

Strengths

- Long tradition in textiles, deep knowledge of market
- Entrepreneurial culture
- Low indebtedness as a result of owner finance
- Access to GAFTA markets
- Strong domestic forward and backward linkages to all elements of textile production, cluster effects

Opportunities

- Proximity and access to European market
- Access to international technical assistance for training and design

Weaknesses

- Unmotivated labor force with skills below those in Damascus
- Labor costs set by excessive public sector wages
- Recent increase in energy prices
- Political limits on markets in US and OECD countries
- Lack of finance
- Products mainly high volume, low value not competitive with China and India
- Lack of expertise with high value niche markets
- Limited design skills related to modern textile needs
- Lack of competitiveness in domestic market
- Lack of good business and economic indicators
- Available indicators are unreliable and untimely

Threats

- Further liberalization of trade threatens remaining share of domestic market
- Reduced import tariffs
- Further rise in domestic energy price (still below world market level)