

Industrial Upgrading and Modernization Programme in Syria

Context

The textile and garment sector in Syria, although it has much potential, lacks the opportunity to fully participate in the world's largest developed markets due to an inherent shortage of supply capacity to produce competitive, safe, reliable and cost-effective quality products in sufficient volumes. Furthermore, some of the enterprises in these sectors are losing their local sales markets because of their lack of regional competitiveness.

As a result, UNIDO was contacted by the Syrian Government to apply the UNIDO Upgrading Approach in order to create a stronger industry that has the potential to make a substantial contribution to income and job creation, and thus accelerate the processes of economic growth and poverty reduction.

Strategy

Phase I of the Industrial Modernization and Upgrading Programme (I'MUP-Syria) was launched in February 2007 as a multi-bilateral technical assistance project between the Italian government, the Syrian Government and UNIDO. The funding was provided by the Italian Development Cooperation and the project was implemented by UNIDO.

During Phase I, the aim was to develop the competitiveness of the manufacturing sector, focusing on the textile value chain, so it could benefit from new trade opportunities in the regional and global markets. The project was formulated as a national programme for industrial upgrading where it provided specialized technical assistance to the Ministry of Industry and the private sector in upgrading and modernizing SMEs.

Within this framework, I'MUP-Syria provided a number of highly specialized experts in product development, production planning, and cost accounting to redesign the products of the SMEs in accordance with international market requirements. This in turn, improved production methods, which helped to reduce the cost and enhance the quality of SME products. This resulted in products that were ready to compete in and to be exported to international markets.

Currently, based on the success of Phase I, UNIDO is implementing I'MUP-Syria Phase II to be fully financed by the Syrian Government.

Impact/Outlook

The project, as evaluated by experts, was considered a success with a number of excellent achievements despite several constraints including the crisis of the textile market. With the current national upgrading programme in place, the textile and garment sector of Syria is expected to further enhance its industrial performance and competitiveness.

Stronger and more internationally competitive textile value chains have the potential to make a substantial contribution to income and job creation and, in the context of developing economies, can help accelerate economic growth and poverty reduction, create wealth, diversify the economy and achieve a long-term presence on the international marketplace.



Results:

- ◆ 36 enterprises from the textile and garment sector upgraded
- ◆ National experts' capacities built through training on upgrading techniques and direct participation in enterprise upgrading
- ◆ Technical assistance provided to textile support institutions in the field of design
- ◆ Action plan prepared for establishing a textile technical centre

At a Glance

TITLE: Upgrading of the textile and garment industries in Syria
MDGs: 1. Eradicate Extreme Poverty and Hunger
 8. Develop a Global Partnership for Development
THEME: Poverty Reduction through Productive Activities, Trade Capacity-Building
DONOR: The Italian Development Cooperation
PARTNERS: Italian Government, Syrian Government, UNIDO
BUDGET: EUR 2.2 million
STATUS: Phase I completed
DURATION: February 2007 – December 2010

