repair leather	7.0%	4.4%	16.7%	12.0%	3.1%
Tailoring men shirt	26.3%	15.6%	66.7%	40.0%	15.6%
Tailoring men pants	29.8%	15.6%	83.3%	44.0%	18.8%

Tailoring men suits	12.3%	4.4%	41.7%	24.0%	3.1%
Tailoring women dresses	61.4%	66.7%	41.7%	64.0%	59.4%
Tailoring women pants	66.7%	71.1%	50.0%	76.0%	59.4%
Tailoring women weeding dresses	19.3%	20.0%	16.7%	24.0%	15.6%
Tailoring children cloth	31.6%	31.1%	33.3%	40.0%	25.0%
Tailoring uniforms	78.9%	75.6%	91.7%	80.0%	78.1%
Tailoring curtains	28.1%	24.4%	41.7%	32.0%	25.0%
Tailoring leather	5.3%	2.2%	16.7%	4.0%	6.3%

Table 8: Demand for tailoring and repair services (as reported by self-employed tailors)

Services	Very low	Low	Medium	High	Very high
Repair cloth	-	-	1.8%	-	98.2%
Repair leather	12.3%	73.7%	14.0%	-	-
Tailoring men shirt	1.8%	75.4%	21.1%	1.8%	-
Tailoring men pants	3.5%	77.2%	14.0%	5.3%	-
Tailoring men suits	38.6%	49.1%	10.5%	1.8%	-
Tailoring women dresses	-	33.3%	49.1%	12.3%	5.3%
Tailoring women pants	1.9%	35.2%	38.9%	20.4%	3.7%
Tailoring women weeding dresses	25.0%	48.2%	25.0%	1.8%	-
Tailoring children cloth	8.8%	71.9%	15.8%	3.5%	-
Tailoring uniforms	-	24.6%	42.1%	24.6%	8.8%
Tailoring curtains	7.3%	65.5%	9.1%	10.9%	7.3%
Tailoring leather	50.0%	41.1%	8.9%	-	-

Similarly, key informant interviewees suggested that the reported very low demand for repair of leather cloth and accessories may not be accurate, especially regarding repairs of natural leather and alike synthetic material accessories, e.g. handbags, wallets, etc. As a matter of fact, when asked why they do not provide leather repair services, only 3.8 percent stated that there was no demand, while 81.1 percent cited the need for specific equipment (see Table 8).

Data on the reasons why self-employed tailors do not provide a specific service are informative regarding the significantly high level of lack of interest expressed regarding diversification of activities. Part of the explanation might be related to cultural barriers stopping women tailoring in engaging in the making men cloth, e.g only approximatively a quarter of Akkar self-employed tailored sew men shirts and pants; and approximatively 60 percent of those who do not, have expressed a lack of interest.

However, statement regarding demand and supply of tailoring and repair services need to be relativized and put in context. Akkar households' relative low level of income highly influence demand for tailored cloth, especially with the relatively high price of fabrics (stated as a main challenged by a quarter of the surveyed sample – see section 4.1.7). Low purchasing power and thus low demand on tailored items may be the underlying reasons behind self-employed lack of interest in engaging in diversification of activities.

Table 9: Reasons for not providing a specific service (as reported by self-employed tailors)

Services	I am not interested	I need the adequate skills	I need specific equipment	There is no demand

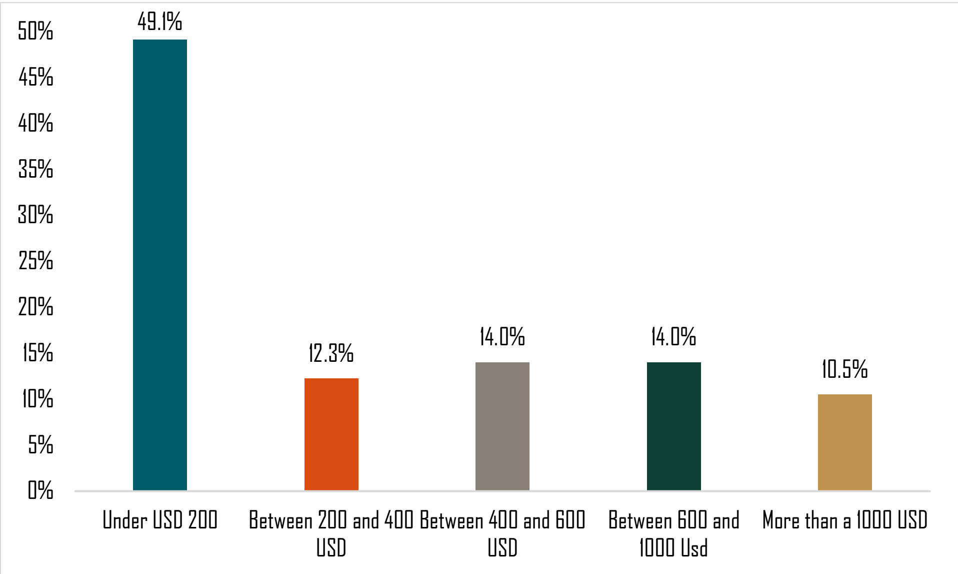
Repair leather	9.4%	5.7%	81.1%	3.8%
Tailoring men shirt	59.5%	21.4%	2.4%	16.7%
Tailoring men pants	62.5%	22.5%	-	15.0%
Tailoring men suits	46.0%	20.0%	2.0%	32.0%
Tailoring women dresses	54.5%	31.8%	-	13.6%
Tailoring women pants	36.8%	52.6%	-	10.5%
Tailoring women weeding dresses	30.4%	23.9%	17.4%	28.3%
Tailoring children cloth	51.3%	30.8%	7.7%	10.3%
Tailoring uniforms	25.0%	41.7%	25.0%	8.3%
Tailoring curtains	36.6%	29.3%	26.8%	7.3%
Tailoring leather	24.1%	18.5%	50.0%	7.4%

4.1.6. Revenues

Figure 4 and 5 show average self-employed monthly revenue and revenue's sources respectively[13].

In average self-employed tailors in Akkar generate USD 610 in revenues per month, and up to USD 938 for tailors working six hours or more. Part-time tailors, working 5 hours or less, earn in average no more than USD 160. Female tailors tend to earn slightly more than men, i.e. approximatively 8 percent more, but are paid less per unit price. There is a significant difference between revenues of shop owners and tailors working from home, with the former earning almost double USD 890 versus USD 470[14]. Nonetheless, a closer look at the data shows that half of the interviewed tailors, make less than 200 USD per month, while a significant 10.5 percent can make up to 1000 USD per month.

Figure 4: distribution of self-employed tailors' income range.

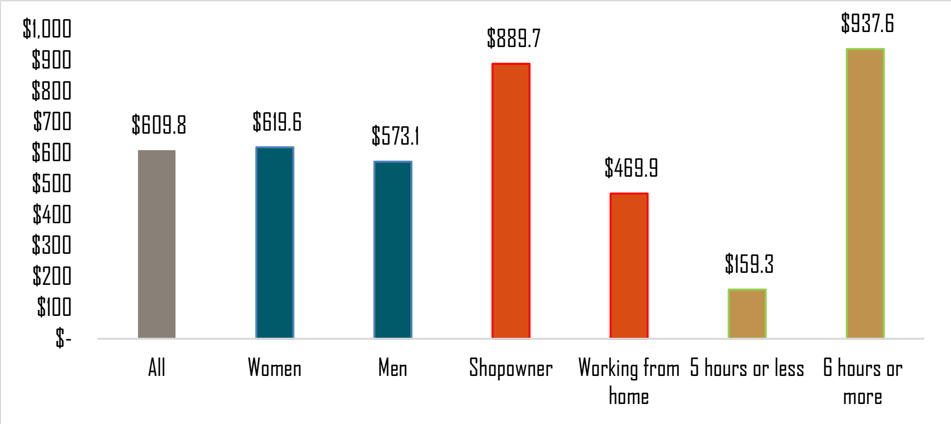


Data on revenues show that a full-time tailoring business could support an average Akkar household to live just above the poverty line of USD 4 per capita per day[15], equivalent of a total expenditure of

[13] Note that the data report an estimation of the revenue based on self-reported prices and sales volume. It is estimated that net income would be approximately equivalent to 80 up to 90 percent of the revenue since operating cost are relatively low.
[14] There were no interviewed tailors that owned a shop and worked part-time.
[15] CAS, MOSA and UNDP (2008). National poverty report.

USD 600 per month for a family of five. Part-time home-base tailoring activities can also support the household in generating a secondary income thanks to women engagement in economic activity, either part-time or full-time. However, a household living solely from income generated through tailoring activity remains highly vulnerable. In fact, approximatively a quarter of surveyed tailors reported meeting family basic food needs as an incentive to engage in the economic activity (see section 4.1.2 on incentives for self-employment).

Figure 5: Average revenue of self-employed tailors (per month in USD)



However, it is important to note that all interviewed self-employed businesses were informal businesses[16], regardless if the activity is undertaken through a small shop or at home. Unfortunately, informality is a necessary condition without which businesses would not be able to compete, because of the burden of income taxes, registration cost, and other administrative costs, although with as most of them have a turn over inferior to $66,667 per year they would not be required to pay and include the 11 percent VAT rate in their prices.

A detailed analysis of revenue sources shows that approximatively half of the self-employed tailors' revenues is generated through tailoring uniforms, e.g. army and police uniforms as well as school uniforms. Structure of revenues does not significantly differ between part-time and full-time tailors, or between shop owner and tailors working from home. However, there is a significant difference between men and female tailors' structure of revenues. It is important to note that women working in the sector tend to be younger than their male counterpart (age proxied by year of business establishment). Furthermore, recently implemented female businesses are well manage and tend to

[16] In order for a self-tailoring business to become formal, the tailor would need to register its craft at the Ministry of Finance. The administrative operation would cost a tax stamp of 1,000 LBP (0.66 USD) and take approximatively two days to finalize. The only documents required are an ID and a proof of residence. Craft code for tailors at the Ministry of Finance is 181. If the tailor sector has generated revenues for less than 100 million LBP per year, he would have to declare income tax only. A fixed 17% profit rate will apply to its revenues. For example, a tailor that generated 90 million LBP, will be considered to have made 15.3 million LBP in profit. If he has no child an exemption of 5 Million will be applied, and then tax will be calculated according to income tax bracket, totaling in that case 438 thousand LBP, i.e approximatively USD 292 per year. If the tailor makes more than 100 million LBP, we will need to register and pay a 11% VAT tax, in addition to the income tax. Note that income tax will significantly increase with increased revenues, and registration to VAT will requires complex book keeping.

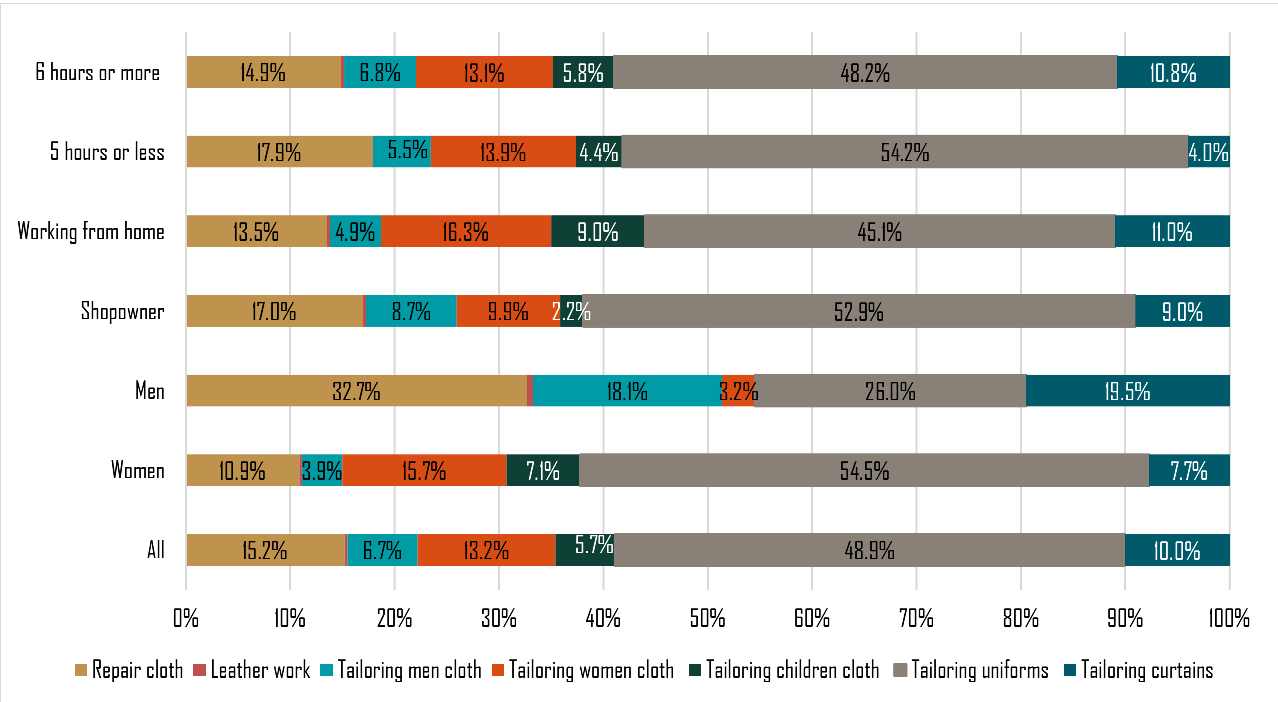
be more entrepreneurial than their male counterpart. The top five highest income of the surveyed sample are female, including relatively very high revenues.

Men tend to have a more conventional revenues structure where repair services represent approximatively one third of revenues, while tailoring uniform only represents 26.0 percent. Men also have the opportunity to be commissioned curtain tailoring. This activity often requires the installation of the curtains at the client home, an additional service that may act as a cultural and social barrier for the engagement of women in this activity. Sewing of curtains represent 19.5 percent of male tailors' revenue.

Female tailors' income heavily relies on uniform tailoring, i.e. 54.5 percent of revenues, followed by women cloth tailoring (15.7 percent), while repair services account only for 10.9 percent of generated revenues. Key informant interviewees suggested that female tailors are often subcontracted uniforms sewing deals from medium size actors in the textile sector. They are preferred to their male counterpart since they are ready to work for lower remuneration. As a matter of fact, collected data show that female tailors would be receiving a 28 percent lower price for sewing/tailoring a uniform compared to their male counter-part[17]. A difference in received price is also found in repair services, for which female tailors would receive in average 18.2 percent less than male tailors[18].

To note that children cloth tailoring and sewing represent a significant 7.1 percent of the income generated by female tailors, while male tailors tends to not engage in this specific activity.

Figure 6: Distribution of revenues per type of services



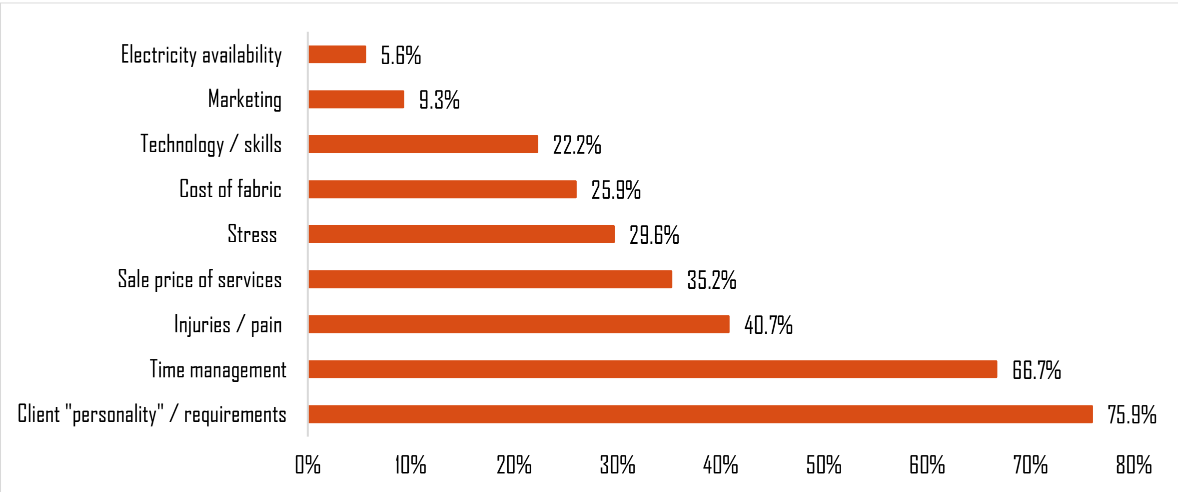
[17] Average price for tailoring / sewing a uniform for a male tailor
[18] USD 1.94 for male tailor versus USD 1.64 for female tailors.

4.1.7. Challenges and prospects

Figure 7 shows the main challenges faced by self-employed tailors as reported by the surveyed individuals. In addition to challenges related to low sale price of services and high cost of fabric, cited by respectively 35.2 and 25.9 percent of the interviewed tailors, the following challenges emerge from the data:

- Client satisfaction: "client personality / requirements" has been cited by 75.9 percent of surveyed tailors as one their main challenge.
- Time management, which was cited by two third of the sample.
- Working conditions including risk of pain and injuries as well as daily stress.
- (To a lower extend) need for technical skills improvement was considered a challenge by 22.2 percent of the sample

Figure 7: Main challenges faced by self-employed tailors



4.2. The textile SMEs dynamics in Northern Lebanon

4.2.1. The Jabal Mohsen textile cluster

4.2.1.1. Growth and decline of the cluster

Textile activities initiated in Jabal Mohsen[19] in the late 1970's / early 1980's with the start of the Lebanese Civil War. During this early years, Jabal Mohsen factories would supply clients and businesses in North Lebanon. In the early 1990's, the cluster witnessed a significant growth period thanks to a sustained demand from traders based in Beirut and South-Lebanon.

[19] Jabal Mohsen is a Tripoli Neighborhood with a clear majority of Alaouite residents.

The cluster specialized in denim pants (jeans) manufacturing and finishing, including international brands counterfeits. The factories would work on demand from traders and middlemen, who also usually supplied the fabric. As per interviewed business owners, the subcontracting business model accounted for 75 percent of the cluster turnover, only a quarter of production was marketed and distributed directly by the factories, mostly in Tripoli and North Lebanon.

Jabal Mohsen textile industry can be identified as a cluster because of the cooperation dynamics that existed between workshops (that often share and collaborate to meet large orders). Furthermore, growth and opening of new factories was often undertaken by previous employees, which had accumulated enough experience and money to open their own business, i.e. a business behavior characteristic of industrial clusters. At the maximum of its growth, there were approximatively 62 factories employing 25 workers in average, with largest factories reaching up to 50 workers during high demand period. The vast majorities of workers were working informally and would not be registered as social security. The informality of the sector and therefore low wages and low cost of labor, have played in favor of Jabal Mohsen business as they were able to provide the service at a competitive price compared to factories based in Beirut Suburbs. The latter have witnessed a significant crisis and had to close in the early 1990s, while the former benefited from the political situation that prevailed in Lebanon during that period and that had allowed them to operate informally without fearing legal repercussions.

Jabal Mohsen production was directed toward both the local and the export market, according to interviewees a significant share of Jabal Mohsen counterfeit jeans was exported to the Gulf, Africa as well as Europe. Interviewees also reported that some middlemen (without the factories knowledge) would sale the production to middlemen in the Lebanese border territories previously occupied by the Israeli Army (1978-2000). These middlemen would in turn smuggle the counterfeit jeans across the border the Lebanese-Israeli Border. The smuggling channel ended with the Liberation of the occupied South, and the textile cluster witnessed its first crisis and initiated its declined in 2000.

Shortly after, the sector had to face successive shocks that hampered its ability to compete and sustain activities, the most important being: (i) the 2000 and 2003 Lebanon unilateral removal of tariffs that opened the Lebanese market to the Chinese textile production, (ii) the 2009 removal of visa restrictions between Turkey and Lebanon, which allowed a number of small-size Lebanese traders to create links with Turkish textile manufacturers.

However, the main blow to the cluster was the consecutive armed clashes that occurred between Tripoli's communities and known as the "Jabal Mohsen – Beb Al-Tebanneh[20] Clashes" (2008-2014). The repetitive armed clashes have cut almost all subcontracting agreements, as middlemen were looking for more secure options, "*without market access, factories had to close. No market, equal*

[20] Tripoli poorest neighborhood.

no [purchase] orders, equal no production. People in Jabal Mohsen do not know how to market their products, although there are many opportunities making a pair of jeans cost USD 4.1$ to make, shops sale it for USD 40!"[21,22].

4.2.1.2. Adaptation to new market realities

According to interviewees there are only seven operating factories in the Jabal Mohsen cluster, all others have closed. Factories that remain open do not necessarily work full-time but would open the facilities on demand. A handful of business were however able to undergo a significant conversion by switching from denim jeans to bedding and related textile products including mattresses and/or to a more general and diversified cloth manufacturing. Textile factories that undertook conversion benefited from the increased demand caused the Syrian refugee influx between 2013 and 2015, as well as the collapse of the Syrian cotton production and related industry. Towards 2016, stabilized demand, increased competition (from both new businesses and import from Turkey) as well as renewed import from Syria have slowed down growth of individual businesses.

Interviewed business owners believe that, although there is a fierce competition, there are several growth opportunities for bedding subsector including export-oriented growth. However, significant effort should be made to improve access to industrial infrastructures (especially electricity network and cost); as well as improve technology, production design innovation, and up-to-date technology (machineries).

4.2.2. The textile industry in Tripoli

In addition to the Jabal Mohsen cluster, Tripoli is home to a limited, but significant, number of businesses working in the textile sector[23]. At the difference of their counterpart in Jabal Mohsen, businesses in other areas of Tripoli do not act as cluster and are highly diversified in the type of manufactured products and services. Goods and services includes women lingerie, women coats, beddings and linen, as well as tailoring and repair services. As a matter of fact, products diversification and specialization has been the key factor allowing these small family based businesses to sustain activities.

Textile businesses in Tripoli that were successful in their adaptation strategy were able to withhold the effect of consecutives shocks. The most important for them being the opening of the market to competition from Turkey (with the removal of Visa restrictions), as well as the security situation that prevailed during the armed clashes. "*The clashes between Jabal Mohsen and Beb Al-Tebbaneh*

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[21] Quote from interviewed business owner – all quotes in Italic and bracket in the text.

[22] Interviewees reported the following costs: USD 1.1 to 1.2 for the finalization of a pair of jeans (including accessories), fabric cost starting from USD 3 a pair (lowest quality) – (2017 prices).

[23] It is important to highlight that social and labor exchange as well as cooperation between enterprises in Jabal Mohsen and other areas of Tripoli is limited, because of community and historical tension.

affected the image and reputation of all product manufactured in Tripoli. People from other areas did not want to buy our products. I had to rebrand everything. I removed all features and links to my name and to Tripoli. It worked, sales were increasing!".

Furthermore, textile businesses in Tripoli did relatively benefit from the Syrian refugees' influx. The 2011-2017 period even witnessed new investment in the industry. *"Syrian workers are very competent. They left Syria and came to Lebanon. I hired them, and bought cheaper manufacturing equipment from Syria. This is how I started my business."* Overall, textile businesses in Tripoli benefited from the availability of low-wage and qualified Syrian refugee labor[24] as well as the increased demand on cloth created by the influx of more than 1.5 million registered and unregistered refugees to Lebanon. In addition to the availability of informal Syrian labor, subcontracting of home-based tailors, especially women, has allowed textile businesses to reduce cost and be more responsive to fluctuation in demand thus increasing their competitive edge.

However, the business owner remains skeptical about the future and fear that current growth will not last. Competition from Turkey is one of the concerns, but not the main one. "*The real risk for us is when the Syrian refugees will return home. We will witness a decrease in demand and a lack qualified and cheap labor. Companies in Beirut [Greater Beirut industrial zone] hire people from Bangladesh that accept to work longer hours. We will not be able to compete with them"*.

4.2.3. The textile within the furniture sector

4.2.3.1. Upholstery services

Tripoli Furniture cluster could potentially offer job opportunities for workers mastering tailoring and sewing techniques for upholstery. However, businesses in the cluster remain highly vulnerable to economic trends and shock, as a matter of fact several of the interviewees stated that the sector's economic viability still rely on the remaining tariff duty on imported furniture.

The cluster witnessed a relative stable period between 1990 and 2005, businesses relied on the local market as well as the export market (Lebanese expatriates living in the Gulf) demand for Lebanese style furniture. *"There were only four styles of furniture"*, but in the mid-2000, Lebanese consumer preference initiated to shift. A wide range of style, materials, and colors were introduced to the cluster. Between 2006 and 2011, a period that which also coincided with two-digit economic growth figures at the national level, the Tripoli furniture cluster witnessed a significant growth, businesses were hiring and expanding. To a certain extend the sector was able to withstand the effect of the initial phase of the "Jabal Mohsen – Beb al Tebaneh armed clashes", however, growth was slowed down with the beginning of the Syrian crisis, and sales significantly went down in 2016

[24] Businesses in Jabal Mohsen textile cluster, for political, communitarian and security reasons, did not benefit from Syrian refugee labor. Tension between communities in Tripoli are very similar in nature to the existing tension inside Syria. Interviewed business owners from Jabal Mohsen have reported a shortage in the Labor force as *"many young people left, to go work in restaurants in Beirut"*.

and 2017. *"Syrian master started their own businesses. Some of them offer to do the upholstery work at the client place. This has lowered cost transportation and it is highly responsive to client need for rapid execution and monitoring of the job. They offer a USD 135 price while we ask for at least USD 250 to 300 to do the same job"*. Decrease in sales has led many businesses to reduce number of working days and/or number of Lebanese workers in a sector that traditionally do not employ much Syrian Labor.

Currently the cluster is adapting by focusing on clients' satisfaction and needs, targeting a higher purchasing power clientele with specific design and quality requirement. *"I do not work with low quality material anymore. I have moved my focus on high quality only. Fewer client, less – but more qualified - workers – and similar turnover and profit. Tripoli used to be famous for its furniture and we can capitalize on that and win market access".*

As far as tariff protection remain, there are opportunities for development and growth in the mid-future. Although, most businesses are currently not hiring, the cluster quality turn would have to rely on highly skilled workers and designers.

4.2.3.2. Curtains tailoring and installation

Low entry required investment and opportunities for self-employment have made of curtains tailoring and installation a business opportunity in Tripoli. The family-based sector grew from 1990 to 2004, thanks to a sustain in demand linked to the demand for Tripoli made furniture. However, the impact of the Tripoli armed clashes was faster to affect the curtain subsector. *"Golden years for us were from 1994 to 2004. We had an excellent turnover and a sustained high demand. I had client from the North, Mount Lebanon, Beirut and even from the South. I expanded a lot by widening the client base as well as a very diversified portfolio of products. I had 16 female employees (tailors) in addition to those working from home. We worked three shifts sometimes till 2:00 am […] Now I have one employee; this year is the worth year ever. I haven't sold anything in two weeks".*

In 2005, after Prime Minister Rafic Harriri assassination, Tripoli curtains business client base started to narrow. First client from outside the North Governorate were lost, then with the start of the armed clashes, Christian clients from Koura, Batroun and Bchare stopped coming. At the contrary of the furniture sector at large, Tripoli family businesses working in the curtain subsector were less resilient to the security situation and instability of the city that pre-dated the influx of Syrian refugees. Thus, not all businesses were able to benefit of the Lebanese growth period of 2006-2010. Client from the North moved toward businesses located in Zgharta area, who did benefit from the Tripoli instability and witnessed a growth period between 2007 and 2011.

Business were not heavily impacted during the initial year of the Syrian Crisis. To a certain extent, the influx of refugees has created a demand for newly rented home and related services, sometime pushing businesses to unwillingly work with lower quality fabric and textile. However, after the stabilization of the influx and the active engagement of Syrian refugees in economic activities, small businesses are now heavily suffering from competition.

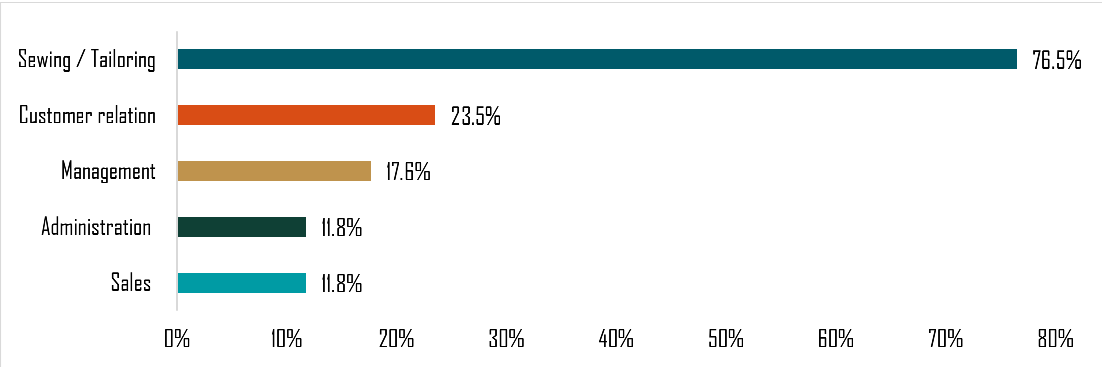
4.2.4. The workforce and the skill requirements

4.2.4.1. The needed skill sets

At first instance most, business owners have reported a lack of skilled workers, especially Lebanese workers with tailoring and sewing skills. Businesses in Jabal Mohsen have in some instance complained about the non-availability of labor[25] .

The importance of technical skills is shown in the data reported figure 8 below; 75.5 percent of interviewed business owners have reported technical tailoring and sewing skills as indispensable for business. Approximatively a quarter have mentioned the importance of customer relation.

Figure 8: Indispensable skills as named by business owners



However, technical skills are not the skills that employers look for. As it is often the case with micro and small businesses in Lebanon[26], and partially because of the lack of skilled workers, employers look primarily at soft skills. For example, seriousness and /or punctuality was named, as a skills employer assess when hiring a worker, by 94.1 percent of interviewed business owner (see Figure 9, below). As matter of fact most cited skills are soft skills, e.g. ethics and honesty (64.7 percent), attention and care (52.9 percent).

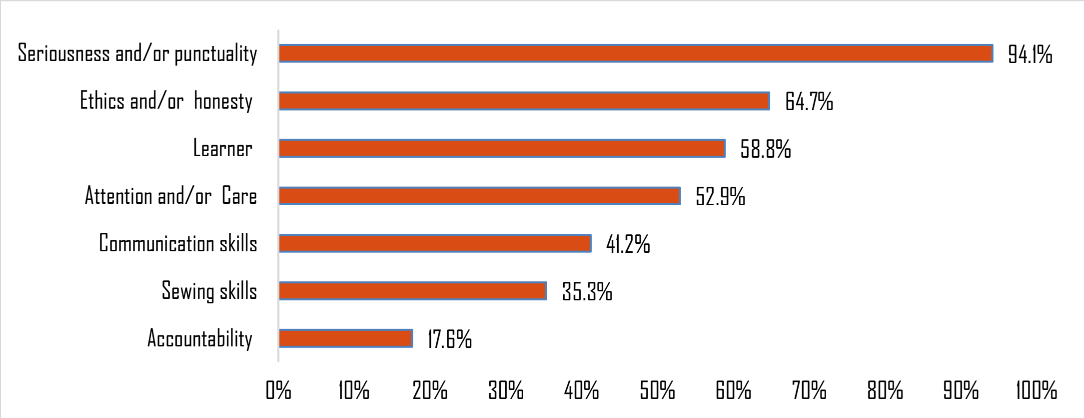
It is common practice for employers to train workers on the job. This allows businesses to overcome shortage of skills, but also to reduce labor cost by hiring initially unskilled workers and teaching them the basic set of skills needed for the job. Figure 9 shows that the ability of the worker to be a good "learner" has been cited by 58.8 percent of interviewed business owner. Such employer-employee

[25] Refer to footnote 21.

[26] Refer to both Oxfam commissioned study on "Labor skill gap analysis" (2016, Beirut) and MSEs Oxfam – "Skill Gap Businesses Development Service's needs (2016, Beirut))

dynamics have induced a relatively high workers turnover in micro and small enterprises. Qualified and entrepreneurial workers – after they have acquired the necessary skills and knowledge - would leave the enterprise to open their own or to look for self-employment opportunities. In a cooperative manufacturing cluster dynamic, such mechanisms are healthy mechanisms that lead to cooperation among businesses as well as increase knowledge and competitiveness. This was for example the case of the Jabal Mohsen textile cluster (between 1990 and 2000), or the Tripoli furniture cluster. However, in the specific context of economic crisis and in absence of technological improvement and innovation, hiring low skilled work to train them on specific tasks only aims at saving labor cost. If the sector is in decline, opportunities for new businesses are limited.

Figure 9: Skills business owners are looking for when hire an employee



4.2.4.2. Perception of Syrian workers

Incentive for hiring Syrian workers for small and medium size textile business in Northern Lebanon and Akkar are often incentivized by lower wages, lack of workers right and social security requirements. Furthermore, business owners are in the vast majority of the cases not bonded by contractual requirements.

However, Syrian labor force is often reported to carry a better set of vocational as well as soft skills. *"I employ Syrian workers because they know how to work on the small machine. Lebanese works on larger machines that do not require much skills*". Small and medium enterprises owners' perception of the Lebanese and Syrian workforce is mainly related to the different socio-economic conditions of both social groups. The Syrian workforce is described as hardworking, but also as skilled and low-waged. While requirements for Lebanese workers focus primarily on soft skills punctuality and seriousness. Lebanese workers do not stay long in their jobs when hired by a small or a medium textile enterprise and tend to be looking for self-employment in the sector (cluster dynamics) or look for more stable jobs, especially in the public administration and/or the armed forces.

5. SYNTHESIS AND RECOMMENDATIONS

5.1. Summary of findings

The objectives of the present assessment are to provide an evidenced-based understanding of the current and potential market needs, gaps, trends as well as stakeholders interactions within the textile sector in Akkar and Tripoli. It aims at the formulation of programmatic recommendations to enhance PU-AMI short-term (24 months) livelihood activities and increase the creation and/or facilitation of livelihood opportunities for vulnerable individuals.

The methodology relied on two lines of inquiry.

The first line of inquiry used quantitative methods and collected data from self-employed tailors in the textile industry, including home-base businesses in Akkar. Research finding showed that:

- Women represented 80 percent of self-employed tailor in the area under study. These findings reflect the fact that, increasingly, self-employment in the textile industry is a livelihood option for women as it offers the possibility to establish and run the activity from home.
- All businesses operated in condition of informality, a formalized registered business (either Lebanese or Syrian) would not be viable economically within the current market conditions. Efforts needed to be undertaken at the national level to formalize the sector and offer access to basic services such as health insurance coverage.
- The predominance of female tailors may also have influenced demand for tailored cloth in Akkar – switching from men (shirts, pants and suits) to women cloth.
- Reporting of incentives for self-employment shed the light on the high vulnerability of the surveyed population, who engage in such activity to meet basic family needs. However, it also shows women's willingness for self-empowerment and their readiness to engage in economic activities.
- In average self-employed tailors in Akkar generate USD 610 in revenues per month, and up to USD 938 for tailors working six hours or more. Part-time tailors, working five hours or less, earn in average no more than USD 160. There is a significant difference between revenues of shop owners and tailors working from home, with the former earning almost double USD 890 versus USD 470.
- In approximatively 60 percent of the cases tailors have learned their craft from a peer, i.e. working as an apprentice. One third of male tailor have learned sewing and tailoring from

their father and have continued a family business, while this figure is lowered for women (18.2 percent). Approximatively 20 percent of tailors have enrolled in a form of vocational training.

- The most important skills required for a sustained business (as reported by self-employed tailors) are: Soft skills, innovation and design, technical skills (accuracy in sewing and tailoring technics), as well as client satisfaction and understanding of clients' needs.
- Existing self-employment businesses' main challenges are: i) client satisfaction, ii) time management; iii) working conditions, and iv) (to a lower extend) need for technical skills improvement.

The second one used qualitative methodology to explore market and employment opportunities offered by small and medium size textile enterprises – including cloth factories, and linked sectors such as the furniture sector. The research findings showed that:

- SMEs working in the greater Tripoli area, can be divided into three categories: the Jabal Mohsen cluster, cloth making small enterprises in Tripoli, as well as furniture auxiliary services that requires tailoring and sewing skills, i.e. upholstery and curtains tailoring.
- There are only seven factories that remained open in the Jabal Mohsen cluster, all other have closed. Factories that remain open do not necessarily work full-time but would open the facilities on demand. A handful of business were however able to undergo a significant conversion by switching from denim jeans to bedding and related textile products including mattresses and/or to a more general and diversified cloth manufacturing. Textile factories that undertook conversion benefited from the increase demand caused the Syrian refugee influx between 2013 and 2015, as well as the collapse of the Syrian cotton production and industry.
- Textile businesses in Tripoli, that were successful in their adaptation strategy, i.e. product specialization, were able to withhold the effect of consecutives shocks. The most important for them being the opening of the market to competition from Turkey, as well as the security situation that prevailed during the armed clashes. Furthermore, textile businesses in Tripoli did relatively benefit from the Syrian refugees' influx. The 2011-2017 period even witnessed new investment in the industry.
- Tripoli furniture cluster could potentially offer job opportunities for workers mastering tailoring and sewing technics for upholstery and curtain tailoring. However, businesses in the cluster remain highly vulnerable to economic trends and shock. However, and as far as tariff protection remain, there are opportunities for development and growth on the medium term. Although, most businesses are currently not hiring, the cluster quality turn would have to rely on highly skilled workers and designers

- In term of skills, although technical are the most important for the success of the businesses, employers look first at soft skills including: punctuality, honestly, attention and care when hiring a worker. It is common practice to hire unskilled workers and to train them on the job, for specific tasks.
- Syrian labor force is often reported to carry a better set of vocational as well as soft skills, compared to their Lebanese counter-part. SMEs in Jabal Mohsen do not usually hire Syrian refugees because of socio-political reasons.

Overall, the study shows that the textile industry in Akkar and Tripoli has witness a limited but significant growth created by an increase in demand for cloth and related services. It is likely that this demand will be sustain on the mid-term. However, the potential return home of Syrian refugees is expected to negatively impact the sector. Businesses would need to increase specialization and quality management to remain competitive.

In terms of opportunities for vulnerable Lebanese in Syrian Women in Akkar are limited to engaging in business as well as home-based sewing and tailoring activities, they are per order of importance and potential return:

- (Relative high potential and return) Businesses tailoring activities focusing on repair services and specialized in uniform and women cloth tailoring.
- (Relatively medium potential and return) Business activities focusing on repair services and women cloth tailoring.
- (Relatively low to medium potential and return) Home-based diversified tailoring activities either part-time or full-time.
- (Low opportunity and return) Employment in the textile industry in Tripoli.

5.2. Recommendations

Based on the evidence-based findings, the present recommend to:

- Emphasize on self-employment. Within the current situation of limited growth opportunities of micro and small business in Tripoli, interventions focusing on job matching and full-time employment in textile SMEs would not yield results and are not recommended. However, tailor self-employment still represents an opportunity for vulnerable men and women to generate income.
- Provide business development services to existing self-employment businesses. Although self-employment activities are generating a relatively decent income for self-employed tailors,

there is a need and a potential for growth and development. Programming activities should not only aim at training new tailors but also at upgrading existing self-employment businesses. BDS program should focus on stated challenges, i.e. i) client satisfaction, ii) time management; iii) working conditions, and iv) technical skills improvement.

- Encourage apprenticeship scheme. Existing self-employed businesses benefiting from the BDS program, should also engage in the training of an apprentice. Apprenticeship would enhance skills acquisition. It also provides support to existing businesses, as apprentices usually accept to receive symbolic wages in exchange for training and formation. Furthermore, apprenticeship program could target youth, including young women. In the first phases, the apprenticeship program could be financially supported by PU-AMI, in the framework of its livelihoods programs.
- Develop a diversified training curriculum. In addition to the core training on technical skills (sewing and tailoring technics), the vocational training curriculum needs to include the following modules:
    1. Soft skills: recall that self-employed tailors reported “patience” as well as “attention / concentration / consciousness”, as well as “personality / good behaviors / communication”, and “passion” as skills for success
    2. Innovation and design: recall that the second most reported necessary skill was “creativity / imagination / design”, which was cited by more than two third of tailors, while the ability of the tailor to “understand body shapes and perspectives” (cross cutting with technical skills) was cited by one fifth.
    3. Client satisfaction: client satisfaction is at the core of the ability of self-employed tailors to sustain business, managing client “personality and requirements” was reported as the main challenges face by self-employed tailors.

This training curriculum, which is yet to be developed, can be provided to young people wishing to engage in tailoring activities, as well as existing self-employment businesses. Furthermore, this curriculum would also increase employability of workers looking for full-time waged employment in the textile industry.

6. ANNEXES

Annex I: Mapping of Vocational Training institution in Akkar and Northern Lebanon

	Name of institution	Location	Programs	Degree / Certificate	Phone	Public Private
1	Technical Industrial Institute-Tripoli	Tripoli	Electronics	BT/TS	06/21304 2	Public
			Air conditioning	BT/TS		
			Mechanics	BT/TS		
			Electrical work	BT/TS		
			Information Technology	BT/TS		
2	High Orthodox Technical Institute	Akkar	Information Technology	LT/TS	06/69319 5	Public
3	Al-Dousa Technical Institute	Akkar	Information Technology	BT	06-845486	Public
4	Tripoli Public Technical Institute-El Kobbeh	Tripoli	Information Technology	TS	06/38937 1	Public
5	Jabal Mohsen Technical Institute	Tripoli	Information Technology	BP/BT/DS/TS	06/38017 6	Public
6	Al - Kalamoon Technical Institute	Al Qalamoun	Information Technology	BP/BT/TS	06/40014 1	Public
7	Zghorta Technical Institute	Zgharta	Information Technology	BP/BT/ LT/DS/TS	06/66024 6	Public
8	Mar Antonios Public Technical Institute	Zgharta	Information Technology	BP/BT/LT/TS	06/66962 5	Public
9	Mar Youhanna Technical Institute	Zgharta	Information Technology	BT/TS	06/59548 8	Public
10	Sheikh Khalil Hussein Institute	Bahboush (Koura)	Information Technology	BP/BT/LT/TS	06/95395 5	Public
11	International Institute of Science	Ras Maska (Koura)	Information Technology	BT/TS	06/41256 1	Public
12	Wadi Khaled Technical Institute	Wadi Khaled - Akkar	Information Technology	BT/TS	06/87001 2	Public
13	Meshmesh Technical School	Akkar - Meshmesh	Information Technology	BT/TS	06/89531 7	Public
14	Akroum Technical Institute	Akkar - Akroum	Information Technology	BT/TS	06/85001 6	Public
15	Rafik Hariri Technical Institute	Akkar - Mashta Hammoud	Information Technology	BT/TS	06/86048 6	Public
16	Kobayyat Technical Institute	Akkar - Qoubeyt	Information Technology	BT/TS	06/35221 1	Public
17	Bebnin Technical Institute	Akkar - Bebnine	Information Technology	BT/TS	06-470038	Public
18	Brakayil Technical Institute	Akkar - Berqayel	Information Technology	BT/TS	06-370175	Public
19	Bazal Technical Institute	Akkar - Bazal	Information Technology	BT/TS	06/37051 2	Public
20	Tekrit Technical Institute	Akkar - Tekrit	Information Technology	BT/TS	06/36100 4	Public
21	Halba Technical Institute	Akkar - Halba	Information Technology	BT/TS	06/69058 0	Public
22	Ain Thahab Technical Institute	Akkar- Denbo	Information Technology	BT/TS	06-809139	Public
23	Batroun Technical Public Development Institute	Batroun	Information Technology	BP/BT/TS	06/64314 5	Public
24	Chekka Technical Institute	Chekaa	Information Technology	BP/BT/DS/TS	06/54301 8	Public

25	Deir Amar Technical Institute	Tripoli	Information Technology	BT/TS	06/461449	Public
26	Rene Mouawad Technical Institute	Majdalya - Zgharta	Information Technology	BT/LT/TS	06/662469	Public
27	Tripoli Public Technical School- El Kobbeh	Tripoli	Information Technology	BP/BT/DS	06-380425 06-385424	Public
28	Al-Safira Technical School	Tripoli	Information Technology	BT	06-265112	Public
29	Al - Beddawi Technical Institute	Tripoli	Information Technology	BT/TS	06-380391	Public
30	Bakhoun Technical Institute	Tripoli	Information Technology	BT	06-240012	Public
31	Tripoli Technical School- Abi Samra	Tripoli	Information Technology	BT	06-423020	Public
32	Shadra Technical School	Akkar - Shadra	Information Technology	BT	06/800212	Public
33	Al-Amayer- Wadi Khaled Technical Institute	Akkar - Al-Amayer	Information Technology	BT/TS		Public
34	Douma Technical Institute	Batroun	Information Technology	BT	06/520105	Public
35	ACTEL	Btouratij	Information Technology		06/416366	Private
36	Technical Crescent School	Tripoli	Information Technology		06/441453	Private
37	Saint Elie Ecole Technique	Mina	Information Technology Graphic Design / interior design Education	BT BT BT	06/610134	Private
38	The High Institute for Vocational & Technical Education	Tripoli			06/204504	Private
39	Quantum Learning Center	Tripoli			06/211766	Private
40	Bekeftine Ecole Orthodoxe Technique Supérieure	Bekeftine - Koura			06/416768	Private
41	Saint Basile Technical Center	Tripoli	Fashion design - Jewelry and mold engraving Hair dressing Beauty and cosmetics Beauty and cosmetics Architecture / Architectural drawing Topography and Decoration Internal and external installations Code of construction. Norms and specifications of buildings	Private License certified by the Government	06/411234 03/576565	Private
42	Manar Technical College	Tripoli	Accounting / Computing Services Computer Informatics Education	BP/BT/TS BP/BT/TS BP/BT/TS	06/445535	Private
43	Norton Technical Institute	Tripoli	Architecture / Architectural drawing Graphic Design / interior design Graphic Design / interior design Accounting / Computing Services Computer Informatics	BT/ BP BT/ BP BT/ BP BT/ BP BT/ BP	06/443556 06/443556	Private

			Electronics	BT/ BP		
			Electrical work	BT/ BP		
			Businesses / marketing/ management / computing	BT/ BP		
44	Al Abir Vocational Institute	Tripoli	Nursing		06-462024	Private
			Accounting / Computing Services			
			Mechanics			
			Topography and Decoration			
			Architecture / Architectural drawing			
			Education			
			Graphic Design / interior design			
			Electrical work			
45	Sidoun Universal College	Tripoli	Nursing	BT/TS	06/440777 03/360590	Private
			Maintenance of Medical Equipment	TS		
			Dental assistance	BT		
			Medical supervisor	BT		
			Nursing	BP		
			Businesses / marketing/ management / computing	TS		
			Accounting / Computing Services	BP/BT/TS		
			Banking	TS		
			Businesses / marketing/ management / computing	TS		
			Businesses / marketing/ management / computing	TS		
			Education	BT/TS		
			Graphic Design / interior design	TS		
			Media	BT		
			Electronics	BT		
			Hospitality	BT		
446	Wazzi Abdel Rahman Ecole Technique & Lycée	Tripoli	Nursing	TS/BT/ LT	06/433133	Private
			Accounting / Computing Services	TS/BT/ LT		
			Electrical work	TS/BT/ LT		
			Business Computing	TS/BT/ LT		
			Expertise and Accounts Revision	TS/BT/ LT		
			Kindergarten Education	TS/BT/ LT		

ANNEX II: SEMI-STRUCTURED INTERVIEW GUIDELINES

Target: Textile companies, including factories and/or repair center (i.e. not home based or self-employment activities)
Interviewer to introduce the research project and its objectives – highlighting the PU-AMI interventions in Akkar.

The interviewer should mention that information shared will remain confidential and will be solely used for research purposes Ask for interviewee consent before recording the interview.

Anchor / timeline change

1. How long have you been working in the textile sector?
2. Can you tell us what were the main changes between when you started and today?
    a. Can you tell us when was your best year? (Why? What was different? Did you expand your work because of the positive change that this year brought?)
    b. The worst year? (Why? What changed? – What did you do to solve the problems faced?)
3. Did the Syrian crisis impact your business? How? (positively and/or negatively)

Expectations for growth

4. How would you describe your current situation?
    a. What are your expectations for the coming years? Are you currently expanding your business?
    b. Where do you see business opportunities?
    c. What are the challenges that you are facing today that stop you from expanding your business?

5. Are you aware of micro-financing and Kafalat mechanisms – that could support your investments?
    a. Did you benefit in the past form a loan?
    b. Why haven't you applied? What type of incentive you think are needed to support investment?

Workforce

6. Do you think the lack of qualified labor is a limitation for growth? (*interviewee to probe this question if the interviewee has not mentioned it)*
    a. What is (are) the last position(s) you hired someone for?
    b. What are the positions in your company that you consider indispensable?
    c. When was the last time you fired someone? (Can you please tell us why?)

7. What are the skills you look for when you hire an employee?

a. When was the last time you hired a Lebanese worker? (probe for the interviewee to discuss more in detail)
b. When was the last time you hired a Syrian worker?
c. What is your current Syrian to Lebanese employees' ratio?
d. For what types of jobs do you usually hire Syrians? Lebanese?
    i. Have you found skills available within the Syrian refugees' population that was not available before?
e. What would lead you to hire more workers (Syrians and Lebanese)?
f. Do you incorporate legal issues (constraints) as a factor when hiring?

7. Can you name (up to) 5 skills that your employees master?
    a. Can you name (up to) 5 skills you think your employees need to improve?

8. What is the role played by women in your company's workforce? How would you describe the difference between women and men?
    a. Same question for youth.
    (Interviewer should give specific attention/ probing on the role and readiness of employer to hire Syrian women).

Exit

Ask the interviewee if he/she wishes to ask questions or if he/she needs any clarifications.
Thank the interviewee for his/her time and patience and reiterate the confidentiality of the information they have shared.

ANNEX III: QUANTITATIVE QUESTIONNAIRE

SECTION 1: SURVEY ID

1.1	Name of surveyor	1=	2=			
1.2	Date	DD	MM	YYYY		
1.3	Location	1=Halba	2=Burj Al Arab	3=Tell Mayaan	4=Knaiseh	5= Other

SECTION 2: MICRO-ENTERPRISE PROFILE

2.1	Gender of interviewee	1= Male	2= Female				
2.2	Education level of interviewee	1= elementary or less	2= Intermediate	3= Secondary	4=university	5=Vocational	6= University Vocational
2.2	Description of activity:						
2.3	Home-base activity	0= No	1= Yes				
2.4	How many hours do you work per day	________________					
2.5	Year of start of current activity	YYYY					
2.6	Average Estimated monthly turnover in the last couple of month	LBP________________					
2.7	Registration	1= Commercial registration	2= Municipality	3=TVA	4= Not registered		
	Employment						
2.8	Number of full time employees	____ ____ ____					
2.9	Number of part-time employees	____ ____ ____					
2.10	Number of seasonal employees	____ ____ ____					
2.11	High season for employment	1= winter	2= summer	3=spring	4 =fall		
	Investment						
2.13	Invest in new equipment?	1= Yes	0= No				
2.14	If yes, where did you get the funds?	Own funds	NGO support	Credit			
2.15	If yes, please provide details on the new equipment						
2.16	Invest in physical expansion of your enterprise?	1=Yes	0=No				

SECTION 3: SKILLS

3.1	How did you learn sewing?	1= From my father/mother	2= Vocational school	3= NGO or INGO training	4= by myself	5= other
3.2	Do you have an apprentice	1=Yes	0=No			
3.3	If no, would you be willing to get one	1=Yes	0=No			
3.4	Can you list 5 technic and skills needed for this job?					
	1-					
	2-					
	3-					
	4-					
	5-					

SECTION 4: SERVICES

4.1	**Do you provide the following services?**		
	Repair cloth	1=Yes	0=No
	Repair Leather (cloth and accessories)	1=Yes	0=No
	Sewing men shirts	1=Yes	0=No
	Sewing men pants	1=Yes	0=No
	Sewing men suits	1=Yes	0=No
	Sewing Women dress	1=Yes	0=No
	Sewing Women pants	1=Yes	0=No
	Sewing women weeding / soiree dress	1=Yes	0=No
	Sewing children cloth	1=Yes	0=No
	Sewing uniforms	1=Yes	0=No
	Sewing Curtains	1=Yes	0=No
	Sewing leather	1=Yes	0=No
4.2	**What is the average price for the services?**		
	Repair cloth	LBP_____________	
	Repair Leather (cloth and accessories)	LBP_____________	
	Sewing men shirts	LBP_____________	
	Sewing men pants	LBP_____________	
	Sewing men suits	LBP_____________	
	Sewing Women dress	LBP_____________	
	Sewing Women pants	LBP_____________	

	Sewing women weeding / soiree dress	LBP___________			
	Sewing children cloth	LBP___________			
	Sewing uniforms	LBP___________			
	Sewing Curtains	LBP___________			
	Sewing leather	LBP___________			
4.3	**What is the average frequency (nbr of time per week or month)?**				
	Repair cloth	___________			
	Repair Leather (cloth and accessories)	___________			
	Sewing men shirts	___________			
	Sewing men pants	___________			
	Sewing men suits	___________			
	Sewing Women dress	___________			
	Sewing Women pants	___________			
	Sewing women weeding / soiree dress	___________			
	Sewing children cloth	___________			
	Sewing uniforms	___________			
	Sewing Curtains	___________			
	Sewing leather	___________			
4.4	**If no, what is the reason for not providing a specific service**				
	Repair cloth	1= I need the adequate skills	2= I need specific equipment	3= There is no demand	4= I am not interested
	Repair Leather (cloth and accessories)	1= I need the adequate skills	2= I need specific equipment	3= There is no demand	4= I am not interested
	Sewing men shirts	1= I need the adequate skills	2= I need specific equipment	3= There is no demand	4= I am not interested
	Sewing men pants	1= I need the adequate skills	2= I need specific equipment	3= There is no demand	4= I am not interested
	Sewing men suits	1= I need the adequate skills	2= I need specific equipment	3= There is no demand	4= I am not interested

	Sewing Women dress	1= I need the adequate skills	2= I need specific equipment	3= There is no demand	4= I am not interested	
	Sewing Women pants	1= I need the adequate skills	2= I need specific equipment	3= There is no demand	4= I am not interested	
	Sewing women weeding / soiree dress	1= I need the adequate skills	2= I need specific equipment	3= There is no demand	4= I am not interested	
	Sewing children cloth	1= I need the adequate skills	2= I need specific equipment	3= There is no demand	4= I am not interested	
	Sewing uniforms	1= I need the adequate skills	2= I need specific equipment	3= There is no demand	4= I am not interested	
	Sewing Curtains	1= I need the adequate skills	2= I need specific equipment	3= There is no demand	4= I am not interested	
	Sewing leather	1= I need the adequate skills	2= I need specific equipment	3= There is no demand	4= I am not interested	
4.5	**How would describe the demand for each service**					
	Repair cloth	1=Very low	2=low	3= medium	4=High	5= Very high
	Repair Leather (cloth and accessories)	1=Very low	2=low	3= medium	4=High	5= Very high
	Sewing men shirts	1=Very low	2=low	3= medium	4=High	5= Very high
	Sewing men pants	1=Very low	2=low	3= medium	4=High	5= Very high
	Sewing men suits	1=Very low	2=low	3= medium	4=High	5= Very high
	Sewing Women dress	1=Very low	2=low	3= medium	4=High	5= Very high
	Sewing Women pants	1=Very low	2=low	3= medium	4=High	5= Very high

	Sewing women weeding / soiree dress	1=Very low	2=low	3= medium	4=High	5= Very high
	Sewing children cloth	1=Very low	2=low	3= medium	4=High	5= Very high
	Sewing uniforms	1=Very low	2=low	3= medium	4=High	5= Very high
	Sewing Curtains	1=Very low	2=low	3= medium	4=High	5= Very high
	Sewing leather	1=Very low	2=low	3= medium	4=High	5= Very high

SECTION 4: Opportunity and Challenges

5.1	**Can you please list the top 3 challenges you face in your work?**
	1-
	2-
	3-
5.2	**Can you please list up to 3 opportunities?**
	1-
	2-
	3-