

INSIGHTS INTO ACTION & SOCIAL ENTREPRENEURSHIP ROADMAP FOR COMMUNITY CENTRES



European Union
Civil Protection and
Humanitarian Aid



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DEUTSCHE ZUSAMMENARBEIT

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Insights into Action & Social Entrepreneurship Roadmap for
Community Centers Programme

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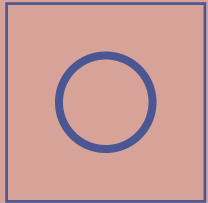
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A . C . R . O . N . Y . M . S . :

AFAD: Disaster and Emergency Management Presidency

AFKEN: Disaster Temporary City Management System

AIMS: Approach to Inclusive Market Systems

BMZ: German Federal Ministry for Economic Cooperation and Development

BSYBS: Integrated Social Assistance Information System

CBO: Community-Based Organization

CC: Community Center

CLIP: Community Centre and Local Initiatives Project

CSO: Civil Society Organizations

CSR: Corporate Social Responsibility

DG ECHO: Directorate General for European Civil Protection and Humanitarian Aid Operations

DGMM: Directorate General of Migration Management

EU: European Union

GIZ: Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH

KOSGEB: Small and Medium Enterprises Development and Support Administration

ICA: The International Cooperative Alliance

IOM: International Organization for Migration

IP: Intellectual Property

IPA: The Instrument for Pre-Accession Assistance

ISKUR: Turkish Employment Agency

LED: Local Economic Development

LGBTQ: Lesbian, gay, bisexual, transgendered, and queer (or questioning)

MERSIS: Central ID Registration System

MIAFW: Made in A Free World

M4P: Making Markets Work for the Poor

MoNE: Ministry of National Education

MUDEM: Refugee Support Center-Association

NGO: Non-Governmental Organization

PRS: Protracted Refugee Situations

SSG: Syrian Social Gatherings

TAC: Temporary Accommodation Center

TIN: Tax Identification Number

TP: Temporary Protection

UNDP: United Nations Development Programme

UNHCR: United Nations High Commissioner for Refugees

WFP: World Food Program

YIMER: Communication Center for Foreigners

Introduction



Robert G. Ingersoll

**We rise
by lifting
others.**

Turkey finds itself in its ninth year of managing the displacement crises because of the conflict in Syria and continues to be affected by the highly complex nature of its dynamics. Despite the complexity of the crises and the highest volume of displaced persons streaming into the country, the gradual improvements seen in the delivery of primary services including health, education, shelter, and livelihoods make Turkey a unique case of considerably successful migration management. Without a doubt, Turkey's phenomenal success to alleviate the

effects of the prolonged crisis has been also reinforced with the support of the international community. International cooperation in humanitarian aid and development has notably boosted the capacity of the Government of Turkey as well as of Non-Governmental Organisations (NGOs) and Community-Based Organisations (CBOs) in the refugee response by triggering the use of their respective response mechanisms.



©Emre Ünsallı / 2019

While the emergency intervention responses to the crisis in Syria are starting to be replaced by long-term development interventions, the practical application of a new repertoire in livelihoods is a must. Moving toward sustainable solutions, a reshape in the economic infrastructure shall be considered for a more diverse ecosystem to ensure that economic activities aimed at supporting refugee income-generation and livelihoods do not rely upon continued international humanitarian aid or development funds. Steps shall be taken to institutionalise the inclusivity of refugees in the workplace that recognises their skills-based contributions and upholds fair work conditions.

In the current climate, with economic and political instability on the rise and the massive spread of COVID-19 hitting its most vulnerable groups, the economic integration of Syrians in Turkey has proven difficult. The nation's official unemployment of 13.2% and the higher youth unemployment rate of 26.1% as of August 2020 provide a moderately challenging landscape for entry into the mainstream workforce. There are two universally accepted and predefined ways of participating in the labour market, i.e., through

i) employment and ii) entrepreneurship. A deeper understanding of the challenges and opportunities in boosting refugee employability on behalf of humanitarian aid and development aid experts should lead to greater inclusion in the market through social cohesion and entrepreneurship activities conducted at community centres and facilities. Appraisal of sectors in demand and models for training toward entering employment pathways would encourage sector professionals to consider improving their tools, revise their current agenda, and ongoing projects accordingly.

Social entrepreneurship in Turkey has become highly relevant in overcoming barriers to the employability of vulnerable groups, access to primary health services and education, and elderly care. This period of transition to inclusive growth, in parallel with the global trends in the social entrepreneurship ecosystem, international humanitarian aid, development aid, and EU accession instruments serve as great catalysts for laying a foundation that will reinforce social entrepreneurship which makes Turkey a laboratory for experimental social entrepreneurship ecosystem development. In particular, the role of social enterprises in responding to the labour

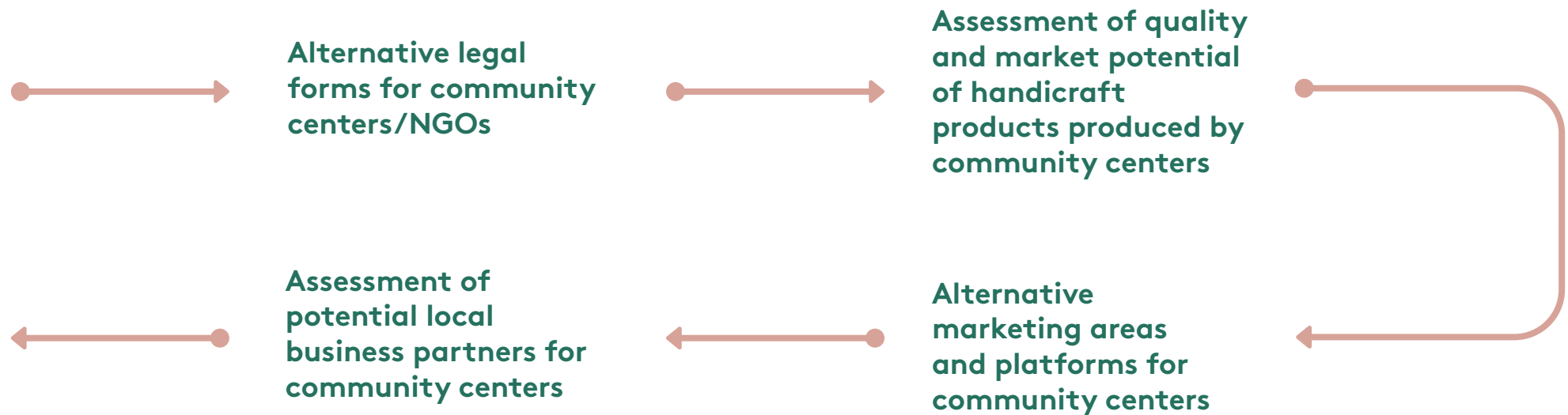
market needs during the economic shrinkage and uncertainty incurred by anticipated or unanticipated externalities, i.e., COVID-19, become more important day by day.

Photo by Mat Reding on Unsplash



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¹ Carvalho, L., Rego, C., Lucas, M., Sánchez-Hernández, M. and Noronha, A., 2018. Entrepreneurship and Structural Change in Dynamic Territories. Cham: Springer International Publishing.
² European Neighbourhood Policy and Enlargement Negotiations - European Commission. 2020. Overview - Instrument for Pre-Accession Assistance - European Neighbourhood Policy and Enlargement Negotiations - European Commission. [online] Available at: https://ec.europa.eu/neighbourhood-enlargement/instruments/overview_en [Accessed 3 September 2020].



The stages of the report

This report aims to propose a practical and applicable social entrepreneurship roadmap for the community centres supported by the Community Centres and Local Initiatives Project (CLIP), co-financed by the German Federal Ministry for Economic Cooperation and Development (BMZ) and the European Union through its Civil Protection and Humanitarian Aid Operations (ECHO) and implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). The projects implemented by the Community Centres that are supported by CLIP include activities in the areas of protection, social interaction, non-formal education as well as the vocational and income-generating activities. To this end, CLIP expects to establish methods in paving the way to sustainable income generation for refugees displaced in Turkey as well as disadvantaged host communities through community centre programming, in line with trends in the humanitarian aid and sustainable development world, in a manner that harmonises with community centre aims. Community centres also report their social enterprise's profit-earning as a chance to invest in organisational growth and development programmes and improve the sustainability of their services. Hence, although the audience of this study is primarily the six GIZ-supported community centres, their project personnel and, most importantly, their Syrian and other refugee beneficiaries, this report aims also, to a large extent, at helping development practitioners, private sector development specialists, social and solidarity economy experts, and livelihood officers to design, execute and replicate feasible and market-driven interventions framed by inclusive growth and social solidarity approaches in Turkey.

³ "The State of Social Enterprise in Turkey | British Council". Britishcouncil.Org.Tr, 2020, <https://www.britishcouncil.org/en/programs/education/social-enterprise-research> Accessed June 2020.

Methodology



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The research focuses largely on the emerging field of social entrepreneurship with the aim of enhancing the economic prosperity of refugees and the host community through community centre programming and of improving the sustainability of the services provided by the Community Centres after the end of the GIZ's technical and financial support. In doing so, the ethnographic research method was selected as the most suitable method to provide a fine-grained, qualitative understanding of obstacles to income-generation faced by refugees in Turkey.



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The unit of analysis will be the Community Centres supported by GIZ. In doing so, the focus is placed on institutions, rather than individuals, as means of systematic change and drivers of greater interventions at meso-level through income-generating activities. As a result, refugees gain skills and business acumen which can be leveraged for the social enterprises' success or follow their own pathways to employment and future self-reliance, either dependent on or independent of the programme itself.



Map of Turkey, Provinces in which CLIP-supported community centres are located

Due to its community-based nature, the methodology and social elements of the research were naturally affected by the ongoing COVID-19 pandemic. The prioritisation of control mechanisms such as social distancing was the main constraint in reaching out to the target group of this research project, namely, beneficiaries, project coordinators, and potential clients of handicrafts. Thus, face-to-face interviews and community centre visits for data collection were replaced by remotely conducted interviews, and more emphasis was given to potential development areas for the supported community centres in social entrepreneurship area.

The study proposes a qualitative approach to create a differentiated picture of social entrepreneurship in the refugee context in Turkey and intends to shed light on the requirements of social businesses in community centres regarding prospective legal forms and organisational modalities. The data for this analysis was collected between May 2020 and June 2020 using an ethnographic methodology composed of three elements: (i) a collection of semi-structured online and telephone interviews as well as participant observations from social entrepreneurs, humanitarian aid workers and social initiatives striving for economic inclusion of refugees, (ii) a comprehensive analysis of social enterprise handicraft products based on a range of evaluation standards regarding material and end-product quality, efficiency, target audience, and market viability, and (iii) desk-based research covering national, regional and provincial policy documents including but not limited to Turkey's 10th and 11th Development Plans, Turkey Entrepreneurship Strategy and Action Plan, Presidential Year Programme of 2019, and the Women's Empowerment Strategy Document and Action Plan. Community-based social mapping and participant observations resulted in 12 semi-structured interviews. Among these interviews, five were conducted with social entrepreneurs, volunteers, and public-sector officials to gain insights from previously conducted social businesses and on lessons learned from other social enterprises targeting the same sectors and beneficiary groups. The interviewees were selected from the most refugee-populated areas in the South-eastern provinces of Kilis, Şanlıurfa, Gaziantep, Hatay, Mardin, Adana, and Mersin, and in the urban population centres of Izmir, Istanbul, and Ankara. These are the locations where the refugee population influences the market capacity and innovation.

A secondary objective of this research is to formulate new questions and gather new data with crucial input from community centres in order to understand to what extent handicrafts produced by refugees are marketable and have potential to create an additional income to finance ongoing or planned activities, e.g., psychosocial support, legal counselling, and social or cultural activities. In accordance with this objective, interview questions evolved dynamically over the course of the research, and the input was obtained in the form of preliminary information before and during the semi-structured interviews. In particular, the significant challenges of the community centres in supporting the self-reliance of the refugees and their ability to tackle these challenges became prominent and recurring. The interviews were to a large extent conducted in Turkish except the one conducted with Syrian Social Gatherings (SSG). Throughout this research, the dynamics of the group, harmony among women, capabilities of refugees and the approaches of the community centres towards social business is also considered while proposing the best legal modality for each community centre.



The community centres evaluated include:

Refugees and Asylum Seekers Assistance and Solidarity Association (RASAS) (Mülteciler Derneği) in Istanbul

Association for Solidarity with Asylum Seekers and Migrants (ASAM) Community Centre (ASAM) in Ankara

Leader Woman Association (LWA) in Mardin

Syrian Social Gathering (SSG) in Mersin

International Blue Crescent Relief and Development Foundation (IBC) Community Centre (IBC) in Kilis

Seyhan Municipality Women's Solidarity Centre (Seyhan Municipality) in Adana

The questions asked during the interviews with the community centres are as follows:

- What is the general demographic structure, e.g., age, gender, nationality, etc. in the field of activity?
- What is the total number of women you work with regularly and reach with activities relevant for social entrepreneurship?
- To what extent does gender inequality determine women's participation in community centres?
- What is the number of women attending social cohesion workshops?
- How is women's solidarity among themselves?
- How do women perceive the notion of sharing among themselves?
- What is the main motivation for women to participate in activities? Is it more effective when it is a social activity or income-generating one?
- How much is the approximate gain for beneficiaries?
- How skilled and creative do you think working women are when you consider the designs of the products?
- Do women have any other income?
- To what extent can Community Centres imagine extending the social business component?
- How do Community Centres assess the possibilities of generating funds from a business component to finance other social services they provide?

Community-based social mapping and participant observation resulted in 12 semi-structured interviews conducted with the community centre managers and project coordinators, NGOs/CBOs, and municipalities. During the research, interviews with social entrepreneurs, private sector and public-sector officials were also conducted in order to compile stakeholder input and ultimately scale the existing livelihood framework to generate a social and economic impact.

Theoretical Framework:



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The term refugee livelihoods has been widely discussed and utilized by development practitioners and humanitarian aid workers, especially given that refugee communities require assistance from both state and non-state actors. Therefore, the relevant literature on refugee livelihoods in the terrain of theory-making relies, to a large extent, on field-based experiments derived from practitioners' experiences and technical manuals used for local community development activities in designing livelihood strategy for displaced persons in a range of given contexts.

By definition, a livelihood framework counts the household as a unit of economy in terms of assets, capabilities, and activities⁴. An important term in economics and the base unit in many theories, the term "household" basically refers to those who live in the same house. Household members use their skills or working time activities through which they gain their livelihood. Skills are supported with prior life knowledge, state of health, and ability to work and participate in the labour market. A typical example of refugee livelihood strategy would be 'soft skills' training, like foreign language learning or customer service training, that increase one's eligibility for employment or to establish a new livelihood. There is also other financial and strategic support for individuals or groups like seed investments or mentoring for those who are aiming to establish their business as a new legal entity.

⁴Vriese M.D. 2020, Refugee Livelihoods: A review of the evidence. Available at: <https://www.unhcr.org/research/evalreports/refugee-livelihoods-review-evidence> [Accessed 3 September 2020].

Engagement in livelihoods can enable refugees to play an active role in their own transition to economic self-sufficiency. The short-term solution to the crisis is usually limited to providing life-saving essentials for only a limited onboarding period. These essential services address basic needs like security, food, water, and shelter. For a refugee household to generate enough income, preserve assets, and reach a decent and sustainable standard of living, a livelihood approach must deem local cohesion as an essential agent for both refugee and host community success. For example, refugees with appreciable and transferable skills that can be traded in return for other assets may find it easier to apply their experience to professions such as tailors, bakers and blacksmiths. These refugees are productive and included in the workplace despite assumed language or cultural barriers, whilst adding further value to their environment.

There are various forms of livelihood models and frameworks utilized for intervention. In the context of the temporary protection for Syrians, livelihood activities are conducted with a wide range of focus from home-based handicraft or goods production to agribusiness, formal employment in service sectors to entrepreneurship in the high-tech start-up ecosystem. As is the case with some refugees in Turkey, refugees can benefit from training in community centres in combination with their own traditions, resiliency, and entrepreneurial propensity. Some programme beneficiaries will choose to participate in social enterprise activities as their primary means of income, favouring an often positive and safe environment that offers opportunities for training and social inclusion. Other individuals, having bolstered their skills, confidence, and ability to navigate the job market through community centre programming, will choose to act independently, defining their own method for income-generation and self-sufficiency.

Nevertheless, alternative and trendy approaches to the strategic positioning of refugees in the entrepreneurship ecosystem or supply chains have become more visible and adjusted to market-driven needs. These approaches, in the intellectual area, are led by various institutions⁵, development and humanitarian aid organisations following large-scale advocacy activities, the compilation of success stories and of lessons learned⁶ as well as by innovative conferences in the quest of policy recommendations and policy formulations for relevant stakeholders. In the literature, there are numerous practical frameworks used to characterize social entrepreneurship, running a fine-toothed comb through the subtle differences in structure and operation, and therefore delineating subcategories. 'Inclusive business' and 'inclusive chain management' frameworks and their nuances are commonly demonstrated in practice in the market and can be applied to social enterprises. In some cases, in a comprehensive assessment of refugee livelihoods, it can be argued that these terms are intricately interwoven and interchangeably used.⁷

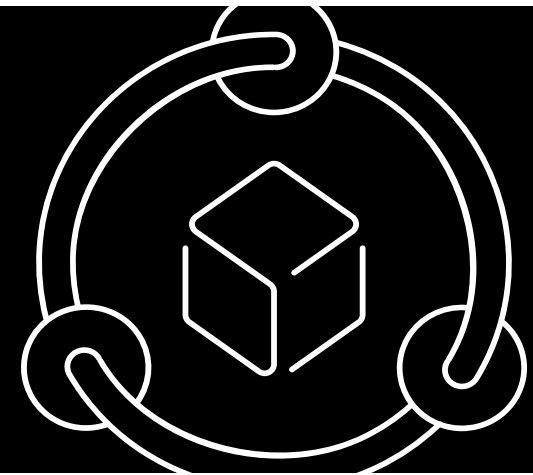
In the next sections, the report presents two widely recognized theoretical frameworks that are used in the interplay of refugee livelihoods and private sector development. Without a market-based approach in refugee livelihoods and subsequently, in private sector development, humanitarian interventions through community centres would prove to be inadequate in the humanitarian and development nexus.

⁵ Business Fights Poverty. 2020. Resilience Through Refugee-Inclusive Business - Business Fights Poverty. [online] Available at: <https://businessfightspoverty.org/articles/report/resilience-through-refugee-inclusive-business/> [Accessed 4 September 2020].

⁶ Resilience Through Refugee-Inclusive Business, 2020. [online] Available at: <https://businessfightspoverty.org/articles/download-centre-register> [Accessed 4 September 2020].

⁷ Borzagal C et al. Interpreting social enterprises, 2020. Scielo - Scientific Electronic Library Online. [online] Available at: <https://www.scielo.br/scielo.php> [Accessed 4 September 2020].

Inclusive Business & Supply Chain Management



Supply Chain Management (SCM) encompasses all the steps involved in procuring raw materials through to the finished goods. The procured materials in our Community Centre examples are fabric, dye, production equipment, sewing supplies, etc. As a very crucial part of operating a lean and efficient supply chain, an increased capacity level results in better negotiating power for more competitive rates and products while reducing inventory costs. Participation in the supply chain also requires a reliable inventory for on-demand order fulfilment to become a trusted supplier.

⁸ Gunther H., Meyr H. 2009. Supply Chain Planning: Quantitative Decision Support and Advanced Planning Solutions. Available at: <https://books.google.com.tr/books?id=y5uQQagQzrAC&lpg=PR1&pg=PR1#v=onepage&q&f=false> [Accessed 4 September 2020].

Beside product quality, for an efficient Supply Chain Management and eligibility for wholesale opportunities partnerships with financial return the following ought to be established:

- Fine-tuned inventory forecasting and shipping partnerships
- Evaluation of lead times and delivery locations
- Careful selection of procurement partners
- Implementation of effective communication and technology

Inclusive businesses and inclusive supply chain management play a crucial role in the developing world.⁹ Inclusive business is a private-sector approach to providing goods, services, and livelihoods on a commercially viable basis, either at scale or scalable, to people at the base of the pyramid by making them part of the value chain of a company's core business as suppliers, distributors, retailers, or customers in order to broaden their market or contribute value to society. Inclusive businesses operate independently of social enterprises and corporate social responsibility (CSR) with profit-making and social impact as their central aims to alleviate poverty (which is also the first SDG "End poverty in all its forms everywhere")¹⁰ and consequently, their need for investment to innovate. The distinguishing characteristic of this approach is that it puts the focus on serving through buying from or selling to the bottom of the pyramid (BOP), those living on less than \$2.50 per day, a category in which refugees commonly fall.

⁹ Inclusive Business Model Definition on Wikipedia; Available at: https://en.wikipedia.org/wiki/Inclusive_business_model [Accessed 4 September 2020].

¹⁰ United Nations Sustainable Development Goals; Available at: <https://www.un.org/sustainabledevelopment/poverty/> [Accessed 4 September 2020].

Benefits of Inclusive Supply Chain Management

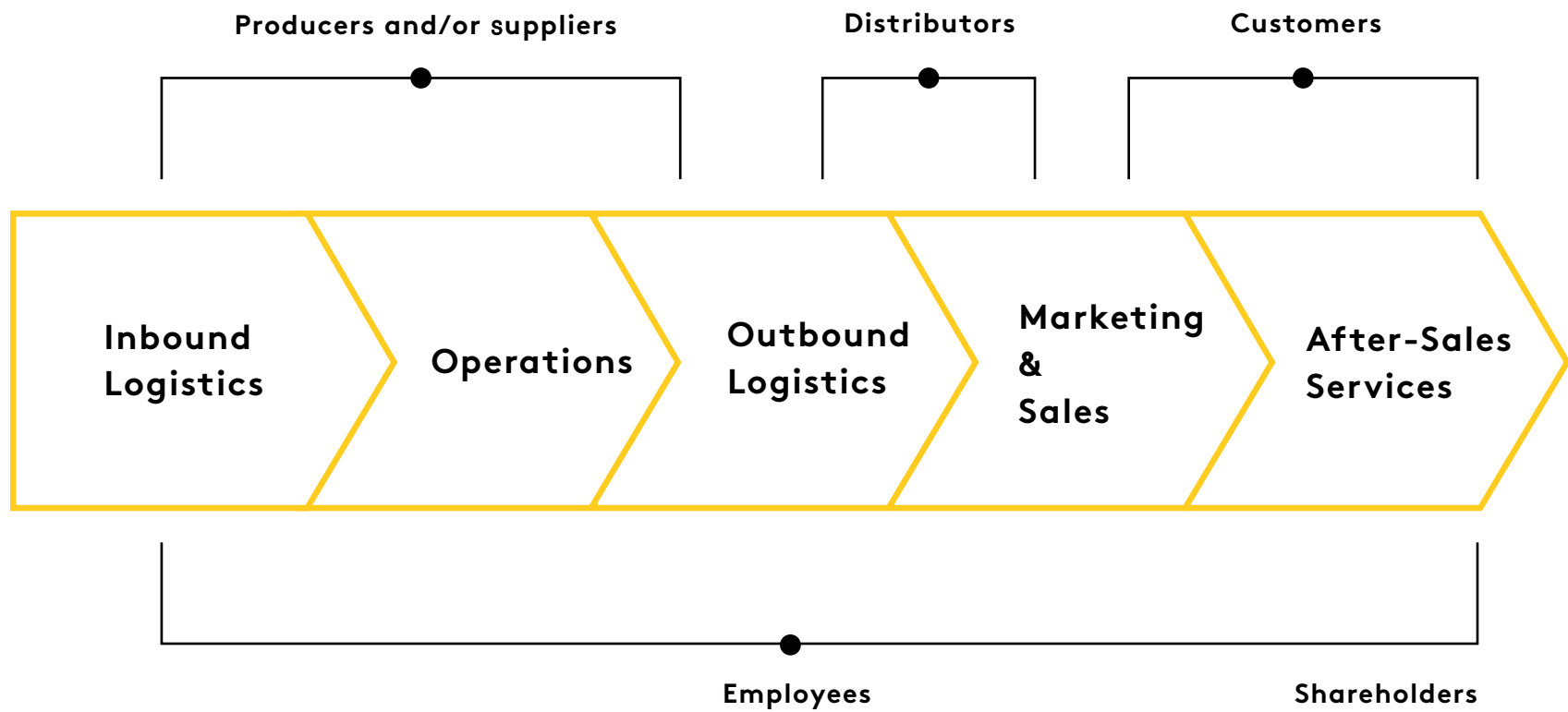
- Acknowledging the contribution of vulnerable groups in value chains of corporates (recognition-cohesion)
- Expanding labour pool in underserved areas seeing them as large source of labour
- Creating jobs, therefore, income for the value chain
- Expanded market share to diversified supply chain
- End poverty by empowering refugees individually and communally
- Developing new markets

When an inclusive business operates properly, the impact and transformation it creates are staggering. The model creates job security, facilitates education and training, upskills workers, and raises incomes. As such, these types of businesses have a deep impact and change lives in emerging markets. These businesses work on facilitating access to opportunities for BOPs, which make up 73% of the world population.¹¹ Their efforts also motivate private sector investment when needed to help bring more funds and socioeconomic security to millions of people in need. The concept of inclusive business in Turkey has been widely used by large corporations in the social context of women, the LGBTQ+ community, people with disabilities, and youth who are affected by regional, socioeconomic, ethnic, or gender-based inequalities. However, the path for Syrian women entrepreneurs is paved with risks and opportunities alike. In Turkey and Syria, women's labour participation rate is low due to social and cultural conventions regarding women's role in childcare and household management.¹² However, displacement leads to economic insecurity and social exclusion, necessitating women's wages to financially support their families as well as a need for a sense of community whilst adjusting to the host country, to alleviate the feeling of isolation and otherness. These economic and social pressures may increase women's participation, gradually overturning traditions that beforehand prevented them from doing so.¹³ Alternative models aiming at women's participation in the entrepreneurship and labour market would make an inclusive business environment possible with proposed activities named in the recommendations section.

¹¹ Allen L. Hammond, William J. Kramer, Robert S. Katz, Julia T. Tran, Courtland Walker. 2020. World Resources Institute International Finance Corporation, The Next 4 billion Market Size and Business Strategy at the Base of the Pyramid. Available at: <http://documents1.worldbank.org/curated/en/779321468175731439/pdf/391270Next040billion.pdf> [Accessed 4 September 2020].

¹² Ximena V. Del Carpio, M. Wagner. 2020. World Bank Group; The Impact of Syrian Refugees on the Turkish Labour Market; Available at: <https://data2.unhcr.org/en/documents> [Accessed 4 September 2020].

¹³ Oxfam, TEPAV 2019 Making Economies Work for Women: Female Labour Force Participation in Turkey. Available at: https://www.tepav.org.tr/upload/files/Making_Economies_Work_for_Women_Female_Labour_Force_Participation_in_Turkey [Accessed 4 September 2020].



Alternative ways of integrating BOPs into the business value chain

Inclusive supply chain mechanisms are also essential in driving value-generating activities, ranging from innovation to job development.¹⁴

Within a corporation, procurement and supply chain experts wield the power to make an impact through the inclusion of underrepresented segments like women, ethnic minorities, and refugees. This diversified and comprehensive approach will create value for the providers as well, through greater volume and the sharing of innovation and best practices. Businesses aiming for more inclusive supply chains work with stakeholders to identify social enterprises that want to sell to corporations. As said by Elizabeth A. Vazquez of WEConnect International, "Forward-thinking organisations realize that sustainable growth requires inclusive strategies that leverage all of the best talent and all of the best suppliers available in all of the countries where they operate or source".¹⁵ Strategies to guarantee comprehensive supply chains can be built upon a strong trade case and therefore drive shared competitive advantage for all suppliers.¹⁶ At a global level, numerous successful initiatives help disadvantaged communities take part in the value chains of large corporations. Examples of good practices like these are taking place across the world with IKEA, WeGlobal, Chobani, and Danone among those acting. In summary, there are many ways in which CCs carrying out social entrepreneurship activities can benefit from private sector initiatives for workforce inclusion and supply chain management.

Benefits of Inclusive Business and Inclusive Supply Chain Management for CCs

- **Integration into the global value chains of large corporations**
- **Joint value creation in collaboration with large corporations**
- **Large procurement organisations with shared values**

¹⁴ Stephens, M., n.d. Business with Purpose: Advancing Social Enterprise. Available at: <https://books.google.com.tr/books=Business+With+Purpose:+Advancing+Social+Enterprise,+Stephens+Balakrishnan+Melodena> [Accessed 4 September 2020].

¹⁵ E. A. Vazquez and B. Frankel. 2017. The Business Case for Global Supplier Diversity and Inclusion: The Critical Contributions of Women and Other Underutilized Suppliers to Corporate Value Chains. Available at: <https://weconnectinternational.org/images/Report.pdf> [Accessed 4 September 2020].

¹⁶ DCED publications. Available at: <https://www.enterprise-development.org/implementing-psd/inclusive-business/> [Accessed 4 September 2020].



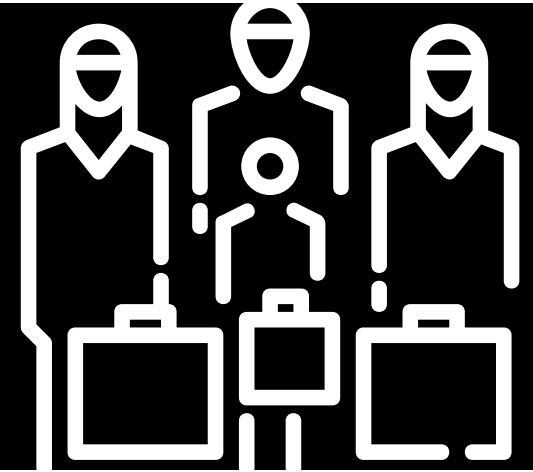
<https://harmoniyiz.com>
(Legal Entity Type: Producers Cooperative)

Harmoni Women's Cooperative

Harmoni Women's Cooperative was established in **2015 in Istanbul** by a group of 20 women with the aim of integrating women into the workforce. Harmoni provides an environment for women to create economic value and contribute to the national economy, as self-confident and respected producers. The producer's cooperative provides work opportunities in line with the members' own skills and preferred working hours, supporting their skills development with vocational training related to handicraft, job readiness, and social skills. The business has provided training and opportunities to generate income **for more than 160 women**, including refugees. Harmoni cooperates with designers and uses natural and local materials. Through online and offline sales, the cooperative offers handmade products in three main categories – bags, toys, and home decorations.



Social Entrepreneurship in Refugee Context



Social entrepreneurship in the refugee context has been widely discussed in developing countries. The numbers indicate that the burden of the refugee crisis is shared among developing countries that received **84%** of refugees, while developed countries took in **16%**.¹⁷ Most refugee-led businesses take the shape of micro store management in the food sector. Social enterprises in Istanbul and other populous cities of Turkey tend to be more connected to professional networks, which can be utilized by refugees for further entrepreneurial ventures or finding social capital.¹⁸

¹⁷ Karasapan, O., 2020. Sharing the Burden of The Global Refugee Crisis. [online] Brookings. Available at: <https://www.brookings.edu/blog/future-development/2020/01/27/sharing-the-burden-of-the-global-refugee-crisis/> [Accessed 4 September 2020].

¹⁸ ILO. Mapping of responses by cooperatives and social and solidarity economy organisations to forced displacement. Available at: <https://www.ilo.org/wcmsp5/groups/public//documents/publication/> [Accessed 4 September 2020].

Benefits of Social Entrepreneurship in Refugee Context

- Social cohesion
- Impact comes first
- Funding from both government and other private investors
- Reinvesting profit into core business
- Inclusiveness matters

Social economy and social enterprises contribute to important policy objectives such as job creation, inclusiveness, equal opportunities, sustainability, and civic participation. They are excellent examples of an "economy that works for people" — a high priority for most state actors and multinational entities.¹⁹ The presence and activity of social economy and enterprises aid the pursuit of demographic, environmental, and digital transformations without leaving anyone behind. However, social enterprises sometimes lack publicity and visibility.²⁰ In fact, many of them do not even self-identify as social enterprises. Thus, a clear definition of social enterprises is crucial to promote and prop them up within the economy.

Through social enterprises, refugees relate to key actors who support their business growth through the guidance of mentors, companies, start-ups, and legal consultants. By leveraging these professional networks, community centres in collaboration with refugees can create more opportunities. Social initiatives form bridges between the private sector, local communities, newcomers, and refugees via professional networks.



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¹⁹ European Commission. 2020. An economy that works for people, European Commission. Available at: https://ec.europa.eu/info/strategy/priorities-2019-2024/economy-works-people_en [Accessed 4 September 2020].

²⁰ Leal N. 2020. Turkey's Social Enterprises Have "Exciting Potential" | The Social Enterprise Magazine - Pioneers Post. [online] Available at: <https://www.pioneerspost.com/news-views/20191016/turkey-s-social-enterprises-have-exciting-potential> [Accessed 4 September 2020].

<https://bebemoss.com/>
(Legal Entity Type: Commercial Enterprise, LLC)

**Izabela Szeliga Ersahin, Founder & Designer at
bebemoss.com**

"The concept and ideas behind bebemoss started during my long bed rest due to the complications in my second pregnancy. I had to stay in bed for 4 months without getting up at all and did numerous stays in the hospital. Knitting, crocheting and other crafts kept me sane, occupied and productive. All products we propose are handmade mostly by stay at home mothers like myself who not only have skills to showcase but also are helping to sustain their families, love nature and babies and find it important to preserve our health and our planet. My home turned into an atelier, I design and create the prototype, look for noble material available locally or import it from abroad to be able to handcraft bebemoss products. I work with a network of extremely talented women who are my small hands and are crafting bebemoss products."



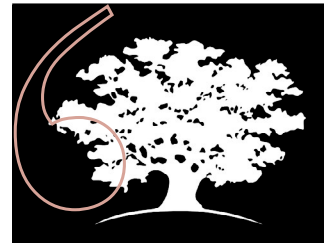


Legal Framework of Social Entrepreneurship in Turkey:



Peter C. Brinckerhoff

A social entrepreneur is someone who takes reasonable risk on behalf of the people their organisation serves.



ASHOKA

Social entrepreneurs are individuals with innovative solutions to society's most pressing social problems [...] They are both visionaries and ultimate realists, concerned with the practical implementation of their vision above all else.

Doing business through social entrepreneurship models has been uncertain as there is no legal framework in Turkey. The question of what constitutes a social enterprise has much relied on the entrepreneurs' perception and highly personal interpretation of the notion of social entrepreneurship as there are no exclusive definitions made for social enterprises in Turkish regulation. In the last decade, there has been a tendency in strategy documents surrounding social entrepreneurship and public authorities to utilize both the term itself and suggestions for implementation despite its lack of legal definition at the policy-making level.

Social enterprises thrive on long-term, sustainable relationships. As such, volatile conditions that affect all businesses, such as political instability and uncertainty in administrative positions especially endanger the longevity and success of social enterprises.²¹ The way nations define social enterprise affects the social, entrepreneurial, and governance-related aspects of such enterprises in a variety of ways. Variation among countries may depend on the scope of social activities such as refugees' integration into the workforce and their access to social services, financial issues such as the share of income-generating market activities, and governance variables such as the extent of stakeholder engagement in decision-making processes.

²¹ British Council Turkey. 2019. Research Report the State of Social Enterprise in Turkey. Available at: https://www.britishcouncil.org/sites/default/files/_se_research_report_the_state_of_social_enterprise_in_turkey_eng [Accessed 4 September 2020].

²² 11th Development Plan of Turkey. 2019. Available at: http://www.sbb.gov.tr/wp-content/uploads/2019/11/ON_BIRINCI_KALKINMA-PLANI_2019-2023 [Accessed 4 September 2020].



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In 2019, new discussions and agendas about social enterprise and entrepreneurship were formed and incorporated into strategic planning documents, including Turkish municipal plans and the five-year strategic national "11th Development Plan".²² Though social enterprise policy in Turkey lacks clarity and consensus, it is active. Deep discourse among public and private sector actors is taking place from which a more concrete framework for social entrepreneurship should emerge upon reaching consensus on the means and ways in which it can be actualized. Meanwhile, resolving not to be held back by lack of framework, forward-thinking foundations, incubators, and academic institutions lead the way by suggesting that learning occurs through experience, which may in turn define the shape social entrepreneurship is to take in Turkey. Therefore, without common criteria in defining what social entrepreneurship is, the term is used according to each organisation's perception or perspective.

In all, the intentions and follow-through of relevant actors must be considered to understand the level of priority given to social entrepreneurship in the current state of Turkish affairs. A mix of state and non-state actors toward policymaking and investment in entrepreneurs suggests a healthy ecosystem for sustainable social entrepreneurship, evidenced by the cases mentioned here. At the national level, the Turkish Directorate for EU Affairs of the Ministry of Foreign Affairs is endorsing social entrepreneurship strategies within the framework of the Civil Society Sector Programme under EU IPA funds. The KOSGEB Turkish Entrepreneurship Strategy and Action Plan set the strategic goal of developing and applying a sustainable support system for women's entrepreneurship and social entrepreneurship, recognizing the need to define frameworks and scope of the ecosystem. Think tanks and foundations like Vehbi Koç Foundation arrange consortiums and networks for information sharing and access to resources for entrepreneurs, whilst Açık Açık, Prosumer Economy Society, and Ashoka Turkey are organizing workshops to bring together social enterprises and relevant stakeholders to establish common defining criteria for social enterprises in Turkey. Impact Hub and TED University's Incubation Centre are also key actors in the social entrepreneurship ecosystem. Where there is less red tape and relations are more dynamic, regional development agencies have appraised local labour and market needs and uphold social enterprise as a tool for addressing development on a regional scale by providing financial support or distributing their sub-granted EU funds.²³

This rise in visibility and relevance in the public arena shows that Turkey is committed to adopting the approach in practice but is still in a legal transition period in defining such enterprises. The presence of a well-formed social enterprise framework will help to resolve the grey areas around the legitimacy of trade that is currently experienced as a side effect of the term's vague interpretation. Therefore, when it comes to establishing a legal framework, it is preferred to form associations, foundations, and mostly hybrid legal entities for Community Centre looking to adopt social entrepreneurial activities into their missions. While these legal entities do not set full recognition specifically on aimed business, they provide other benefits like being able to apply for numerous grants, tax reductions, public benefit status, and more. There are several political documents and strategies that somehow touch the topic of social business, but if there are no clear criteria and guidelines from the political side, NGOs that have social business activities are always working in a grey zone and can eventually get into trouble later.

²³ British Council Turkey. 2019. Research Report the State of Social Enterprise in Turkey. Available at: https://www.britishcouncil.org.tr/sites/default/files/20190702_se_research_report_the_state_of_social_enterprise_in_turkey_eng_single_page.pdf [Accessed 4 September 2020].



Dates and Links for policy documents with Social Entrepreneurship Context in Turkey

2012

[New Turkish Commercial Code](#)

2013

[10th Development Plan \(2014 - 2018\)](#)

2014

[Turkey Entrepreneurship Strategy Document and Action Plan \(2015 - 2018\)](#)

2018

[Women's Empowerment Strategy Document and Action Plan \(2018 - 2023\)](#)

2019

[Presidential Year Program of 2019](#)

2019

[11th Development Plan \(2019 - 2023\)](#)

2020

[Turkey's New Economic Plan for 2020 - 2022](#)

Commercial enterprises in Turkey are subject to the New Turkish Commercial Code²⁴ with the effective date of July 1, 2012. This primary law addresses misleading business practices that may result in unfairness in competition. The Turkish legislation that regulates the competition between enterprises is significant in accordance with its counterparts around the world. According to the analysis conducted in the report "Social enterprises and their ecosystems in Europe. Country fiche: Turkey,"²⁵ commercial enterprises owned and operated by community foundations and 'new foundations' as well as commercial enterprises owned and operated by 'public benefit' association, can be considered social enterprises in Turkey. However, the 'public benefit' association²⁶ designation is not commonly awarded, so despite its existence in the law, it is difficult to observe the ways activities can be executed in practice under this entity type.

Despite these enterprises being publicly recognised, the absence of legislation and a legal framework is indicated in literature and referred to as putting organisations in a "tricky" situation. The key development that will greatly facilitate and accelerate the development of a social entrepreneurship ecosystem is a framework that describes principles to maintain and outlines the roles of and activates essential organisations within the ecosystem. The principles that need to be addressed include the social conventions and environmental habits, social impact evaluation, employee rights and compensation, while the key organisational actors include incubators, educational institutions, research facilities, local governments, state actors and NGOs, funds, grants, entrepreneurial workspaces and gathering hubs.



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24 New Turkish Commercial Code: Available at: <https://www.mevzuat.gov.tr/MevzuatMetin/> [Accessed 4 September 2020].

25 Uygur D and Franchini B. 2019. Social Enterprises and Their Ecosystems in Europe, Country fiche Turkey. Available at: <https://ec.europa.eu/social/> [Accessed 4 September 2020].

26 Public Benefit Association Requirement: To be counted as a public interest association, it must be in operation for at least one year. Also, the purpose and activities of the association to achieve this purpose must have the quality and extent that will yield beneficial results to society and public processes.

When the "Entrepreneurship Strategy and Action Plan Turkey (2015-2018)" was published, the concept of social entrepreneurship in the strategies was placed as a goal. The document aims to develop and implement a sustainable support system in priority thematic areas such as Women's Entrepreneurship, Youth Entrepreneurship, Eco Entrepreneurship, Social Entrepreneurship, and Global Entrepreneurship.²⁷

Social entrepreneurship became recognized and its effects have started to appear in legal policy documents. For instance, it was mentioned in the "Presidential Year Programme of 2019": "The recent developments of social entrepreneurship in our country (Turkey) and the fact that the private sector is increasingly supporting the work of NGOs and various public NGO's, corporation projects make important contributions in the field of Social Business and increases the interest for its activities. In addition, the concept of 'social innovation' has become an important concept for entrepreneurs, public institutions, and NGOs aiming to produce innovative solutions to social, economic, cultural, and environmental problems".²⁸

The "Presidential Year Programme of 2019," emphasizes the need for the legal recognition and definition of social enterprises. "The fact that different organisations, such as platforms, initiatives, social enterprises, and networks, which are active in different areas within the scope of the civil field, are not included in the definition of Civil Society Organisations (CSO) creates legal and administrative problems." As stated in the same plan, "In providing entrepreneurship and SME supports, criteria such as innovation, efficiency and employment increase, growth, joint work will be given priority to women, young entrepreneurship and social entrepreneurship."²⁹



²⁷ Turkey Entrepreneurship Strategy and Action Plan For 2015-2018. Available at: https://www.kosgeb.gov.tr/Content/Upload/Dosya/Mali%20Tablolar/Gisep_2015-2018_TR.pdf [Accessed 4 September 2020].

²⁸ Turkey Entrepreneurship Strategy and Action Plan For 2015-2018. Available at: https://www.kosgeb.gov.tr/Content/Upload/Dosya/Mali%20Tablolar/Gisep_2015-2018_TR.pdf [Accessed 4 September 2020].

²⁹ Presidency Annual Programme in 2019. Available at: www.sp.gov.tr/upload/xsptemelbelge/files/2019_yili_cumhurbaskanligi_yillik_programi.pdf [Accessed 4 September 2020].



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"Women's Empowerment Strategy Document and Action Plan (2018-2023)" concerns plans and 2023 targets for the female labour force. The action plan of the work rate was prepared with targets for the participation rate of the female labour force as 41% (while lowering unregistered female labour force to 30%). Turkey is among the countries that approved the following conventions: The "ILO Mandate on Gender Equality" which encourages female to male labour force participation rate: Equal Remuneration Convention (No. 100), Discrimination (Employment and Occupation) Convention (No. 111), Employment Policy Convention (No. 122) and Development of Human Resources Convention (No. 142).³⁰

The "10th Development Plan" mentioned the need for legal recognition regarding the concept of "Social Enterprise" which was described further in the "11th Development Plan". As it is mentioned in section 452.4, arrangements regarding social entrepreneurship will be made, the capacity to measure social impact will be enhanced and the amount of financial support will be increased gradually for the contribution of good practices to society.

Turkey's New Economic Plan for 2020 – 2022, which has been declared recently, is another policy document emphasizing the importance of social integration. The plan suggests a specialized rehabilitation programme for disadvantaged groups by the Ministry of Family, Labour, and Social Services for December 2022.³¹

³⁰ Turkish Ministry of Family, Labour and Social Services. 2017. Project on Increasing the Access of Women to Economic Opportunities (2012-2017); Available at: http://www.sp.gov.tr/upload/KADININ_GUCLENMESI_STRATEJI_BELGESI_VE_EYLEM_PLANI_2018-2023_.pdf [Accessed 4 September 2020].

³¹ Republic of Turkey Ministry of Finance and Treasury. 2019. New Economy Programme of Turkey 2020-2022. Available at: <https://ms.hmb.gov.tr/uploads/2019/> [Accessed 4 September 2020].



Legal Entity Types



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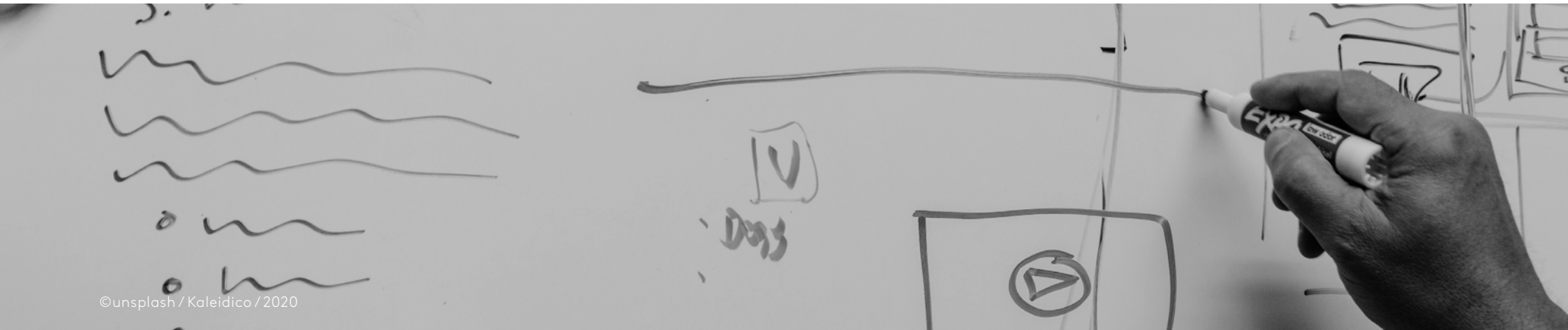
Due to the varied nature of each community centre's capacity, mission, and livelihood targets, it is not feasible to assign a universally applicable legal framework to all social enterprises. As there is no specific legal status or business category for social enterprises in the Turkish law, community centres are required to assess their aims and conditions and choose the most convenient legal entity options supporting their operations. Among the options for community centres operating in Turkey are Company, Cooperative, Associations and Foundations, and Hybrid models.

Legal entity forms such as cooperative, association, and hybrid models are designed in ways that focus on the core mission of investment in human capital, livelihoods, and the participant's role in decision-making and may therefore be considered as better suited entity types for community centres. Community centres most often register as associations because these models align best with their ethos, operation style, and need for funding diversity in the form of humanitarian assistance or donor aid for institutional support, as the enterprise could not reach intended scale and sustainability while relying on sales profits alone. According to the British Council report about the types of legal entities that comprise social enterprises in Turkey, 28.7% of all legal entities are cooperatives, which is followed by Limited Liability Company's (LLC) and sole traders (18.6%), associations (14%), corporations (13.2%), entities with no formal status (10%), hybrid models (9.3%), and foundations (3.1%) as their legal form.³²

³² 020, Britishcouncil.Org.Tr, 2020, Available at: https://www.britishcouncil.org.tr/sites/default/files/20190702_se_research_report_the_state_of_social_enterprise_in_turkey_eng_single_page.pdf?_ga=2.164761400.684143047.1589327849-1071927275.1589327849. [Accessed 10 Sept 2020].

Legal Entity Comparison Table	Sole Trader-Simple Partnership	Commandite Comp.	Limited Liability Company	Joint Stock Company	Association	Foundation	Cooperative	Hybrid Model (Embedded Social Enterprises)
For profit and Nonprofit	For Profit	For Profit	For Profit	For Profit	Nonprofit	Nonprofit	Nonprofit	Nonprofit institution with a profitable commercial enterprise
Responsibility for Partners	Personal Responsibility on Debts	No limit for the numbers of partners, limited liabilities for legal partners	Limited Liability-The board of directors is ultimately the responsible manager on behalf of the legal entity	Limited Liability-The board of directors is ultimately the responsible manager on behalf of the legal entity	Limited Liability-The board of directors of the Association is ultimately the responsible manager on behalf of the legal entity	Limited Liability-The board of directors of the Foundaditon(or the fonder themselves) is ultimately the responsible manager on behalf of the legal entity	Limited Liability-The board of directors of the Cooperative is ultimately the responsible manager on behalf of the legal entity	Limited Liability-The board of directors is ultimately the responsible manager on behalf of the legal entity
Min. Requirements and # of people	Only 1 Legal Citizen is Required or another Legal Entity	2 - 5 legal citizen depending on size and tipe	Min 1/Max 50 legal citizen + min 10,000 TL Capital (%25 of the capital is enough for day 1)	Min 1 legal citizen (or 1 legal entity/ like a branch company) + Min 50,000 TL Capital (%25 of the capital is enough for day 1)	Min 7 legal citizen (+3 subsitute member)	1 legal citizen or a legal entity for private foundation	Min 7 legal citizen (+3 subsitute member)	if Association (Min7) + commercial enterprise or Foundation (Min1) + Commercial Enterprise
Tax - Tax Reduction Possibilit	Income Tax - ex: Tax reduction support for entrepreneurs under 30-years-old	Income Tax	Corporation Tax	Corporation Tax	Can have reductions on stamp duty and expenses	Can have reductions on spesific spending	Can have reductions on spesific spending	Corporation tax for the commercial entreprise but some tax reductions for the nonprofit entity
Funding or Grant Application Possibility	KOSGEB and similar supports for small and medium enterprisess	Low Probability	Low Probability	Low Probability	Hight probability Local or Worldwide applications	Hight probability Local or Worldwide applications	Hight probability Local or Worldwide applications	High Probability

Company



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A company is a business organisation that produces goods or services in an organised manner and sells them to the public for profit. Though companies may be the first type of legal entity to come to mind, this designation is not commonly chosen by community centres, as this business format prioritizes profit-making. While social enterprises do aim to secure profits, their activities are centred around the community centre in which it is housed, recognising that ensuring human rights, capacity-building, cohesion, training and quality control are intrinsic and desired parts of the process, and therefore social enterprises often need more time to scale up to become involved in the economy.

Generally, the most commonly seen company type for private businesses in Turkey is a Limited Liability Company (LLC). It should be recognised that private companies must comply with regulations and legal responsibilities designated by Turkish law to be registered as an LLC. For example, companies are legally required to have an accountant assigned. Accountant and operational expenses, board decision declarations, taxes, and other requirements mean that Limited Liability Companies and similar private business entity types have higher costs associated with registration when compared to other options.³³ While social enterprises registered as businesses would find themselves on the same playing field with traditional profit-making businesses that they would like to create productive partnerships with. This can also pose a disadvantage, as companies seeking corporate social responsibility aspects may not recognise the social enterprise as mission-focused.

Benefit of Commercial Enterprise for CCs

- Possession of a legal personality separate from its members
- The entity can own properties and hold its own contracts, protocols etc.
- Recognition is business with a legal entity gives trust in partnership and transactions



³³ 2020, Available at: <https://www.mevzuat.gov.tr/MevzuatMetin/1.5.6102.pdf>. [Accessed 10 Sept 2020].

	<p style="text-align: center;">https://joon.world (Legal Entity Type: Private Company)</p>
<p>JOON</p>	<p>Joon is a capacity-building platform for craftspeople from disadvantaged backgrounds. The aim is to facilitate the social and economic participation of refugees, women, people with disabilities and other individuals who struggle to make a living. The platform supports them by helping with developing design-driven solutions to reach the appropriate market. The idea of Joon matured through participation in the Hult Prize Social Entrepreneurship competition in 2016, where it reached the semi-finals and earned significant recognition. The first collection, 'Words of Wisdom' is a result of a collaboration with M. Tawfiq, the Syrian calligraphy artist. The two following collections, 'Sound Up' and 'Colours of Anatolia', continued to link original design solutions with the unique stories of the producers. In addition to these 3 collections, Joon offers other products including home decorations, handbags, pencil cases, laptop cases, makeup bags, and jewellery. Joon is currently registered as a private company but aims to move towards a hybrid model (described in section 4.4) of civil society organisations and private entities.</p>



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Cooperative



Cooperatives are organisations that are formed and operated by its members who in turn benefit from its activities. Far from rare, there are around 3 million cooperatives around the world, with at least 12% of the global population participating as members.³⁴ There is no reliable data regarding the number of cooperatives in Turkey as well as no officially accepted social cooperative structure, therefore it is not possible to weigh the commonalities among social cooperatives operating in Turkey. Cooperatives are non-profit, value-oriented entities. They operate based on a universal principle that the whole is greater than the sum of its parts, or that together, everyone achieves more. In this model, members collaborate to define objectives and create value for the cooperatives themselves. Emphasizing fair and equal principles, from their upholding of social justice values to their endeavours toward sustainable enterprises, and their creation of long-lasting value and jobs, cooperatives make a positive impact on both members and society.

³⁴ Definition from ICA: The International Cooperative Alliance is the global steward of the Statement on the Cooperative Identity – the Values and Principles of the cooperative movement; Available at: <https://www.ica.coop/en/cooperatives/what-is-a-cooperative> [Accessed 21 June 2020.].

Cooperatives are a sensible legal entity type for community centres as the generated value, profits, and all other advantages either benefit the community or cycle back to be reinvested in the cooperative. Cooperatives give back agency to communities and their members to determine their own socio-economic futures, as they are not owned by shareholders and therefore maintain their independent interests.

Another aspect of cooperatives that supports community centre aims is the fact that they are owned by their members, who have a personal financial stake in the performance and success of cooperatives. Thus, they are incentivised to properly support the cooperative for the greatest possible degree of success and eventual benefits. With this sense of ownership, members learn skills of accountability, organisational management, and maintain motivation toward production and sales.

Cooperatives can be founded for a range of purposes including agricultural development, housing, credit, and handicraft. In Turkey, the General Directorate of Cooperatives is planning to establish a new category of cooperatives that are called "social cooperatives". These will be run by and for people from various marginalized groups such as people with disabilities, people who have been unemployed for an extended period, women and youth in rural areas, people recovering from addictions, ex-offenders, and refugees.

Benefits of Cooperatives

- All shareholders have an equal vote at general meetings.
- Shareholders, directors, managers, have no direct responsibility for the debts of the business.
- Members rule the cooperative rather than investors or anyone who is not from the cooperative.
- Less taxation
- Can benefit and apply for most of the funds and grants
- Democentric organisation

Cooperatives enjoy the benefit of increased purchasing power gained by an increased level of production; this power can be leveraged for proportionate saving in costs. This increased purchasing power can be used to the cooperative's favour in buying materials as well as reducing marketing expenses. The success of cooperatives depends strongly on whether their needs are addressed, among which are a climate of trust, and the inclination to engage in collective efforts, and dynamics of sharing.

(Legal Entity Type: Cooperative - Women's Initiative Production and Management Cooperatives)

The SADA Women's Cooperative

The SADA Women's Cooperative was founded in Gaziantep in March 2019 by 50 Turkish, Syrian, and Afghan women seeking the opportunity to grow in their skills, find community, and improve their household incomes. The women are trained in the production of textiles and leather goods and make Syrian meals available to their target market. The cooperative is supported by and operating under the project "Strengthening the Resilience of Syrian Women and Girls" being implemented by the United Nations Entity for Gender Equality and Empowerment of Women (UN Women) with the International Labour Organisation (ILO) and Association for Solidarity with Asylum-Seekers and Migrants (ASAM) as implementing partners. The SADA Women's Cooperative has been selected as one of the most successful 10 projects out of 100 at the Paris Peace Forum 2019 for their inclusive work.³⁵

"My world was as small as a raisin and now it's as big as a watermelon"

Nazire Ozturk



³⁵ SADA Women's Cooperative ranks among the top 10 projects at the Paris Peace Forum. Available at: <https://eca.unwomen.org/en/news/stories/2019/11/sada-womens-cooperative-ranks-among-the-top-10-projects-at-the-paris-peace-forum> [Accessed 1 June 2020].

Association



Associations are non-profit organisations formed for a specific purpose or mutual cause. Associations are defined as ensembles of persons made up of at least seven people, while foundations are defined as ensembles that can be formed with one or more people. According to the Department of Associations, there are currently 119,790 active associations in Turkey.³⁶ CCs in Turkey generally prefer the legal entity types of **Associations** (simple, cost-effective, however, requires the commitment of 7 board members), **Foundations** (if holding adequate resources and a non-profit mission) and **Cooperatives** (if responds to social/cultural needs among members).

³⁶ Ministry of Interior Affairs/ İçişleri Bakanlığı Sivil Toplumla İlişkiler Genel Müdürlüğü.2020. Available at: <https://www.siviltoplum.gov.tr/dernek-sayilari> [Accessed 5 June 2020].

Benefits of Association & Foundations for CCs compared to other legal entities:

- Eligibility to carry out fundraising operations such as collecting donations and receiving grants
- A membership system where contracts could be signed with members
- Public supervision that builds trust within the members
- Incentives for donation via public benefit and/or tax exemption status
- Exemption from corporate tax for foundations and associations

The freedom to form associations is guaranteed by the Turkish Constitution (art. 33 para. 1). Associations established for social good are eligible to apply for a special "public benefit association"³⁷ status defined by the law (No. 5253, Article 27), after they have engaged in social good activities for more than a year. The applicants are granted the special status based on a decision by the Presidency. The status provides associations with privileges regarding tax law (Law on Associations) and charity collection.³⁸

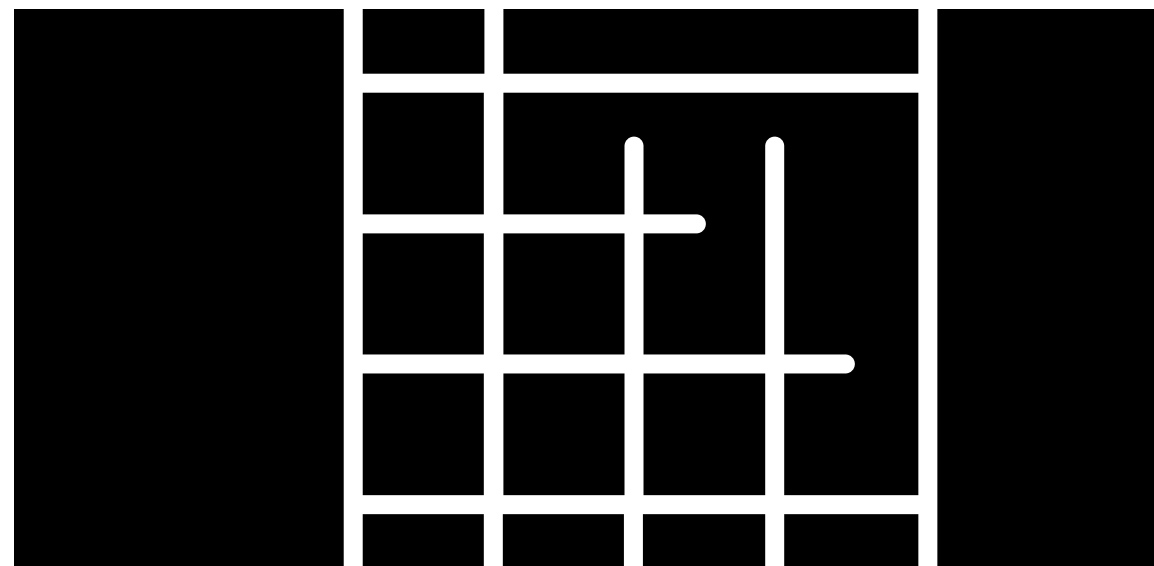
Forming an Association is relatively simple compared to forming a Foundation. Founders are required to submit the association's by-laws to the relevant local authority. Local authorities examine the submitted documents within 60 days and may ask for corrections. The failure to make the required corrections within 30 days results in either the disbandment of the association or the suspension of its activities by the court (Turkish Civil Code, art. 60). Associations are not subject to taxation. However, if they operate a commercial enterprise, they will be taxed according to the provisions of Corporate Tax Code.

³⁷ There are only 361 public benefit status associations in Turkey in 2020.

³⁸ Official Gazette. 2004. Law on Associations No: 5253. 2004 23/11/2004 No: 25649 Available at: <http://www.lawsturkey.com/law/law-on-associations-5253> [Accessed 2 July 2020].

Foundations

Foundations are non-profit corporations or charitable trusts that make grants to organisations, institutions, or individuals for charitable purposes in such fields as science, education, culture, and religion. Most community foundations are also grant making public charities. Private Foundations are established to carry out charity efforts and to provide donors with a tax deduction for their contributions. They are managed by their own board of directors. They receive most of their financial support from, and are normally managed by, their founders. Supervision of foundations is carried out by the General Directorate of Foundations.³⁹ The Directorate has extensive authority over foundations and plays a very significant role in practice. Foundations are not subject to taxation. However, if they operate a commercial enterprise, they will be taxed according to the provisions of the Corporate Tax Code.



In practice, community centres may face barriers in registering in the legal entity of a foundation due to the need to access substantial funding to acquire the distinction. There is a distinction in Turkish legislation between foundations and associations. The former is based on assets and funds whereas the latter is based on membership. Usually operational, foundations often carry out fundraising activities as well.⁴⁰

³⁹ The General Directorate of Foundations/ Vakıflar Genel Müdürlüğü. 2020. Available at: <https://www.vgm.gov.tr/>

⁴⁰ TUSEV.2020. Roundtable on Foundations and Philanthropy in Turkey. Accessed 1 July 2020. Available at: <https://www.tusev.org.tr/userfiles/image/Summary%20Report%20for%20Roundtable%20on%20Foundations%20and%20Philanthropy%20in%20Turkey.pdf> [Accessed 21 July 2020].



The minimum amount of capital to establish a foundation ranges between \$200,000 and \$400,000.⁴¹ However, this has given rise to an established model where an association-like membership is formed to pool together the required minimum capital to establish a foundation. These "members" will have trustee status if the foundation is started, and this may cause administrative problems.

Regardless of their type, all foundations are legally obliged to keep all their cash assets in state-operated banks, which curbs the competitive gains from privately-run banks. The law in Turkey also acknowledges that state and private foundations differ from each other. Because the distinction is somewhat obscure to the public, foundations may face the challenge of properly communicating their mission and aims. Some of the variations among private foundations are also not yet legally recognized, which poses certain administrative challenges. Furthermore, state foundations are monitored and run by the government as official government entities.

⁴¹ TUSEV.2020. Roundtable on Foundations and Philanthropy in Turkey.. Available at: <https://www.tusev.org.tr/userfiles/image/Summary%20Report%20for%20Roundtable%20on%20Foundations%20and%20Philanthropy%20in%20Turkey.pdf> [Accessed 1 July 2020].

RET International

<https://www.theret.org/>
(Legal Entity Type: Association)

RET International is a humanitarian organisation providing aid to young refugees and marginalized and endangered communities facing risks such as war, violence, displacement, persecution, and disaster. Operating since 2000 in over 31 countries with its team of 1,300 people, REF International builds its national impact by improving local job access, job creation, and professional skills. Leap Natural is a commercial enterprise registered on behalf of RET International association.



Leap Natural

<https://www.instagram.com/leapnatural/>
(Legal Entity Type: Commercial Enterprise
Registered Under Association)

Leap Natural offers Handmade Soap Production, Natural Doll Making, Natural Dyeing, and Wood Printing Workshops to local and refugee women, both as a support mechanism and a sustainable income generation opportunity. The results of this initiative are observed in the form of refugee women acquiring skills, being supported to start their small businesses to sell products made with their new skills and generating income toward a sustainable livelihood. Thus, these women will have a higher likelihood to find employment and remain economically self-sustaining while also being in a productive and safe social environment with the aid of the workshops. The brand page features naturally made products hand-crafted by women, which emphasizes their resilient, resourceful nature and helps empower them. ⁴²



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⁴² RET Germany. 2020. Bridging the Gaps in Africa. The Americas. Asia. Europe. The Middle East. Available at: <https://retgermany.de/leap-natural/> [Accessed 23 July 2020].

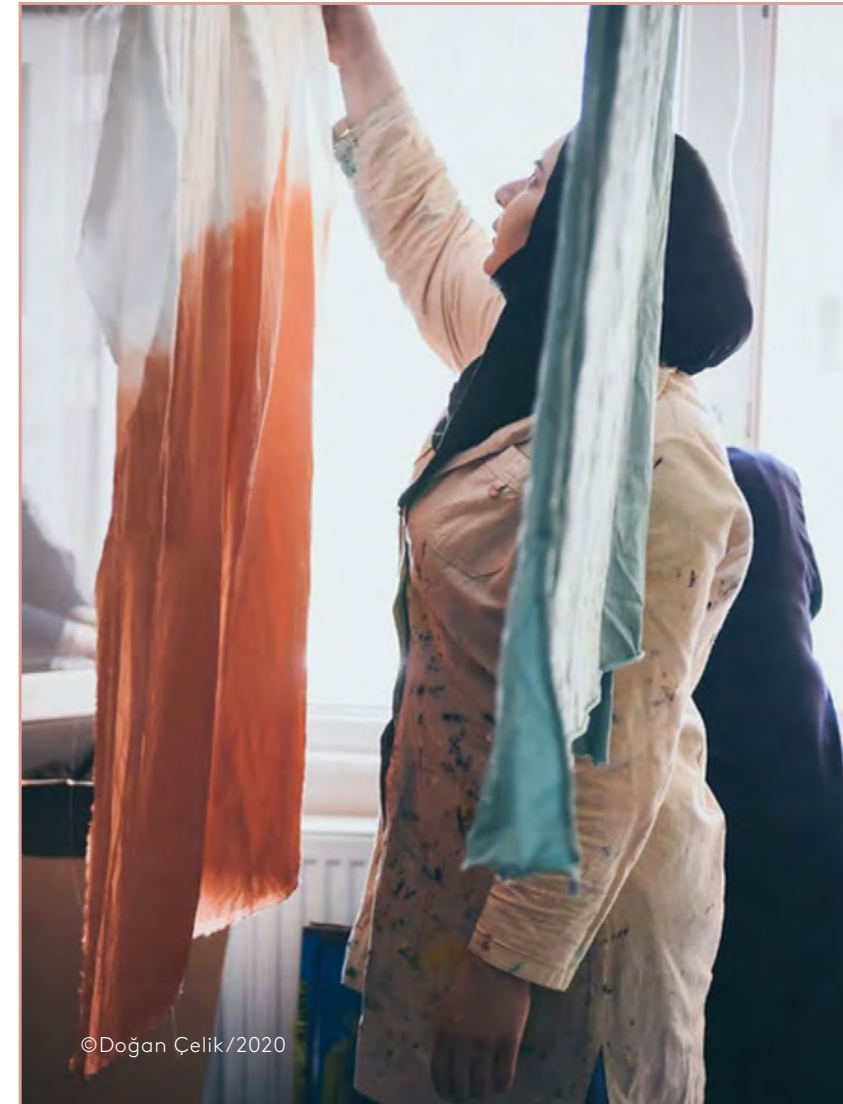
<https://www.muhra.org>

(Legal Entity Type: Commercial Enterprise
Registered Under Association)

Muhra

“Drop Earrings, Not Bombs.”

Muhra is a women's social enterprise housed within Small Projects Istanbul (SPI) community centre in Fatih, Istanbul, which provides childcare, educational support, language and skills training in a community environment to more than 250 families who've been displaced by war in the MENA region. Small Projects Istanbul is registered as an association with Muhra acting as its commercial enterprise. Muhra artisans, with the mission, determined by its participants, of 'improving our income and financial stability, becoming role models on our communities, and developing the courage to plan for our futures,' produce their Drop Earrings Not Bombs earring line among dozens of other products made in their workshop and sold online at Muhra.org.⁴³ Women are selected from within the community to join the enterprise and are taught how to handcraft jewellery and clothing as well as organisational, leadership and administrative skills for its leadership team. Proceeds from all sales go directly back to the makers and reinvest in the enterprise, allowing the women to make money to support their families, instilling a sense of pride in accomplishment and membership in a community.

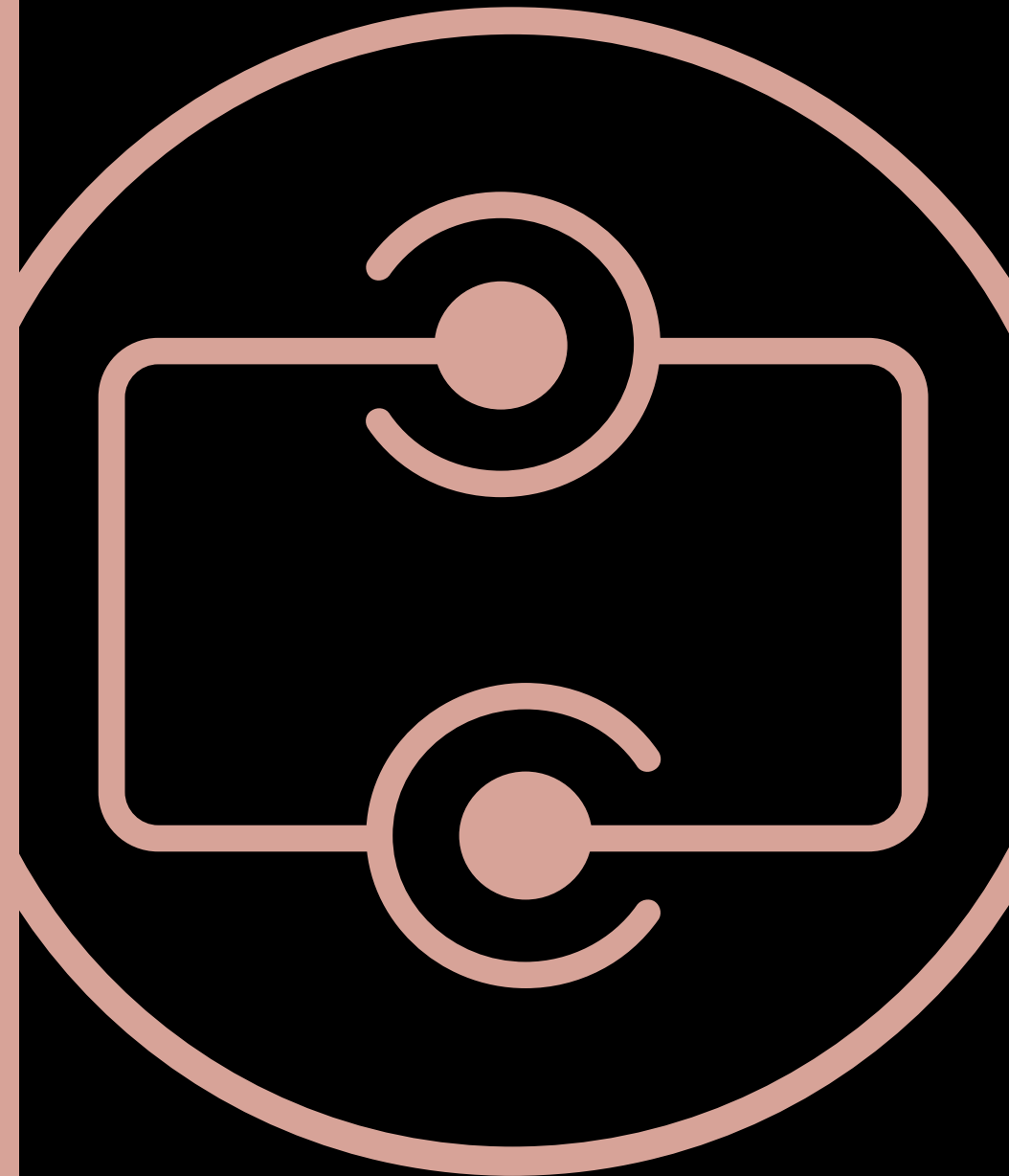


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⁴³ Muhra. Syrian Women's Social Enterprise in Istanbul. Available at: <https://www.muhra.org/> [Accessed June 2020].

Hybrid Models

Hybrid Models, also called "Embedded Social Enterprises" in other countries, are one of the most recommended operational models in which the main objective relies on social change, both social and economic activities are unified, and CC beneficiaries are integral to the model as direct recipients of social services. Hybrid model entities are organized to serve the founding entity's participants or the entity itself. The first hybrid model comprises the commercial enterprises founded by the associations and/or foundations to achieve their goals related to philanthropy and social good. The second hybrid model comprises institutions and commercial enterprises founded by the associations and/or foundations to generate income for the founding organisation. The funds generated by the association or foundation are not distributed to any real persons under any condition.



Association

Associations can be set up quickly, affordably and fuss-free.

The purpose of the association can be changed by members themselves by amending its Articles of Association.

Most associations are not tax-exempt.

When an association's existence becomes irrelevant, its members can dissolve it on their own.

If a purpose-oriented association of individuals is desired in which the prime focus is not on how the equity is to be used, the appropriate legal entity selection is an association.

Foundation

The creation of a foundation involves a high initial capital, for legalization through the notary process.

The purpose of the foundation can be modified only by making the relevant request to the supervisory body.

Members cannot dissolve a foundation on their own.

If equity is donated for a specific purpose, the non-profit foundation is a more advantageous legal entity type.

Cooperative

The creation of a cooperative involves a protocol of between min. 7 people which are to be approved by the Trade Registry Directorate.

The purpose of the cooperative can be modified only by making the relevant request to the supervisory body.

Cooperatives are exempt from taxation depending on its purpose and Trade Registry Directorate acceptance.

Companies can help establish and partner with cooperatives for mutual purposes.

Association with Commercial Enterprise

All legal entity regulations and advantages of an association + a financial capacity of a commercial enterprise

Requires:

- Decision from Board of Directors
- Application to Ministry of Customs and Trade MERSIS (Central Registry Registration System)

As regards the **non-joint transactions**⁴⁴ of **associations**, corporate tax liabilities will be established before a separate economic enterprise **under the association** legal entity.

Foundation with Commercial Enterprise

All legal entity regulations and advantages of a foundation and a financial capacity of a commercial enterprise

Requires:

- Application to Trade Registry Office

As regards the **non-joint transactions** of foundation, corporate tax liabilities will be established before a separate economic enterprise under the foundation legal entity.

Cooperative with Commercial Enterprise

All legal entity regulations and advantages of a cooperative + a financial capacity of a commercial enterprise

Note: In accordance with the Corporate Tax General Declaration No. 14,⁴⁵ cooperatives exempted from Corporate Tax as of 01.01.2018 are obliged to establish economic enterprises due to their non-joint transactions. There is no obligation to establish an economic

⁴⁴ Definition: The transactions that associations make with persons other than the partners of the institution and the transactions they make with their partners on matters not included in the articles of association of the institution are "non-joint transactions".

⁴⁵ Centre for Revenue Management.2017. Kurumlar Vergisi Genel Tebliği (Seri No: 1)'Nde Değişiklik Yapılmasına Dair Tebliğ (Seri No: 14). Available at: <https://www.gib.gov.tr/node/126640> [Accessed June 2020].

The hybrid model features a combination of different legal forms and has numerous examples in Turkey. For instance, Teyit⁴⁶, Joon⁴⁷, and Anlatan Eller⁴⁸ are some best practices for hybrid models. According to a report by British Council, 9.3% (12 out of 129) of respondent enterprises opted for a hybrid model.

Benefits of Hybrid Model:

- Provides versatility in adapting business from to the desired goals of the entrepreneur
- Facilitates scaling of mission-driven entities by allowing revenue generation, thereby freeing such entities from reliance on charitable donations alone
- Allows access to widest pool of capital, including equity investments and charitable donations
- May increase ability to attract and incentivize talent through equity incentives for employees

Due to its multifaceted structure, hybrid models require a strong organisational capacity to maintain its parallel association or foundation and social enterprise activities. For this model, community centres should assess its human resource competency to manage logistical challenges as hybrid models necessitate the constant documentation of the allocation of resources, services, and human capital between the entities of the hybrid model.⁴⁹ The demands of the organisational structure of a hybrid model may also overlap with the division of labour, increasing the difficulty of planning and governance. The maintenance of multiple models simultaneously may be demanding and costly, and therefore, it poses various challenges in contexts where resources are scarce. However, when properly managed, the benefits of hybrid model are significant for both the founding organisation and members of its social enterprise.

⁴⁶ Teyit. 2016. Şüpheli Bilgileri İnceleyen Doğrulama Platformu, Available at: <https://teyit.org/>

⁴⁷ Joon. 2016. Available at: <http://joon.world> [Accessed June 2020].

⁴⁸ Anlatan Eller. 2016. Available at: <http://anlataneler.org.tr> [Accessed June 2020].

⁴⁹ Thomson Reuters Foundation and Morrison & Foerster LLP. 2016. Which Legal Structure is Right for My Enterprise? A Guide to Establishing a Social Enterprise in the United States. Available at: <https://www.trust.org/contentAsset/raw-data/1b34bbc3-de52-477a-adae-850a56c2aabe/file> [Accessed June 2020].

Anlatan Eller

<https://www.anlataneller.org.tr>

(Legal Entity Type: Hybrid Model -
Association and Private Company)

hearing impairments. It started as a social responsibility project in December 2016, when Pelin Baykan, a math teacher, was asked by a hearing-impaired friend for help in studying math. The request revealed the lack of equal opportunities and the struggle of hearing-impaired students studying for exams. To answer the students' needs, Pelin started recording and sharing the math lessons in sign language through a YouTube channel, which reached 126,000 views by April 2018. The online lessons were followed by offline courses, which were launched in 2018 in cooperation with Şişli Municipality in Istanbul. After becoming familiar with the concept of social entrepreneurship, Anlatan Eller developed an income stream by organising paid Turkish sign language courses for companies, individuals and groups, with an aim of improving the communication between the hearing community and deaf communities. The courses delivered by hearing-impaired instructors also provide them with employment opportunities.⁵⁰ The social enterprise operates as both as an association and a private company, which were both established in 2018.



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⁵⁰ Anlatan Eller. 2016. Available at: <http://anlataneller.org.tr> [Accessed June 2020].

Social Enterprise Business Models for Refugee Inclusive Businesses



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There are various well-defined business models used in framing discussion among social enterprise development experts and actors. According to Wolfgang Grassl⁵¹, there are nine business model types for social enterprises. Based on the analysis of community centres, four types of business models are selected and introduced as the most appropriate models centre. It is argued that while these models can be smoothly and fully adapted by the community centres, they can also pave the way for launching social enterprise activities.

⁵¹ Grassl, Wolfgang. 2012. "Business models of social enterprise: A design approach to hybridity." *ACRN Journal of entrepreneurship Perspectives* 1.1:37-60.

Market Intermediary Model

With the market intermediary model, social enterprises support their producers by showcasing or selling the products on their behalf. For instance, an association advertises and sells the products through their platforms on behalf of the smaller-scale producers who have difficulty in accessing the market. The intermediary roles of social enterprises would facilitate the process for their quasi-clients (individuals, companies, cooperatives, etc.). These services seek to increase the market value for products in the forms of product development, assistance, marketing, and credit. Market intermediary social enterprises interact with client-made products through two potential ways. The first is to directly purchase the products, and the latter is to present them as consigned goods to resell them with a mark-up.



The Market Intermediary Model combines both business and social aspects to achieve social good through business operations. The intermediaries reinforce the markets and provide financial stability for the producers. The social enterprises should cover their own operational and service costs with their client-made product sales which facilitate their financial sustainability. Yet, the community centres with their current capacities and visibility would generate income to a limited extent that would partially support the CCs and their beneficiaries.

The model requires for entities to first maintain well-established channels for accessing relevant markets for their producers. This model helps the greater community bridge the gap between producer and consumer, contributing to the conscious consumerism movement and ultimately supporting producer livelihoods.

	<p style="text-align: center;">https://www.nahil.com.tr/ (Legal Entity Type: Foundation and Commercial Enterprise)</p>
Nahil	<p>Nahil acts as a market intermediary by giving <u>market access to producers to make an income from their artistry through sales in their store and on their webstore</u>. Nahil takes its name from an ancient Turkish and Ottoman tree decoration art. The profit is also used to reinvest in the cooperative, contributing to its sustainability experienced by female participants and producers as financial stability and skills development. Nahil seeks out the advice of designers in curating products based on market demand and the women's handicraft skills. The social enterprises that supply for Nahil act on these recommendations, deploying training where necessary.</p> <p>To support women's empowerment Nahil has three missions:⁵²</p> <ul style="list-style-type: none"> • Ensuring women generate income by bringing handcrafted products or local, durable food products with the national and international markets • Supporting the participation of women in the trade of locally produced products (food or handicrafts) • Improving women's products and setting a standard for the products for the market



⁵² NAHİL. Kadın Emeğini Değerlendirme Vakfı İşletmesi. Available at: <https://www.nahil.com.tr/biz-kimiz> [Accessed June 2020].

The Employment Model

Social enterprises applying the employment model recruit the beneficiaries as workers for income-generating opportunities. The income or value generated by income generating activities should cover the overhead costs related to operational and administrative costs of social enterprises as well as additional costs incurred by employing producers. The products or services offered by the enterprises' beneficiaries are sold by enterprises themselves.

The operations and transactions of the enterprise are determined by the type of created jobs, skills, feasibility, and the producers themselves. The key focus of the employment model relies on the creation of job opportunities. The enterprise should provide support mechanisms such as professional coaching, skills development, physical and mental health support, and/or short-term housing for sustaining a positive work environment. The sales of the product/services enable the financial sustainability of the social enterprises.

This model includes organisations that support marginalised communities such as minorities, former addicts and homeless people, and recipients of social aid programmes. Instances of employment-model businesses are cafés, craft and repair stores, janitorial services, and thrift shops.

For the deployment of employment model, community centres are required to implement a certain number of rigorous training for developing and retaining a productive workforce. Effective employment model schemes invest for internal training and organisation development as well as assess the viability of their products or services in the relevant market, lending themselves to job security. When properly implemented, the employment model directly includes marginalized populations in the workforce, simultaneously supporting societal change.



	<p style="text-align: center;">https://www.tatari-partner.com/ (Legal Entity Type: Company Conducting Inclusive Business Activities)</p>
<p>Tatari & Partner</p>	<p style="text-align: right;">Kahramanmaraş/Turkey</p> <p>Among one of the largest textile manufacturers in the South of Turkey, Tatari & Partners has more than 30 years of experience in textile production. Originally, the Company was founded by Hussam and Jihad Tatari in Aleppo (Syria), and developed well-established trade relationships with Italian and German customers. Later, in 2011, the Company moved to the city of Kahramanmaraş, a major centre of Turkish textile industries. Together with the support of their German and Italian Partners Tobias Friedmann and Massimo Burdo, Tatari & Partners established a modern production plant, newly equipped capacities for cutting, printing, embroidery, and sewing in which hundreds of Syrians have been recruited, together with the local community members. With a monthly capacity of approximately 840.000 pieces, Tatari & Partner products are exported to European markets – mostly Germany and Italy. Customers are in sportswear, fashion brands and workwear sections.</p>



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The Low-Income Client Model

With Low-Income Client Model, social enterprises receive the fee-for-service by offering their social services to its target population which, as the name refers, are low-income clients. The model highlights the facilitation of market access for its target population where price and distribution would otherwise hinder them from accessing products and services. These products and services covered and provided by the social enterprises include healthcare services and products, and utilities such as electricity and water.⁵³

As the target population mostly represents low-income communities, financial viability and self-sufficiency are challenging factors. In the case of Turkey, where the economic impact of the influx of refugees is significantly high, low-income models are relevant. In border cities and rural areas, host communities and refugees alike should be supported by the local institutions and social enterprises to have better access to social services and utilities.



For establishing a Low-Income Client Model, social enterprises are required to become highly efficient in manufacturing and sales, to obtain in-depth knowledge of an issue they aim to alleviate, and more importantly, to maintain other profit-earning activities to support the social impact component of their operations.

⁵³ The Four Lenses Strategic Framework: Low-Income Client as Market Model. Available at: http://www.4lenses.org/setypology/lic#footnote4_y6y3hu1 [Accessed June 2020].

	<p style="text-align: center;">https://www.essilor.com/ (Legal Entity Type: Company Employing Low-Income Client Model)</p>
Essilor	<p>French-based eyeglass company, Essilor, recognising the need among India's BOP population, partnered with the local Aravind Eye Hospital to offer mobile cataracts screenings and purchase corrective eyeglasses. This allowed for BOPs to reduce the opportunity cost associated with traveling outside of villages for such appointments, which cause them to lose their hourly wages. Carrying out this work to serve low-income clients required a completely new approach to product development, pricing, and distribution to prescribe and sell corrective spectacles at very low prices (around 175 rupees or 3 euros) to people suffering from visual disorders. For Essilor, the project presents a profitable business potential rather than a charity. Essilor continues to scale up its operations, reaching out to rural populations in India, numbered at 854 million in 2014, according to Euromonitor International's Countries and Consumers data. Essilor also plans to adopt a similar approach in other emerging markets, such as Mexico.</p>



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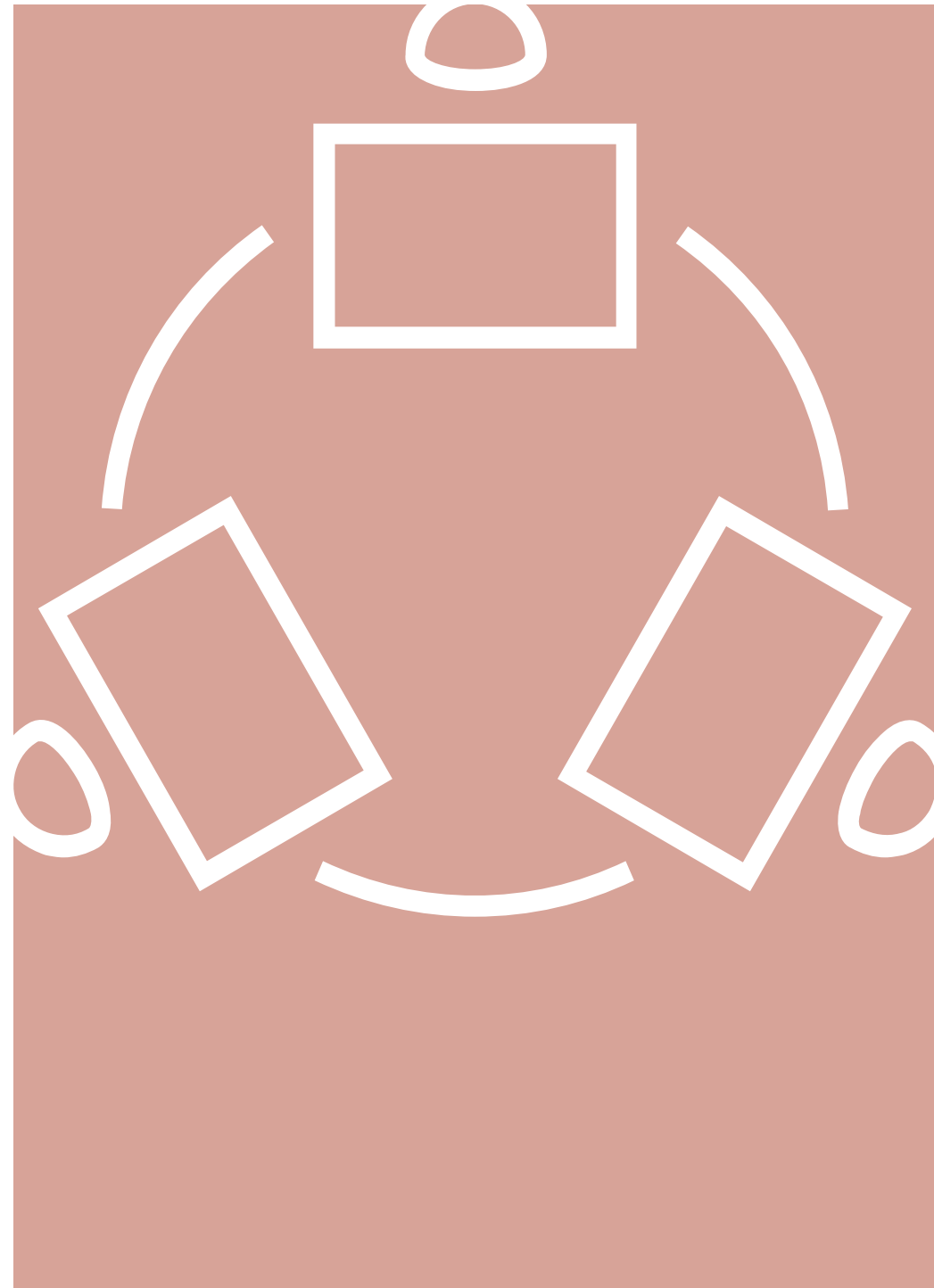
The Cooperative Model

As one of the most widely recognized and implemented business models for social enterprises, the Cooperative Model often features a fee-based membership system that provides its members with services that address the purposes or needs of their group or industry. The cooperative is owned and operated by its members, who both run the cooperative and share the benefits. A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, or cultural needs via a joint-owned enterprise.

Two well-known examples of cooperatives are credit unions and employee-owned businesses ("co-ops"). Credit Unions encourage their members to save income in furthering their goal of service, and they also offer loans to their members. The sales of product/services to their members and markets allow them to sustain their operations and services. Surplus income may also be used to subsidise services for its members. Various cooperative types are detailed as follows:^{54 55}

⁵⁴ Taken from the list of 2007 International Cooperative Alliance; 80% of cooperatives were involved in either agriculture, finance, or retail.

⁵⁵ G. Tchami. 2007. Handbook on Cooperatives for use by Workers' Organisations. Cooperative Programme International Labour Office Geneva. Available at: https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/documents/publication/wcms_094046.pdf [Accessed June 2020].



Producer cooperatives: The membership of these cooperatives, in a similar manner to worker cooperatives, is composed of producers. They offer various services involving the processes from its production to its consumption. As opposed to worker cooperatives, producer cooperatives permit businesses to participate as members.

Worker cooperatives: These are cooperatives owned and operated by its "worker-owners." There are no owners that are not workers in the cooperative – the shares of the business are owned only by the workers. However, hybrid forms still exist where consumers, and external investors are allowed to have certain shares.

Consumers cooperatives: These are cooperatives owned by their customers. For instance, retail cooperatives are owned by retailers (supermarkets, grocery stores, etc.) in this manner.

Business and employment cooperatives: These cooperatives are a type of worker cooperative seeking to support the establishment of new businesses and the creation of new jobs with different approaches.

Multi-stakeholder cooperatives: These cooperatives contain representatives from various groups such as consumers, workers, and businesses.

Social cooperatives: These cooperatives incorporate both interests of social good and property rights. Thus, the social cooperatives aim to achieve a combination of social and capital objectives by having its members, who have an equal voice in the democratic inner workings of the cooperative, decide how to distribute the cooperative's resources.



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Production Cooperatives: These cooperatives empower their members in the market. Certain benefits of production cooperatives are as follows:

- The ability to make larger-scale purchases for discounted rates and effective stocking,
- Access to special rates on shipping and handling in both purchased and sold items,
- The opportunity to transform into a major supplier in the long run by consistently being able to provide large volumes of products to the market,
- The potential of being bought out by a rival company, providing a significant short-term financial gain for the cooperative's members/shareholders (at the expense of the producers no longer being able to enjoy the advantages of the cooperative),
- Skill development opportunities for its members, which is an investment into them,
- Community outreach potential by giving back to the cooperative's local community.



ADDITIONAL SUGGESTIONS AND CONSIDERATIONS

There are several points that should be considered in the establishment of a cooperative. First, the production cooperative requires a firm grasp on management concepts and governance rules to operate in an effective and profitable manner. It also requires solid management and good governance. Second, the members of the cooperation might have risk of "free-rider problem." The free-rider problem arises when the members of a cooperative are too lax or unproductive. Alternatively (or even additionally), the problem may be driven from the cooperative's benefits being used by non-paying individuals. This reduces the cash flow from membership fees, which may significantly diminish the income of a cooperative, depending on its type.

	<p>(Legal Entity Type: Producers Cooperative)</p>
<p>Silk Road Women's Cooperative</p>	<p>This producers' cooperative for women entrepreneurs was founded in 2005 to improve the lives of women and children in the poorer neighbourhoods of Mardin, a province in South-eastern Turkey. Running a Women's and Children's Centre to fulfil the social, cultural, and economic activity needs of its members and surroundings, the cooperative works to ensure they live in a healthy and stable environment. Depending on women's needs, the cooperative supports women and children with training programmes. One of the cooperative's key and unique projects is its soap-making workshop at which the traditional "Bıttım" soap of Mardin is produced, which has been used in the region for centuries. The cooperative also provides women with livelihood opportunities at its Nahıl store opened in 2008 in Mardin, where soap bars, textiles and other handcrafted products made by women are sold.⁵⁶</p>



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⁵⁶ Simurg. Kooperatif Hikayeleri. Available at: <https://simurg.org.tr/kooperatif-hikayeleri/> [Accessed June 2020].

Recommendations:

Based on the literature review and analysis of six community centres, the following recommendations are presented for GIZ and six community centres

Strategic Support in Brand/Business Management/ Designing/ Branding/ Commercialisation:

Overall, it is required that the community centres improve their craftsmanship that goes into their products to be commercially viable. A product or industrial designer is recommended to be contracted for setting up a clear roadmap on how to design for the most suitable customer segments based on each community centre's set of skills and capacities. Strategic branding and business development support are also vital components for the sake of business continuity and financial sustainability. Given that the most staff in CCs are composed of CSO or protection experts, it is essential that community centres acquire a business mindset and technical expertise. For the brand development processes, this approach would set the tone for their sustainability when the funds are no longer available. Design approach and business mindset represent two main areas of technical support that community centres should concentrate on. It is important that GIZ CLIP concentrate on the following areas of expertise in order to support social business models in community centres via third parties as detailed below

- **For the development of design approach, it is recommended that an external expert/company assess and improve conceptual mood boards for brand continuity with women's skill sets in mind and provide technical patterns for new and/or improved designs to be produced with the assistance of a skills trainer.** The skills trainer should remain active for a designated period to oversee the implementation of the project with the support of external experts/designer and communicate between the producers and designer if any adjustments need to be made regarding production efficiency, change in access to materials, etc.
- **It is necessary that business mindset acumen be incorporated into daily operations through the recruitment of a staff member with experience in sales and marketing as well as language skills compatible with target market.** This staff member should ensure the planning and implementation of a business plan, conduct social marketing, apply e-commerce tools, initiate partnerships with retailers and corporations, as well as support the team with customer service and order fulfilment logistics. The relevant staff member should also be responsible for periodic recruitment of external experts such as photographers to produce a portfolio of images for social media, e-commerce, and other web usage as well as a designer to compose other creative and promotional assets such as logos, product tags to include the impact statement, and look books for dissemination to potential retailers and business partners.

- **E-commerce Solutions:** A micro-website is recommended as alternative suggestion to improve social business opportunities for community centres. On behalf of the six community centres, a micro-website initiated by GIZ CLIP would act as a shared online sales platform in which beneficiaries and community centres list and present their products. There are several success stories through employing the online marketplace model. The most outstanding artisan impact marketplace has been designed by UNHCR for refugee-inclusive social enterprises in collaboration with the World Fair Trade Organisation (MADE51)⁵⁷. Discussed below are several options that can be used by CCs depending on their level of technical capacity for order fulfilment and visibility.

⁵⁷ Made 51 Crafted by Refugees. Available at: <https://shop.made51.org/> [Accessed June 2020].

The logo for Hepsiburada, featuring the brand name in a bold, orange, lowercase sans-serif font. Below the text is a horizontal bar composed of several colored segments: blue, orange, yellow, and purple.

Hepsiburada, one of the leading e-commerce companies in Turkey, supports women entrepreneurs looking for opportunities to move their enterprise to e-commerce platforms or enhance their growth through the Technology Force Programme for Entrepreneurial Women programme. One of the potential ways for community centres is to create accounts on the platform to sell their products while receiving assistance on product photography and other advice for making best use of the platform given its algorithms. However, Hepsiburada being a very large platform and heavily saturated market, visibility might be challenging for community centres. It should be noted that CCs should also consider applying for additional technical support such as professional product photography.

The logo for Hipicon, featuring the brand name in a white, lowercase sans-serif font on a dark green background.

Hipicon is an online marketplace that curates designer goods for consumers in Turkey seeking distinctive clothing, accessories, homeware and more, at a medium to high price range. The platform gives the customer the sense that they have been given access to products that are exclusive, justifying a higher price point, offering community centres with a niche market in which they can participate and earn higher profit margins than many other venues. To illustrate, products such as decorative embroidery hoops and crochet blankets can be seen as listed for sale on the platform at 150 TL and 450 TL, respectively. Artisans and designers interested in selling on the platform are required to complete an application form in which they specify the category of their products and provide a website for further review by Hipicon's designer panel.

The logo for Zet, featuring the word "zet" in a lowercase, sans-serif font. The letters are colored: 'z' is pink, 'e' is yellow, and 't' is blue.

Zet –a Turkish e-commerce website– provides a wide range of handmade products including jewellery, bags, clothing, home décor and furniture, toys and art. Zet as a user-friendly accessible marketplace presents one of potential platforms that community centres can apply. Since there is a high number of sellers in the platform with a large volume of listing, it is a competitive platform for CCs. Yet, it can be still used as a portal for online sales for current supporters or followers through social media.

The logo for Shopify, featuring a green shopping bag icon with a white 'S' inside, followed by the word "shopify" in a lowercase, sans-serif font.

Shopify allows the users to set up their own webstore; and CCs can make direct sales to the customers. The platform is highly customizable in style and composition and offers premade web themes for ease of use and a back-end system for managing orders and sales. Compared to other e-commerce platforms, Shopify is relatively more advanced and requires more effort and acclimation to the system to get started. Basic monthly subscriptions start at 29\$ USD per month which may be cost-prohibitive to centres not yet garnering regular sales. Unlike Hipicon and Zet, Shopify is not a marketplace, and therefore only generates traffic directly linked to CC's webstore domain. Thus, Shopify should be used at a later stage by CCs with a cohesive brand identity and confidence in their ability to increase traffic to the website.

Potential Business Partner	Relevant Activities	Potential Ways of Collaboration	Links: Application for Online Stores	Documentation and requisits needed
<p>Hepsiburada Marketplace intermediary for digital sales</p>	<p>Hepsiburada is one of the leading e-commerce companies in Turkey. There is a special supported category for women entrepreneurs who want to move their enterprise to the e-commerce platform or grow it in e-commerce with the Technology Force Program for Entrepreneurial Women program.</p>	<p>A Hepsiburada account on behalf of the Leader Women Association can be created to sell the handmade products crafted by the beneficiaries in Turkey.</p>	<p>https://merchant.hepsiburada.com/account/sign-up/</p>	<p>Official and commercial registry records</p>
<p>ZET Marketplace intermediary for digital sales</p>	<p>Similar to the US-based platform Etsy, Zet is a Turkish e-commerce platform and online marketplace for independent artists, creators, and craftspeople.</p>	<p>An ZET account on behalf of the Leader Women Association can be created to sell the handmade products crafted by the beneficiaries in Turkey.</p>	<p>https://www.zet.com/dukk-an-acmak</p>	<p>Address and contact information</p>
<p>Trendyol.com online marketplace</p>	<p>Trendyol is an online marketplace in Turkey and in the MENA region. It was founded in 2010 by Demet Mutlu (well known woman entrepreneur from Turkey) and is located in Istanbul.</p>	<p>A Trendyol account on behalf of the Leader Women Association can be created to sell the handmade products crafted by the beneficiaries in Turkey.</p>	<p>https://partner.trendyol.com/onboarding/satici-formu?gads=true&clid=CjwKCAjw88v3BRBFEiwApwLevVcBmYKnogFttv40c515NBmkX5xzCAEZVgPn7Hxb8nLWFBV-GO1YfhoCXcCQAvD_BwE</p>	<p>Bank account information</p>
<p>Etsy Marketplace intermediary for digital sales</p>	<p>Etsy is a US-based e-commerce platform that allows independent artists and craftspeople to create store pages to sell their products.</p>	<p>An Etsy account on behalf of the Leader Women Association can be created to internationally sell the handmade products crafted by the beneficiaries.</p>	<p>https://help.etsy.com/hc/en-us/articles/115015672808-How-to-Open-an-Etsy-Shop?segment=selling</p>	<p>Tax office information</p>

Support in Business Partnerships: It is also recommended that a portfolio should be created with the most viable products from six community centres. The portfolio should include the products like totes and t-shirts with visual mock-ups for further demonstration to be customized with a company's logo or brand colour scheme. Employee appreciation gift baskets can also be composed with an array of products from CCs portfolio. The portfolio allows GIZ CLIP to present the work of CCs to a larger network which might result in CSR opportunities and the connection for CCs to initiate new production partnerships. The portfolio serves as a tool in partnership discussions with municipalities, boutique retailers, and corporations. This process will also garner feedback that can inform further refinement of the products themselves.

Community Centre Community of Practice (CCCoP): Communities of Practice (CoP) is defined as an organized group of professionals who share same interests in resolving an issue, improving skills, and learning from each other's experiences. GIZ CLIP provides a forum in which community centre connect, drawing on their experiences, to engage dialogue and action on different organisational models and collaboration structures for refugee-inclusive businesses. Various other stakeholders can act as a counsel to the Community Centre Community of Practice (CCCoP) such as public and private bodies, chambers of commerce and industry, corporations, and other experts.



Recommendations for CCs:

Social marketing seeks to develop and integrate traditional marketing concepts with other approaches to influence behaviours that benefit individuals and communities for the greater social good through awareness-raising. Social marketing practice is guided by ethical principles and seeks to integrate research, best practice, theory, audience, and partnership insight, to inform the delivery of competition-sensitive and segmented social change programmes that are effective, efficient, equitable, and sustainable. With this approach, community centres have potential to advocate for social change as well as to encourage the public as being agents of change, which can garner support for the CC through donations, volunteering, and social enterprise sales. It is recommended that CCs should concentrate on social media platforms such as Instagram and Facebook to engage followers through storytelling. This would lead awareness on the refugees' rights and problems through providing a humanistic lens and encourage the consumers to become part of social changes and conscious consumers simultaneously.

Working with Other Social Enterprises: Collaboration among various stakeholders presents one of the driving factors in the motivation and success of social enterprises in Turkey. Most social enterprises often seek for collaborators, business partners, sub-contractors, producers, etc. In this regard, community centres would act as a complementary partner in production sites for social enterprises. In other words, the entities involved can make a mutually reinforcing division of labour based on key strengths and opportunities in the local, regional, and international markets.



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Experienced Staff in Social Business Development: Most community centres do not employ business development specialists. It is recommended that CCs should recruit experts with significant experience in business specializations to enhance the know-how toward market-driven activities. These specializations are essential for community centres' business development and organisational sustainability in the long term. Organisational capacity assets can be accessed through NGO-specialized development consultancy firms or networks which also provide web-based platforms to link corporate employees and civil organisations for sharing the expertise.

In general terms, Supply Chain Management (SCM) encompasses all the steps involved in procuring raw materials through to the finished goods. In community centres, the most commonly-used materials are fabric, dye, production equipment, and sewing supplies. For an effective supply chain management, the capacity results in enhanced negotiating power for more competitive rates and products while reducing inventory costs. Participation in the supply chain also requires a reliable inventory for on-demand order fulfilment to become a trusted supplier.⁵⁸

Inclusive business (i.e., entering the supply chain of large corporates) represents a significant advantage for community centres. Through partnerships with corporations, CCs can act as distributors, suppliers, or producers in their business process. In this process, community centres would gain vital experience on scaling up the production and capacity as well as the commerciality and efficiency of production, which will eventually support them for the market competition. With the increasing competition, CCs would have more opportunities for bulk production and sales of larger values, which could lead for more investment toward training and equipment that would allow the CCs operation to grow faster. For certain products, subcontract agreements could be made with large companies in the provinces where CCs are active. In particular, the products centre such as cotton bags and newspaper bags have the potential to reach out a considerable scale of production. Once the CCs are equipped with all technical assistance training, companies specialized in capacity building in inclusive businesses could assist them in the process.

⁵⁸ H. Gunther, H. Meyr (2009); Supply Chain Planning: Quantitative Decision Support and Advanced Planning Solutions; <https://books.google.com.tr/books?id=y5uQQagQzrAC&lpg=PR1&pg=PR1#v=onepage&q&f=false> [Accessed June 2020].



Conclusion



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Almost all community centres aim to facilitate social cohesion between two or more groups including the host community, Syrians and non-Syrian refugees. It is observed that in some cases, Assyrians, Yazidis, Arabs, and Kurdish communities are also involved in the community centres activities in Mardin. In almost all cases, namely, in Mardin, Istanbul, Kilis and Adana, the centres are operationally active in producing handicraft materials and a wide range of products in the scope of the social cohesion activities not specifically framed by livelihood approaches. Therefore, as commonly observed in all the community centres, most of the products are either at an early stage or in need of advanced crafting.

During the interviews and the product analysis, it was also observed that most of the products had been produced without a clear design approach and market-based instruction for the beneficiaries. Although these productions are an integral part of social cohesion activities and the primary focus was not on sustainable livelihoods, defining the motive of these activities is a key prerequisite in this phase as they gradually progress towards sustainable livelihoods in the form of social enterprise under the commercial enterprise of those foundations and associations.

Lack of technical knowledge about organisational models is recognised in relation to social businesses/ social entrepreneurship. Room for capacity development specifically for accountants or legal advisors has been examined. This is also linked with the reluctance of the staff on the formation of a social business and a social entrepreneurship explicitly considering the bureaucratic work. Failure to reach the correct information channels results in weak decision-making, principally for the community centres which are in a registration process to carry out social business activities to ensure organisational sustainability and beneficiary livelihoods.

Expertise is required in the key areas of design approach and business mindset to mitigate the issues faced by the community centres supported by GIZ, serving as a sample of social enterprise activity in Turkey.

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