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DEVELOPMENT AND INVESTMENT BANK OF TURKEY (TKYB)

**STAKEHOLDER ENGAGEMENT PLAN
FOR**

FORMAL EMPLOYMENT CREATION PROJECT

July 27, 2020

ABBREVIATIONS AND ACRONYMS

AFD	Agence Francaise de Developpement	
ASAM	The Organization for Solidarity with Asylum-Seekers and Migrants	
BSS	Beneficiary Satisfaction Survey	
CRM	Turkish Red Crescent Complaints and Response Mechanism	
DGMM	Directorate General for Migration Management	
EBRD	European Bank for Reconstruction and Development	
ESF	Environmental and Social Framework	
ESS	Environmental and Social Standard	
ESSN	Emergency Social Safety Net	
FGD	Focus Group Discussion	
FRIT	Facility for Refugees in Turkey	
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit	
GRM	Grievance Redress	
GRS	Grievance Redress Service	
IFI	International Finance institution	
IOM	International Organization for Migration	
İŞKUR	Turkish Employment Agency	
KfW	Kreditanstalt für Wiederaufbau	
LMP	Labor Management Procedures	
M&E	Monitoring and Evaluation	
MoFA	Ministry of Foreign Affairs	
MoFLSS	Ministry of Family, Labor and Social Services	
MoFT	Ministry of Finance and Treasury	
MoIT	Ministry of Industry and Technology	
PFI	Participating Financial Institution	
POM	Project Operational Manual	
PIU	Project Implementation Unit	
PPM	Public Participatory Meeting	
SEP	Stakeholder Engagement Plan	
SGK	Social Security Institution	
SME	Small and Medium Enterprises	
SuTP	Syrians under Temporary Protection	
TKYB	Turkish Development and Investment Bank	
TRC	Turkish Red Crescent	
UNDP	United Nations Development Program	
WB	World Bank	

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1. INTRODUCTION/PROJECT DESCRIPTION

Creating more and better formal jobs remains a priority for Turkey, since, as a result of the recent economic downturn, the long-term trend in informality decline has substantially slowed down. The recent worsening of economic and labor market conditions risks exacerbating some of the key structural challenges of the Turkish labor market. In recent years, the link between economic growth and job creation (especially formal job creation) has weakened, and the number of formal jobs created was insufficient to absorb all the new cohorts entering the labor market. As a result, the unemployment rate for the youth aged 15-24 has increased dramatically since the beginning of 2018, reaching almost 25 percent, while total unemployment rose to 13.6 percent. Further, Turkey registers now 25.4 percent, corresponding to 2.8 million, of youth aged 15-24 not in employment, education, or training. Further, female labor force participation, despite the recent increasing trend, is 34 percent, which is less than half men's participation rate (72 percent). In conclusion, the deteriorating labor market outlook calls for interventions aimed at revitalizing the demand for formal jobs in Turkey, to prevent the erosion of the welfare gains registered over the past decade.

The influx of 3.6 million Syrian refugees has added additional pressure on the labor market. In addition to Syrians, Turkey hosts at least 300,000 refugees from other countries (for example, Afghanistan and Iraq). This surge over a short time implied a large labor supply shock to the economy. Although most refugees are poor and vulnerable, many are able to work but work informally (86 percent) and are paid less than the minimum wage, crowding out native workers employed formally. Only 2 percent of respondents to a recent survey reported that they were working and had work permits. About 65 percent of the beneficiaries of the Emergency Social Safety Net Program (ESSN), a temporary humanitarian program, report that their main source of income is short-term informal work (World Bank and WFP 2018). This will become a more significant problem once the ESSN comes to end in the near future.

One of the most important contextual factors that limits formal job creation is the poor access to financing among firms. Credit service provision is less developed in many provinces where refugees live and work. Since the beginning of the inflow of Syrian refugees, many firms have experienced higher rejection rates for loans and have faced higher collateral requirements.¹ After high tax rates, access to finance is perceived as a top constraint on firms, particularly small and medium enterprises (SMEs), seeking to carry out and expand business in Turkey.² Limited access to finance can also impact negatively on labor market outcomes, resulting in higher unemployment, higher workforce informality, and lower employment growth. Another major challenge affecting the capacity of firms to create jobs and expand is the capacity to find skilled workers. An inadequately educated labor force is perceived among the top five constraints to doing business in Turkey.

The limitations on job creation, formal job opportunities, access to finance, and access to skills and persistent gender gaps—motivate the need for and the design of the proposed project, which aims to increase formal employment opportunities and contribute to the formalization of job opportunities in selected provinces. This will be achieved by supporting enterprises in gaining access to longer-term financing through grants and

¹ 2018 data of the Survey on the Access to Finance of Enterprises (database), European Central Bank, Frankfurt, https://www.ecb.europa.eu/stats/ecb_surveys/safe/html/index.en.html.

² See Enterprise Surveys (database), International Finance Corporation and World Bank, Washington, DC, <https://www.enterprisesurveys.org/>.

loans to boost their operational capacity and making such support conditional on formal job creation that provides decent working conditions. Increasing the resources available to enterprises to invest in building capacity and skills will ensure the sustainability of the employment creation results of the project and will directly or indirectly contribute to strengthening the local economy by reducing unemployment and informality and easing social tensions.

The development objective of the project is to enhance the conditions for formal job creation for firms operating in provinces with high incidence of Syrian refugees through improved access to finance and skills.

The specific objectives of the project are to tackle informality in Turkey by creating formal jobs and sustain the formalization of the workforce especially in areas with high refugee incidence, by facilitating access to financing resources and skills for viable firms.

The planned action will support refugees and Turkish citizen to access formal employment opportunities in creditworthy enterprises operating in provinces with high incidence of Syrians refugees under temporary protection. In line with the socioeconomic support objectives of the Turkish government and partners, the planned action will offer beneficiary firms a better access to financial resources and to capacity building activities to enhance their capacity of expanding their existing businesses, and, ultimately, increasing formal employment in the labor market they operate. In the case of grants, such resources will be made available conditional on the firm’s commitment to employ refugees and Turkish citizens living in project provinces, and to sustain the newly created jobs throughout the duration of the grant. Jobs offered must be formal in nature and provide decent working conditions, meaning that social security and other legally mandated employment benefits and Labor Code provisions must be offered and complied with. In the case of loan financing, beneficiary firms will not be subject to employment conditionalities, but to undertake a series of actions (for example, increasing investment and working capital, training for workers and management) that will improve the firms’ capacity to expand business, generate markets and improve the use of the factors of productions.

The project will also undertake targeted outreach efforts to women inclusive firms and SMEs and Large Enterprises in less developed sub-regions affected by SuTP influx participate to the project.

The project will be implemented in 24 target provinces, where the proportion of refugees in the population is highest: Istanbul, Gaziantep, Hatay, Sanliurfa, Adana, Mersin, Bursa, Izmir, Kilis, Konya, Ankara, Kahramanmaras, Mardin, Kayseri, Kocaeli, Osmaniye, Diyarbakir, Malatya, Adiyaman, Batman, Sakarya, Manisa, Tekirdag, and Denizli.

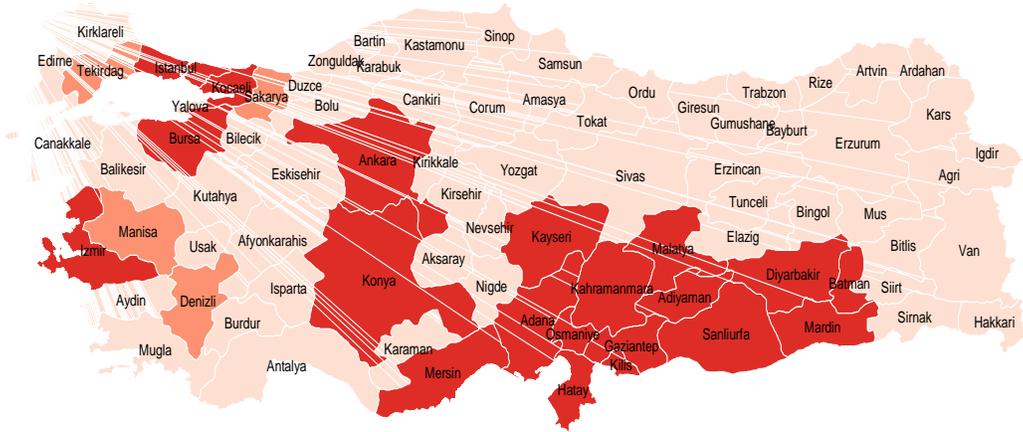
Table 1: Distribution of Syrian Refugees under temporary Protection in 24 project provinces, 07.11.19

Id	Province	Registered Refugees	Population of Province	Refugees in proportion to population
1	Istanbul	552.080	15.067.724	3.66%
2	Gaziantep	452.005	2.028.563	22.28%
3	Hatay	440.628	1.609.856	27.37%

4	Sanliurfa	429.888	2.035.809	21.12%
5	Adana	240.310	2.220.125	10.82%
6	Mersin	205.036	1.814.468	11.30%
7	Bursa	176.758	2.994.521	5.90%
8	Izmir	144.889	4.320.519	3.40%
9	Kilis	115.941	142.541	81.34%
10	Konya	110.051	2.205.609	4.99%
11	Ankara	94.836	5.503.985	1.72%
12	Karahmanmaras	92.955	1.144.851	8.12%
13	Mardin	87.983	829.195	10.61%
14	Kayseri	80.572	1.389.680	5.80%
15	Kocaeli	56.166	1.906.391	2.95%
16	Osmaniye,	50.821	534.415	9.51%
17	Diyarbakir	32.984	1.732.396	1.90%
18	Malatya	28.159	797.036	3.53%
19	Adiyaman	26.036	624.513	4.17%
20	Batman	22.403	599.103	3.74%
21	Sakarya	16.404	1.010.700	1.62%
22	Manisa	14.681	1.429.643	1.03%
23	Tekirdag	14.429	1.029.927	1.40%
24	Denizli	12.689	1.027.782	1.23%

Source: DGMM, <https://en.goc.gov.tr/temporary-protection27>

Selected 24-provinces with highest refugee population



Source: World Bank with data from the Ministry of Interior, General Directorate of Migration, 2019

Stakeholder management is an inclusive process conducted throughout the project life cycle. Where properly designed and implemented, it supports the development of strong, constructive and responsive relationships that are important for successful management of a project's environmental and social risks. This SEP describes the timing and methods of engagement with stakeholders throughout the life cycle of the project. The SEP is designed to take into account the main characteristics and interests of the stakeholders, and the different levels of engagement and consultation that is appropriate for different stakeholders. It also describes the range and timing of information to be communicated to different stakeholders, as well as the

type of information to be sought from them. The SEP document will be continuously updated for the entire period of project implementation.

2. OBJECTIVE OF THE STAKEHOLDER ENGAGEMENT PLAN

The objectives of the Stakeholder Engagement Plan (SEP) are as follows:

- To establish a systematic approach to stakeholder engagement that will help TKYB to identify all stakeholders and build and maintain a constructive relationship with them.
- To assess the level of stakeholder interest and support for the project and to enable stakeholders' views to be taken into account in project design and environmental and social performance.
- To promote and provide means for effective and inclusive engagement with direct stakeholders throughout the project lifecycle on issues that could potentially create an impact.
- To ensure that relevant project information on environmental and social risks and impacts is disclosed to stakeholders in a timely, understandable, accessible and appropriate manner and format.
- To provide stakeholders with accessible and inclusive means to raise issues and grievances and allow TKYB to respond to and manage such grievances.

3. REGULATORY CONTEXT

3.1. National Legislation

Constitution of Republic of Turkey

Constitution of Republic of Turkey is the fundamental document in respect to guaranteeing citizens' freedom of thought and opinion (Art. 25). No one shall be compelled to reveal his/her thoughts and opinions for any reason or purpose; nor shall anyone be blamed or accused because of his/her thoughts and opinions. Everyone has the right to express and disseminate his/her thoughts and opinions by speech, in writing or in pictures or through other media, individually or collectively. This freedom includes the liberty of receiving or imparting information or ideas without interference by official authorities (Art. 26). In addition, Turkish citizens and foreigners residing in Turkey, on the condition of observing the principle of reciprocity, have the right to apply in writing to the competent authorities and to the Grand National Assembly of Turkey with regard to the requests and complaints concerning themselves or the public (Art. 74).

Law on the Right to Information

Law on the Right to Information No.4982 (Official Gazette dated 24.10.2003 and numbered 25269) defines the process concerning the right to information. It regulates this right in line with the principles of equality, impartiality and transparency, which are the prerequisites of democratic and transparent administration.

The Law on Use of the Right to Petition

Citizens of the Turkish Republic are entitled to apply Turkish Grand National Assembly and the public authorities by written petition, in respect to their requests and complaints, in accordance with the Article 3 of the Law on Use of the Right to Petition (Official Gazette dated 01.11.1984 and numbered 3071). On the condition of reciprocity and using Turkish language in their petitions, foreigners residing in Turkey are entitled to enjoy this right.

Regulation on Environmental Impact Assessment

Regulation on Environmental Impact (Official Gazette dated 25.11.2014 and numbered 29186), prepared in the context of Art 10 of the Environmental Law (1983), requires this project to conduct a public information meeting. According to this Regulation, the primary objective of the public information meeting is to inform and consult the public on the project. The regulation requires the meeting to be conducted in the project site, accessible for the interested people; and the date and venue of the meeting need to be approved previously by the Governor and announced in a local and a national newspaper, at least 10 days prior to the meeting. Similar announcements will also be posted to the neighboring quarters and counties, by the staff of the Governor.

The comments and suggestions expressed in the meeting should be recorded by the representatives of the Ministry of Environment and Urbanization. These written opinions and suggestions should be revised throughout the project life.

3.2. World Bank requirements

The World Bank's Environmental and Social Framework (ESF)'s Environmental and Social Standard (ESS) 10, "Stakeholder Engagement and Information Disclosure", recognizes "the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice" (World Bank, 2017: 97). Specifically, the requirements set out by ESS10 are the following:

- "Borrowers will engage with stakeholders throughout the project life cycle, commencing such engagement as early as possible in the project development process and in a timeframe that enables meaningful consultations with stakeholders on project design. The nature, scope and frequency of stakeholder engagement will be proportionate to the nature and scale of the project and its potential risks and impacts.
- Borrowers will engage in meaningful consultations with all stakeholders. Borrowers will provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.
- The process of stakeholder engagement will involve the following, as set out in further detail in this ESS: (i) stakeholder identification and analysis; (ii) planning how the engagement with stakeholders will take place; (iii) disclosure of information; (iv) consultation with stakeholders; (v) addressing and responding to grievances; and (vi) reporting to stakeholders.

- The Borrower will maintain and disclose as part of the environmental and social assessment, a documented record of stakeholder engagement, including a description of the stakeholders consulted, a summary of the feedback received and a brief explanation of how the feedback was taken into account, or the reasons why it was not.” (World Bank, 2017: 98).

A Stakeholder Engagement Plan proportionate to the nature and scale of the project and its potential risks and impacts needs to be developed by the Borrower. It has to be disclosed as early as possible, and before project appraisal, and the Borrower needs to seek the views of stakeholders on the SEP, including on the identification of stakeholders and the proposals for future engagement. If significant changes are made to the SEP, the Borrower has to disclose the updated SEP (World Bank, 2017: 99). According to ESS10, the Borrower should also propose and implement a grievance mechanism to receive and facilitate the resolution of concerns and grievances of project-affected parties related to the environmental and social performance of the project in a timely manner (World Bank, 2017: 100).

4. BRIEF SUMMARY OF PREVIOUS STAKEHOLDER ENGAGEMENT ACTIVITIES

4.1. Key Stakeholder Meetings and Consultations

To date stakeholder engagement efforts have included meetings with key stakeholders, including government agencies, development agencies, development partners and NGOs.

Table 2 describes consultation activities, which have been undertaken to date. It summarizes the activities for creating awareness regarding World Bank’s support in technical assistance and the project for refugees and host communities as well as discussion of social cohesion aspects of the national harmonization strategy.

Table 2. Summary of Previous Meetings with Key Stakeholders

Location	Date	Participants	Key Points of Discussion
Government Agencies and Development Partners			
Ankara	Jan 28,2019	Small and Medium Enterprises Development Organization (SMEDO)	<ul style="list-style-type: none"> • Discussion on cooperation possibilities for FRIT-II and learning more about SMEDO’s previous FRIT-I experiences
Ankara	Feb 13,2019	FRIT Coordination Office, EU Delegation Turkey and TKYB	<ul style="list-style-type: none"> • Discussion about potential projects for TKYB’s FRIT-II participation with pillar assessed institutions.
Ankara	Feb 06, 2019	Presidency FRIT Coordination Office	<ul style="list-style-type: none"> • Informing and discussing about TKYB’s collaboration with World Bank for FRIT-II
Ankara	April 17, 2019	Republic of Turkey Social Security Institution (SSI)	<ul style="list-style-type: none"> • Informing on the World Bank’s Formal Employment Creation Loan Facility • Discussing how to verify formal employment and whether SSI could provide assistance for verification

Ankara	April 19, 2019	Turkish Employment Agency	<ul style="list-style-type: none"> • Informing on the World Bank's Formal Employment Creation Loan Facility • Information about skills of registered Syrian refugees in Turkey
Ankara	May 8, 2019	Republic of Turkey Social Security Institution	<ul style="list-style-type: none"> • Discussing how to establish data provision mechanism
Gaziantep	June 24, 2019	Gaziantep Chambers of Commerce	<ul style="list-style-type: none"> • Discussing of loan and grant conditions provided by TKYB to increase employment in Gaziantep, where refugees are concentrated
Ankara	July 18, 2019	Ministry of Industry and Technology and Development Agencies (Ankara Development Agency, Karacadağ Development Agency and some others)	<ul style="list-style-type: none"> • Informing on the World Bank's Formal Employment Creation Loan Facility • Understanding Ministry's strategies and priorities for the project • Discussing how to coordinate and cooperate with related parties in order to distribute questionnaire and collect survey feedbacks from companies and enterprises through Development Agencies
Gaziantep	July 30-31, 2019	Sectoral Roadmap Workshop and New trends in the Manufacturing Industry Conference UNDP & Ministry of Industry and Technology	<ul style="list-style-type: none"> ▪ A two-day workshop and conference as part of the Turkey Resilience Project – initiated in response to the Syria Crisis (TRP) project implemented by the United Nations Development Program (UNDP) in cooperation with the Ministry of Industry and Technology was held last week on July 30-31 in Gaziantep, to draw up road maps for various sectors and discuss new approaches in the manufacturing industry.
23 targeted provinces	September 2019 to Dec 2019	Private enterprises-direct bénéficiaires	<ul style="list-style-type: none"> • A survey is designed for consultation purpose to potential main direct beneficiaries (enterprises) and development agencies have been requested to circulate the survey questionnaire filled up by the target group of enterprises. Number of survey participants is 669 in targeted 23 provinces.
Ankara	November 06, 2019	UNDP	<ul style="list-style-type: none"> • Discussing the coordination facility with UNDP in the scope of program and services provided by UNDP
Istanbul	February 7, 2020	Government institutions and other organizations (MoFT, MoIT, MoFA, of İSKUR, SGK, KOSGEB, development agencies etc.), and potential PFIs	<ul style="list-style-type: none"> • One day consultation meeting with 2 different sessions; first session aiming the consult development agencies, chambers of commerce and trade in targeted provinces and national governmental institutions and other organizations, the second session aiming to consult potential PFIs to introduce the Project's stakeholder engagement strategy and to collect feedback on future engagement actions.

In addition to the stakeholder engagement activities described above, the World Bank, in partnership with Ministry of Family and Social Services (MoFLSS), the Turkish Employment Agency (ISKUR), and the Small and Medium Enterprises Development Organization (KOSGEB) under FRIT I will further be incorporated into the project design and implementation. The implementation support strategy is developed considering the risks and mitigation measures related to the operation and targets the provision of flexible and efficient implementation. The findings of the beneficiary dialogues covering recommendations for the FEC guidelines will be included in the Project Operations Manual. The project preparation has also drawn on the numerous report on the labor market situation among host population and refugees in Turkey, such as the EU-funded

Needs Assessment Report³ and other surveys, such as the World Bank/WFP study of the beneficiaries of the Emergency Social Safety Net Program (ESSN), a temporary humanitarian program, studying the diverse vulnerabilities of the refugees the obstacles to their participation in the labor market and access to decent work.

In addition to general stakeholder engagement activities with institutions, a survey is designed for consultation purpose to potential main direct beneficiaries (enterprises) and development agencies have been requested to circulate the survey questionnaire filled up by the target group of enterprises. The data has been collected through the survey includes 668 firms located in 23 provinces of Turkey from September 2019 to Dec 2019. The survey indicates a strong interest in the project, both loan and grant component. The 19 provinces that the survey was carried out are Şanlıurfa, Sakarya, Mardin, Manisa, Konya, Kilis, Kayseri, Kahramanmaraş, İzmir, İstanbul, Isparta, Hatay, Gaziantep, Diyarbakir, Denizli, Bursa, Burdur, Batman, Ankara, 17 of which will be included in the project (Isparta and Burdur are not located in the project area) .

Firms were asked questions regarding their employment and investment plans in case of receiving grant or loan, as well as their willingness to employ refugees in their firm under either scenario. The results of the survey have informed the design of the project component. Regarding the employable host and refugee population in the project areas, who are expected to be employed by the beneficiary enterprises. The firms subject to the survey have been operating in the following main sectors: real estate, travel agency/tour operator, food & beverage services, education, motor vehicle or motorcycle repair/trade, manufacture of food products, retail trade, computer programming and consulting services, wholesale trade, construction and manufacturing. 76 percent of the firms are micro and small firms (less than 50 employees), whereas 18 percent of the firms are medium, and 6 percent of the firms are large firms (above 250 employees).

TKYB has also engaged with several private enterprises (potential direct beneficiaries) as part of its regular marketing activities which are in different sizes and operating in various sectors in targeted provinces and informed them about the financing facility and took note of their strong interest of the program.

5. STAKEHOLDER IDENTIFICATION AND ANALYSIS

5.1. Affected parties

Direct Stakeholders:

There will be four main groups of direct stakeholders of the project:

³ Under the Technical Assistance to the EU Facility for Refugees in Turkey.

1. **Trained refugees in target provinces who are able and willing to work.** Refugees residing in the 24 target provinces and working in the informal sector, and those work-able people who will be prompted to exit from ESSN, willing and able to find formal employment will be direct stakeholders and beneficiaries of the program.
2. **Trained Host community (Turkish citizens) in target provinces who are able and willing to work.** Turkish workers currently unemployed in target provinces, about to lose their employment, or entering the labor market and seeking work will be direct stakeholders and beneficiaries of the project.
3. **Beneficiary private enterprises, SMEs and others, and those that are eligible for financing (loan or grant component) and willing to abide by the employment conditionality, operating in the 24 targeted provinces.** An estimated number of 500 enterprises operating in these localities.
4. **Participating Financial Institutions, which are the intermediary institutions through which TKYB will provide loans to SMEs directly or through PFIs by apex and thus expand its geographical and sectoral outreach.** The qualified PFIs, which will lend funds from TKYB will on lend to eligible final beneficiaries.

Indirect Stakeholders

The local economy, including the refugee community will also enjoy the injection of economic resources that a large influx of available financing (both grant and loan) makes possible. In that sense, there will be many indirect stakeholders across the 24 targeted provinces:

1. National authorities involved with the program: The Ministry of Treasury and Finance, Social Security Institution (SGK), İŞKUR, the Turkish Employment Agency, other training providers and government agencies, Ministry of Family, Labor, and Social Services (MoFLSS), the Ministry of Industry and Technology (MoIT), Presidency of Republic of Turkey, FRIT Coordination Office,
2. Local authorities in the 24 selected provinces (Istanbul, Sanliurfa, Hatay, Gaziantep, Adana, Mersin, Bursa, Izmir, Kilis, Konya, Mardin, Ankara, Kahramanmaras, Kayseri, Kocaeli, Osmaniye, Diyarbakir, Malatya, Adiyaman, Batman, Manisa, Denizli, Tekirdag, and Sakarya)
3. Turkish Red Crescent Society working on separate projects which aim to make refugees and Turkish workers more employable and readier to be placed into jobs. These projects are expected to supply trained workers to the enterprises accessing financing this project. The Organization for Solidarity with Asylum-Seekers and Migrants (ASAM), **Small and Medium Enterprises Development Organization (SMEDO)** and NGOs and civil society organizations (CSOs) working with refugees in the targeted provinces.

5.2. Disadvantaged / vulnerable individuals or groups

Particular disadvantaged or vulnerable individuals and groups in the context of this project would be women, youth, refugees, and disabled, who experience a higher than average unemployment or are in informal employment characterized by less pay, and possibly under exploitative conditions and generally have less means and opportunity to express their concerns, or access information to understand their rights or the impact of the project.

The disadvantages experiences by these groups are frequently compounded by less awareness of their rights according to the Labor Law, less access to information due to language or reduced mobility, low

skills and low relevant job experience, and prevailing social norms inhibit their gainful employment.

The stakeholder engagement strategy will address these restrictions and incorporate measures to facilitate the access to information (e.g. through Arabic language print material, language training and translation facilities in connection with face-to-face consultations and information disclosure means that suit the needs of these vulnerable groups etc.), and choice of locations for public consultations.

Table 3: Stakeholders and Their Interest & Influence

Project component	Stakeholder Group	Interest	Influence
Comp. 1& 2	<ul style="list-style-type: none"> • Trained refugees in target provinces who are able and willing to work. • Trained Host community (Turkish people) in target provinces who are able and willing to work. 	High	High
<p>Comp. 1: Loans targeting established firms with high potential for job</p> <p>Comp. 2: Grants targeting emerging firms are conditional on job creation</p>	<ul style="list-style-type: none"> • refugee-inclusive enterprises, • enterprises in relatively less well-developed sub-regions affected by the influx of Syrians under temporary protection, • relatively large established firms with a consolidated record of job creation. • Recently established, relatively small firms that show potential for growing and creating formal jobs among both refugees and Turkish citizens. 	High	Medium
Comp. 1 & 2	<ul style="list-style-type: none"> • Banks or leasing companies of solid financial standing, committed to improve capacity to assess the formal job creation potential of the enterprise proposals. 	High	High
Comp. 1 & 2	<ul style="list-style-type: none"> • Vulnerable groups 	Medium	Low
Full project	<ul style="list-style-type: none"> • Ministry of Treasury and Finance, • Ministry of Family, Labor, and Social Services (MoFLSS), Ministry of Industry and Technology (MoIT) • Social Security Institution (SGK), • İŞKUR, the Turkish Employment Agency, • other training providers 	Medium	Medium
Full Project	<ul style="list-style-type: none"> • Local authorities in the 24 selected provinces 	Medium	Medium
Full Project	<ul style="list-style-type: none"> • Turkish Red Crescent Society • The Organization for Solidarity with Asylum-Seekers and Migrants (ASAM), • Small and Medium Enterprises Development Organization (SMEDO) • NGOs and civil society organizations (CSOs) working with refugees 	Medium	Medium

5.3. Other interested parties

Table 4: Other Interested Parties and their Interest in the Project

Other interested parties	Interest in the project
Office of the Presidency, Ministry of National Education (MoNE), Ministry of Family, Labor and Social Services, Ministry of Internal Affairs Directorate General of Migration Management,	The project will establish links with MoNE to ensure that technical and vocational graduates trained under another employment generating project have a smooth school to work transition into employment. The project will benefit from the experience of MoFLSS on their previous FRIT I project. DGMM provides overall oversight and coordination of policies and strategies relating to the area of migration and coordinates institutions and organizations working on refugee response efforts such as the FEC project.
Local private sector in the above targeted provinces	Local private sector will benefit from the economic resources provided by the available financing.
Confederation of Turkish Trade Unions [Türk-İş], Hak-İş and DISK	The main objective of the workers' unions is to improve labor conditions in Turkey. The formal workers established by the program can be members of the unions.
Small and Medium Enterprises Development Organization under FRIT	SMEs Development Organization is the implementing party of FRIT I and the experience and lessons previously learned will be incorporated to the project.
National media (print and electronic) Local media in the 24 targeted provinces	The media will have a key role in disseminating information on the efforts and results of the project.
EU, ILO, UN agencies, EBRD, KfW, GIZ, AFD, and other IFIs	EU is an interested party since it finances the ESSN program in which thousands of work able refugees are currently registered in. EU provides grants in the scope of the project. The broader development agenda in Turkey and the FRIT Program is supported by a wide range of partners, including UN agencies, EBRD, KfW, GIZ, AFD, and other IFIs. Their consultations will be benefited from during the project.

5.4. Summary of project stakeholder needs

Table 5: Characteristics of Defined Stakeholders and Means of Engagement

Province	Stakeholder group	Key characteristics	Means of communication	Language	Specifics
In each of 24 provinces	Workable Refugees	Skills training and formal employment opportunities	Written information electronic, printed, media,	Arabic/Turkish/English	Information directed at trainees from training institutions

Province	Stakeholder group	Key characteristics	Means of communication	Language	Specifics
In each of 24 provinces	Unemployed, workable host community	Industry relevant skills to fulfil the employment requirements of beneficiary enterprises	Written information electronic, printed, media,	Turkish	Information directed at trainees from training institutions
In each of 24 provinces	Beneficiary private enterprises, SMEs: a) For loan component b) For grant component	Special outreach to refugee-inclusive businesses and businesses run by minority groups (incl. women)	Written information, electronic, media	Turkish and Arabic	Targeted communication strategy about the eligibility criteria related to loan and grant selection process
Operating in each of 24 provinces	PFIs	Technical assistance and training of loan officers	Written information, electronic, face-to-face meetings	Turkish	Targeted information are selection criteria for PFIs, and requirements and conditionalities for project lending from TKYB
In Ankara and directorates in each of 24 provinces	National authorities (Ministry of National Education (MoNE), Ministry of Health, and the Ministry of Family, Labor and Social Services, Minister of Internal Affairs Directorate General of Migration)	Regular information on the progress of the program	Written information, electronic Information & Consultation Meetings	Turkish	General project information
In each of 24 provinces	Local authorities in 24 provinces	Improved quality of communication, and collaboration on the program			
In each of 24 provinces	IŞKUR, Turkish Red Crescent Society, Organization for Solidarity with Asylum-Seekers and Migrants (ASAM), Small and Medium Enterprises Development Organization (SMEDO) and NGOs and civil society organizations (CSOs) working with	Enterprises will be directed to ISKUR, MoNE, and other institutions (e.g. Turkish Red Crescent) to find recruit potential refugee and host community workers to meet the employment criteria.	Written information, electronic Information & Consultation Meetings	Turkish	Information of trained workers to be employed and beneficiary enterprises' requirements,

Province	Stakeholder group	Key characteristics	Means of communication	Language	Specifics
	refugees	Communicate successful narratives of formal employment			
In each of 24 provinces	Vulnerable groups	Skills training and formal employment opportunities	Written, face-to-face, in braille (if required) information, radio, separate consultations	Turkish and Arabic	Information directed at trainees from training institutions
Ankara, Istanbul	EU, ILO, UN agencies, EBRD, KfW, GIZ, AFD, and other IFIs	Maintain their support in the broader development agenda of Turkey	Written information, electronic	English	General project information
Ankara&Istanbul and branches in 24 provinces	Confederation of Turkish Trade Unions [Türk-İş], Hak- İş and DISK	Maintain their support in the broader development agenda of Turkey	Written information, electronic	Turkish	General project information
In each of 24 provinces	Print and electronic Media at national and provincial level	Communication and visibility of the program	Written information, electronic, Information & Consultation Meetings Press conferences	Turkish and Arabic	General project information

6. STAKEHOLDER ENGAGEMENT PROGRAM

6.1. Purpose and timing of stakeholder engagement program

This Stakeholder Engagement Plan has been formulated to ensure that direct and indirect project stakeholders are provided relevant, timely and accessible information so that they have an opportunity to express their views and concerns about the Project and its impacts. The SEP describe at what stages throughout the project's life these activities will take place, with what periodicity. Where decisions on public meetings, locations, and timing of meetings have not yet been made, information is provided on how people will be made aware of forthcoming opportunities to review information and provide their views.

Considering evolving situation of current COVID-19 outbreak since January 2020, the project should select methods for stakeholder engagement that are most appropriate to the situation. The authorities have announced regulations and restrictions regarding everyday life as well as business operations in order to slow the spread and transmission of the COVID-19 virus. The restrictions in business operations require new methods, tools and techniques for stakeholder engagement. Only after easing of these restrictions, different engagement methods that cover different needs of the stakeholders will be implemented.

The stakeholder engagement will rely more on media and online channels during the period when COVID-19 related restrictions apply. Where possible and appropriate, online platforms and dedicated discussion groups will be created appropriate for this purpose, depending on the type and category of stakeholders. Traditional communication channels (like TV, newspapers, radio, public announcements and mail) will be used when stakeholders do not have access to online channels. Materials like project documents, presentations, questionnaires and discussion topics will be distributed online to participants.

The SEP pays special attention to identified disadvantaged or vulnerable individuals or groups and determines how to ensure their inclusion in the stakeholder engagement activities. The SEP takes into account the main characteristics and interest of the stakeholders, and the different levels of engagement and consultation that is appropriate for different stakeholders, while defining the interaction with all stakeholders, also explores the opportunities and risks brought by interaction with them.

The SEP communication strategy vis-à-vis stakeholders also defines the mechanisms through which the stakeholders can express their concerns and transmit their grievances, and how such concerns and grievances will be responded to and resolved in a timely and adequate manner. Thus, both TKYB and PFIs will employ a strategy that prioritizes timely engagement with all stakeholders from project start to completion.

6.2. Proposed strategy for information disclosure

Both TKYB will assign a full-time designated expert within PIU for the management and monitoring of stakeholder activities including the monitoring of grievance related actions taken. PFIs will designate a person to convey stakeholder engagement related issues and grievances to project related TKYB. TKYB PIU and PFIs will utilize their existing online communication channels and facilities for disclosure of written/print/visual materials. Project updates will be posted on TKYB's website having links to that of PFIs and be available in relevant facilities (i.e Provincial and District Offices). TKYB and ISKUR will have an MoU on sharing project information with both potential employees and employers. Project information will be accessible in ISKUR's website and in facilities where applicable. An easy-to-understand guide to the terminology used in reports, briefs and relevant documents will be provided on the website and in-print form in the facilities, when relevant. Communication materials produced for project-related activities will be posted on the website and available in facilities in print-form. Where applicable and preferred by the stakeholders, TKYB and PFIs will also communicate project information and updates through other means such as social media, distributed hard copy material, one to one interviews and consultation meetings when needed.

Table 6: Engagement Plan

Project stage	List of Information to be disclosed	Methods proposed	Timetable: Locations/ Dates	Target stakeholders	Responsibilities
Design and negotiation	Stakeholder Engagement Plan, ESMS documents	Written information, electronic Information	December 2019 e-mails, TKYB website, (documents will be updated when required)	Beneficiary private enterprises, PFIs National authorities (Ministry of National Education (MoNE), and the Ministry of Family, Labor and Social Services, Minister of Internal Affairs Directorate General of Migration), SGK, İŞKUR, KOSGEB	TKYB PIU to apprise target beneficiaries and communities of project activities, potential environmental and social risks
Design and negotiation	Project design documents Economical-social- financial baseline conditions of the target 24 provinces	Written information, electronic Information & Consultation Meetings	On-going TKYB office, PFI office	PFIs	TKYB PIU to apprise the PFIs capability to be involved in the FEC and develop a methodology to reach out the final beneficiaries

Project stage	List of Information to be disclosed	Methods proposed	Timetable: Locations/ Dates	Target stakeholders	Responsibilities
Design and Implementation	Non-technical project summary; press releases, project websites and project social media channels	Official meetings, emails	February 2020 As needed TKYB office, provincial offices of institutions,	KOSGEB, Chambers of commerce (OIP)	TKYB PIU to create awareness and to collect feedback from the site
Implementation Stage	Project outcomes Increased number formal jobs for refugees and Turkish citizens Increased formalization of the workforce in selected provinces Increased sensitization to providing financial services to refugee-owned firms and to hiring refugee workers	Written information, electronic Information	Throughout the project implementation TKYB office, offices of the related institutions	EU, ILO, UN agencies,	TKYB PIU to inform the project target groups and define the possible cooperation areas for reach project objective
Implementation Stage	Non-technical project summary; press releases, project websites and project social media channels	Written information, electronic Information	As needed	Direct beneficiaries -potential employees (refugees and Turkish citizens)	TKYB PIU will update TKYB PIU website for project related information

Project stage	List of Information to be disclosed	Methods proposed	Timetable: Locations/ Dates	Target stakeholders	Responsibilities
Implementation Stage	Non-technical project summary; press releases, project websites and project social media channels	Written information, electronic Information	As needed	Vulnerable groups (women, youth, disabled etc.) potential direct beneficiaries	TKYB PIU will update TKYB PIU website for project related information
Implementation Stage	Project design document and on lending document	Written information, electronic Information & Consultation Meetings	March 2020 e-mail, website, TKYB office, PFI offices	PFIs	TKYB PIU to collect the letter of intention from the potential PFIs
Implementation Stage	Project design document and on lending document Non-technical project summary; press releases, project websites and project social media channels	Written information, electronic Information Announcement through chambers of industry and commerce	March-April 2020 As needed Branches of PFIs in 24 target provinces Offices Chambers of Commerce and Industry	Private sector companies	TKYB PIU and PFIs to inform the mechanism and methodology of financing for formal employment and to collect the applications for grant and loan and project GRM
Implementation Stage	Project design and lending documentation	Written information, electronic Information & consultation and face-to face Meetings	As needed throughout project implementation	Vulnerable groups, Indirect stakeholders, local public authorities, local CSOs and other relevant indirect stakeholders	TKYB PIU and PFIs to inform the mechanism and methodology of financing for formal employment and to collect the applications for grant and loan and project GRM

Project stage	List of Information to be disclosed	Methods proposed	Timetable: Locations/ Dates	Target stakeholders	Responsibilities
Implementation	Project implementation progress with key indicators	Written information, electronic Information, meetings,	Semiannual TKYB office, Video Conferences	WB	TKYB PIU and PFIs to report project implementation progress

6.3. Proposed strategy for consultation

TKYB PIU will collect relevant feedback, comments and information through GRM and continuous consultation held with stakeholders as explained in the Table 5 and take restorative action as needed.

6.4. Proposed strategy to incorporate the view of vulnerable groups

Particular disadvantaged or vulnerable individuals and groups in the context of this project would be women, youth, refugees, and disabled, who experience a higher than average unemployment or are in informal employment characterized by less pay, and possibly under exploitative conditions and generally have less means and opportunity to express their concerns, or access information to understand their rights or the impact of the project.

In order to incorporate the view of vulnerable groups;

- Engagement with local organizations and NGOs representing the interests of persons with disabilities will be carried out.
- Separate consultations in places of easy access, will be conducted for women, youth and disabled persons and any other vulnerable groups in the targeted provinces.
- Information on the project will be provided face-to-face, translated (Arabic etc.) and or in braille if required.
- Consultations will be conducted at the locations which enable the access of vulnerable groups.
- Any written or printed project related material to disseminate information will be prepared in culturally proper, easy to understand language and translated before dissemination on sites also known to and accessible by the project's vulnerable groups.

6.5. Timelines

Regarding the formal employment creation for both Syrians under Temporary Protection and Turkish citizens the EU grant and IBRD loan will be utilized after the signature of the loan agreement between TKYB and the IBRD. The implementation period will be 48 months after the signature of the loan and grant agreements. However, once disclosed, this SEP will be operational and be implemented until the end of project life and will be revised and disclosed as necessary to serve any additional needs that may arise throughout the project.

6.6 Review of Feedbacks from Stakeholders

Ongoing feedbacks and comments received from stakeholders throughout the implementation of the project will be reviewed and necessary restorative actions, if needed, will be undertaken by TKYB PIU with relevant stakeholders to ensure smooth implementation of the project.

TKYB PIU will conduct a midterm stakeholder engagement survey to seek feedback from beneficiary firms on their satisfaction with the project. The PIU will discuss the survey results with PFIs and the results will inform project implementation, as appropriate.

Additionally, project GRM will be in place during the entire lifetime of the project to receive any concerns from both internal (project workers) and external stakeholders.

6.7 Engagement Activities in Future Phases of Project

Consultation meetings will be convened with stakeholders including government authorities, ISKUR, other vocational training private sector businesses, chambers of commerce, in order to apprise target beneficiaries and communities of project activities, potential environmental and social risks during both design & negotiation and implementation stage of the project.

Training workshops

TKYB will organize training and capacity building activities in the following main areas: i) technical skills (for instance, software and IT knowledge); ii) socioemotional skills (for example, leadership, teamwork, client orientation); iii) financial literacy; iv) management practices for the beneficiary enterprises.

Midline and end line surveys will be developed to assess the effectiveness of the training activities and the impact of these activities on the performance, output, job creation, productivity, and workplace well-being among firms.

TKYB will organize trainings for each prospective PFI to assess the formal job creation potential of the proposals of viable enterprises and to improve the capacity for lending to viable enterprises operating in areas in which refugees are concentrated.

TKYB and PFI staff will be trained to guide enterprises in the identification and recruitment of employable refugees and citizens.

Communication Materials

Written information will be prepared by TKYB and disclosed to the public via a variety of communication materials including brochures, flyers, etc. during implementation of the project. Where applicable, PFIs will also adapt/use such material to inform their target group on project details. The materials will be reviewed quarterly and updated for dissemination as needed. In the project introduction brochures that will be presented to the stakeholders in the initial stage, general information about the project, as well as information about grievance mechanism and liaison/feedback channels will be provided. The communication materials to be prepared will consider the needs of vulnerable groups as well as being prepared in both

languages; Turkish and Arabic.

The TKYB PIU and PFIs will also update their website regularly (at least on a semi-annual basis) with key project updates and reports on the project’s environmental and social performance. The website will also provide information about the grievance mechanism for the project in both languages.

Visual material will be used in consultation meetings. Presentations will be made for national authorities, local authorities, NGOs, CSOs, PFIs, beneficiary private enterprises during consultation meetings.

7. RESOURCES AND RESPONSIBILITIES FOR IMPLEMENTING STAKEHOLDER ENGAGEMENT ACTIVITIES

7.1. Resources

TKYB will implement the program within its existing organizational structure: The PIU will be established within TKYB, with the involvement of full-time dedicated staff from various departments (Customer Value Management and Business Development will manage the project with the support of Engineering, Development Finance Institutions, Loan Allocation, Financial Analysis, and IT) will manage and implement the project as part of their regular routine.

The budget allocated for implementing the stakeholder engagement plan over 3 years will be used for conducting the below specified activities with different stakeholders and for communication and visibility activities.

Depending on level of finance (direct finance by TKYB or through PFIs) the stakeholder engagement activities will be monitored by TKYB PIU and by dedicated staff of PFIs. TKYB PIU and PFIs will track the progress of the SEP as well as the feedback and grievances received. All records related with the SEP activities at PFI level will be reported to TKYB regularly with other project progress information. All project engagement records including GRM specific information will be kept by TKYB PIU.

Table 7: Implementation and Responsible Parties of the Engagement Plan

Actor/Stakeholder	Responsibilities
TKYB PIU	<ul style="list-style-type: none"> • Planning and implementation of the SEP • Leading stakeholder engagement activities with development partners, the private sector, PFIs • Management and coordination on resolution of grievances • Monitoring of and reporting on environmental and social performance to the World Bank • Consolidated reporting on SEP activities for the project overall • Make available the disclosed ESMS documents

	<ul style="list-style-type: none"> • Participation in stakeholder engagement activities arranged by PIUs, especially pertaining to inputs for needs assessments, market assessments, training needs assessments
Participating Financial Institutions (PFIs)	Planning and implementation of SEP activities vis-à-vis: <ul style="list-style-type: none"> • Regional and provincial level outreach • Reporting on implementation of PFI to TKYB PIU • Outreach to Project Affected Peoples (PAPs)/stakeholders in PFI Project areas

8. GRIEVANCE MECHANISM

8.1. Description of GRM

TKYB has online communication and project GRM in place and approved policy documents to regulate and address grievances for all project stakeholders including its employees. A new procedure called “Grievance Redress Mechanism for IFIs financed projects” has been introduced recently. In line with the requirements of ESS.10 (Stakeholder Engagement and Information Disclosure), the project specific grievance mechanisms will be open to the use of all stakeholders and it can be used to deliver any possible message, complaint and/or suggestion by any stakeholder via TKYB corporate website and other channels defined in the mechanism. In the context of the Project we are expecting to receive any kind of feedbacks from participating financial institutions (PFIs), final beneficiary SMEs, LEs and also Project Affected Parties (PAPs) who may be impacted from the project; and other interested parties who may have an interest in the project (Figure 1).

In line with the requirements of ESS.2 (Labor and Working Conditions), TKYB has an internal employee grievance mechanism and procedure for its employees. On the intranet page of TKYB, employees are able to submit their grievances from the notification menu, which may be related to 1.Ethics, 2.Whistle-blowing, 3.Suspicious transactions, 4.Complaints and suggestions. Each grievance will be processed according to internal employee grievance procedure, which can be directed to the CEO in case of ethics related grievances; to the Board of Auditors in case of whistle-blowing related grievances; to the Compliance Officer (Head of Internal Control and Compliance department) in case of suspicious transactions related grievances and to human resources department in case of other complaints and suggestions (Figure 2).

If there are any non-staff project workers/consultants hired for specifically for this project, they will also be informed about the internal employee grievance mechanism at the time of recruitment and will be provided subject specific e-mail addresses for ethics and whistle-blowing related grievances. They will also be able to use the project GRM for their general complaints and suggestions.

The GRM’s steps are explained below.⁴

⁴ Example of GRM process:

Step 1: Submission of grievances

Step 2: Recording of grievance

Step 3: Investigating the grievance and preparing the draft response

Step 4: Complainant Response within 30 days

GRM process for project stakeholders:

The GRM for all project stakeholders is accessible via TKYB's official website and aims to collect and address grievances of TKYB's clients and all other stakeholders. The responsible body governing this grievance process is TKYB's Internal Control and Compliance Department, which reports directly to the Audit Committee of the Bank. All inquiries/grievances received are directed to the Internal Control and Compliance Department where the relevant inquiry/grievance is reviewed by them and directed to the relevant responsible department to be responded maximum within 30 days unless any other time period is required legally. For the project GRM, all project related grievances that are directed to relevant departments by Internal Control and Compliance department, will also be reported to TKYB PIU for project information and reporting purposes.

The GRM Forms are available both in Turkish and English;

English link: <https://kalkinma.com.tr/en/contact-us/contact-information>

Turkish link: <https://kalkinma.com.tr/tr/bize-ulasin/iletisim-bilgileri>

As this GRM is a part of the regulatory framework applied by Banking Regulation and Supervision Agency of Turkey (regulation on Internal Processes and Internal Capital Adequacy Assessment Process) all banks in Turkey, including potential PFIs, are subject to this regulation. Thus, the PFIs are expected to have similar functioning GRMs in place. The project GRM will utilize existing grievance channels of TKYB and PFIs, but will also be improved through adjustments to collect, manage and monitor project specific grievances. If any of the selected PFIs is missing some features of this GRM, they will be asked to upgrade and improve their GRM to match the requirements of ESS10 and as specified in the SEP and Project Operational Manual (POM).

The project PIU will be the designated department for reporting all project related inquiries that will be directed and shared by Internal Control and Compliance Department and will simultaneously keep the records and reports of all grievances. PIU will be informed in each of these cases:

- Submission and recording of project related grievance
- Preparation of draft response by relevant department
- Approval of legal opinion
- Completion of complainant response

Internal Control and Compliance Department documents the actions and counter actions taken, and the responses provided to the applicant/complainant, including for project grievances and report to Audit Committee, Board of Internal Auditors and CEO on a monthly basis. These monthly reports related to project grievances will be shared with TKYB PIU for project reporting purposes.

Project GRM will be used to submit complaints related to the overall management and implementation of the project, including: violation of project policies, guidelines, or procedures, including those related to child

labor, health and safety of workers, work place harassment (mobbing, sexual harassment etc.). The GRM will also allow submission of anonymous grievances. The attached grievance form in Annex 1 will be utilized in the project and allow submission of anonymous grievances.

Step 1: Submission of grievances

Existing GRM has four different channels to receive grievances:

- a) Complaint form: By filling complaint form (<https://kalkinma.com.tr/en/contact-us/contact-information>)
- b) Fax: By sending fax through +90 (216) 6301815-0216 6346145
- c) E-mail: By sending e-mails to the Bank and staff
- d) Postal mail: By applying to the Bank with a petition

In case a complainant would like to submit a grievance via telephone, he/she will be directed to fill in the complaint form on the website.

Complainant can also categorize the grievance by project name (When it is applicable as World Bank Formal Employment Creation Project or World Bank Emergency Firm Support Project or others) via a drop down menu in complainant form.

When the grievance form is completed with the subject and other information required, it is delivered to Internal Control and Compliance Department to be recorded, classified and communicated with other relevant departments to be responded. All grievances regardless of the channel received must be delivered to Internal Control and Compliance department and recorded in the same day of receipt.

In addition to the project specific TKYB GRM, the national grievance mechanism will be one of the tools that the project GRM will feed from. TKYB and PFIs may receive formal requests and grievances through the Presidential Communication Center (CIMER) on different types of complaints related to the project. In practice, CIMER (Phone: 150, web: <https://www.cimer.gov.tr/>) is only available to Turkish citizens. However, project GRM will also utilize a second national level tool namely YIMER (Foreigners Communication Center) to collect grievances from foreigners including refugees. YIMER (Phone: 157, web: <http://yimer.gov.tr>) which also serves on a 7 day/24 hours basis, is freely accessible in six languages including, Turkish, Russian, Arabic, Farsi, German, and English. Project related grievances received through CIMER and YIMER will also be recorded by designated staff in TKYB PIU to timely inform the project on taking corrective actions. Both CIMER and YIMER will complement project GRM throughout project life. Project related grievances received through CIMER and YIMER will also be recorded by Internal Control and Compliance department and processed similarly with project GRM. CIMER and YIMER will complement project GRM throughout project life.

Step 2: Recording of grievance

Once a grievance is received, the Internal Control and Compliance Department is responsible for recording, directing, ensuring and controlling that grievances are replied within required time periods and reporting the analysis of grievances in terms of category and quantity to the Audit Committee and CEO. In the cases of project related grievances, these reports will be shared with TKYB PIU on a monthly basis. Internal Control and Compliance Department will also inform PIU about each recording of project related grievance at the same day of submission.

Step 3: Investigating the grievance and preparing the draft response

Once the project-specific grievances directed from Internal Control and Compliance Department to the related department and TKYB PIU, the related department is responsible for preparing a draft response letter and inform Internal Control and Compliance Department and PIU. Before preparing the draft response, related department will communicate the initial response informing about the acknowledgement of the submission of the grievance and legal response time. According to TKYB internal regulation for Customer Grievance Management Policy document all responses for customer complaints must be reviewed by the Department of Legal Counselor. The related department prepares the draft response and proceeds to receive legal opinion.

Step 4: Complainant response within 30 days

The draft response will be reviewed and revised according to legal opinion and all internal approval procedure will be completed before communicating the final response by the related department. The response for the grievance is given from the same channel that the complaint was received. All project-related responses will be answered by related department and PIU will be informed about the response in detail. All grievances should be responded within 30 days provided that the legal period is not exceeded.

After all possible redress has been proposed to the complainant, and the complainant is still not satisfied with the proposed resolution, they shall be able to seek the legal recourse by means of judicial system and remedies.

Information about the project's GRM will be publicized as part of the initial feedback consultations in the project and information about the GRM will also be posted online on the TKYB website.

8.2. Monitoring and Reporting Grievances

The TKYB PIU's GRM focal point, who will also be the Communications and Stakeholder Specialist, will be responsible for all project related grievances:

- Analyzing the number, substance and status of complaints and uploading them into the single project database;
- Monitoring outstanding issues and proposing measures to resolve them;
- Submitting quarterly reports on GRM mechanisms to the Project Coordinator at the PIU.

Semi-annual progress reports to be submitted by the PIU shall include a section related to GRM which provides updated information on the following:

- Status of GRM implementation (procedures, training, budgeting etc.),
- Qualitative data (gender disaggregated) on number of received grievances \ (applications, suggestions, complaints, requests, positive feedback),
- Quantitative data on the type of grievances and responses, issues provided and grievances that remain unresolved,
- Level of satisfaction by the measures (response) taken,
- Any correction measures taken.

Results will be posted on the TKYB website.

Figure 1.

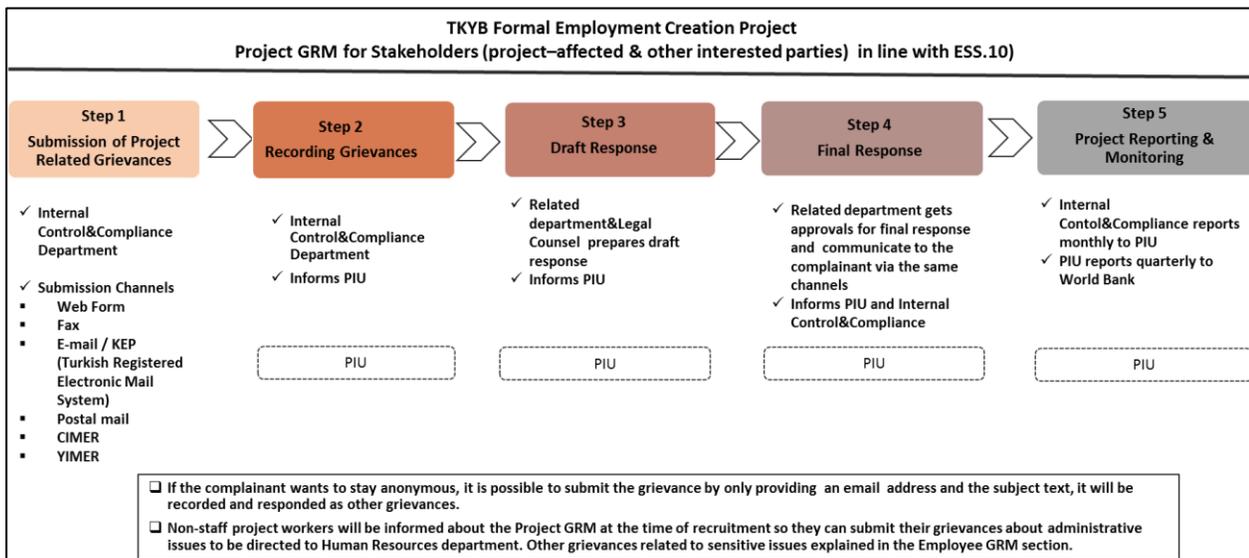
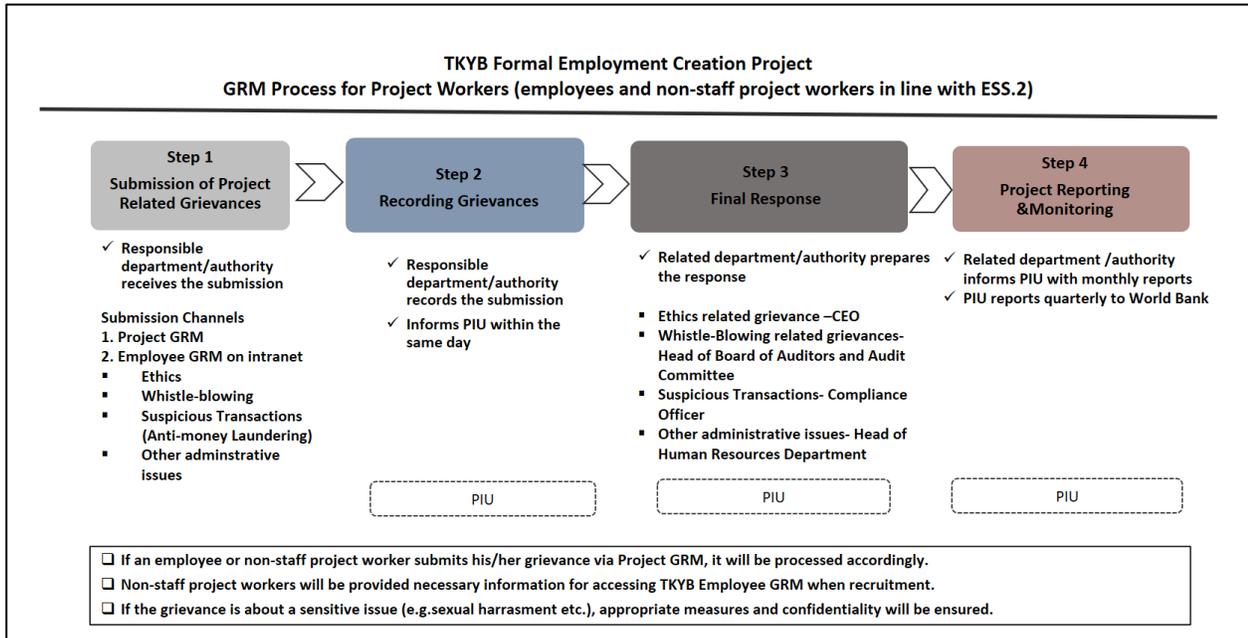


Figure 2.



8.3 The World Bank Grievance Redress System

Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB’s Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns.

Project affected communities and individuals may submit their complaint to the WB’s independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank’s attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank’s corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

M&E and supervision of the project will focus on monitoring the progress toward achieving results and measuring the impact of the project. Four broad results areas will be monitored, as follows: (1) increased number of formal jobs for refugees and Turkish citizens across economic sectors and firm types, (2) increased formalization of the workforce in selected provinces, (3) increased number of Syrian-owned and refugee-inclusive firms receiving financing, and (4) increased awareness of the financial viability of refugee-owned firms and the employability of refugees. Data collection, process evaluations, and an impact evaluation are included among the activities. This focus on M&E helps ensure that outcome targets are met, and lessons are learned.

The project will also monitor the SEP on an ongoing basis during the implementation, including reviewing the functioning of the GRM and types of grievances recorded. This will work as a feedback loop on the project and facilitate adjustments/improvements to be made during engagement. At completion of SEP activities, a review of outputs will be conducted in order to evaluate the effectiveness of the SEP as implemented. The project SEP will be monitored based on the following indicators: (i) Number of annual grievances according to gender (both directly received by TKYB and through other GRMs) received and how they have been addressed and (ii) Number of stakeholders involved in consultations and other project SEP related activities.

The PIU will monitor the PDO and intermediate indicators (including core indicators for World Bank-wide monitoring and gender-related indicators) of the Results Framework on a semiannual and annual basis. The PIU will prepare semiannual progress reports to be shared with the World Bank.

TKYB PIU and PFIs will maintain a simple database and activity file detailing all public consultation, disclosure information and grievances collected throughout the project, which will be available for public review on request. Through regular reports and information also received from PFIs, TKYB PIU will ensure that records of all stakeholder engagement activities (conducted either by TKYB or by PFIs) are kept in the database which will include dates, venues, attendees, objectives and outcomes. For each consultation meetings attendance lists will be prepared and signed, and whenever possible photographs will be taken and recorded.

Stakeholder engagement activities will be periodically evaluated by the Project Coordinator of the PIU. The Project Coordinator will ensure that all consultation and disclosure activities are recorded adequately. SEP implementation and relevant grievances will be reported in semi-annual reports under a separate section. The reports will include all stakeholder engagement and consultations made, grievances and resolutions, new stakeholders and progress on partnership and plans for the next quarter and longer-term plans.

9.1. Involvement of stakeholders in monitoring activities

TKYB will seek feedback from beneficiary enterprises and relevant stakeholders throughout the project and PIU will discuss the results of the progress reports with PFIs and relevant stakeholders as needed.

A midterm survey on Citizen Engagement will be conducted by TKYB PIU to seek feedback from the beneficiary enterprises on their satisfaction with the Project. The PIU will discuss the survey results with PFIs and the results will inform project implementation, as appropriate.

The survey will also include measurements of the perceptions of refugees as employees both at the beneficiary level and at the sector/province firm level. The project-run enterprise survey will have more questions on how refugees as potential workers are perceived.

The project design will also include periodic labor audits conducted by legal authorities (relevant Ministry, Ministry of Family, Labor and Social Services)) to ensure that formal employment opportunities provide decent working conditions in accordance with national labor and health and safety laws.

9.2. Reporting back to stakeholder groups

Monitoring and evaluation M&E activities to track, document, and communicate the progress and results of the project, including monitoring of the Stakeholder Engagement Plan will be made by TKYB PIU.

Project updates including stakeholder engagement activities will be posted on TKYB’s website and be available in relevant facilities (i.e Provincial and District Offices) in-print form when relevant.

Reporting to WB: Stakeholder engagement activities will be reported back to the World Bank in semi-annual progress reports.

10. SEP DISCLOSURE

In line with its efforts to prepare this SEP with a participatory approach, TKYB has disclosed and conducted a consultation meeting to consult the draft version of the SEP with its key stakeholders prior to project implementation. The meeting was held in Istanbul on February 7, 2020, at TKYB head office with the participation of the following stakeholders presented in Table 7.

Table 8. List of Stakeholders Invited to SEP Consultation Meeting

TKYB WORLD BANK FORMAL EMPLOYMENT CREATION PROJECT SEP DISCLOSURE MEETING INVITATION LIST			
7 FEBRUARY 2020; 1.SESSION; at 10:30			
INVITATION LIST			
DEVELOPMENT AGENCIES IN PROJECT REGION	Participant	Status	# of Participants
<i>All letter of invitations are sent to institutions via electronic communication system and postal service.</i>			
1. İstanbul Development Agency			
2. Karacadağ Development Agency	Mehmet Oğul (Expert)	+	1
3. İpekyolu Development Agency	Yusuf Cem Yaman (Publicity and Cooperation Dep. Head)	+	1
4. Çukurova Development Agency	Can not participate due to weather conditions		

5.	BEBKA Development Agency	Yasin Dalgıç (Expert) / Seher İleritürk (Expert)	+	2
6.	İzmir Development Agency	Murat Çelik (Investment Support Office Coordinator)	+	1
7.	Mevlana Development Agency	Ismail Unver / Halil Sena Yetkin (Expert)	+	2
8.	Dicle Development Agency	Berk Oğuz (Expert)	+	1
9.	Ankara Development Agency			
10.	Doğu Akdeniz Development Agency	Ahmet Tektaş (Expert)	+	1
11.	ORAN Development Agency	Nurullah Topkaraoğlu (Planning Specialist)	+	1
12.	Doğu Marmara Development Agency	Ali Kerem Fidan (Expert)	+	1
13.	Fırat Development Agency	Muhammed Fatih Çan	+	1
14.	Zafer Development Agency			
15.	Güney Ege Development Agency			
16.	Trakya Development Agency	Ertuğ Güney (Planning, Programming Dep. Head), Dilara Güner (Expert)	+	2
CHAMBERS OF INDUSTRY AND COMMERCE IN PROJECT REGION				
17.	Adiyaman Chamber of Ind. And Com.			
18.	Antakya Chamber of Ind. And Com.			
19.	Batman Chamber of Ind. And Com.			
20.	Bursa Chamber of Ind. And Com.			
21.	Diyarbakir Chamber of Ind. And Com.	Murat Birkan	+	1
22.	Kahramanmaraş Chamber of Ind. And Com.			
23.	Kilis Chamber of Ind. And Com.			
24.	Malatya Chamber of Ind. And Com.			
25.	Manisa Chamber of Ind. And Com.			
26.	Mardin Chamber of Ind. And Com.			
27.	Mersin Ticaret Ve Sanayi Odasi	Sinem Çam	+	1
28.	Osmaniye Chamber of Ind. And Com.			
29.	Sakarya Chamber of Ind. And Com.	Elif Sarıoğlu (Project and Bus. Development Manager)	+	1
30.	Şanlıurfa Chamber of Ind. And Com.			
31.	Tekirdağ Chamber of Ind. And Com.			
32.	Adana Chamber of Ind.	Bora Kocaman (General Secretary)	+	1
33.	Adana Chamber of Com.			
34.	Ankara Chamber of Ind.	Nilay Şahin	+	1
35.	Ankara Chamber of Com.	Emre Demir(Foreign Relations and Expositions Dep. - Expert)	+	1
36.	Denizli Chamber of Ind.			
37.	Denizli Chamber of Com.			
38.	Gaziantep Chamber of Ind.	Yusuf İzzettin İymen (Deputy to Gen. Secretary)	+	1
39.	Gaziantep Chamber of Com.			
40.	İstanbul Chamber of Ind.			

41. İstanbul Chamber of Com.	Burak Öztemel (Incentives and SMEs Manager)	+	1
42. Ege Bölgesi Chamber of Ind. (İzmir)	Seda Arıcan Maslen (Local Chamber Coordinator)	+	1
43. İzmir Chamber of Com.			
44. Kayseri Chamber of Ind.			
45. Kayseri Chamber of Com.			
46. Kocaeli Chamber of Ind.			
47. Kocaeli Chamber of Com.	Mert Anlıpak (General Secretary)	+	1
48. Konya Chamber of Ind.			
49. Konya Chamber of Com.	Erdener Sunar	+	1
GOVERNMENT INSTITUTIONS AND OTHERS			
50. Presidency FRIT Office	Suat Dede (Expert)	+	1
51. Ministry of Treasury and Finance	No response received (Contacted via telephone and email)		
52. Turkish Employment Agency - İSKUR Foreign Affairs and Projects Department	No response received (Contacted via email)		
53. Social security institution / Risk Management and Projects Department	Can not attend yet will send official correspondence. Will cooperate during project implementation.	-	
54. Ministry of Industry and Technology	No response received (Contacted via email)		
55. KOSGEB	Selim Serkan ERCAN (KOSGEB Project Management Director)	+	1
56. Turkish Red Crescent	Mert Saraç (Livelihood Improvement Assistant) / Faruk Shaban (Coordination Assistant)	+	2
56. Foreign Ministry - EU Presidency	No response received (Contacted via telephone and email)		
57. Syrian Economic Forum/International Syrian Business Association	Rami Sharrack/No response received (Contacted via telephone and email)		
TOTAL			29

TKYB WORLD BANK FORMAL EMPLOYMENT CREATION PROJECT SEP DISCLOSURE MEETING INVITATION LIST			
7 FEBRUARY 2020; 2.SESSION; at 14:30			
INVITATION LIST			
<i>All letter of invitations are sent to institutions via electronic communication system and postal service.</i>			
POTENTIAL PFIs	Participant	Status	# of Participants
58. Garanti Finansal Kiralama A.Ş.	Bercem Mehmetoğlu Kurtbay (Treasury and Financial Institutions Manager)	+	1
59. İş Finansal Kiralama A.Ş.	Çağdaş Altan / Alper Caymaz	+	1

60. Qnb Finans Finansal Kiralama A.Ş	Ayşe Banu Boyner (Deputy Finance Manager)	+	1
61. Yapı Kredi Finansal Kiralama A.O.	Meltem Afacan (Treasury and Negotiations Manager) / Ceren Mercan Kama (Projects and Marketing Manager) / Serkan Günal (Treasury and Negotiations Director)	+	3
62. Deniz Finansal Kiralama A.Ş.	Responded - will not participate	-	
63. Ak Finansal Kiralama A.Ş.	Not available on the day of meeting however will organize a seperate meeting in near future	-	
64. Vakıf Finansal Kiralama	Ahmet Emin Donat (Finance Manager) / Gonca Yadiğar	+	2
65. Ziraat Katılım Bankası	Hüseyin Baykara (Fund Specialist) / Ceylan Alpay Bakırcıoğlu (Leasing Dep. Head / Mustafa Barbaros Özüyılmaz (Financial Markets Dep. Head)	+	3
66. Halk Finansal Kiralama	Pınar Akansel (Fund Management Manager)	+	1
67. Vakıf Katılım Bankası	Erkan Aslan(SME Banking Director) / Bülent Taban(Deputy General Manager) / Barış Kösten (Dep. Head)	+	3
PFI TOTAL			15

The meeting was carried out in two sessions; the first session aiming to consult relevant government authorities, other institutions and organizations while the later aimed to consult the potential PFIs on the projects stakeholder engagement strategy.

The detailed minutes demonstrating the questions raised and answered during both sessions and the suggestions that will be considered during project implementation are provided in Annex 2.

Photos from the SEP consultation meeting held on February 7, 2020, TKYB Head Office





ANNEX 1. SAMPLE GRIEVANCE FORM AND GRIEVANCE CLOSEOUT FORM

GRIEVANCE FORM			
Project Name	Complainant Status	Grievance Subject/Category	
Name of person receiving grievance:		Date:	
Title: Ms./Mr.			
INFORMATION ABOUT COMPLAINANT		Ways of Receiving Grievance	
<i>(This section may not be filled if the complainant wishes to remain anonymous but in any case an email for communication purpose must be provided)</i>			
Name		Surname	
Gender		Phone	<input type="checkbox"/>
Phone number		Information Meetings	<input type="checkbox"/>
Address		Application to Office	<input type="checkbox"/>
District/Neighborhood		Mail/e-mail	<input type="checkbox"/>
Email		Field visit	<input type="checkbox"/>
Signature (if possible)		Other:	<input type="checkbox"/>
DETAILS OF GRIEVANCE			

GRIEVANCE CLOSEOUT FORM

ASSESSMENT OF THE GRIEVANCE

--

Corrective Action Required:	<input type="checkbox"/> YES	<input type="checkbox"/> NO
	Please describe the action if it is required to close-out the case	

RESULT

--

CLOSEOUT
This part will be filled in and signed by the complainant and the complaint evaluation committee when the corrective action or file is closed-out. (Instead of taking the signature of the complainant, receipt or other supplementary documents can be attached to the form in order to verify that the file has been closed-out.)

Responsible Person	Complainant
Name-Surname	Name-Surname
Date and Signature	Date and Signature (If possible)

ANNEX 2. SEP CONSULTATION MEETING MINUTES

TKYB-World Bank Formal Employment Creation Project Stakeholder Disclosure Meeting Minutes

Date: 07.02.2020

Place: TKYB Head Office

Participants: Özgür Maraş, Executive Vice President, Özlem Cinemre Executive Vice President Customer Value Management and Business Development Department-Participants from Development agencies, chamber of commerce and industry and state institutions and potential PFIs and TKYB Project related staff

SESSION-I – (10:30 – 12.00)

Presidency FRIT Office, KOSGEB, Red Crescent, Development Agencies in the project region and representatives of industry and trade chambers in the project provinces and experts from the relevant units of the Bank participated in the First Session held in the Conference Hall of our Bank.

İsmail ÜNVER- Mevlana Development Agency (Konya):

As it is known, there is 1/5 rule in foreign employment, 1/10 rule in Syrian employment. Don't these two rules contradict each other? Isn't the 1/10 rule complicating the implementation of the grant?

Answer: Depending on the needs and situation of the companies, credit and grants can be preferred. The final yield of 10 million Euro with low interest loan may be higher. This study has a quality that does not disturb business peace.

Mevlana Development Agency: What is meant by PFI?

Answer: Leasing companies and banks.

Sezin DEREÇİ-Istanbul Chamber of Industry:

Are the grant evaluation conditions similar to the EU evaluation process? If EU criterias and evaluation method will be implemented, it may be beneficial to provide project preparation training to SMEs.

Answer: The grant component of the project is still in the design phase and can be reviewed and revised in line with opinions. A scoring will be made for applicants on the grant, and accordingly, the main criteria will be subjected to employment creation, and in the sub-detail of this, financial and operational capacity, sustainability, women's employment, migrant employment and etc.

Sezin DEREÇİ-Istanbul Chamber of Industry:

Can chambers benefit from this system?

Answer: Beneficiaries must be private sector companies. However, we are open to cooperation with the chambers of industry and commerce. You know the companies best, and we look forward to your support in terms of guidance and announcement, especially in training activities within the scope of technical assistance.

Bora KOCAMAN - Adana Chamber of Industry:

Chamber can be used as an infrastructure element in reaching the target beneficiaries. Can infrastructure investments of OIZs and SIAs be evaluated under this program? Can it be applied to SIAs that have high economic potential and can provide significant employment? In addition, since the industrial zones in many cities remain in the city centers, it is on the agenda to move the facilities out of the city. Can it be evaluated within the scope of the grant or loan?

Answer: A separate, special purpose loan program can be designed for the transportation of OIZs and SIAs in the city, and we would like to discuss this issue separately. OIZs are directly credited or benefited from the grant does not seem appropriate according to the current design, but let's note, we can discuss with the World Bank.

Burak ÖZTEMEL - Istanbul Chamber of Commerce:

Where can the rooms take part in this project? The project seems to be aimed at eastern provinces rather than big cities. Will there be a regional priority?

Answer: There is no such thing as regional priority. The grant may be useful in east, but we expect large businesses to create more permanent jobs, so we expect large firms in large cities to enjoy higher credit.

We learned that more than a thousand Syrian companies were registered during our visit to the Gaziantep Chamber of Industry. Every week 250 Syrian origin companies are established in Turkey. Informing these companies may be the function of the chambers.

Seda MASLEN - Ege Chamber of Industry:

Under the leadership of TOBB, The Integration of Syrians to Turkey's Economy Project is in it's 3rd year. The use of chambers of industry is effective in the Aegean Region. Syrians who have taken the skilled labor force participation professional certification exam are being evaluated. In this project, 65% -35% Syrian / Turkish citizens are involved and it is difficult to meet the Syrian ratio.

There are complaints from companies for work permits. It takes 2 months to obtain a work permit. Firms with the rejection answer can give up.

We are a chamber with 5,000 members. Our announcement system works very effectively and we can easily reach companies.

Adana Chamber of Industry:

Work permits are carried out centrally and results can be obtained in a very short time in complete applications. The subject mentioned before may be due to lack of documents, because work permit can be obtained even in 4 days.

Red Crescent - Sultanbeyli Community Centre:

Work permits can be obtained in a maximum of 1 month. As the Red Crescent Community Center, we bring jobseekers with employers together. 5,000 people in Istanbul benefited from World Bank's İŞKUR project. The project has a database of 2-3 thousand people. For those who benefit from the program, the Red Crescent pays the fee requested by the Ministry of Labor.

Employee support and training support can be provided to the companies we donate. We have 16 community centers working effectively.

Adana Chamber of Industry:

Many organizations offer this kind of support, but how effective this issue is doubtful. I think it's not very effective. How much effective are the trainings? Because the results are not measured. The projects of many institutions are pressing each other's feet. What is needed here is planning in the macro sense. As a result, informality continues as a problem.

Red Crescent - Sultanbeyli Community Centre:

When one of the refugees is registered, the ESSN card of all family members is canceled. Therefore, they want to work indifferently.

In the new recruitment, if İŞKUR makes the insurance start immediately at the beginning of the project, it will make 35 TL, and then this number can increase to 780 TL. Unfortunately, there are not many who are aware of this. Businesses with less than 10 employees cannot be controlled very well.

Dicle Development Agency:

Is monitoring procedure organized in the grant and credit monitoring process in conformity with World Bank or EU? The World Bank? Should the grant institution be accredited? What is the size of the grant?

Answer: The grant must be in conformity with the EU. World Bank procedures and rules will be applied in the loan. The World Bank and UN are accredited institutions, so TKYB cooperates with the World Bank. The size of the grant is 80 million Euros and some of it will be used for technical assistance as well.

Mersin Chamber of Industry and Commerce:

Is there a limit on employment for grants and loans? In addition, reporting and documentation at the application phase for the grant is crucial. Project preparation training is also very important. Even passing the Concept Note in EU format is a challenge. Will the language of the grant applications be in English? Being English creates additional difficulties for SMEs.

Answer: We anticipate total of 7,000 additional jobs, but it is expected to be more. The language of application has not yet been discussed with the EU, but we expect it to be difficult for SMEs and we will request it to be in Turkish.

Selim Serkan ERCAN - KOSGEB:

The language is one of the most important factors in grant applications, it has to be Turkish otherwise smaller firms will have difficulty in application.

Kosgeb has a large database where 1,7 million SME are already registered and they can apply loans via – government we portal and a powerful software that a cooperation can e devised to be used by TKYB in this project.

SMEs want to have access to longer term loans and lower interest rates.

One of the difficulties in working with refugees is to allow rather flexible time periods for re-entry, because the turnover tend to high.

Adana Chamber of Commerce:

Will you be giving different weights among 24 provinces? Will it be like Eximbank loans?

Answer: Effective and quick deployment is important for the Project. Cashflow of the firm will be examined in the loan, additional collateral will not be a must.

Trakya Development Agency:

Is there any plan to extend Turkish Lira loans? Because of last years' volatility in FX rates, SMEs have a tendency to avoid FX loans.

Answer: It is not certain yet but we have been discussing this option with the World Bank. However, when a company examines its options about currency of the loans, the maturity is also a determining factor because of lower level volatility in the long term. Our aim is to provide a longer term in this loan program.

Adana Chamber of Commerce:

There are recalls of foreign exchange loans in the markets so it will be considered somehow risky by SMEs. They will prefer to take loans in TL.

Answer: As chambers of commerce and industry, you are in a position to advise your members on how to assess their own risk preferences and positions in negotiating loans from the banks. The risk is a part of business but in this Project PFI will offer different terms and conditions such as in different currencies, fixed versus floating rates etc. so SMEs will have a chance to evaluate offers and choose among them.

Yasin DALGIC - Bursa Development Agency:

Refugee problem is significant in Bursa and it has to be managed well socially. There is a cluster of children clothing in Bursa and part-time women employment is a reality and necessity. The project should also take into account the creation of part time employment for women.

Murat ÇELİK- İzmir Development Agency:

There are significant number of tech companies located in İzmir and it is important to meet their specific training and skill development needs in technical assistance component of the project. Additionally, it is important to determine what kind of investment and working capital items will be eligible for financing since their expenditures are not fixed investment as machinery and equipment but rather licenses and software etc. So these items should be eligible for loan as well as grant financing.

SESSION-II – (14:30 – 16.00)

The Session II was held in the TKYB Board of Directors Meeting Room and total of 21 people attended as representatives from leasing companies, participation banks and, experts and managers from relevant departments of TKYB.

After giving information about TKYB restructuring process and apex operations by Mrs. Özlem Cinemre- Executive Vice President, Ayşegül Çerçi-Program Coordinator-made a presentation related to the Project.

It has been stated to representatives of financial institutions that loan interest rate has not been determined yet, and the maturity of the loan can be 7 years including 2 years' grace period, similar to the maturity of loans we have provided before.

It has been also stated that the purpose of project is for employment, but there is no Syrian citizen employment requirement in loan component and it will be requested to report employment increase. In terms of reporting, it has been indicated that TKYB online platform has been prepared and the reporting can be made through this platform.

Ziraat Participation Bank - Ceylan Alpay Bakırcıođlu: 100% financing is possible in financial leasing operations. So, Other Resource/ World Bank ratio should be 85:15 instead of Debt/equity ratio

Vakıf Finansal Kiralama - Gonca Yadigar: In the financial leasing operations, activation phase can be extended after contract is signed and the down payment is paid to the seller. It will be good if the amounts paid without waiting for activation are accepted as spending, otherwise the transactions may not be accepted since it will take a long time between the contract and the completion of the payment of the transaction.

Yapı Kredi Finansal Kiralama - Serkan Gnal: Pricing and long term maturity are important for us. We prefer fixed interest rate. Loan should be TL since firms are SMEs with no customer base in foreign currency income

Vakıf Katılım- Blent Taban: Loan should be interest rate-free due to our bank structure (participation bank)

The participants generally express positive opinion about max limit of 3 million for SME, and Trkiye SME definition to be valid. Leasing companies are not subject to legal limitation in the use of foreign currency loan. In this context, they emphasized to want loan with long term maturity, min 7 years.

It is understood that the issue of participation banks as PFI in this Project due to request for interest -free resources should be discussed with World bank. Bank PFI is necessary because financial leasing institutions cannot provide working loans to meet their working capital needs.

Conclusion and Suggestions that will be considered during Project Implementation

1. Chambers of commerce and industry, development agencies can be very efficient and effective in reaching to target group, that is direct beneficiaries of the loan and grant, due to their communication networks, and making announcement related to Project. It will be included in the SEP, which announcements and trainings will be held through trade and development agencies.
2. Chambers of commerce and industry, development agencies can be supportive about education and technical needs of firms. In this context, the Project preparation training can be very useful for grant beneficiaries and aforementioned trainings can be planned by making cooperation with these institutions. Financial literacy stands out as another training subject.
3. Long term TL loan and maturity are preferred by SMEs.
4. The language for grant can be Turkish due to insufficient institutional capacity of companies. Also, it is seen that EU format is generally difficult and complex.
5. Part-time employment should also be considered, especially with regard to women's employment. It is stated that firms can be biased about refugee employment, but they have a positive approach when there is an incentive factor.
6. People who need jobs and job seekers are matched from the database created in cooperation with the Red Crescent Community Centers and İŐKUR. The mentioned Red Crescent and İŐKUR cooperation can

be announced to the loan and grant beneficiaries of the project, and employment can be directed through this channel. In particular, the support given for the work permits required for Syrian employment can speed up and facilitate the process for beneficiary companies.

7. The collaboration can be made to use software infrastructure established by KOSGEB and so, fast use may be possible.
8. The price and maturity will be important for PFIs. They expect long term maturity, such as 5 years.
9. Elements such as software, license fee, which are the most important investment items for software companies, should be included in acceptable investment items.
10. The subject of OSB and KSS to benefit from loan and grant will be examined.