



# Integrated Safeguards Data Sheet Identification / Concept Stage (ISDS)

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Concept Stage | Date ISDS Prepared/Updated: 19-Sep-2018 | Report No: ISDSC25439

## BASIC INFORMATION

### A. Basic Project Data

Project ID	Project Name	Environmental Category	Country
	Development of Businesses and Entrepreneurship for Syrians under Temporary Protection and Turkish Citizens	B - Partial Assessment (B)	Turkey
Team Leader(s)	Estimated Date of Approval	Managing Unit	Financing Instrument
Ahmet Levent Yener, Sirma Demir Seker		GSP03	Investment Project Financing

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## PROJECT FINANCING DATA (US\$, Millions)

### SUMMARY

<b>Total Project Cost</b>	2.15
<b>Total Financing</b>	2.15
<b>Financing Gap</b>	0.00

### DETAILS

#### Non-World Bank Group Financing

Trust Funds	2.15
Free-standing TFs for ECA ECCTR Country Unit	2.15

### B. Project Development Objective(s)

The development objective of the project is to support the growth of SMEs and increase employment and entrepreneurship opportunities for SuTP and Turkish Citizens in a pilot province characterized by high incidence of SuTPs.

### C. Project Description

The recipient of this Grant is the Ministry of Industry and Technology of the Republic of Turkey (MoIT). MoIT will sign a subsidiary agreement with the Small and Medium Enterprises Development Organization (KOSGEB) to implement the Project.

The Project has two components. Component 1 will support KOSGEB to implement a pilot small-grant scheme in a pilot province (Gaziantep) to support existing businesses of SuTP and Turkish citizens, and new SuTP entrepreneurs.

Component 2 will strengthen institutional capacity of KOSGEB. Under Component 1:

1. KOSGEB will support 30 SuTP and host community SME. Participating SME will be selected from those operating in manufacturing sector or using medium/high technologies. The SME owned by Turkish citizens will be eligible if they commit employing new SuTP employees. There will be no employment obligation for SuTP SME.

2. 30 new entrepreneurs will be supported by KOSGEB and selected entrepreneurs will receive start-up advances, machinery, equipment and software funding as well as performance support.

Component 2 will finance activities that support the KOSGEB to deliver, monitor, and evaluate services and programs to be provided to SMEs of SuTP and Turkish citizens in Gaziantep. Under Component 2:

1. KOSGEB's capacity for designing, delivering and monitoring of services implemented under Component 1 will be strengthened. This will include translation of KOSGEB's existing training modules into Arabic and English, field visits to countries having similar experiences with refugees (i.e. Germany, Lebanon), and training for relevant KOSGEB staff in business mentorship, migration policies, and project management.

2. KOSGEB will establish a project implementation unit (PIU) in headquarters that will be responsible for overall project coordination, and a liaison office in the field for day-to-day implementation. The costs of human resources to be contracted out for the PIU and liaison office, and the relevant operating costs and cost of equipment will be financed under this sub-component.

## SAFEGUARDS

### **D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)**

Project will be implemented in Gaziantep, Turkey.

### **E. Borrower's Institutional Capacity for Safeguard Policies**

Environmental Assessment OP/BP 4.01 is triggered. Bank team is working closely with KOSGEB teams for familiarizing them to Bank's environmental and social safeguard policies. Since the grants will only be used for low Category B and C projects, the staff in KOSGEB will be adequate to review the grant application

documents by benefiting from the ESF.

**F. Environmental and Social Safeguards Specialists on the Team**

Arzu Uraz Yavas, Social Safeguards Specialist  
 Esra Arikan, Environmental Safeguards Specialist

**G. Policies that might apply**

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Safeguard Policies Triggered by the Project	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>KOSGEB will distribute small grants to Syrian and Turkish entrepreneurs. The sub-projects that will benefit from the grants are expected to be Category B and C projects. The environmental and social management framework (ESMF) is being prepared for describing the national environmental assessment procedures and WB safeguard requirements and will be disclosed on both the Borrower and Bank's website. The ESMF will include screening criteria for assessing project risk and categories and will be guiding KOSGEB for screening Category A projects out.</p> <p>It is anticipated that there will be no large scale significant and/or irreversible impacts from the project. Most of the sub-projects to benefit from the grant are expected to be training, consultancy, rehabilitation/renovation activities of existing facilities or establishment of small scale new production facilities within existing buildings. The locations and the scope of sub-projects will be identified during the project implementation and relevant environmental forms will be filled in line with the ESMF document. It should be noted that KOSGEB will be approached for financing of sub-projects after the sub-project sponsors have obtained all necessary environmental permits and environmental clearance from Turkish</p>

	<p>Government. After ascertaining that all Turkish requirements have been met and clearances obtained, the sub-projects will be screened according to World Bank categorization and the corresponding assessment and review procedures will be followed as described in details in the environmental review procedures of the ESMF. Regarding the Bank’s review, the first 3 sub-project grant applications will be submitted to the Bank by the KOSGEB for “prior review”. Following this “pilot” period, if World Bank and KOSGEB agrees, the World Bank will change to spot checking the screening and environmental review process on a “post review” basis.</p> <p>Regarding social impacts, the project does not expect to have any adverse impact. Since the grant program will not allow any purchasing of land or civil works there will not be any land acquisition impacts, as per OP 4.12. Other non-safeguards impacts are expected to be positive as it will help create new business and employment opportunities for both Syrian and host communities in Gaziantep, which is impacted by the Syrian refugee influx.</p> <p>The Turkey portfolio has ongoing engagement and various projects for SuTPs (Syrians under Temporary Protection) since 2015. The social dynamics of the SuTP is constantly analyzed through analytical work and through routine engagement with the relevant government entities, and also through site visits from time to time. The team has been to the region during the project inception stage. The likelihood of a potential social conflict in this project is very low as the beneficiaries of this small grant project will be SuTP and Turkish entrepreneurs who confirm the eligibility criteria of KOSGEB’s microgrant. Since the target is very limited and the project is</p>
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implemented in a pilot city Gaziantep, which has more than 400.000 SUTP and is very well-known for its thriving economy fostered by both Syrian and Turkish entrepreneurs, there are already various ongoing entrepreneurship grant supports and programs for the Turkish citizens. Formal Syrian entrepreneurs are eligible for government-led support programs. However, their knowledge on these programs and access are limited. This will be the first pilot to assess how the grants mechanism works for the SuTP community. In its communication efforts, KOSGEB will pay attention on the fact that this grant program is financed through EU's FRIT money and will not only benefit the SuTP entrepreneurs but also the entrepreneurs from the host community. As the project's aim is to foster the economy and create new employment, the indirect beneficiaries of this project will be employees, both Turkish and SuTPs. KOSGEB will insert language in their sub-grant agreement with the entrepreneurs, that they would follow the national labor law and hire employees accordingly (which usually is not the case for SuTPs, they are usually hired informally). Even though the government has introduced work permits in 2016 for Syrians under temporary protection, there is a rule that a company should employ ten Turks for every foreigner.

In terms of gender, the same Bank task team is engaged in another gender-specific project funded under the EU-FRIT, EUR 55 million was allocated to the World Bank to finance three projects. The project will not have gender specific activities, but will have positive discrimination against women entrepreneurs and those with disabilities who fit into the selection criteria.

In its grant sub-agreement with the

		<p>entrepreneur, KOSGEB requires a commitment from the grant receiver to oblige by the national law. For this project, even though the scale of the sub-projects will be small grant projects and hence environmental and social risks are low, the commitment plan will be modified and explicitly have some language on the environmental and social compliance with World Bank requirements.</p> <p>Due to the limited resources of the grants, in order not to inflate any demand and potential tension among the host and Syrian communities, KOSGEB will have a targeted communication strategy about the eligibility criteria and grant selection process. Hence, KOSGEB will not promote the program to public at large. Given that the target group of the small grants is limited to one city and KOSGEB is experienced in managing entrepreneurial programs, KOSGEB's call-center and its local office in Gaziantep will be addressing any type of inquiry or concerns, as a GRM. There will be a designated personnel to deal with the communications amongst the grant applicants in KOSGEB's Gaziantep local branch.</p>
Natural Habitats OP/BP 4.04	No	Project activities in natural habitats will not be eligible for application.
Forests OP/BP 4.36	No	No forest or nature related activities are planned.
Pest Management OP 4.09	No	No agricultural activities or any other type that includes pest agents or control are to be funded.
Physical Cultural Resources OP/BP 4.11	No	The grant will not support activities that will have any impacts on cultural properties and chance finds will not be an issue since project is not expected to provide any grants to construction activities.
Indigenous Peoples OP/BP 4.10	No	N/A
Involuntary Resettlement OP/BP 4.12	No	Under this small grant program, KOSGEB does not support any purchasing of immovable assets, civil works or

		retrofitting. Therefore, the project will not trigger the Bank’s safeguard policy on Involuntary Resettlement (OP 4.12).
Safety of Dams OP/BP 4.37	No	N/A .Envisaged activities do not include any type of intervention on dams.
Projects on International Waterways OP/BP 7.50	No	No activities impacting international waterways will take place.
Projects in Disputed Areas OP/BP 7.60	No	N/A

## H. Safeguard Preparation Plan

### Appraisal stage ISDS required? Yes

a) Tentative target date for disclosing the appraisal stage ISDS

17-Sep-2018

b) Time frame for launching and completing the safeguard-related studies that may be needed.

ESMF is drafted and has been reviewed by the Bank. The final ESMF will be disclosed after the appraisal completion due to OP 10.00 Emergency Procedures.

### APPROVALS

Team Leader(s):	Ahmet Levent Yener
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### Approved By

Safeguards Advisor:	Nina Chee	19-Sep-2018
Practice Manager/Manager:	Cem Mete	19-Sep-2018

<sup>1</sup> Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) by the Bank and (ii) in country by the Borrower/Recipient, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.