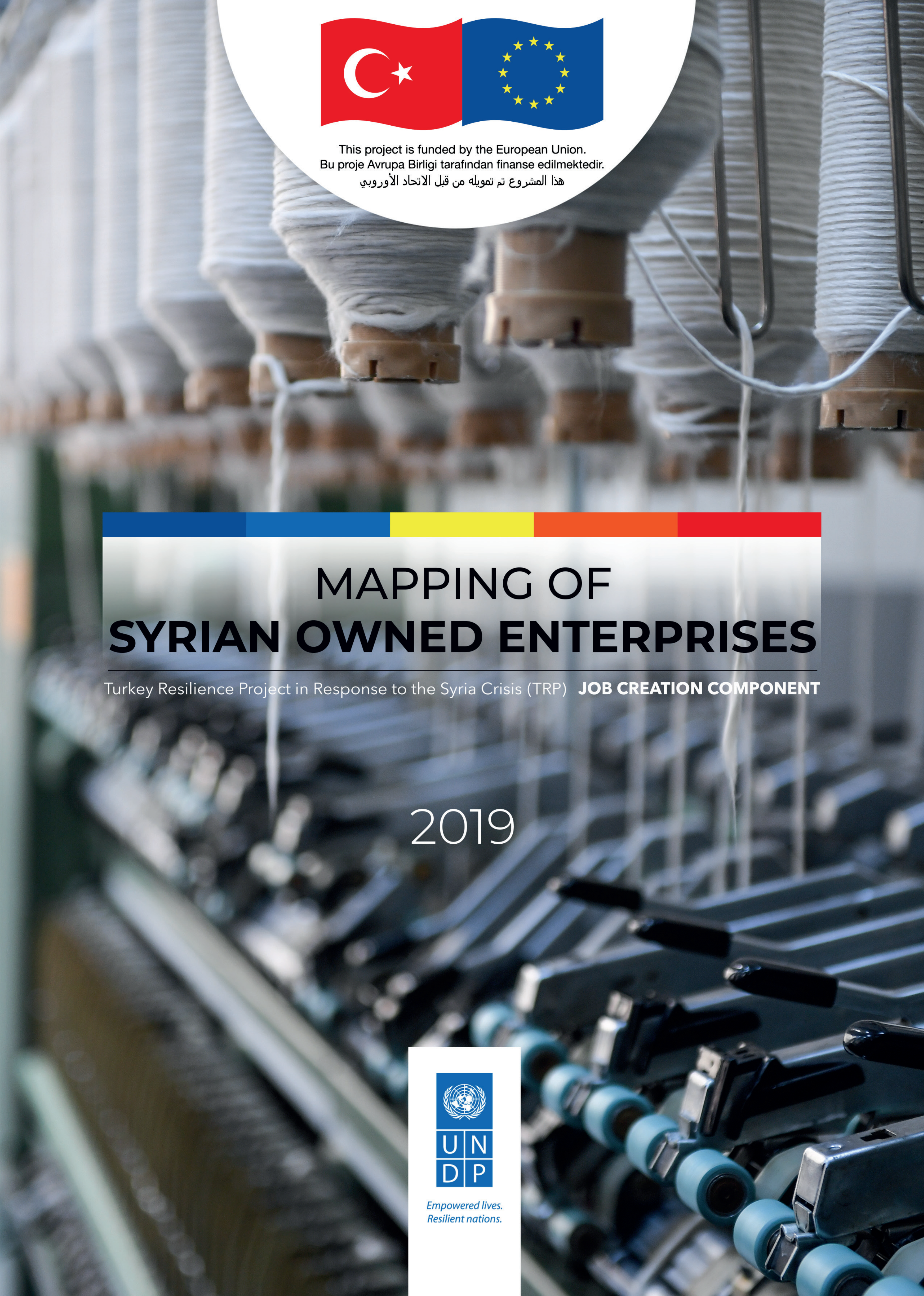

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MAPPING OF SYRIAN OWNED ENTERPRISES

Turkey Resilience Project in Response to the Syria Crisis (TRP) **JOB CREATION COMPONENT**

2019

UNDP

Empowered lives. Resilient nations.

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Güçlü bireyler.
Güçlü toplumlar.

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Turkey Resilience Project in Response to the Syria Crisis (TRP)

JOB CREATION COMPONENT

2019

FOREWORD

While refugees are too often portrayed only as beneficiaries of national and international assistance, it is crucial to recognize their immense resilience and creativity to harvest their full potential. The Government of Turkey has long understood this and demonstrated its ability to identify new opportunities in hosting the largest refugee population in the world, by facilitating access to entrepreneurship for Syrians under temporary protection.

Access to self-reliance plays a key role in ensuring that refugees are able to not only meet their basic needs and live in dignity, but also to enable them to contribute positively to their host communities and the local economy.

The Government has increasingly emphasized the importance of refugees' self-reliance and their entrepreneurship capacity, notably in light of the ESSN Exit Strategy released at the end of 2018. This echoes recent commitments at the global level, notably through the Global Compact on Refugees which identifies the need to enhance refugee self-reliance as its second objective. Again, this demonstrates how Turkey serves at a global level not only by the scale of refugee population hosted and but more importantly also by the depth and generosity of the policies put in place.

In this respect, the international community and UNDP in particular have a key role to play to ease the pressure on services provided by Turkey as a host country. As the co-lead of the Regional Refugee and Resilience Plan (3RP) with UNHCR and the lead agency of the Livelihoods sector, UNDP has a unique responsibility in supporting Government partners to foster access to job opportunities for refugees and host communities alike. However, good, sustainable and decent jobs will not be created by the UN or the Government. Only the private sector do so, and Syrian entrepreneurs are particularly well placed to provide employment opportunities to their compatriots and to Turkish nationals. This is why understanding the specificities, needs and perspectives of Syrian owned businesses in Turkey is key to take advantage of their growth potential. As part of the UNDP Syria Crisis Response and Resilience Program under the **"Turkey Resilience Project"**, funded through the EU Regional Trust Fund for the Syria Response (MADAD), UNDP has therefore conducted this mapping of Syrian business, which complements another survey on Private Sector Engagement in the Syria Crisis Response.

The report shows that Syrian businesses have rapidly grown in the wholesale and retail, manufacturing, and food and beverages sectors, and are already employing close to 10 persons per businesses. They are also demonstrating an important potential to exporting a large portion of their products, which will be key for Turkey to access new markets. The report also sheds light on important challenges, notably a very low share of female employees or entrepreneurs among Syrian businesses, and a lack of access to available support and incentives schemes.

As such, this report is a contribution to scaling up existing job creation efforts in Turkey to the benefit of Syrian refugees and host communities alike, and will be critical in supporting the joint efforts of the Government of Turkey, 3RP and other partners to transform the refugee presence into an opportunity to further advance local economic development.

CLAUDIO TOMASI

UNDP Turkey Resident Representative a.i

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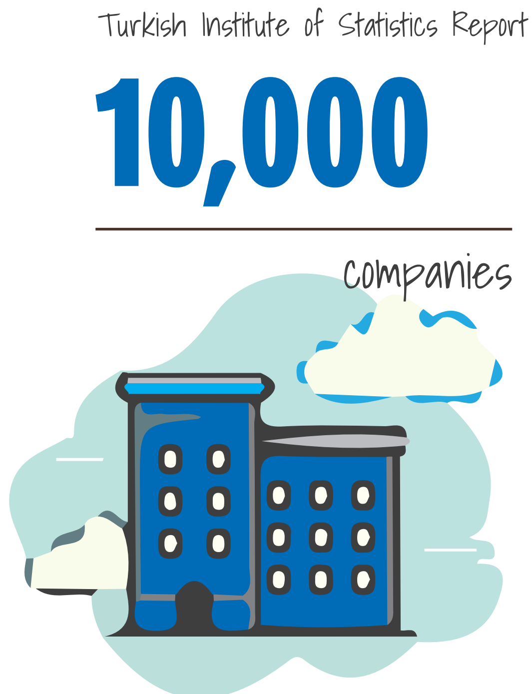
ABBREVIATIONS

ABİGEM	European-Turkish Business Centres
AKIB	Mediterranean Exporters' Association
BSO	Business Support Organisation
CC	Chamber of Commerce
CCI	Chamber of Commerce and Industry
CI	Chamber of Industry
CPA	Certified Public Accountant
EU	European Union
GİDEM	South Eastern Anatolia Project Entrepreneur Support Centre
GAIB	South Eastern Anatolia Exporters' Association
IESOB	Izmir Union of Chamber of Merchants and Craftsmen
İŞKUR	Turkish Employment Agency
IYA	Business Tendency Statistics and Real Sector Confidence Index
KOSGEB	Small and Medium Enterprises Development Organization of Turkey
MoIT	Ministry of Industry and Technology
MoTRADE	Ministry of Trade
NGO	Non – Governmental Organization
R&D	Research and Development
RDA	Regional Development Agency
Sworn-in CPA	Sworn – in Certified Public Accountant
TCMB	The Central Bank of the Republic of Turkey
TÜBİTAK	The Scientific and Technological Research Council of Turkey
UAE	United Arab Emirates
UNDP	United Nations Development Programme

INTRODUCTION

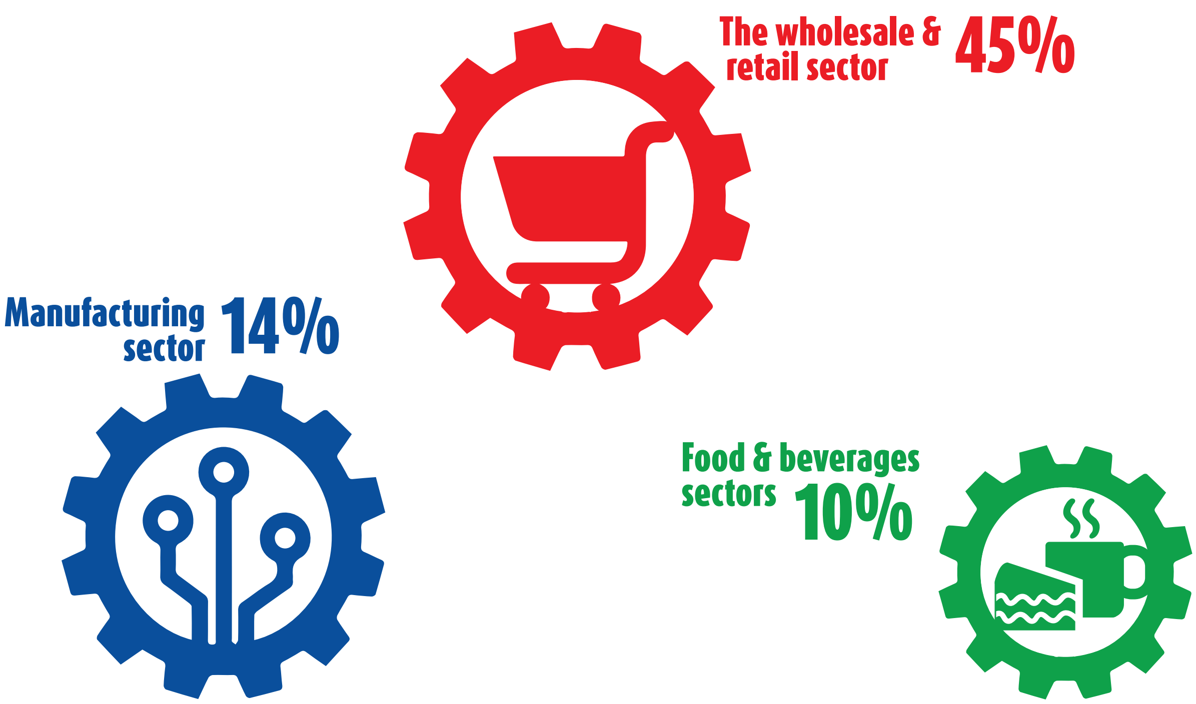
This report relates to a mapping exercise conducted in November 2018 which covers Syrian owned enterprises in the target provinces of Gaziantep, Kilis, Adana, Mersin, Izmir, Manisa and Hatay and focuses mainly on the manufacturing industry. The report covers Syrian owned enterprises' sectoral distribution, production capacity, marketing strategies, contributions to the local economy, levels of employment including women's employment, export and import figures, relations with local companies, position in the value chain, and projections for future growth.

There has been considerable discussion on Syrian businesses in terms of their impact on the employment of Syrians, the creation of new jobs and the contribution of their business growth to the local economy during the economic slow-down. The ESSN Exit Strategy[1] developed by MoFLSS and the Presidency Coordination Office for the Facility for Refugees in Turkey also identified "developing Syrian businesses" as the second strategic objective in terms of increasing formal employment and job creation.



According to the report prepared by the Turkish Institute of Statistics (TUIK), the Turkish economy is benefiting from the presence of Syrians, migration had no negative impact on unemployment and average wages in Turkey while Syrians often fill gaps in sectors locals were reluctant to work in, and contributed towards internal consumption, boosting the Turkish internal market. According to the report, Syrian deposits in Turkish banks had reached 1.5 billion liras by 2015. Syrian entrepreneurs have also contributed to job creation and economic growth with around 10,000 companies established by the newcomers, resulting in around 100,000 new jobs for both Syrians and host community members[2].

Today,
Syrian business in Turkey are operating mostly in

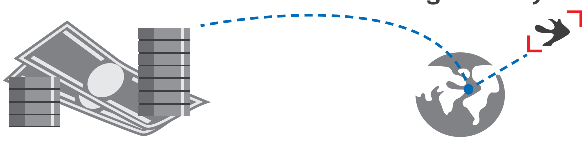


[1] FRIT Office of the Presidency of Turkey and Ministry of Family, Labour and Social Services, Exit Strategy from the ESSN Program, December 2018

[2] https://www.trtworld.com/turkey/syrians-have-had-a-positive-impact-on-the-turkish-economy-26640/amp?__twitter_impression=true

They have reached their current scale with little to no support. The mapping exercise reveals the following situation with respect to the overall operations of Syrian business in Turkey:

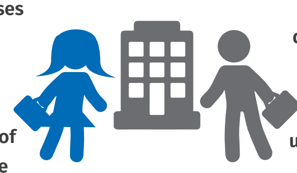
95.3% of the enterprises interviewed are experiencing their **first investment** in a foreign country



Syrian businesses employ **2,766 individuals** in total with an average of **9.2 person per company** and **13%** of them are expecting an increase in the coming 12 months while **64 vacancies** are available in the interviewed companies

12% of the personnel employed by the interviewed enterprises are women & **88%** are men

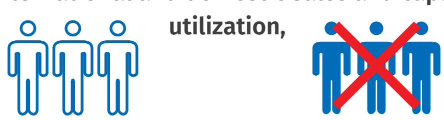
It is interesting to see that **83.1% of the women** employees are Turkish while this rate is almost exactly the opposite for male employees (**73.7% Syrians**, and 26.2% Turkish),



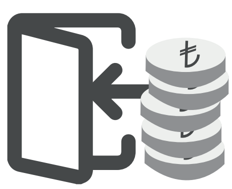
Syrian businesses employ a small proportion of women only **12%**, most of whom (83%) are Turkish female employees.

The situation is quite different for male employees, as Syrians make up **73.7%** of male employees and Turkish male employees 26.2%

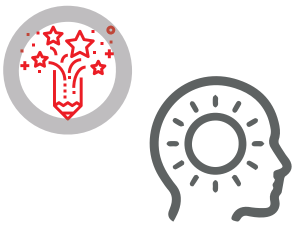
83% of the Syrian businesses indicated that **they are not in need** of new employees despite the fact that they expect growth in international and domestic sales and capacity utilization,



Syrian businesses have more problems with **access to finance,** which is the main issue for **41.5%** of them, compared to only **18%** of Turkish companies

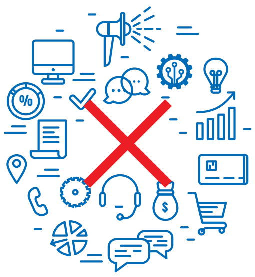


Syrian businesses are more optimistic than Turkish businesses in terms of their future expectation regarding increased domestic and international sales and employment



95% of them do not benefit from Government support, two thirds citing lack of information as the main reason,

Syrian businesses **do not use modern finance** instruments and **lack marketing tools**



The majority of the participants stated that they **have no relations** with the institutions such as **Development Agencies, KOSGEB, Universities and İŞKUR.**

In light of these findings, it is apparent that Syrian business have potential, but that they also need support from relevant stakeholders including governmental institutions, UN Agencies and NGOs working on livelihoods, and financial institutions specialized in growth of SMEs.

Further assessments on profiling of the households purchasing from Syrian businesses, areas of specialization among Syrian manufacturers and borrowing behaviour of the Syrian businesses could also reveal more areas to develop projects to boost the potential that Syrian businesses have.

We are pleased to share with you this mapping exercise to help you in understanding the potential and challenges of Syrian businesses in Turkey and guide you in developing programs targeting Syrian businesses to increase their potential to contribute to the local economy and consequently to create new jobs for both Syrians and host community members.

Methodology

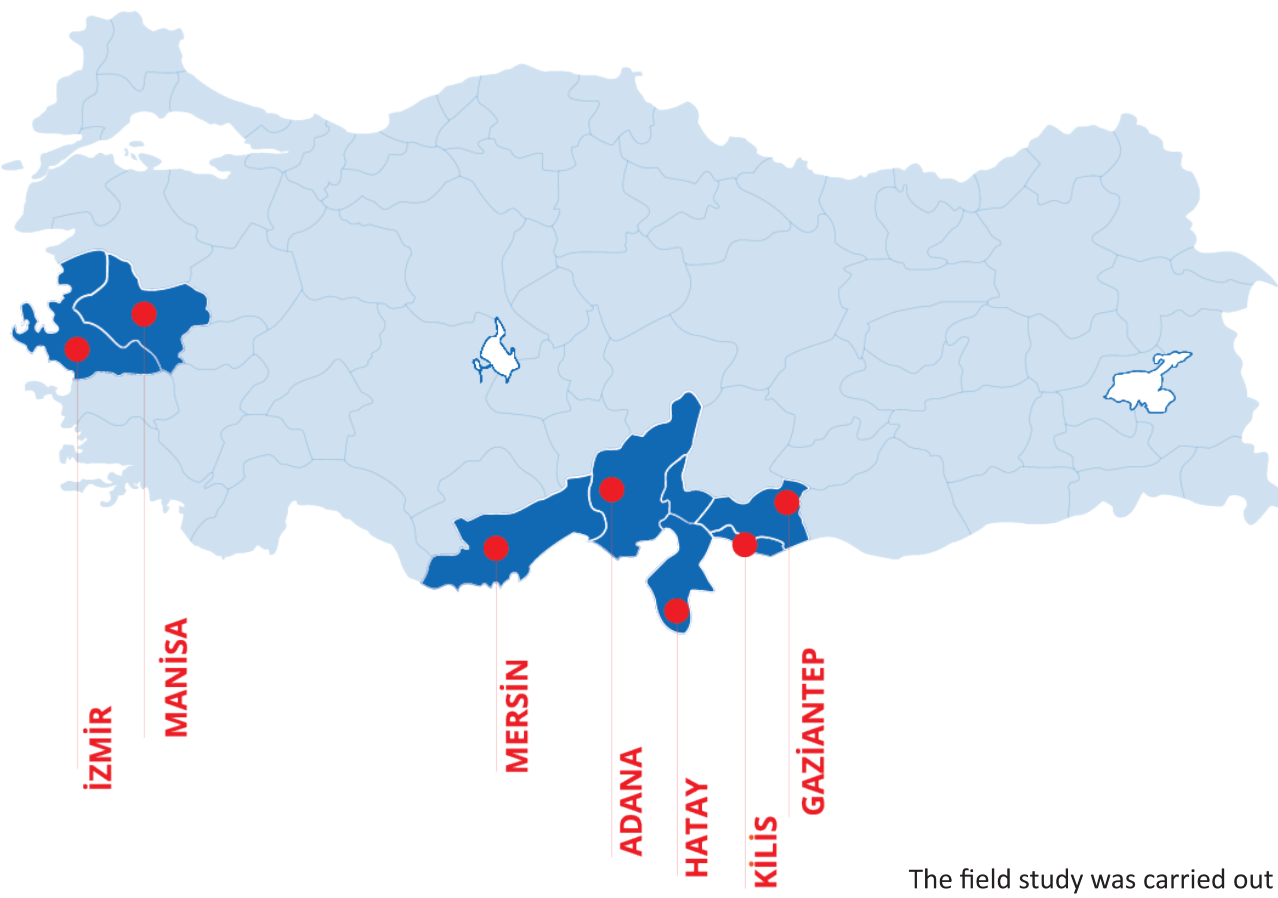
The survey focussed on face-to-face interviews conducted through a questionnaire (Appendix 1) in target provinces with pre-identified participants. The outcomes of the interviews were first digitised and prepared for analysis using survey data tabulation software. In addition to the tables, this report discusses findings and policy recommendations based on the field study and a desk analyses conducted by experts on the critical findings.

PARTICIPANT IDENTIFICATION

For this mapping a wide consultation was carried out to obtain up-to-date data about Syrian-owned companies' in 7 target provinces with the trade unions under TESK (Confederation of Turkish Tradesmen and Craftsmen), the Aegean Region Chamber of Industry (EBSO), Mersin Chamber of Commerce and Industry (MCCI), Hatay Chamber of Commerce and Industry (HCCI), Kilis Chamber of Commerce and Industry (KCCI), Gaziantep Chamber of Industry (GCI), Gaziantep Chamber of Commerce (GCC), Adana Chamber of Industry, Mediterranean and Southeast Exporters' Association, Adana Chamber of Commerce and Izmir Chamber of Commerce.

The Syrian Economic Forum and Syrian Businessmen's Association in Gaziantep, Directorate of Kilis Organized Industrial Zone and Kilis CCI also supported the outreach efforts by providing general information about locations where Syrian owned enterprises are geographically concentrated. All lists were processed, and unreachable manufacturers were filtered out to finalise the list of potential enterprises to visit.

Facts & Figures of The Study

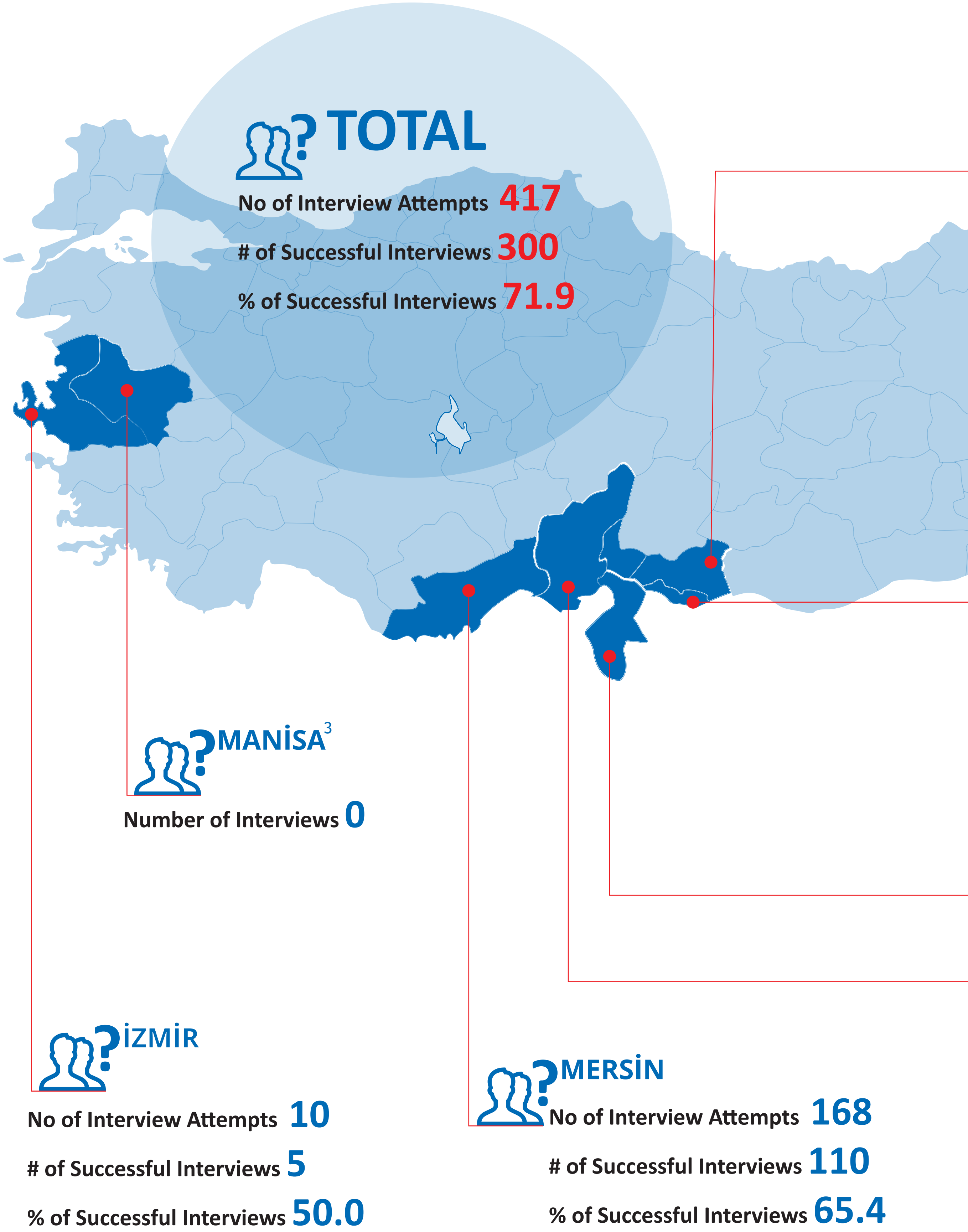


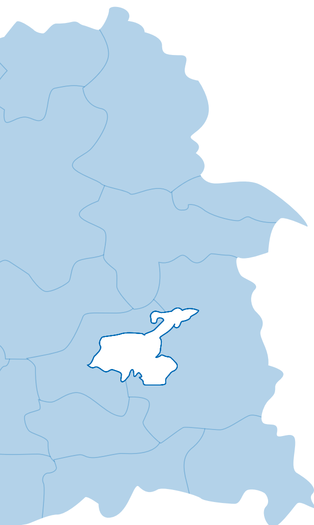
The field study was carried out in **seven** cities.

Around 10 companies refused to participate in the interview. It was observed that these companies were worried about sharing information since they employed unregistered workers.

Other companies that refused did so on the grounds that their authorised representatives are not at the company premises at the time of the visit.

Table 1: Tasks of the Study





GAZİANTEP

No of Interview Attempts **129**

# of Successful Interviews **92**

% of Successful Interviews **71.3**

KİLİS

No of Interview Attempts **23**

# of Successful Interviews **18**

% of Successful Interviews **78.2**

HATAY

No of Interview Attempts **71**

# of Successful Interviews **65**

% of Successful Interviews **91.5**

ADANA

No of Interview Attempts **16**

# of Successful Interviews **10**

% of Successful Interviews **62.5**

[3] Manisa Governorship confirmed that there are no Syrian owned enterprises in the province based on the records of the Manisa Chamber of Commerce and Industry and the Association of Chambers of Manisa Tradesmen and Craftsmen.

FIELD STUDY FINDINGS

This section details the findings of the survey of 300 Syrian owned enterprises in six cities through the answers given to the questions.

The field study findings are set out in 6 sub-sections:

- **BASIC DATA**
- **CHARACTERISTICS OF THE ENTERPRISES**
- **EMPLOYMENT**
- **PAST PERFORMANCE AND FUTURE EXPECTATIONS**
- **ACCESS TO RESOURCES**
- **MARKETING, R&D - INNOVATION AND PRODUCTIVITY**

Basic Data

This section presents basic data for the enterprises interviewed in the field study.

The basic data consist of :

- Gender and age of the interviewees,
- The number, legal status, establishment dates, turnover, number of employees, partnership structures and headquarters of the enterprises that were interviewed.

The gender breakdown of the interviewees for this mapping survey is shown in the table below.

Table 2: Gender of the Interviewees

Gender	Number	Percentage
Men	290	%96.7
Women	10	%3.3
TOTAL	300	%100.0

As can be observed from the disaggregation of the interviewees by gender, the number of women is dramatically low, which also reflects the overall situation regarding women's employment in Syrian businesses.

The age groups of the company representatives interviewed within the scope of this mapping survey are shown in the table below.

Table 3: Age of the Interviewees

Age	Men	Women	Number	Percentage
Between 18-24 years	12	-	12	4.0%
Between 25-34 years	58	8	66	22.0%
Between 35-44 years	129	2	131	43.7%
Between 45-54 years	63	-	63	21.0%
Between 55-64 years	18	-	18	6.0%
Missing data	3	-	3	1.0%
No answer	7	-	7	2.3%
Total	290	10	300	100.0%

7 interviewees, or 2.3%, did not answer the question on their age.

The geographical distribution of the enterprises visited for this survey is shown in the table below.

Table 4: Cities Visited

City	Number	Percentage
Adana	10	3.3%
Kilis	18	6.0%
Manisa	-	-
Mersin	110	36.7%
Gaziantep	92	30.7%
Hatay	65	21.7%
İzmir	5	1.6%
Total	**300**	**100.0%**

The distribution of the legal status of the enterprises visited for this survey is shown in the table below.

Table 5: Legal Status of the Enterprises Visited

Legal Status	Number	Percentage
Unregistered	14	4.7%
Sole Proprietorship	43	14.3%
Limited Liability Company	237	79.0%
Cooperative Company	6	2.0%
Total	**300**	**100.0%**

As can be seen in the table, the majority of the companies were established as "limited companies", which requires a certain amount of capital to invest while establishing the business (at least 10,000 Turkish lira). This points to the contribution made by Syrian enterprises by bringing new investments into the local economy. According to the estimates, billions of dollars have flowed into Turkey since 2011 .

The legal status of the enterprises visited is shown in the table below also by the province where they are located.

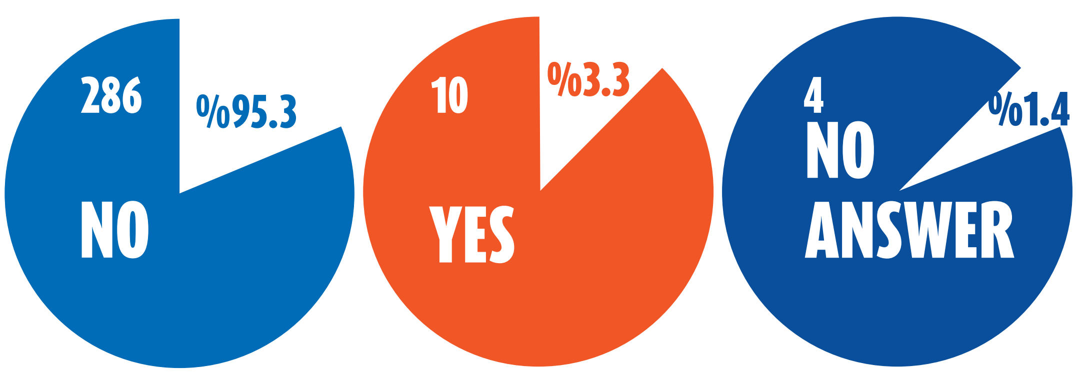
Table 6: Legal Status of the Enterprises visited, by Province

City	Unregistered	Sole Proprietorship	Limited Liability Company	Cooperative Company	Total
Adana	1	1	8	-	10
Gaziantep	1	4	85	2	92
Hatay	8	24	33	-	65
İzmir	-	5	-	-	5
Kilis	-	3	15	-	18
Manisa	-	-	-	-	0
Mersin	4	6	96	4	110
Total	**14**	**43**	**237**	**6**	**300**

During the interviews, company officials were also asked whether they had invested in another country outside of Syria before investing in Turkey. **95.3%** of the business representatives stated that **they had no investments in any other country.** The responses to this question are listed below in **Figure 1**.

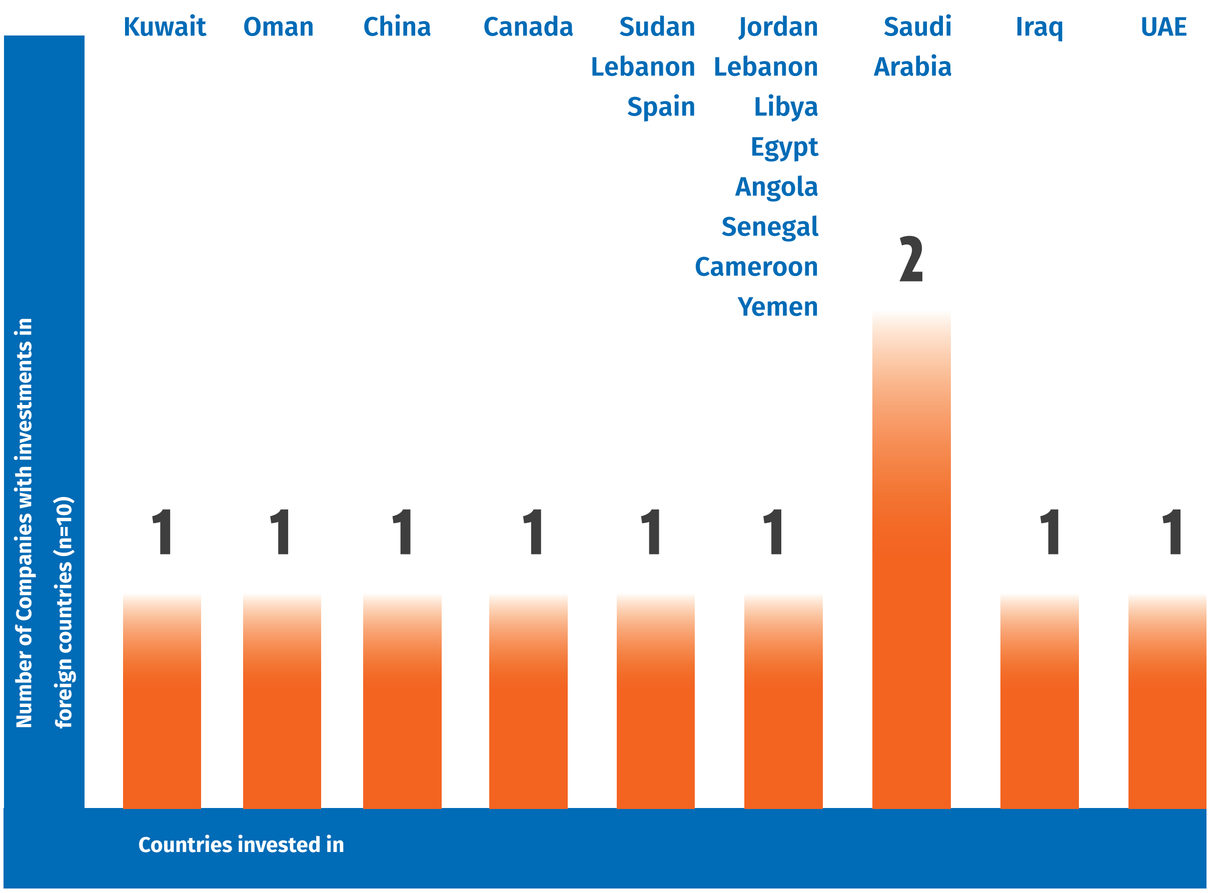
The lack of experience of the majority of the Syrian businesses interviewed in doing business in a foreign country also indicates their need to access information on **"how to do business in Turkey"** through inclusive services provided by governmental institutions, chambers of industry and commerce and business associations. Since lack of language skills remains a barrier, providing Syrian businesses with access to information in Arabic will boost their growth and integration and contribute to the local economy including Turkish exports (The export potential of Syrian businesses will become clear in the following sections).

Table 7: Investment in other Countries before Turkey



The country or countries that the interviewees stated they had invested in before Turkey are shown in the graph below.

Figure 1: Investment in other Countries, by Country, except Turkey and Syria



Only 3.3% of the owners of participating firms can be said to have experience in direct foreign investment. The remainder made their first commercial / industrial investment in Turkey, with the exception of their home country. It is thought that the enterprises need a higher level of human resources, information and knowledge resources to invest in other countries. However, regardless of their level of resources, the clear majority of enterprises investing in Turkey were found to be investing with no previous experience of direct foreign investment.

> **“Only 3.3% of enterprises have experience of direct foreign investment. The proportion of enterprises that have no experience in investing outside of their home country is 95.3%.”**

Considering that only 3.3% of the enterprises had experience of investing in a country before investing in Turkey , almost all of founders and/or shareholders of these enterprises should be seen as entrepreneurs who are attempting to earn a living rather than foreign investors. From this point of view, these entrepreneurs, who do not know the country’s business culture and who are trying to maintain their activities with limited communication and mobility on the basis of their own business culture and experiences, present a more open and dynamic profile than Turkish enterprises despite all the negative factors.

The responses to the question on the location of company headquarters are shown in the table below.

Table 8: Location of Headquarters of the Enterprises

Headquarter of The Enterprise	Number	Percentage
Turkey	293	97.7%
Syria	2	0.7%
UAE	1	0.3%
Kuwait	1	0.3%
No Answer	3	1.0%
Total	300	100.0%

As shown in the table, **97.7%** of the enterprises interviewed have their headquarters in Turkey.

The distribution of the interviewed enterprises by date of establishment is given in the table below.

Table 9: Enterprises Interviewed by Date of Establishment

Date of Establishment	Number	Percentage
2018	34	11.3%
2017	53	17.7%
2016	50	16.7%
2015	45	15.0%
2014	50	16.7%
2013	47	15.7%
2012	9	3.0%
2011	1	0.3%
2010	2	0.7%
2005	1	0.3%
1985	1	0.3%
1984	1	0.3%
No Answer	6	2.0%
Total	300	100.0%

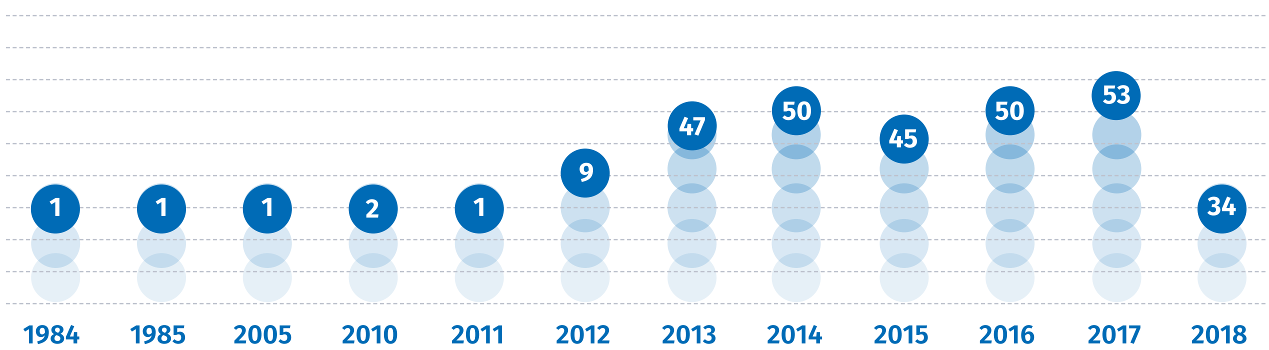
As shown in the table, **11.3%** of the enterprises were established during the last year (2018), **45.7%** in the last three years and **77.3%** in the last five years.

The graph below depicts the trend of enterprise establishment over time. Enterprises established before 2012 are relatively larger and more integrated with Turkish business life than those established later.

For example, the average employment at these enterprises is 27% higher than the average employment for all enterprises interviewed. On the other hand, while the overall female employment rate is 12%, the female employment rate at these enterprises established before 2012 is 33%.

> **“Higher integration of the Syrian owned enterprises with the local economy results in higher employment numbers including higher employment rates for women.”**

Figure 2: Enterprises Interviewed, by Date of Establishment



The number of Syrian owned enterprises in Turkey continues to grow. In March 2019, 73 companies that were established with Syrian capital, investing 14 million Turkish liras. In April 2019, 72 companies were established mainly in Istanbul, following by Mersin and Hatay, and the total investment reached 17.4 million Turkish Liras[4].

It is estimated that since 2011, over USD10 billion in Syrian investment has flowed into Turkey.

The distribution of the declared annual revenue of the enterprises is given in the table below.

Table 10: Enterprises Interviewed, by Annual Revenue

Revenue Range	Number	Percentage
0-3 Million TL	216	72%
3-25 Million TL	65	21.7%
25-125 Million TL	7	2.3%
No Answer	12	4.0%
Total	**300**	**100.0%**

[4]TEPAV Bulletin of Companies with Syrian Capital, March and April 2019, https://www.tepav.org.tr/en/yayin

The distribution of the enterprises interviewed by ownership structure is shown below.

Table 11: Enterprises Interviewed, by Ownership Structure

Ownership Structure by Shareholder Nationality	Number	Percentage
100 % Syrian Ownership	284	94.7%
Partnership with Turkish Citizens	11	3.7%
Partnership with Citizens of Other Nations	3	1.0%
No Answer	2	0.6%
Total	**300**	**100.0%**

As shown in the table, only **4.7%** of the interviewed enterprises have partners who are Turkish or other nationals. Most enterprises continue to operate with fully Syrian ownership.

A similar rate was obtained in the Private Sector Survey that UNDP conducted in late 2018 to better understand the Turkish private sector's perceptions and motivation with regards to engagement in the Syria Crisis Response. Out of the 288 enterprises which responded to the online survey, only 3.4% had Syrian partners. Interaction between the two business communities is clearly low and this also is likely to hamper new business opportunities and eventually job creation for both business communities. Relevant stakeholders such as chambers of commerce and industry, business associations, UN agencies and NGOs working in this field could facilitate efforts to explore the areas of potential cooperation between the two business communities so as to boost their growth on a mutual basis.

The table below shows the distribution of shares by the partners' nationality in enterprises with Turkish or other national partners.

Table 12: Distribution of Shares by Partner's Nationality in the Enterprises

Nationality of the Shareholder	Shares (%)					
Syrian	85	80	60	50	50	40
Turkish	15	20	-	50	-	60
Other	-	-	40	-	50	-
Number of Enterprises	**1**	**1**	**1**	**8**	**2**	**1**

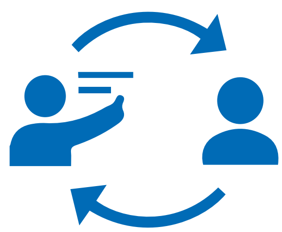
The interviewed enterprises employ a total of 2,766 people (9.2 employees per company). The distribution of employed personnel by gender and nationality is shown in the table below.

Table 13: Employed Personnel by Sex and Nationality

Personal by Nationality	Women	% of Women	Men	% of Men	Total	% of Total
Syrian	54	16.6	1,799	73.7	1,853	66.9
Turkish	271	83.1	639	26.2	910	32.9
Other	1	0.3	2	0.1	3	0.2
Total	**326**	**100.0**	**2,440**	**100.0**	**2,766**	**100.0**

67% of the 2,766 personnel employed in the 300 enterprises are Syrians. The enterprises want to employ Syrian personnel for two main reasons. These are:

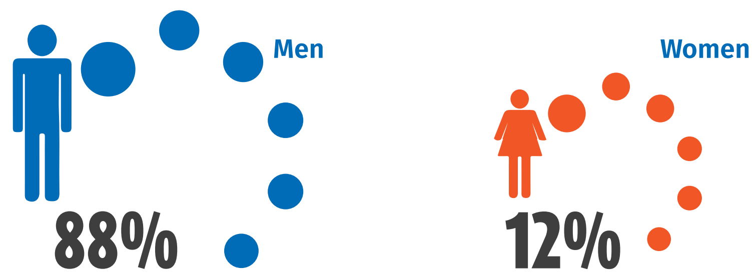
- **Business culture and working style:** Enterprises tend to employ personnel that belong to the same business culture and the same working style.



- **Ease of communications:** Enterprises prefer Syrian personnel for efficient and easy communication between all personnel.

12% of the personnel employed by the interviewed enterprises are women and 88% are men. A low rate of women's employment in Syrian businesses is only to be expected given the low participation of women (13%) in the labour market in Syria before the crisis. However, it is also interesting to see that 83.1% of the women employees in these businesses are Turkish while this rate is almost exactly the opposite for male employees (73.7% Syrians, and 26.2% Turkish). In the following sections, the reasons for not employing women will be elaborated as well. One promising fact with regards to women's employment is that the more Syrian businesses are integrated into the local economy, the higher the level of women's employment (i.e.: the level of women's employment in Syrian companies established before 2012 is comparatively high.)

Figure 3: Employed Personnel by Sex



67% of personnel employed in the enterprises are Syrian nationals, 32.9% Turkish and the rest other nationalities.

Figure 4: Employed Personnel by Nationality

> **“Syrians prefer to employ Syrian personnel, although it is obligatory to employ a certain number of Turkish personnel in proportion to the Syrians employed (10% quota). This situation also reflects the high level of informal employment within the Syrian businesses. Syrian businesses have stated that being able to employ Syrians without any quota and restriction would be their way to contribute to the Syrian community by facilitating their access to the labour market and supporting them in becoming self-reliant.”**

Another indicator that could assist in understanding the level of integration of Syrian businesses with the local economy is the level of their relations with the local economic actors including governmental and non-governmental institutions. Information on the membership of the interviewed enterprises in Business Support Organisations (BSO) is shown in the table below. It should be borne in mind that companies have to register with the chambers of commerce and/or industry or the relevant craftsperson's association, depending on their fields of activity, as a part of the formal business registration process. They can also become members of more than one BSO (e.g.: both a chamber of commerce and an exporters' association). 14 companies stated that they are not members of any BSO as they are not registered.

Memberships of each BSO and a matrix of multiple membership are shown in the table below.

Table 14: Information on the Membership of the Interviewed Enterprises in BSOs

BSO	Adana CC	Antakya CCI	Gaziantep CC	Gaziantep CI	İstanbul CC	İzmir CC	IESO B	iskenderun CCI	Kilis	AKIB	Multiple Membership	Total Membership	% of Companies İnterviewed
Gaziantep CC		1	24		1			6		32	64	91	29.1%
Mersin CCI					11		1	2		14	28	79	25.2%
AKIB	1	3				3				4	8	36	11.5%
Gaziantep CI										3	6	28	8.9%
GAIB				1						1	2	27	8.6%
Kilis CCI			1					4		5	10	15	4.8%
İskenderun CCI												14	4.5%
Antakya CCI												10	3.2%
Adana CC					1					1	2	6	1.9%
IESOB												5	1.6%
İstanbul CC						1				1	2	1	0.3%
İzmir CC												1	0.4%
Total	**1**	**4**	**25**	**1**	**13**	**4**	**1**	**12**	**0**	**61**	**122**	**313**	**100.0%**

Characteristics of the Enterprises

This section presents the general characteristics of the enterprises interviewed in the field study for the survey. These characteristics are:

- **Main business activity,**
- Main products,
- **Sales and supply channels,**
- Current and target markets and end-users of the enterprise’s products.

The distribution of the business activities of the enterprises participating in the survey is given in the table below.

Table 15: Enterprises by Type of Activity

Type of Activity	Number	Percentage
Manufacturer	21	7.0%
Manufacturer-Exporter	97	32.3%
Manufacturer-Trader	36	12.0%
Exporter	30	10.0%
Trader	101	33.7%
Service Supplier	15	5.0%
Total	**300**	**100.0%**

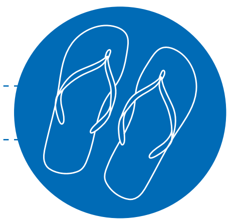
51.3% of the enterprises interviewed are manufacturers. The word cloud below visualises the products of the enterprises interviewed.

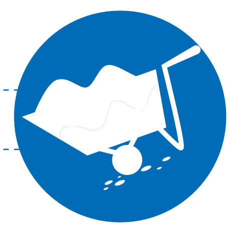
Figure 5: Products of the Enterprises Interviewed

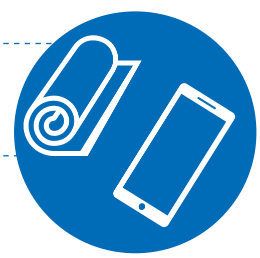
Goods and services produced by enterprises interviewed are listed separately below. The data has been sorted in descending order by number of producers. As can be seen in the table, the final products of 30 enterprises are dry pulses. **Some products which "need to be further analysed" are marked in blue. As can be seen from the table, there are groups of enterprises that specialise in products marked with blue**. Syrian manufacturers specialised in and concentrated on the production of products like slippers, plastic and machine-made rugs, food processing machines and dried pulses and food packaging could be supported with a cluster development approach. Initiatives to support the Syrian owned enterprises as clusters would increase their contributions to the economy and have positive effects on the competitiveness of the enterprises in question.

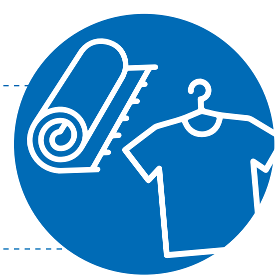
Table 16: Products of Enterprises Interviewed

Products	Number
Dry pulses, herbs, spices	30
Slippers	21
Grocery items	18
Furniture	16
Foodstuff	15
Bread pastry	10
Ready wear	10
Plastic bags	9
Shoes	9
Construction materials	8
Food and beverage provided in restaurants	8
House care products	8
Jewelry	8
Plastic mats, carpets	8
Mobile phone accessories	7
Bag and shoes accessories	6
Chips	6
Animal feed	5
Bread ovens	5
Car parts	5
Carpet yarn	5
Carpets	5
Second hand garments	5
Fabrics	4
Personal care products	4
Artificial leather	3
Coffee oil seeds	3
Cosmetics	3









Food processing machines	3
Fresh fruit and vegetables	3
Hookah pipes and accessories	3
Industrial products	3
Industrial supplies	3
Chips manufacturing machines	2
Coffee grinding	2
Coffee machines	2
Dry fruits	2
Food supplements	2
Hobby goods	2
Marketing	2
Packaging machines	2
Paints	2
Plastic yarn	2
Poultry	2
Car resale	1
Chocolate	1
Computer repair	1
Construction	1
Containers	1
Display cabinets	1
Dried fruits	1
E-commerce	1
Fertilizers	1
Financial services	1
Greenhouses	1
Ice cream	1
Maintenance repair	1
Meat products	1
Pesticide	1
Pharmacy	1
Printing services	1
Translation	1
Transportation	1
Total	**300**

The geographical distribution of sales by interviewed enterprises is given in the table below. **57.7% of the enterprises export goods and services. Approximately 40% of these enterprises earn their entire income from exports.** Considering that carrying out exports is a strong measure of competitiveness, establishing partnership with those enterprises would provide a competitive advantage for their partners as well.

The export orientation of Syrian businesses was also observed in their responses to questions about current and target markets. In the UNDP's Private Sector Survey, it was also observed that expanding export markets was a driving motive for the Turkish private sector to employ Syrians or partner with Syrian businesses. [5]

Table 17: Sales of Enterprises Interviewed by Geographical Distribution

Description	Number	Percentage
Non-exporting enterprises	123	41.0%
Citywide sales only	75	61.0%
Regionwide sales only	14	11.4%
Nationwide sales in Turkey only	34	27.6%
Exporting enterprises	173	57.7%
Exports make up 0%-25% of total revenue	24	13.9%
Exports make up 25%-50% of total revenue	32	18.5%
Exports make up 51%-99% of total revenue	48	27.7%
Exports make up 100% of total revenue	69	39.9%
No answer	4	1.3%
Total	**300**	**100.0%**

[5] UNDP Private Sector Survey, June 2019

While 80.2% of enterprises that responded to this question procure all services, resources and materials needed for their activities from Turkey, 8.5% of them import 100% of their input, and 11.3% use both domestic and imported inputs. It is important to emphasise that the majority (57.7%) of enterprises export products and services using domestic inputs. The interviewees were also asked about their current and target markets. As shown in the table below, the enterprises stated that they would like to grow in export markets rather than the domestic market, although 37% of their current sales are made in the Turkish market.

Table 18: The Current and Target Markets of Enterprises

	Markets	
	Current	Target
Turkey	37.0%	14.4%
Foreign Markets	63.0%	85.6%
Total	**100.0%**	**100.0%**

When distribution of the enterprises' sales and their current/target markets are evaluated in conjunction with one another, it may be stated that the interviewed enterprises are mostly oriented towards international markets and differ from traditional Turkish companies in these regards. Below, the geographical regions of the current and target markets of the enterprises interviewed are given in detail. As seen in the table, the enterprises aim to increase their sales in all regions apart from Turkey and Syria. They would like to decrease their sales in these two markets and even more importantly, they are willing to open up to foreign markets instead of selling to the Turkish market.

Table 19: The Current and Target Markets of Interviewed Enterprises by Geographical Region

	Markets	
	Current	Target
Local Markets	19.2%	-
Turkey	17.7%	14.4%
Syria	13.8%	10.6%
Middle East	28.1%	32.7%
North Africa	7.0%	12.5%
EU	7.7%	12.5%
Europe (non-EU)	1.9%	5.8%
North America	2.1%	1.9%
Latin America	0.8%	1.9%
Asia-Pacific	1.7%	7.7%
Total	**100.0%**	**100.0%**

This export-oriented approach of Syrian businesses could be interpreted as a potential market expansion opportunity for Turkish businesses partnering with Syrian enterprises and also as a source of job opportunities for export, logistics and marketing specialists in the companies in question for both Syrians and host community members.

While 70% of the enterprises interviewed offer products to individual consumers and are organised accordingly, 25% of them sell business to business. The breakdown of enterprises by type of customer is given in the table below.

> **“The enterprises aim to increase their sales in all regions apart from Turkey and Syria. They would like to decrease their sales in these two markets while they are willing to open up to foreign markets instead of selling to the Turkish market.”**

Table 20: Interviewed Enterprises by Type of Customer

Type of Customer	Number	Percentage
Household	210	70.0%
Industry	75	25.3%
Others	3	1.0%
Mixed	12	4.0%
Total	**300**	**100.0%**

Further assessment could be done to profile the households that are purchasing from Syrian businesses. If it is again limited to the Syrian community, this would also demonstrate the low level of Syrian businesses' integration to the local economy. In that case, using marketing strategies promoting Syrian entrepreneurs and products produced mainly by refugees and establishing trust in the host community could also boost the sales in local market for Syrian businesses.

Employment

This section provides details on the employment situation at the enterprises interviewed in the field study. The subjects included in this section are:

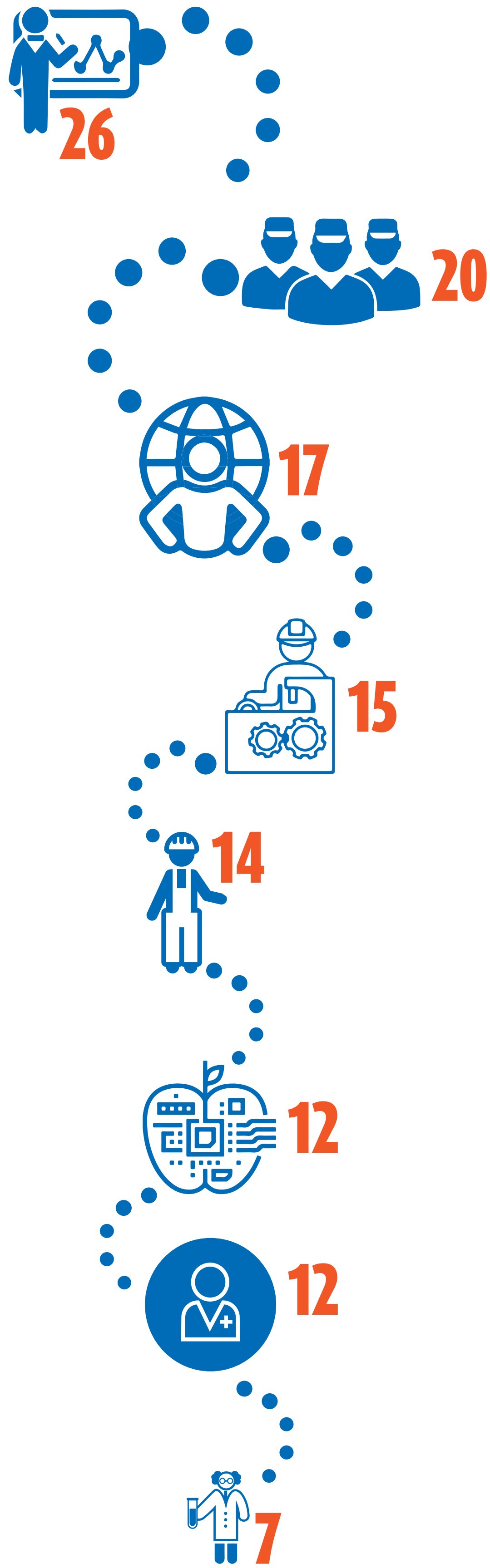
- **Work – Life balance**
- Female Employment
- **Qualifications and number of personnel the enterprises need**
- Channels used for recruitment

The professions most in-demand at the interviewed enterprises are given in the table below.

Table 21: Professions most in demand

Products	Number
Marketing Expert	26
Unskilled Worker	20
Export Specialist	17
Machine Operator	15
Foreman	14
Food Engineer	12
Sales Specialist	12
Chemist	7
Bakery Worker	6
Shoe Upper Maker	6
Accountant	5
Quality Control Staff	5
Designer	4
Craftsperson	3

Driver	3
Furniture Assembly Worker	3
Furniture Carving Worker	3
Pharmacist	3
Agricultural Engineer	2
Butcher	2
E-Trade Expert	2
Food Technician	2
Lathe Operator	2
Mechanical Engineer	2
Printing Machine Operator	2
Technician	2
Welding Worker	2
Attorney	1
Civil Engineer	1
Consultant	1
Customs Agent	1
Doner-Kebap Cook	1
Electrician	1
Foreman for Ornament Repairing	1
Graphic Designer	1
Jewellery Master Crafter	1
Lathe Operator	1
Maintenance Staff	1
Marble Cutting Master	1
Mechanical Engineer	1
Medical Doctor	1
Model Maker	1
Modelist	1
Mold Maker	1
Packaging Worker	1
Polymer Chemist	1



The enterprises' vacant positions in the most needed professions as of the date of the interview are shown below.

Table 22: Vacant positions in the enterprises among the professions most in-demand

Profession	Number of Open Job Positions	Percentage
Export Specialist	14	21.8%
Technician	14	21.8%
Unskilled worker	12	18.8%
Polymer chemistry technician	10	15.6%
Tailor	10	1.6%
Chemist	1	1.6%
Sales Specialist	1	1.6%
Stylist	1	1.6%
HR Specialist	1	1.6%
Total	**64**	**100.0%**

As we see in **Table 21 and 22**, Syrian owned businesses are looking for technical and professional staff rather than unskilled workers. Supporting them in finding suitable employees would boost their production and growth. It should be noted that, as in Turkish enterprises, problems in the employment of qualified white-collar personnel are observed in the Syrian-owned enterprises. The enterprises tend to work with Arabic speaking Sworn-in CPAs and CPAs they trust and act according to their advice and guidance on every issue apart from the main business. Since the general business of the aforesaid Sworn-in CPAs and CPAs is limited to keeping accounts and performing legal obligations, their consulting functions are inadequate and therefore enterprises cannot reach adequate information.

The channels most frequently used by enterprises for recruitment are referrals and references, as given in the table below.

Table 23: Channels used to hire new staff

Hiring Channels	Open Position, Number	Percentage
Referrals	185	61.7%
References	76	25.3%
İŞKUR	21	7.0%
HR Sites	10	3.3%
Other	5	1.7%
Refugee-oriented NGOS	2	0.7%
Linked-in	1	0.3%
Total	300	100.0%

As mentioned above, **12%** of the personnel employed at the enterprises are female and 88% are male. Two basic questions were posed to enterprises related to women's employment. The first is related to the work performance of female employees.

Below are the opinions of the 58 enterprises employing various numbers of female employees about the work performance of female employees.

Table 24: Work performance of female employees

Answer	Number	Percentage
Top 15%	23	39.7%
Above average	27	46.6%
Average	8	13.7%
Below average	-	-
Bottom 15%	-	-
Total	58	100.0%

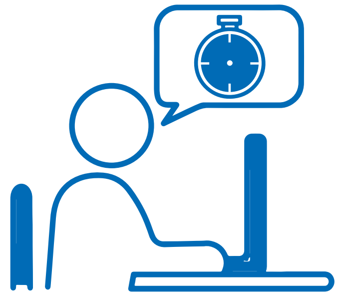
No enterprise deemed the work performance of female employees to be in the bottom **15%**, while only **13.8%** of the enterprises evaluated the work performance of female employees as average. The enterprises were asked their reasons for the employment or non-employment of women employees in order to query the low percentage of female employees at the enterprises despite their positive opinions about the work performance of female employees.

The following table shows the frequency of the various obstacles to women's employment that were cited.

Table 25: Reasons for the non-employment of women (Total number of responses is 164)

Reason	Responses
Cultural aspects	41
Qualifications	30
Work discipline	30
Performance	30
Language (Turkish and/or English)	30
Motivation	16
Women's household responsibilities (parenting, pregnancy)	2

The responses of enterprises focused **on three** main areas. **These are:**



Only 19.3% of the enterprises employ female personnel, as was outlined in the previous section. The main reasons given for not choosing female personnel were cultural aspects, the unsuitability of female employees' qualifications for the nature of the business, and the negative effect of women working at the premises on work discipline – something which is not directly related to women but has more to do with male employees working at the same workplace. Another challenge for women is their own presumed risk of participating to the labour market. 50% of the refugees and asylum seekers women participated to the Participatory Assessments conducted by UNHCR Turkey on Livelihoods in 2018, reported their fear of abuse and harassment at the workplace (and/or streets) even though they haven't personally encountered such incident.[6] According to the assessment results conducted by UNWomen and ASAM, women's workload at home and lack of available child care facilities at work place or in the neighbourhood also hinder women from participating to the labour market.[7]

On the other hand, we see that the companies which were established before 2012 and are more integrated into the local market are employing more women than those established after 2012. The level of integration may have a direct effect on women's employment in Syrian owned businesses, which also brings us to the fact that the efforts should be made to promote the integration of Syrian businesses with the local economy to assess the effects on their way of working and doing business.

With respect to practices aimed at ensuring the work and non-work life balance in the enterprises, **only 10%** of the enterprises stated that they had offered maternity and breastfeeding leave, while **only 1%** of the enterprises were found to offer maternity leave and flexible working hours.

[6]UNHCR Turkey, 2018 Participatory Assessment on Livelihoods, https://app.powerbi.com/view?r=eyJrIjoiZTUwMTk4NzUtNGU4Yy00Y-Tg5LWJlYzEtNmU2NmVjMDNjY2U2IiwidCI6ImU1YzM3OTgxLTY2NjQtNDEzNC04YTBjLTY1NDNkMmFmODBiZSIsImMiOjh9
[7]UNWOMEN-ASAM Needs Assessment of Women and Girls under Temporary Protection in Turkey – November 2017

Past Performance and Future Expectations

This section presents the assessments of past performance and expectations for the future of the enterprises interviewed as part of the field survey. The assessments and expectations concern:

- **Main activities**
- Sales
- **Employment**
- Demand
- **Capacity utilisation and stock levels.**

The opinions of the interviewed enterprises on the general course of business compared to the beginning of their business operations are shown in the table below.

Table 26: Opinions of the Enterprises about the General Course of their Businesses

Opinions	Men	% Men	Women	% Women	Number	Percentage
More pessimistic	50	17 %	4	40%	54	18%
Same	141	49%	4	40%	145	48%
More optimistic	99	34%	2	20%	101	34%
Total	290	100%	10	100%	300	100%

As shown in the table above, among the interviewed enterprises, there is a positive attitude over the general course of the businesses compared to the period when they were first established. While **34%** of the enterprises stated that business was better than in the period when they first started their activities, **48%** stated that there was no change, and only **18%** stated that they were more pessimistic about their business compared to the period when they started out.

> Expectations of the enterprises about their export sales for the period ahead are in line with their expectations about the general course of the business compared to the period when they started out.

The expectations of enterprises about export sales in the upcoming period compared to the previous period are presented below. The expectations of the enterprises about their export sales for the next period are in line with their expectations about the general course of the business compared to the period when they started out. As shown in the table, 31% of exporting enterprises are optimistic that their export sales will increase in the period ahead, while 28% are expecting their export sales to continue in the same direction and only 16% expect that their export sales will decrease in the period ahead.

Table 27: The Expectations of Enterprises about their Export Sales

Expectations	Male	% of Male	Female	% of Female	Total Number	Percentage
More pessimistic	50	17 %	4	40.0%	54	18%
Same	141	48.6%	4	40.0%	145	48%
More optimistic	99	34.1%	2	20.0%	101	34%
Total	290	100%	10	100%	300	100%

PAST PERFORMANCE

The assessments of enterprises about the following key business indicators for the year before the survey was conducted and the time of the survey are described below. The key business indicators are:

- Employment
- Amount of new orders received from the domestic market
- Amount of new orders received from export markets
- Capacity utilisation
- Stock levels

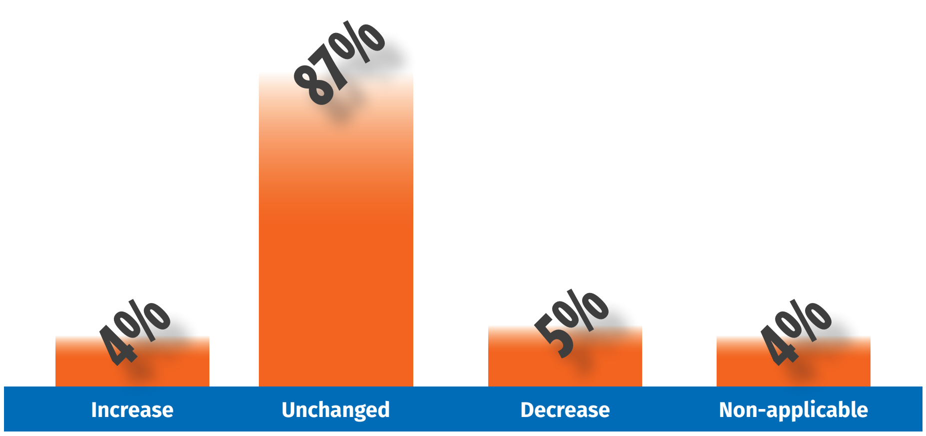
presented for the period between in which the survey was conducted and the year before;

Employment

The assessments of the interviewed enterprises on the change in employment in their enterprises over the last 12 months, accounting for seasonal differences, are presented below.

As shown in the figure, the number of personnel employed by the enterprises did not change in **86%** of the enterprises over the past 12 months.

Figure 6: Change in Employment over the last 12 Months

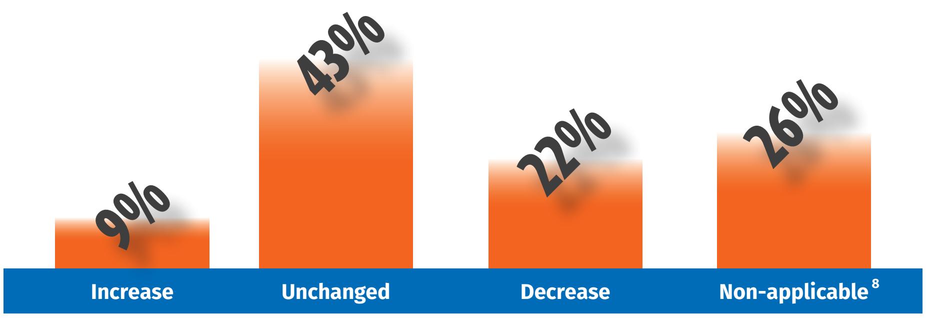


Amount of new orders received from the domestic market

The opinions of the enterprises interviewed on the change in the new orders received from the domestic market in the last 12 months are presented as follows, without considering seasonal differences.

As shown in the figure, **22%** of the enterprises stated that there had been a decrease in the demand they received from the domestic market in the last 12 months, **9%** of them stated there had been an increase and **44%** of the enterprises had not observed any change.

Figure 7: The Change in New Orders Received from the Domestic Market over the last 12 Months

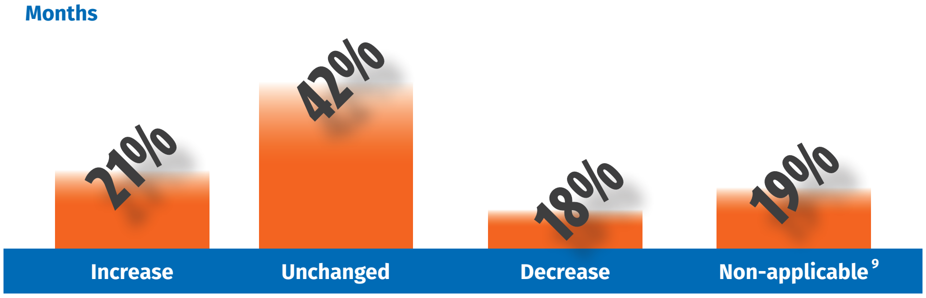


Amount of new orders received from export markets

The evaluations of the enterprises interviewed concerning the change in new orders received from the export market in the last 12 months are presented as follows without considering seasonal differences.

As shown in the figure, **18%** of the enterprises stated that there had been a decrease in the demand they received from the export market in the last 12 months, **21%** of them stated there had been an increase and **42%** of the enterprises had not observed any change in the demand received from the export market.

Figure 8: Change in the New Orders Received from Exports Markets over the Last 12 Months



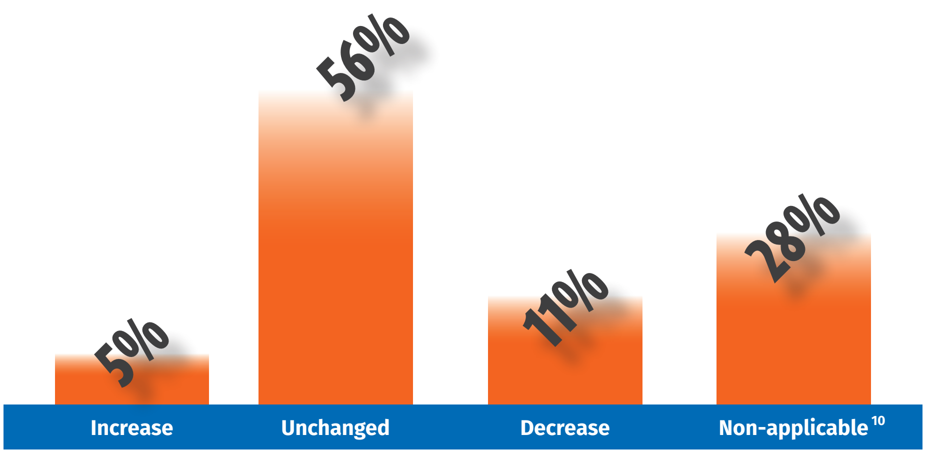
[8] The response "Non-Applicable" is used for the enterprises that do not have any possibility of exporting or for very small enterprises.
[9] The response "Non-Applicable" is used for the enterprises that do not have any possibility of exporting or for very small enterprises.

Capacity Utilisation

The evaluations of the enterprises interviewed on the change in their capacity utilisation in the last 12 months are presented as follows, accounting for seasonal differences.

As shown in the figure, **11%** of the enterprises stated that there had been a decrease in their capacity utilisation over the last 12 months, **5%** of them stated there had been an increase, and **57%** of the enterprises had not observed any change in their capacity utilisation.

Figure 9: Change in Capacity Utilisation over the Last 12 Months

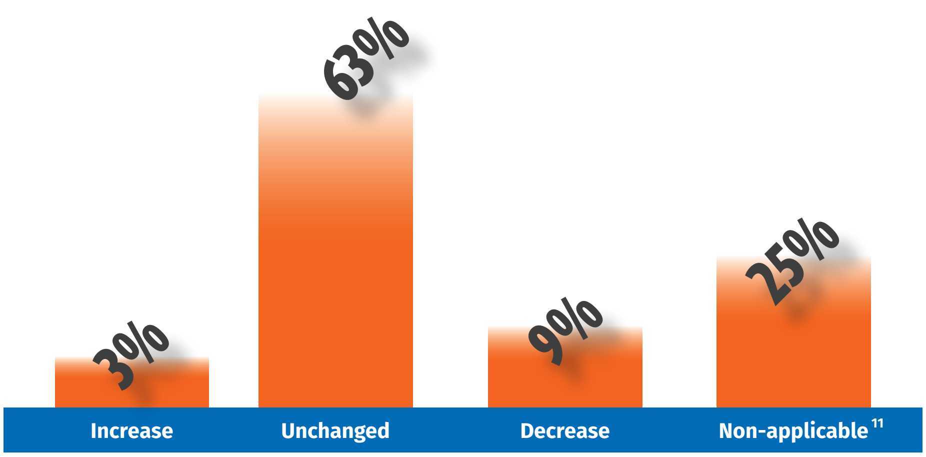


Stock Levels

The statements of interviewed enterprises on the change in their stock levels over the last 12 months are presented as follows, accounting for seasonal variations.

As shown in the figure, **9%** of the enterprises stated that there had been a decrease in their stock levels in the last 12 months, **3%** of them stated there had been an increase, while **63%** of the enterprises stated there was no change in their stock levels.

Figure 10: Change in the Stock Levels over the Last 12 Months



[10] The question is not applicable to the enterprises interviewed either because of their products or because of their size.
[11] The question is not applicable to the enterprises interviewed either on account of their stock modality or due to their size.

The overall performance of the Syrian businesses is evaluated as "stable" in terms of sales and stocks. On the other hand, the fact that the employment figures remained unchanged at 86% of the enterprises indicates that the potential for creating new jobs is quite low. Only 4% of the Syrian businesses interviewed had taken on additional employees over the last 12 months. Providing business development services and encouraging Syrian businesses to interact with the local economy and the Turkish private sector could promote growth and hence job creation.

FUTURE EXPECTATIONS

The expectations of the interviewed enterprises about the following key business indicators for a period of 12 months after the survey are described below. The key indicators are:

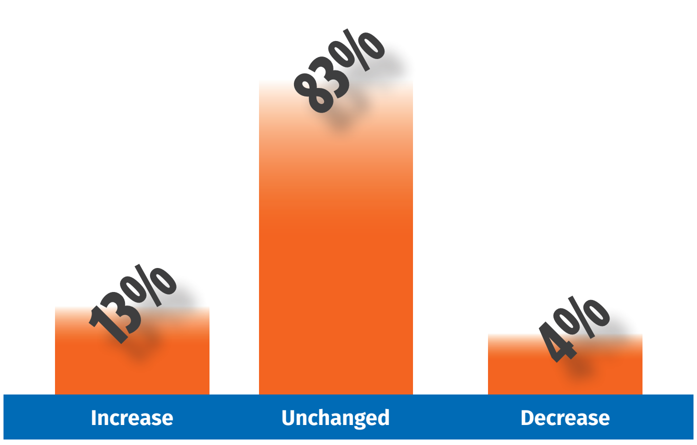
- Employment
- Amount of new orders received from the domestic market
- Amount of new orders received from export markets
- Capacity utilisation
- Stock levels

Employment

The expectations of the interviewed enterprises about the change in employment in their enterprises in the next 12 months are given below, accounting for seasonal variations. As shown in the figure, the percentage of enterprises expecting an increase in the number of personnel employed in the next 12 months was 13%, while the percentage of enterprises that expected a decrease in the number of personnel was 4%. 83% of the enterprises predicted that the number of personnel would remain the same in the upcoming period and that there would be no change in employment.

It is thought that both the general outlook for the Turkish economy and the costs and taxes related to employment are influential on the low proportion of enterprises looking to hire. Despite the cautious approach to hiring, expectations for the future were observed to be relatively positive in terms of demand from local and international markets, capacity utilization and exports.

Figure 11: Expectations of Enterprises about the Change in Employment over the next 12 months

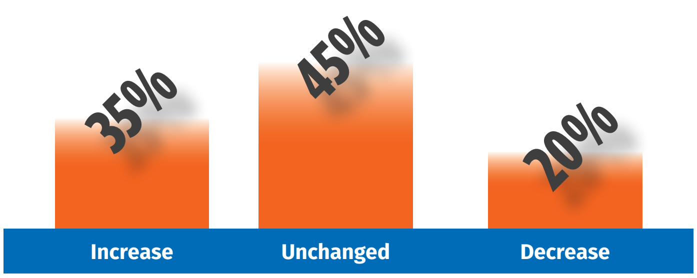


Amount of new orders received from the domestic market

The assessments of the interviewed enterprises about the change in new orders received from the domestic market in the next 12 months are presented as follows, accounting for seasonal variations.

As shown in the figure, **20%** of the enterprises were expecting a decrease in orders from the domestic market in the following 12 months, **35%** were expecting an increase in market demand, and **45%** of the enterprises predicted that there would be no change in domestic market demand.

Figure 12: Expectations of Enterprises about the Change in New Orders Received from the Domestic Market over the next 12 Months

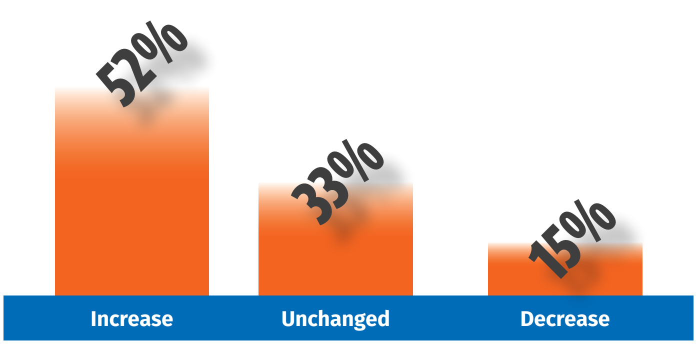


Amount of new orders received from export markets

The expectations of the interviewed enterprises about the change in new orders from export markets in the next 12 months are presented as follows, accounting for seasonal variations.

As shown in the figure, **15%** of the enterprises stated that they were expecting a decrease in the demand from export markets in the next 12 months, while **52%** of them stated that they were expecting an increase and **33%** of enterprises predicted that there would be no change in demand from export markets.

Figure 13: Expectations of the Enterprises about the Change in New Orders Received from Exports Markets over the next 12 Months

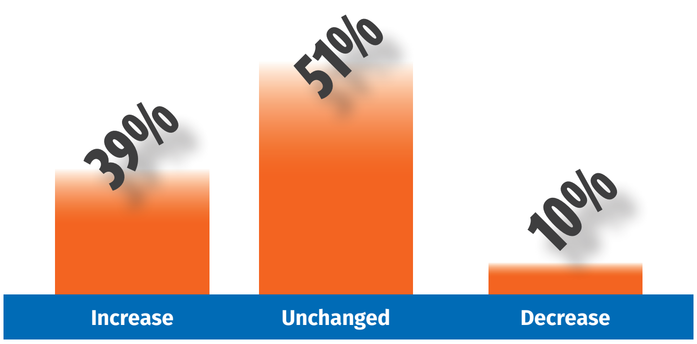


Capacity Utilisation

The expectations of interviewed enterprises about the change in their capacity utilisation in the next 12 months are presented as follows, accounting for seasonal variations.

As shown in the figure, **10%** of the enterprises stated that they were expecting a decrease in capacity utilisation in the next 12 months, while **39%** of them stated they were expecting an increase, and **50%** of the enterprises stated that they did not expect any change in capacity utilisation.

Figure 14: Expectations of the Enterprises about the Change in Capacity Utilisation over the next 12 Months

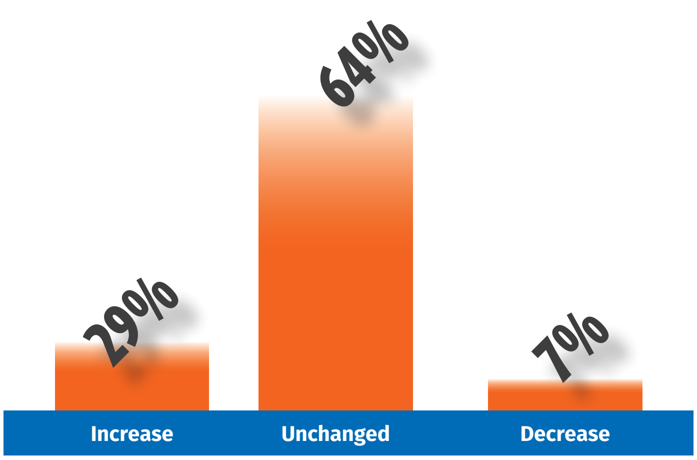


Stock Levels

The anticipated changes in stock levels in the next 12 months are presented as follows, accounting for seasonal variations.

As shown in the figure, **7%** of the enterprises stated that they were expecting a downward change in their stock levels in the next 12 months, **29%** of them stated they were predicting an increase, and **64%** of enterprises stated they did not expect any change in their stock levels.

Figure 15: Expectations of Enterprises about the Change in Stock Levels over the next 12 Months



Despite the fact that the Syrian businesses expect increases in capacity utilisation, stocks and demand from the domestic and international markets, 83% do not expect any change in their level of employment. This is quite close to the percentage of the enterprises (86%) that reported no change in employment over the last 12 months. As will be seen in the following section, two of the main challenges cited by the enterprises in terms of business growth are costs and taxes. Companies would like to keep their costs as low as possible and avoid hiring new staff despite the fact that they expect growth in their businesses. This is also apparent from the level of informal employment in Syrian businesses observed in the previous section.

In the table below, a comparison is made between the future expectations of Syrian owned businesses (for the next 12 months), as seen in the current study, and those of the Turkish private sector (for the next 3 months) based on the outcome of the Business Trend Statistics (BTS) and Real Sector Confidence Index[12] conducted by the Central Bank (TCMB) in December 2018.

Table 28: Comparison of future expectations of Turkish and Syrian-owned enterprises

	Business Community	Increase	Unchanged	Decrease
Employment	Syrian-owned Enterprises	13%	83%	4%
	Turkish Businesses	10%	75%	15%
New orders from the domestic market	Syrian-owned Enterprises	35%	45%	20%
	Turkish Businesses	16%	55%	29%
New orders from foreign market	Syrian-owned Enterprises	52%	33%	15%
	Turkish Businesses	22%	62%	16%

Source: Central Bank BTS and Real Confidence Index and the Mapping Exercise

[12]TCMB Website, https://www.tcmb.gov.tr/wps/wcm/connect/en/tcmb+en/main+menu/statistics/tendency+surveys/business+tendency+s-tatistics+and+real+sector+confidence+index

Access to Resources

This section evaluates the access to resources of the enterprises. These resources are:

- **Information and know-how**
- Human resources
- **Physical assets and technology**
- Finance
- **Networks with business support organizations**
- NGOs
- **Public institutions**

The quality of services provided by these institutions is also examined in this section.

The evaluation of the representatives of the enterprises interviewed concerning the level of responsiveness of local institutions to the business needs of their enterprises are shown in the table below.

Table 29: Level of Responsiveness of the Local Institutions to Business Needs

Institution	Not Applicable	Not Responsive at all	Somewhat Responsive	Responsive	Highly Responsive
Development Agencies	296	-	1	1	1
KOSGEB	283	1	5	11	-
University	279	-	-	-	-
İŞKUR	277	-	4	16	2
Municipality	134	12	19	123	7
BSOs	84	11	42	141	14
Office of the Governor	60	33	53	141	11
Tax Office	23	1	26	229	16

The institutions which the enterprises considered helpful and highly responsive are given in descending order of responsiveness below:

- Tax Office
- BSOs (Chamber of Commerce and/or Chamber of Industry)
- Office of the Governor

It should be noted that institutions mentioned are the ones that the companies are obliged to apply to in order to do business formally in Turkey.

The majority of the participants stated that they have no relations with the following institutions:

- **Development Agencies**
- **KOSGEB**
- **University**
- **İŞKUR**

These institutions are critical in terms of supporting the growth of enterprises in Turkey through incentives, technical support (i.e. product development) or employment services. Unfortunately, Syrian businesses are either unaware of these service providers or the language barrier is still preventing them from approaching them to ask for support and assistance. Another important factor could be the lack of inclusive services capable of responding to the needs of Syrian-owned enterprises. Both the institutions mentioned above and business associations like the chambers and sectoral associations should develop new and inclusive business models to encompass Syrian owned enterprises as well as Turkish businesses. It should be noted that KOSGEB will be involved in Projects targeting potential Syrian entrepreneurs and businesses together with the host community members and local businesses through providing trainings and loans in the second half of the 2019.

As part of the field study, the interviewed enterprises were asked whether their current location would accommodate business expansion. 2% of the enterprises avoided this question, 4% stated that current location wouldn't accommodate business expansion and 94% of the enterprises, representing the majority of the enterprises, stated that their current location would accommodate business expansion. In other words, in terms of growing their businesses and expanding their production line, location would not be a challenge for the majority of these companies.

The main challenges to the enterprises' growth are given in the table below.

Table 30: Main Challenges to Enterprise Growth

	Very Challenging	Somewhat Challenging	Not Challenging
Regulations	103	118	61
Costs (non-tax)	92	89	88
Taxes	56	112	77
Informal economy	55	40	120
Capital	42	90	120
Language and Communication	32	78	138
Market access	20	71	121
Workforce quality	7	31	183
Supply chain quality	5	20	194
Workforce availability	3	18	198
Discrimination by host communities	2	4	215

As has already been mentioned, access to information through documents available in Arabic and Arabic speaking personnel at the service providers would alleviate the barriers faced by Syrian businesses in complying with the regulations. Access to information would also facilitate access to capital/finance and market information. On the other hand, costs and taxes are seen as the 2nd and 3rd biggest challenges that the companies have been encountering. These factors are also likely to provoke informal employment within the companies.

As can be seen from the two tables below, enterprises do not make sufficient use of modern financial instruments. They have very limited information or even no information on this matter.

In fact, only half of the enterprises were able to comment on the **"Access to Finance"** question. Regarding the question on **"Access to Incentives"**, it was seen that none of the enterprises benefited from public incentives and support either.

Table 31: Access to Finance[13]

	Export Finance	Investment Finance	R&D Finance	Working Capital
Very difficult	5	6	-	25
Somewhat difficult	2	1	1	64
Neither difficult nor easy	3	4	-	28
Somewhat easy	2	1	1	63
Very easy	-	-	-	13
Not applicable	288	280	288	152

Access to banking and financial services including loans and incentives remains a challenge for Syrian businesses in Turkey. More financial services providers from both the private and public sectors are expected to become engaged in the Syria Crisis response to make these services available to the Syrian-owned enterprises to help them grow their businesses. However, the borrowing behaviour of the Syrian businesses must also be assessed further, as not only are they refugee entrepreneurs but they come from a different business culture lacking comprehensive financial services similar to those that exist in Turkey.

It is noted that, banks providing Islamic financial instruments could be preferred due to the religious concerns among Syrian business community.

The Turkish banking system also has a cautious attitude to Syrian-owned enterprises. This attitude affects Syrian-owned enterprises' willingness to work with banks and prompts them to use alternative banking tools such as Western Union and jewellery shop "Hawala" transfers.

The numbers of enterprises benefiting from incentives provided by government agencies are as follows:

Table 32: Level of benefiting from Incentives

Institution	Yes	No	No Answer
KOSGEB	5%	93%	2%
TUBITAK	0%	94%	6%
Development Agencies	0%	94%	6%
MoIT	0%	99%	1%
MoTRADE	0%	94%	6%
EXIMBANK	0%	93%	7%
OTHERS	0%	3%	97%

[13]All of the answers are reflected based on the answer received.

The reasons enterprises gave for not benefiting from public incentives are given in the table below.

Table 33: Reasons for lack of access to Government Incentives

	Lack of Info	Bureaucracy
KOSGEB	66%	34%
TUBITAK	73%	27%
RDA	73%	27%
MoIT	73%	27%
MoTRADE	70%	30%
EXIMBANK	72%	28%

95% of Syrian-owned enterprises - a very high proportion - do not benefit from government support. Two thirds of the enterprises stated that they do not benefit from government support since they lack information and the remaining third cited the amount of bureaucracy as a reason. In light of these facts, there is a need for inclusive business models to facilitate the access of Syrian-owned enterprises to accurate and reliable information and services.

The assessments of enterprises about the quality of the professional business services provided in their region are presented in the table below.

Table 34: Quality of the Professional Business Services Provided in the Region

Institution	Poor	Average	Good
Legal	1.2%	43.1%	55.7%
Accounting	1.0%	11.4%	87.6%
Management Consulting	57.6%	2.9%	39.6%
IT	3.1%	22.0%	74.9%
Financial	33.0%	24.1%	42.9%
Transport	1.4%	3.9%	94.7%
Facilities	1.4%	4.6%	94.0%
Other	0.0%	16.7%	83.3%

The business services which the enterprises evaluate as poor are financial and consulting services. Unfortunately, it has been observed by the NGOs providing business development services to the Syrian entrepreneurs and businesses that some Syrian businesses that would like to benefit from professional consultancy services have been deceived or misguided. Apart from these, no other business services were said to be significantly poor.

Even though there are quality issues with some business services, the enterprises do not face any problems in accessing these professional business services. The responses to the question on the geographical location of service providers, **given in the table below, supports this observation.**

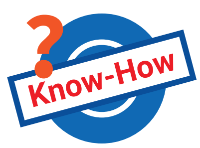
Table 35: Locations of Service Providers

Institution	In the Region	Provided from outside the Region	Not Applicable
Legal	82.4%	1.0%	16.6%
Accounting	96.3%	1.3%	2.4%
Management Consulting	23.3%	-	77.7%
IT	75.8%	0.7%	23.5%
Financial	93.6%	0.7%	5.7%
Transportation	98.7%	-	1.3%
Facilities	98.6%	-	1.4%
Other	85.7%	-	14.3%

The needs of the interviewed enterprises for the following resources are given in the table below:

- Human Resources,

- Information and know-how

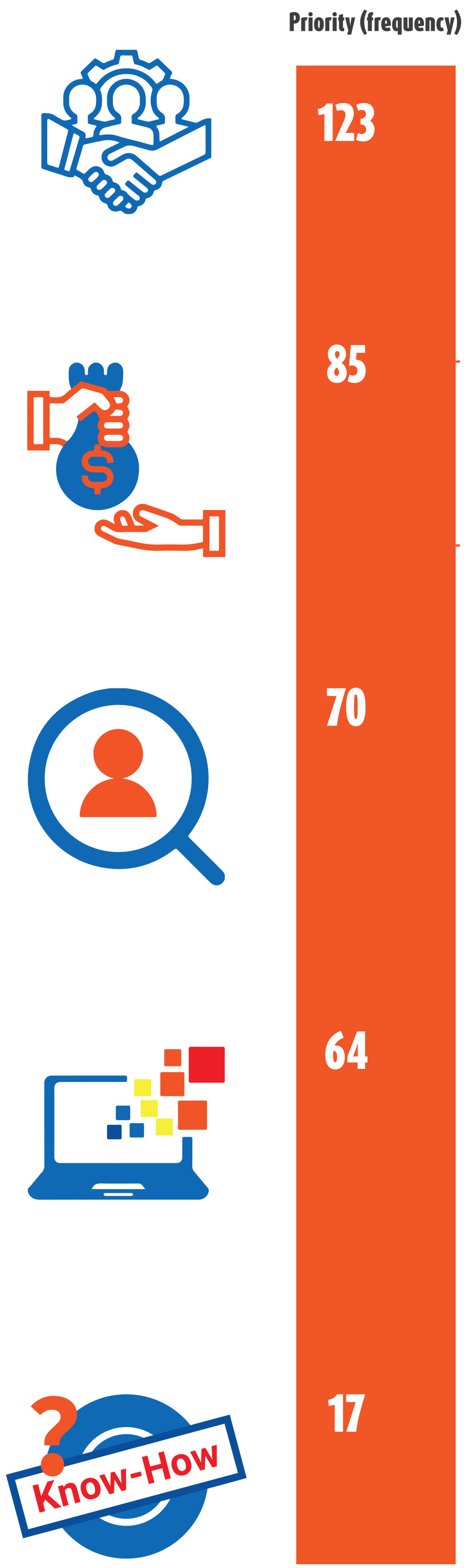


- Physical Assets (machinery, equipment, technology)

- Networking

- Financial Resources

Table 36: Most Needed Business Resources



As was already revealed in the previous sections, the level of integration of Syrian businesses with the local economy through their existing networks is limited. **Only 3.7%** of them have Turkish partners while their interaction with local economic actors is mainly limited to legal procedures and they tend not to receive business development services or benefit from networking activities (matchmaking events, fairs, etc.).

The most commonly needed business resource is a business network. Network relations can be defined as the relationships of enterprises with suppliers, customers, other segments of society and all other third parties that they need to carry out their business successfully. Problems of integration with the Turkish business environment have been observed in terms of the language, the working style and the business culture of Syrian-owned enterprises. Apart from overcoming these integration problems, new and specific interfaces need to be developed to support the establishment of an enabling networking environment for Syrian-owned enterprises that will allow them to overcome their lack of information and lack of access to quality consulting and finance services.

The forms of business support that the enterprises expect from institutions is given in descending order in the tale below.

Table 37: Expected Business Support from Institutions

Expected services from the NGOs, BSOs and UN Agencies	Frequency	Expected services from the public authorities and institutions	Frequency
Accessible information on services and regulations in Arabic	92	Information on laws and regulations	88
Information on laws and regulations	56	Accessible information on services and regulations in Arabic	77
Access to finance	55	Access to finance	120
Staff speaking Arabic at institutions	42	Staff speaking Arabic at institutions	120
Information and events for matchmaking, business partnerships	32	Information and events for matchmaking, business partnerships	138
Equipment & machinery funding	20	Information on how to do business	121
Information on how to do business	7	Equipment & machinery funding	183
Employment services (finding staff, incentives to cover the costs)	5	Employment services (finding staff, incentives to cover the costs)	194
R&D funding	3	R&D funding	198

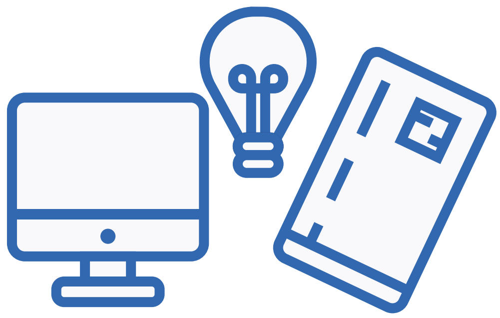
As shown in the table above, the main expectations of Syrian-owned businesses are for **"accessible information on services and regulations in Arabic",** including information available in Arabic and through Arabic speaking staff from public and private sector and civil society service providers, **"access to finance",** which is their main challenge, and networking events that would lead to new partnerships and business opportunities. As observed in the table, the main motivation and expectation of Syrian businesses is to develop their businesses through inclusive and accessible services to be provided by the NGOs, UN agencies, business associations and governmental institutions, rather than with the aid of employment services or support for R&D.

Marketing, R&D - Innovation and Productivity

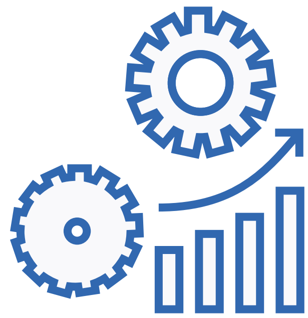
This section describes the functional resource utilization of the enterprises covered by the field study. It is well known that business competitiveness is impacted most by the following business functions:

Marketing

R & D and Innovation



Productivity



The marketing tools used by the interviewed enterprises is given in the table below.

Table 38: Marketing tools used by enterprises

	Yes	No	No Answer
Website	25.0%	74.3%	0.7%
Business e-mail [14]	26.7%	72.7%	0.6%
Social Media	16.0%	83.0%	1.0%
Printed Brochures	17.7%	81.0%	1.3%
Indoor Ads	10.0%	88.7%	1.3%
Outdoor Ads	1.3%	96.3%	2.4%
Audio-visual Ads	1.0%	91.3%	7.7%

Most of the interviewed enterprises do not use any marketing tools at all. This situation is a negative factor in terms of entering new markets and increasing the penetration and growth of their businesses. Marketing is another area of services that could be developed to support Syrian businesses. Enterprises that do not have an official website, a social media account and/or a business email address risk losing their credibility in the customers' eyes as well as lagging behind when it comes to expanding in the domestic and international markets.

Besides their need for resources, the enterprises have problems with using the resources. Foremost among these is the inadequate use of marketing tools. This can be considered as an outcome of the traditional working style and business culture. More than 75% of the enterprises do not use any marketing tools. This may reflect a lack of knowledge on the part of the management, difficulty in reaching service providers and/or the cost of marketing tools. The incomplete use of marketing functions contrasts with the dynamic, export-oriented structures of many of the companies which demonstrates their potential for growth. In keeping with the rare use of other marketing tools, trade fair participations rates are very low.

Table 39: Trade fair participation of enterprises

	Yes	No	No Answer
Participation in regional fairs	1.0%	91.3%	7.7%
Participation in national fairs	4.3%	90.0%	5.7%
Participation in international fairs held in Turkey	6.3%	90.0%	3.7%
Participation in international fairs held in other countries	6.7%	89.0%	4.3%

As can be seen in the table above, a very small proportion of the companies participate in trade fairs. Participation in fairs is known to be one of the most effective and useful tools for entering new markets and meeting new customers. The fact that companies do not use this tool is due to many reasons such as the traditional way of doing business, lack of a marketing approach, lack of working capital, restrictions on travelling abroad and within Turkey, and the perceived high costs of trade fair participation since the companies are not aware of the incentives for trade fairs.

The existing limitation on travel for Syrians affects their opportunities to attend fairs, which are mainly organized in Istanbul, either as participating companies or as visitors with a view to establishing new partnerships. According to the results of the Private Sector Survey, the main channels that local businesses use to establish partnership are fairs and matchmaking events. This is another barrier that prevents the two business communities from coming together and discussing the business opportunities for both sides.

Although most enterprises are exporters, they may not participate in trade fairs due to their traditional business culture and working style, because they are not actively searching for new customers and markets or on account of capital problems, problems with travelling and perceived high costs since they are not aware of government incentives for trade fair participation. The relative importance of each of these reasons for not participating in trade fairs varies according to the characteristics of the enterprises,

[14]An email account with a business domain extension (such as @zobu-consulting.com), that is not provided by a free email service provider (Yahoo, Google, etc.).

Details are given below of a series of findings on the efforts of the enterprises regarding R&D and innovation, and specifically their:

- Ownership of registered brands, utility models and licensed patents
- Resources related to innovation
- Use of government incentives in the development of R&D and innovation
- Possession of an internal R&D department
- Relationship with universities

The responses related to registered brand ownership of enterprises are presented below.

Table 40: Registered brand ownership

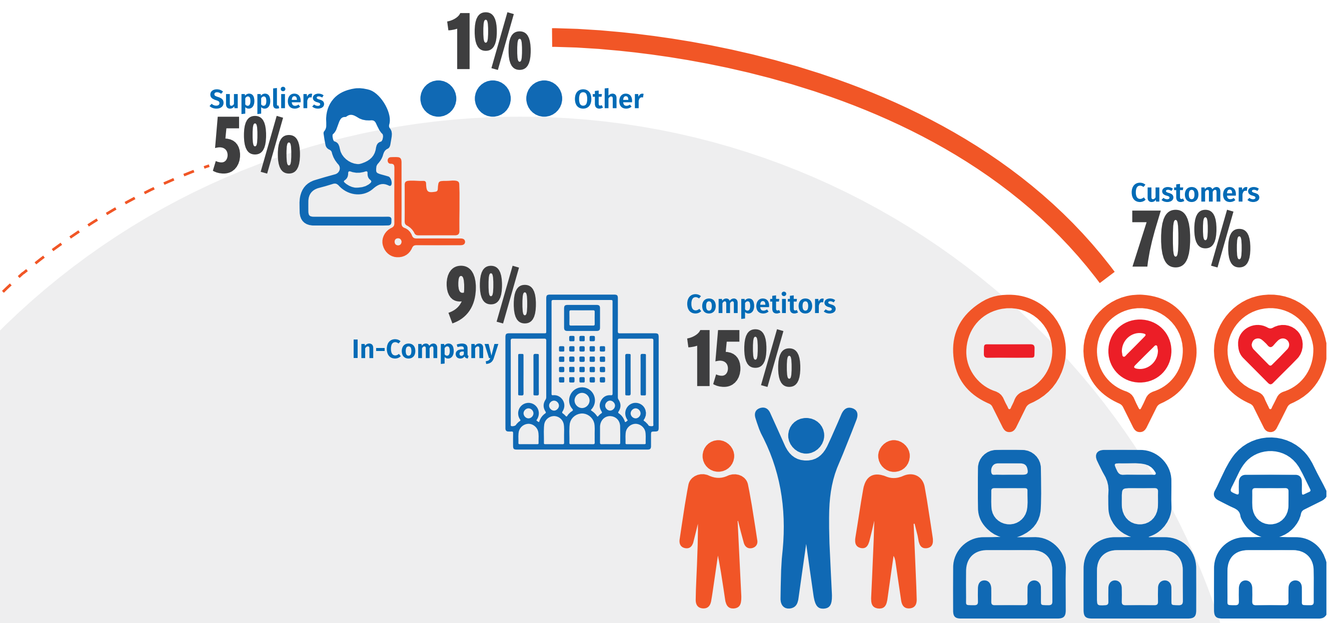
Answer	Number	Percentage
At least one registered trademark	66	22%
No registered trademarks	155	52%
No answer	79	26%
Total	300	100.0%

Table 41: Industrial design certificate and licensed patent ownership

Answer	Number	Percentage
At least one registered industrial design or licensed patent	3	1%
No registered industrial designs or licensed patents	199	66%
Not applicable or no answer	98	33%
Total	300	100.0%

Although 32.3% of the enterprises are manufacturer-exporters and 10% are exporters, only 22% have at least one registered trademark and only 1% have at least one industrial design certificate or patent. The customers are the source of new product ideas, innovation and R&D for 70% of the Syrian-owned enterprises. After customers, ideas from competitors and internally developed ideas are the main bases of the innovation and R&D efforts of the enterprises. Only 4 enterprises have a separate R&D department. It would be beneficial to implement a programme to develop the culture of R&D and innovation at these enterprises. Moreover, almost no relationship has been established between the Syrian-owned enterprises and universities, mirroring the weak bonds observed in relations with institutions such as KOSGEB and İŞKUR. Relations with universities also need to be developed from a new perspective.

Figure 16: Sources of innovation and R&D activities



The enterprises also rated the resources they benefited from in innovation related activities/operations, according to their significance.

As shown in the table below, **56.3%** of the enterprises attach importance to the needs of customers and buyers when considering innovation ideas. Customers and buyers are also the most commonly used source of innovation ideas, in keeping with the sources the enterprises attach most importance to.

Table 42: Sources for the enterprises' innovation ideas

	Not Important	Somewhat Important	Very Important	No Answer
Customers and Buyers	11.7%	6.7%	56.3%	25.3%
Competitors	14.7%	21.0%	37.0%	27.3%
Suppliers	47.0%	16.3%	4.0%	32.7%
Internal (within firm)	39.7%	21.3%	2.3%	36.7%
Company acquisitions	61.3%	1.4%		37.3%
Trade associations	59.0%	4.0%		37.0%
Universities etc.	60.3%	1.7%		38.0%
Others	1.7%			98.3%

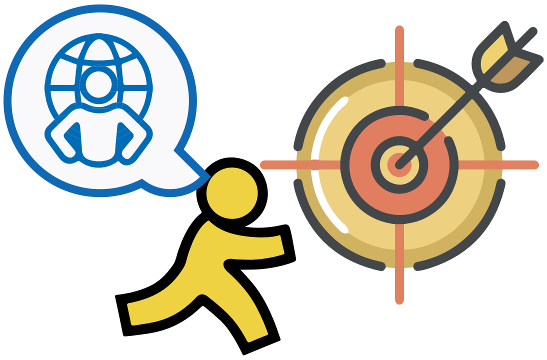
On the other hand, only one company declared that it had carried out a project to launch new or significantly improved products or processes within the last three years. The reasons why enterprises do not attempt to do this, or do not undertake innovation related operations in general, could be that they are rather focused on their more basic needs, and that they have inadequate numbers of white-collar employees and insufficient information and knowledge.

Only four enterprises, or 1.3% of the total, have a separate R&D department.

The enterprises were also asked about their relationships with universities. Only one enterprise stated that it benefits from services provided by academics; the rest of the enterprises which answered this question stated without exception that their enterprises do not have any relationship with universities. There is a need to improve the relationship between the universities and the Syrian-owned enterprises. Engineering students and graduates from the Syrian community could establish that bridge between the universities and Syrian-owned businesses by overcoming the language barrier as well.

KEY CHALLENGES AND POLICY RECOMMENDATIONS

Syrian-owned enterprises were established intensively from 2013 onwards. Of the 300 enterprises interviewed, 57.7% are exporters and



85.6%

aim to target export markets rather than local markets, However, the enterprises have problems related to access to the resources they need in order to support their competitiveness and continue their activities under favourable conditions.

> **“Common challenges facing Syrian owned enterprises are: mobility, so as to be able to participate in fairs and meet with potential business partners and customers in Turkey and abroad; obstacles to employment (the related costs and quotas), and problems with the banking system.”**

The biggest challenges faced by Syrian-owned enterprises have to do with legislation and regulations. These challenges are common to almost all Syrian-owned enterprises and can be grouped under three main headings. These are:

Citizenship and the Free Movement of People

Most Syrian entrepreneurs have problems in getting Turkish citizenship. The issue of citizenship is not in itself a major problem for the entrepreneurs. However it needs to be solved in order to facilitate business activities such as travel to other cities (free movement), visits to customers and suppliers in other countries, and participation in international trade fairs with a valid passport. It is very difficult to develop a solution for a problem related so directly to security, diplomacy and policy as citizenship. Here, it can only be emphasised that the issues facing Syrian-owned enterprises under this heading have to do with the free movement of goods, individuals and services.

Obstacles to employment

The quota defined in the work permit regulation on employment of Syrian personnel provokes informal employment in Syrian-owned enterprises. Syrian business owners tend to employ Syrian personnel due to the advantages of language and communication, business culture and business manners. As shown above, 67% of the 2,766 personnel employed at the 300 enterprises interviewed were Syrian nationals. This situation not only prevents enterprises from finding the right personnel but also increases informality, while negatively affecting tax revenues and threatening workplace peace and workers' health and safety.

Problems with the banking system.

In some banks, accounts of Syrian-owned enterprises can be closed upon the initiative of the banks. Some of the banks do not want to open accounts for Syrian partners or enterprises with Syrian partners. This causes rumours to spread about Syrian-owned enterprises, which cannot benefit from the banking system effectively and efficiently. Even in different branches of the same bank different procedures are applied to Syrians.

The high non-tax costs which the enterprises often mentioned should also be considered a common problem for Syrian-owned enterprises. The enterprises stated that they pay prohibitively higher fees and prices than Turkish enterprises for the products and services they purchase. It is essential to underline this issue, which needs to be measured and verified[15].

Almost no Syrian-owned enterprises use modern financial tools and almost all have problems in accessing financial resources. The main reasons are:

> **“The issues affectin access to finance for Syrian owned enterprises may be categorised as cultural practices, lack of white-collar employees and safety and security concerns.”**

Cultural practices

Syrian-owned enterprises do not seem to have adapted to the Turkish business style. They continue to maintain their way of business. Even the working hours are not the same as at Turkish enterprises. They start work late, work for long hours, work with a little more discipline and employ Syrian personnel. Some of the enterprises stay away from the banking system due to religious reasons and the business culture habit of using their own capital.

Lack of white-collar personnel

As in Turkish enterprises, problems in the employment of qualified white-collar personnel are observed in the Syrian-owned enterprises. The enterprises tend to work with Arabic speaking Sworn-in CPAs and CPAs they trust and act according to their advice and guidance in every issue apart from the main business. Since the general business of these Sworn-in CPAs and CPAs is limited to keeping accounts and performing legal obligations, their consulting functions are inadequate and therefore enterprises cannot reach adequate information.

[15]Focus Group Discussions conducted by UNDP in Adana with the beneficiaries of Entrepreneurship Trainings in May 2019

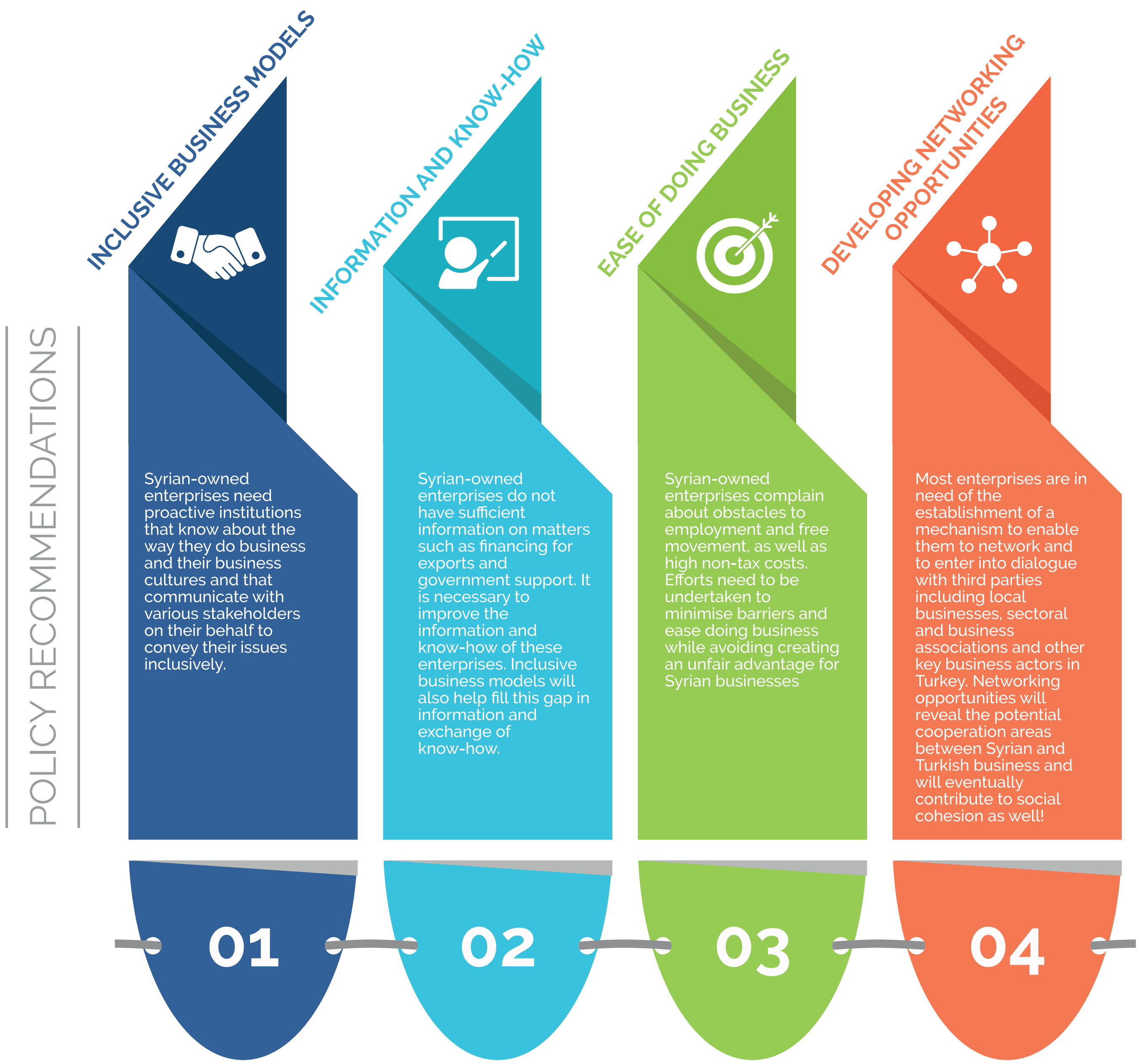
8 Under the field study, the experts focused on root cause analysis of the problems and interviewed the foreign transactions and intelligence services of some private banks. This matter is treated of in detail below.

Security concerns

Owners and partners of the enterprises tend not to take many formal actions. Some of them have relatives and/or investments in Syria. The Syrian owners/partners tend to mistrust the banking system and see sharing information and figures about businesses with banks as detrimental to their secrecy.

In light of the challenges and root causes specified above, 4 policy recommendations have been made based on the fieldwork findings, observations and the evaluations of experts to respond to the challenges and their root causes.

Figure 17: Policy recommendations



More details of the policy recommendations are given below.

INCLUSIVE BUSINESS MODELS

The distinct structure, characteristics and needs of Syrian-owned enterprises can be seen from the fact that:

- 94.7% of the enterprises are owned by Syrians only,
- 67% of the total employment consists of Syrians,
- More than 70% of them not benefiting from government incentives due to lack of information,
- 57.7% of them are exporters,
- 85.6% are targeting markets other than Turkey.

A need has been identified for new organisations dedicated to these enterprises, which have communication problems and insufficient information on laws and regulations.

The existing BSOs and the related public institutions have made some attempts at supporting these enterprises, but these efforts need to be supported by inclusive service models for sustainable mechanisms. Inclusive service models will increase the interest and confidence of Syrian business owners in these institutions and encourage their integration with the local economy.

The dedicated organisation(s) should accomplish the following tasks:

- Keep records of Syrian-owned enterprises in good order,
- Help enterprises solve their problems proactively,
- Conduct lobbying activities to make their problems visible,
- Most importantly, have knowledge of the business culture and working styles of the Syrian-owned enterprises.

Centres like ABİGEM and GİDEM, which were developed with the main task of supporting Syrian-owned enterprises, which were engaged in other tasks in the past, and which have a large pool of consultants and trainers, could be considered as possible solutions.

INFORMATION AND KNOW-HOW

INFORMATION AND KNOW - HOW

As underlined in the previous sections, Syrian-owned enterprises have almost no information on the following subjects:

- Laws,
- Legislations and regulations,
- Support, grants and incentives.

Despite their dynamic and export-oriented characteristics, their lack of sufficient information on regulations is an obstacle to Syrian-owned enterprises' contributions to the economy. There is a need to train Arabic-speaking experts that have full knowledge about the regulations. The enterprises need to be informed from a single centre about how to access resources such as:

- Finance,
- Access to government support.

EASE OF DOING BUSINESS

Syrian-owned enterprises complain about problems such as:

- Employing Syrian personnel,
- Barriers for mobility,
- Non–tax costs

In order to achieve progress in these areas and to minimise the barriers, efforts need to be made to make doing business easier.

Non-tax costs in particular have negative effects on the competitiveness of the enterprises and their integration with society. The enterprises have stated that extremely high costs are demanded of them for the services they procure. Apart from this, many enterprises said that banks do not want to work with enterprises owned by the refugees. For this reason, enterprises use high-cost alternative systems like Western Union for their money transfers. There is need for an institutional structure that would eliminate the barriers to conducting business within a given time. The business problems of Syrian-owned enterprises differ from the problems of Turkish enterprises. Therefore, as mentioned above, it is not possible for institutions organised to serve Turkish enterprises to provide adequate services to these enterprises.

DEVELOPING NETWORKING OPPORTUNITIES

The field in which Syrian-owned enterprises desire to be supported the most is networking. There is a need for a mechanism that will enable these enterprises to enter into dialogue with third parties and to develop a network of relationships. By informing the enterprises regularly, developing the communication among them and between them and the Turkish business world through exhibitions and B2B activities, and ensuring that they operate in more foreign markets through exhibitions and international B2B events, the competitiveness of the Syrian-owned enterprises will increase, and the enhanced contribution which they will make to local economies through increases to employment and income will further their integration.

These recommendations could establish the basis for long-term inclusive business models to be applied by the relevant institutions working in business development, commercialization and employment. Inclusive business models will not only respond to the actual challenges that Syrian business have in Turkey but support their long-term sustainability and growth, bringing growth and new jobs for Syrians and host community members alike.

APPENDICES

UNDP MAPPING SURVEY

Interview Date

Month   Day   Year

City

Interviewer

Interviewee

First Name   Last Name

E-mail of the Interviewee

example@example.com

Gender of the Interviewee

Age of the Interviewee

- ◯ Under 18 years old
- ◯ 18-24 years old
- ◯ 25-34 years old
- ◯ 35-44 years old
- ◯ 45-54 years old
- ◯ 55-64 years old
- ◯ 65 years old

Company Website

Short Name oof Company

Address of the Company

1-) Legal Status of the Company

- ◯ Sole Proprietorship
- ◯ Join Stock Company
- ◯ Limited Liability
- ◯ Cooperative Company
- ◯ Collective Company
- ◯ Comandite Company
- ◯ Unregistered

2-) Are the headquarters of the company in Turkey?

- Yes
- ______

3-) Did you invest in any country before coming to Turkey?

- No
- ______

4-) Date of establishment

______

5-) Size of the company (based on KOSGEB definition,2018)

- TL 0-3 Million
- TL 3-25 Million
- TL 25-125 Million

6-) Ownership Structure of the Company

	Syrian ownership (%)	Turkish ownership (%)	Others (%) if any
Shareholders			

7-) What are the main products and/or services you are dealing with?

______

8-) Business Characteristics of the Company

- Manufacturer
- Manufacturer-Exporter
- Manufacturer-Trader
- Exporter
- Trader
- Service Supplier
- ______

9-) Sales and Supply Breakdown

	City Wide (%)	Regional (%)	National (%)	Export-except Syria (%) (for input - Import)	Export to Syria (%) (for input - Import)
Sales					
Input					

10-) What are your current and target markets? Select all applicable

	Current Markets	Target Markets
Local	○	○
Turkey	○	○
Syria	○	○
Middle East	○	○
North Africa	○	○
Eu	○	○
Europe (Non-EU)	○	○
N.America	○	○
S.America	○	○
Asia	○	○

11-) Who are your company's end-users?

	(%)
Households (B2C)	
Industry (B2B)	
Public (Governmental Institutions, municipalities etc.)	
Others (Please describe)	

12-) Number of Employees

	Administrative (Including employed shareholders)	White Collar	Blue Collar	Syrian	Turkish	Other Nations
Women						
Men						

13-) How would you rank the overall work performance of your women employees, if any ?

○ Top 15% ○ Average ○ Bottom 15%
○ Above Average ○ Below Average ○ Not applicable

14-) What are the reasons for employing or not employing women?

	Yes	No
Performance	○	○
Motivation	○	○
Cultural aspects	○	○
Women's responsibility in the house (parenting, pregnancy)	○	○
Qualificitions	○	○
Work discipline	○	○
Language (Turkish and/or English)	○	○

15-) What arrangements do you make concerning the balance between working life and life outside work?

- Flexible hours
- Part-time work
- Maternity leave
- Paternity leave
- Parental leave
- Breastfeeding leave
- Not applicable
-

16-) Your opinion about the general course of business in your sector/industry compared to your expectation when you first started.

- More optimistic
- Same
- More pesimistic

17-) Your opinion about export prospects over the next year compared to the previous year.

- More optimistic
- Same
- More pesimistic
- Not applicable

18-) Excluding seasonal variations, what has been the trend in the following items over the last 12 months?

	Up	Same	Down	Not Applicable
Employment in the company				
The amount of new orders received from the domestic market				
The amount of new orders received from the export market				
Capacity Utilization				
Stock Levels				

19-) Do you have any plans to increase your productivity?

- Yes
- No

20-) Excluding seasonal variations, what will be the trend in the following items over the next 12 months?

	Up	Same	Down
Employment in the company			
The amount of new orders received from the domestic market			
The amount of new orders received from the export market			
Capacity Utilization			
Stock Levels			

21-) Please rate the responsiveness of local institutions to your business needs

	Not applicable	Not responsive at all	Somewhat Responsive	Responsive	Highly Responsive
Office of Governor					
Municipality					
Regional Development Agency					
Tax office					
KOSGEB					
işkur					
Chambers					
University					
Other 1, please indicate					
Other 2, please indicate					
Other 3, please indicate					

22-) Membership of Business Service Organizations (Chambers, Associations etc.), including starting dates

23-) Can your current location accommodate business expansion?

- ○ Yes
- ○

24-) Please rate the responsiveness of local institutions to your business needs

	Very challenging	Somewhat challenging	Not challenging
Workforce availability	○	○	○
Workforce quality	○	○	○
Capital	○	○	○
Regulations	○	○	○
Taxes	○	○	○
Costs (other than taxes)	○	○	○
Informal Economy	○	○	○
Market Access	○	○	○
Supply Chain Quality	○	○	○
Discrimination by host communities	○	○	○
Language and communication	○	○	○
Other	○	○	○

25-) Evaluate your access to the following types of financial capital

	Very Difficult	Somewhat difficult	Neither difficult nor easy	Somewhat easy	Very easy	Not Applicable
Export finance						
Investment Finance						
R&D Finance						
Working capital						
Others						

26-) Does your company benefit from public incentives and supports

	Yes	No, Lack of info	No, Bureaucracy
KOSGEB			
TUBITAK			
RDA (Regional Development Agency)			
MoIN			
MoTRADE			
EXIMBANK			
OTHERS			

27-) Please assess the quality of the following business services provided in your region.

	Poor	Averaga	Good	Not Applicable
Legal				
Accounting				
Consulting				
IT				
Financial				
Transportation				
Facility				
Other				

28-) Location of the company's service provider.

	In the region	Provided from outside of the region	Not Applicable
Legal			
Accounting			
Consulting			
IT			
Financial			
Transportation			
Facility			
Other			

29-) Which business resources does the company need mostly?

	Please write “1” in the relevant row
Human resources	
Know-How	
Physical Assets (Equipments,machinery etc)	
Business Relations	
Financial Resources	

30-) Does your company have/use the following marketing tools?

	Yes	No
Web site	◯	◯
Business Email	◯	◯
Social Media	◯	◯
Printed brochures	◯	◯
Outdoor Ads	◯	◯
Indoor Ads	◯	◯
Audio - Visual Ads	◯	◯

31-) Do you participate in Trade Exhibitions?

	Yes	No
Regional	◯	◯
National	◯	◯
International in Turkey	◯	◯
International in abroad	◯	◯

32-) Do you have registered brands? How many? Since when?

33-) Do you have licensed patents or industrial designs? Indicate type; since when?

34-) Which sources do you use to generate new product ideas? Internal, customers, suppliers, etc

35-) Rank the importance of the sources mentioned above for your company's innovation ideas

	Not impotant	Somewhat important	Very important
Internal (within firm)	◯	◯	◯
Company acquisitions	◯	◯	◯
Competitors	◯	◯	◯
Customers and Buyers	◯	◯	◯
Suppliers	◯	◯	◯
Trade Associations	◯	◯	◯
Universities etc	◯	◯	◯
Other	◯	◯	◯

36-) In the last three years, has your company developed any projects to introduce new or significantly improved products or processes (regardless of successful completion)? TUBITAK,KOSGEB etc...

◯ Yes

◯ No

37-) Do you have an R&D department?

◯ Yes

◯ No

38-) Please describe your company's relationship with universities, check all that apply

◯ Our company has no relation with the universities at all

◯ Our employees attend training activities organized by the universities

◯ Our company benefits from R&D programs of the universities

◯ Our company benefits from the laboratories at the universities

◯ Our company benefits from the services provided by academics

◯ Our company employs local university graduates

◯ Our company provides internship opportunities for local university students

◯ Our company conducts joint-research programs with the universities

◯

39-) Would you like to benefit from the Model Factories to be established in the Project to improve your productivity ? (İzmir, Mersin and Gaziantep)

- ◯ Yes
- ◯ No

40-) Would you like to benefit from the services provided in the innovation center including the design and innovation lab? (for the companies in Mersin, Adana and İzmir)

- ◯ Yes
- ◯ No

41-) What kind of assistance do you need from the following institutions?

	NGOs and UN Agencies?	Public Authorities and Business associations
Access to finance	◯	◯
Information on law and regulations	◯	◯
Information on how to do business	◯	◯
Information and events for match-making/business partnerships	◯	◯
Employment services (finding staff, incentives to cover the cost	◯	◯
R&D funding	◯	◯
Equipment & machinery funding	◯	◯
Staff speaking arabic at the institutions	◯	◯
Information on services and regulations	◯	◯
Accessible in Arabic	◯	◯

42) What occupations are most critical to the success of your company?

	Occupations
1	
2	
3	

43) Current number of openings in these occupations, If any

	Occupations	Number of openings
1		
2		
3		

44-) How many new staff are you expecting to hire in the next 1 year?

- ◯ We are not planning to hire anyone
- ◯ [ ]

45-) Which channels are you going to use to hire new people?

- ◯ Reference
- ◯ Referrals
- ◯ İŞKUR
- ◯ HR websites
- ◯ Linkedin
- ◯ Refugee oriented NGO’s
- ◯ [ ]

46-) Opinion of the Interviewer

Turkey Resilience Project in Response to the Syria Crisis (TRP)

JOB CREATION COMPONENT

2019

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Güçlü bireyler.
Güçlü toplumlar.