

COVID-19 in Türkiye and livelihoods of vulnerable people and refugees: a synthesis report

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Executive Summary

With COVID-19 having affected everyone one way or another in Türkiye as seen elsewhere in the world, many already vulnerable populations have seen their situation worsen more than others, deepening inequalities already present. Failing to respond adequately to overcome some of these effects may risk widening the gap in the long term.

Türkiye hosts the largest number of refugees worldwide, some 3.7 million registered Syrian refugees and 330,000 from other nationalities. The Law on Foreigners and International Protection (endorsed in April 2013), Temporary Protection Regulation (October 2014), the Presidency of Migration Management (former Directorate General of Migration management (DGMM)¹ set the main pillars of Türkiye's national asylum system, and the rights and obligations for those who are granted protection.

The Government has included refugees, Syrian under Temporary Protection and International Protection Applicants and Beneficiaries, in public services, such as education, legal work opportunities and national health care. Still refugees in Türkiye face lack of assets, limited job opportunities resulting in often taking more precarious jobs in the informal sector, limited access to social safety nets. They were particularly vulnerable to the impact of the pandemic on the economy and the job market.

As soon as the pandemic began, the Turkish government reacted swiftly and decisively, considerably mitigating its impact. Primary reaction focused on managing the health impact of the pandemic (mobility restriction measures, social distancing and reinforcement of the health sector). Türkiye also provided a boost to the economy; mainly through social transfers extension, unemployment insurance benefit and unpaid leave subsidies. While the Turkish government's efforts to reduce the pandemic were laudable and effective, tackling growing inequality is requiring additional action, including tailored policies towards those who have been hit the hardest and who may continue to see their situation worsen in the long term.

¹ With the Presidential Decree No. 85 published in the Official Gazette dated 29/10/2021 and numbered 31643, the status of the General Directorate was changed to the Presidency. In this context, the name of the institution "Directorate General of Migration Management of the Ministry of Interior", has been changed to "Presidency of Migration Management of the Ministry of Interior"

For such policies to be developed and implemented effectively, additional analysis on specific vulnerable groups, such as refugees, women, and children is essential to fill the lack of evidence and identify tailored policy options targeting groups with existing vulnerabilities.

This report contributes to this effort of taking stock of the impact of COVID-19 on the livelihood of refugee populations living in Türkiye. It is based on a desk review, synthesising available literature, focusing on the economic context of Türkiye during the pandemic and how refugees' and vulnerable peoples' livelihoods have been affected by it.

Despite some limitations in access to data and the disaggregated data on refugees, this report presents some evidence on short- and long-term impact of the pandemic and the impact and possible mitigating measures on refugees and vulnerable people in Türkiye.

The main findings are summarised below:

- **Some measures were taken early by the Turkish government to mitigate the impact of the pandemic and respond to the economic shock and labour market disruptions.** Türkiye provided a boost to the economy through a large economic package. The economic package, however, did not target informal workers who were not protected by labour market regulations.
- **Türkiye's economic growth performance in 2021 was strong, but poverty spread, and unemployment became more prevalent:** The large credit stimulus unveiled by the government contributed to a large extent to the strong rebound of the economy, but external pressure led to the depreciation of the Turkish Lira and accelerated inflation, affecting low-income households most severely by pushing domestic food prices upward.
- **Assistance programmes targeting refugees which were implemented before the pandemic continued to provide assistance to people under temporary and international protection,** including cash transfers, in-kind transfers and support to education. For example, the ESN programme, currently reaching 1.9 million refugees through a monthly cash assistance, provided an additional €325 million in December 2021 as a response to the crisis. The COVID-19 emergency cash assistance, provided by UNHCR in cooperation with PMM, reached 88,779 refugees by March 2021². (Please see Box 2 for more details).

² Over the period July 2020- March 2021

- **Before COVID-19, the Turkish labour market was already characterised by a low female labour force participation, high youth unemployment and a significant share of informal workers.** The outbreak of COVID-19 and the mitigating measures undertaken by the government reinforced these existing challenges even further.
- **After years of poverty reduction, the poverty rate increased in 2018 for the first time. As a result of the pandemic, 3.2 million more have fallen into poverty** (World Bank, 2021). This considerable increase can be explained by the more severe impact that the crisis has had on the poorest strata of the population.
- **While measures were taken to protect formal jobs, informal workers suffered from lack of protection and higher vulnerability.** By May 2020, the economy had lost 2.6 million jobs (World Bank, 2021). Despite a partial recovery during the year, six months later, in November 2020 employment levels remained lower when compared to November 2019, particularly for informal and unskilled workers. In addition, sectors less amenable to working from home, such as construction, manufacturing and services were hit especially hard by the pandemic and social distancing measures.
- **Vulnerable people and refugees suffered more from changes in status and loss of income, because they are significantly engaged in informal jobs in many sectors affected the most by the pandemic** (such as trade, construction and manufacturing). According to various surveys, detailed in the following sections, between 69% and 76% of refugees observed a negative change in their working status because of the pandemic (reduced number of working hours, loss of jobs, income loss/reduction) compared to 38.2% of Turkish citizens.
- **For those who did not see a change in their working status, income loss was considerable.** While 50% of Turkish citizens declared a loss of income, for Syrians under Temporary Protection (SuTPs), the percentage was 88%. Income from employment, however, still represents the main source of income for refugees, followed by humanitarian assistance.
- **More than three quarters of refugees declared that the assistance was not enough to meet their needs during the pandemic, even though** refugees were receiving assistance from different sources and in different form such as cash assistance, food, or sanitary items. Many adopted negative coping mechanisms and to rely on debt; 98% of respondents indicated adopting at least one coping mechanism to deal with their inability to cover monthly expenses (Reducing essential food expenditure (50%), remittances or

money borrowed from relatives (47%), essential non-food expenditure reduction (31%), and buying food on credit (30%) (IFRC/TRC, 2021).

- **Among refugees, certain categories were more affected than others:**
 - Afghans and Iranians were hit harder than other refugees by job loss and work status changes, have the least access to assistance, and when they do, it is mostly not enough to cover basic needs. They also adopted more negative coping mechanisms such as reducing essential food expenditure.
 - Women were affected by an additional increase in domestic work, suffering more from GBV than prior to the pandemic; thus negatively affecting their access to the job market. This resulted in female-headed households relying more on humanitarian assistance than male-headed households (CARE, 2021).
 - Households not categorised as eligible for ESSN assistance may in the longer-term see their conditions deteriorate faster since they do not benefit from this additional source of income.
 - Children from refugee households are experiencing additional learning difficulties compared to those they faced prior to the pandemic. These challenges have the potential to result in augmented negative impacts on students' skills, human capital accumulation and economic prospects for the rest of their lives.
- **Finally, this report highlights the difficulty of finding disaggregated data of sufficient quality which can inform about the impact of COVID-19 on vulnerable people and refugees in Türkiye.** Even before the pandemic, it was a challenge to access quality data regarding refugees in Türkiye. Various information collection initiatives have taken place but these studies have a certain limitation and the existing literature lack representativeness at the national level.

COVID-19: Türkiye reacted quickly through a targeted social emergency package

Since 11 March 2020, the date of the first COVID-19 case in Türkiye, the government has undertaken a series of mitigating measures. Türkiye's response was early and targeted (World Bank, 2020). Several measures were implemented early on to mitigate the impact of the pandemic. Mobility measures included flight restrictions from several Asian countries in late-February, a cancellation of all bilateral flights later in March, an increase in border checks, and closure of land borders. Social distancing measures focused on the closure of schools and non-essential business activities as well as self-quarantine for travellers. Finally, health measures were taken to answer the many challenges of the health sector, including the deployment of additional health care workers throughout the country, and increased testing capacity.

In October 2020, the second wave of the pandemic hit Türkiye hard and affected more people than the first one (Figure 1.a). In November 2020, Türkiye reintroduced lockdown measures, restaurant and school closures, curfews, and public transportation restrictions. However, these measures were less strict than during the first wave and were eased in the first quarter of 2021. Subsequently these measures were tightened again in the middle of April 2021.

Despite dramatically accelerating its vaccine rollout, the number of COVID-19 cases persisted in Türkiye (Figures 1). In January 2022, the share of Türkiye’s adult population with at least two vaccinations rose to 84 percent.

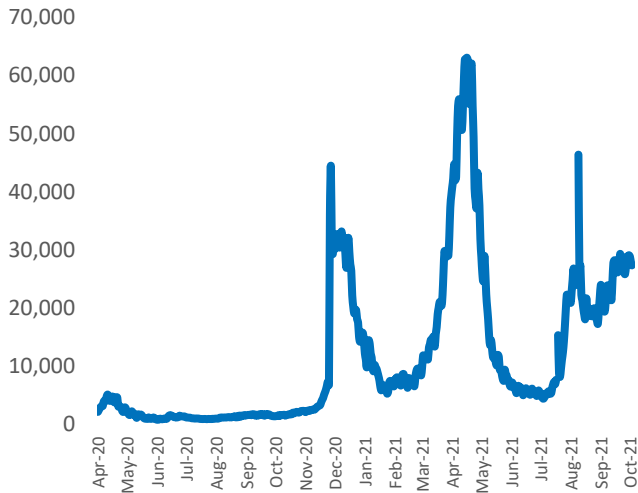


Figure 1.a Number of daily new COVID-19 cases

Source: Authors’ calculation based on data from Our World In Data - Max Roser and Esteban Ortiz-Ospina (2020) – “Coronavirus Pandemic (COVID-19) – the data”. Published online at OurWorldInData.org. Retrieved on 4 Oct 2021 from: ‘<https://ourworldindata.org/coronavirus-data>’ [Online Resource]

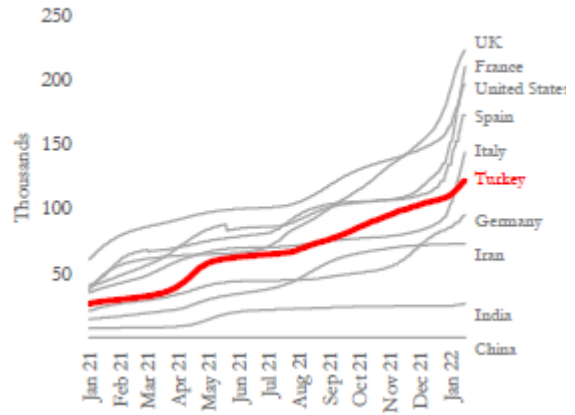


Figure 1.b Total confirmed COVID-19 cases per 1M of the population

Source: (World Bank, 2022)

Türkiye also provided a boost to the economy through a significant economic package including a large credit stimulus, loans to small businesses, paid leave, support to retired people, tax, and social security contribution deferrals for businesses, among other measures. However, the government economic support did not reach workers who are informally employed in Türkiye, and which represent around one third of the Turkish labour force (World Bank, 2020).

Box 1 Work permits for refugees in Türkiye

Before applying for a work permit:

Foreigners in Türkiye are obliged to obtain a “work permit” to work legally. To be able to apply for a work permit, they should first submit an international protection application or temporary protection application. Refugees and subsidiary protection status holders are directly entitled to work. The procedures differ for people coming from Syria and those coming from other countries and is described in more details below.

- **Non-Syrians:** People who have been forced to leave their country because of war or because they have experienced persecution for reasons of race, religion, nationality, political opinion or membership in a particular social group and are therefore unable to go back can seek asylum in Türkiye and must submit an International Protection Application to stay in Türkiye and access rights and services provided.
- **Syrians:** Syrians are subject to a different asylum procedure called the “Temporary Protection” regulation, allowing them the right to stay in Türkiye as well as have access to certain rights and services. Syrian nationals as well as refugees and stateless persons from Syria who have arrived in Türkiye en masse or individually are granted temporary protection status.

Applying for a work permit:

International protection applicants and Syrians under Temporary Protection (SuTPs) need to apply for a work permit to legally work in Türkiye. They can do so six months after completing their international protection application or temporary protection registration. With a work permit, the employer cannot pay the employee lower than the legally determined minimum wage (2,826 TRY) and should register him/her in the social security system and pay the social security premium. Steps and rules to apply for a work permit are listed below:

- A formal work contract with a determined duration should be signed between

employer and the employee.

- Employers should apply for the future employee through the government website.
- Job location should match the city of registration.
- Work permits are only issued for one particular workplace for a duration of one year.
- Certain occupations are prohibited for foreigners in Türkiye (dentists, pharmacists, attorneys, or notaries, among others) and some sectors need preliminary permission before applying (health, education, research and development). After examination by the Ministry of Labour for approved applications, applicants are sent information on fee payments (Around 1,145 TRY for international protection and 500 TRY for temporary protection)
- To extend a permit, the employer should apply for an extension before the expiration date
- Employment quota: The number of foreigners under temporary protection employed in a workplace cannot be more than 10% of Turkish citizens employed in the same workplace, unless the employer can prove that there are no Turkish nationals able to undertake the position. If the workplace employs less than 10 people, only one temporary protection beneficiary may be recruited.
- Seasonal agriculture and husbandry jobs are two sectors eligible for work permit exemptions. The exemption is however not granted automatically and should be approved by the Ministry of Labour,

As of March 2019, the number of foreigners with valid work permits in Türkiye is around 97,000 of which 31,000 are Syrians.³, constituting a small share of the 2.2 million working-age Syrian refugees (Demirguc-Kunt, Lokshin, & Ravallion, 2019)

Useful links:

Informational Portals for Refugees in Türkiye:

- <https://multecihaklari.info/>
- <https://help.unhcr.org/turkiye/tr/>

³ <https://www.cnnturk.com/ekonomi/bakan-pekcan-15-bin-159-suriyeli-sirket-var>

Refugees have received targeted assistance from aid agencies

Türkiye has the largest refugee population in the world. The number of Syrians under temporary protection has increased significantly since 2011 and reached 3,718,332 in total by October 2021⁴. In addition, Türkiye hosts 330,000 international protection applicants and holders. (UNHCR, 2021).

Assistance programmes implemented before the pandemic continued to provide assistance to vulnerable people under temporary and international protection, including cash transfers, in-kind transfers, and support to education. As a response to the COVID-19 crisis several programmes were extended. More details are provided in Box 2.

⁴ DGMM <https://en.goc.gov.tr/temporary-protection27> (07.10.2021)

Box 2 Mapping refugees' assistance programmes

Türkiye's refugee response is based on a comprehensive legal framework (Law on Foreigners and International Protection (2013) and the Temporary Protection Regulation (2014)), **giving persons under temporary and international protection, among other things, the right to health insurance, and access to work permits (Box 1)**. In addition, UNHCR, in collaboration with the authorities and other institutions, supports refugees' access to vocational training, language courses, and entrepreneurship support programmes. (IsDB, 2021)

Facility for Refugees in Türkiye and the ESSN programme:

In 2016, the European Union created **the EU Facility for Refugees in Türkiye**. This programme manages €6 billion and focuses on humanitarian assistance, education, migration management, health, municipal infrastructure, and socio-economic support (European Commission, 2020)

The EU humanitarian flagship programme is the **Emergency Social Safety Net programme (ESSN)**. It was introduced in 2016 to support the most vulnerable refugees. Funded by the **European Union** and implemented by the International Federation of Red Cross and Red Crescent (IFRC) and Turkish Red Crescent with the partnership of the then Turkish Ministry of Family, Labour and Social Services (MoFLSS) **it benefits over 1.7 million refugees living in Türkiye who are receiving humanitarian support through monthly cash assistance**. The Emergency Social Safety Net (ESSN) programme aims to help the most vulnerable of these refugee families. The scheme provides refugees with an ESSN debit card which gives them access to a fixed amount of money every month that they can use to purchase whatever is needed. Every month, refugee families receive 120 Turkish Liras per family member. In December 2021, as a response to the COVID-19 crisis, the EU allocated an **additional €325 million to extend the Emergency Social Safety Net Programme (ESSN) until early 2023**. Since July 2021, in addition to ESSN, 331,000 vulnerable refugees benefited from cash assistance through other longer term development projects via the EU Facility for Refugees.

Since 2017, the EU has also been **supporting refugees whose children attend school through the Conditional Cash Transfer for Education (CCTE)** currently assisting over 695,000 children.

Regional Refugee and Resilience Plan:

Since 2015, in response to the Syria crisis, UNHCR co-leads with UNDP **the Regional Refugee and Resilience Plan (3RP), contributing to the mobilization of more than US\$ 4.8 billion** to support Türkiye's inclusive refugee response to address unmet needs and avoid duplication/gaps. UNHCR also chairs the Results Group on Migration, International Protection and Harmonization of the Türkiye 2021-25 UNSDCF.

To respond to the COVID-19 outbreak, **UNHCR initiated an emergency cash assistance programme in collaboration with the then Directorate General of Migration Management (DGMM)**, targeting some of the most vulnerable persons. The distribution of the COVID-19 cash assistance started in May 2020. In light of the unprecedented needs, and with support from UNHCR's donors, the initiative was scaled up. According to the **September 2021 UNHCR fact sheet, 88,779 households were reached through the COVID-19 Emergency Cash Assistance.**

Useful links:

<https://www.unhcr.org/tr/en/overview-2>

https://ec.europa.eu/neighbourhood-enlargement/enlargement-policy/negotiations-status/turkey/eu-facility-refugees-turkey_en

https://ec.europa.eu/echo/news-stories/stories/helping-refugee-children-turkey-go-school-conditional-cash-transfer-education-ccte_en

Overall positive growth in 2021, but with increased inflation

According to the World Bank Türkiye Economic Monitor (World Bank, 2021), compared to other countries, Türkiye's economic growth performance in 2020 was strong. Indeed, contrary to most countries, **Türkiye recorded a positive overall growth (1.8%) in 2020. After a sharp decrease of 11% of the GDP during the second quarter of 2020, the GDP grew by around 16% over the third quarter. Nevertheless**, poverty spread and unemployment became more prevalent. This rebound was due to the ease of restrictions in the second half of 2020. Government stimulus was characterised by several aspects (World Bank, 2021):

- More notable rebound in Türkiye compared to other countries
- High contribution of industry and services
- Broad-based recovery in manufacturing across all sub-sectors
 - Strong rebound in: basic metals, apparel, and road vehicles
- Labour productivity losses of the industry sector reversed
- Confidence in services sectors recovered

However, in the first three quarters of 2021 the economy grew 11.7 percent supported by external and domestic demand (World Bank, 2022) and progress in vaccination roll out. Employment recovered to pre-pandemic levels. Compared to a year earlier, in November 2021 more than 3 million jobs were regained (Figure 2) and the unemployment rate fell slightly from 12.7 percent (end of 2020) to 11.2 percent in November 2021. Services sector which has been hit especially hard, mostly recovered in 2021. The recovery was however weaker among informal workers. (World Bank, 2022)

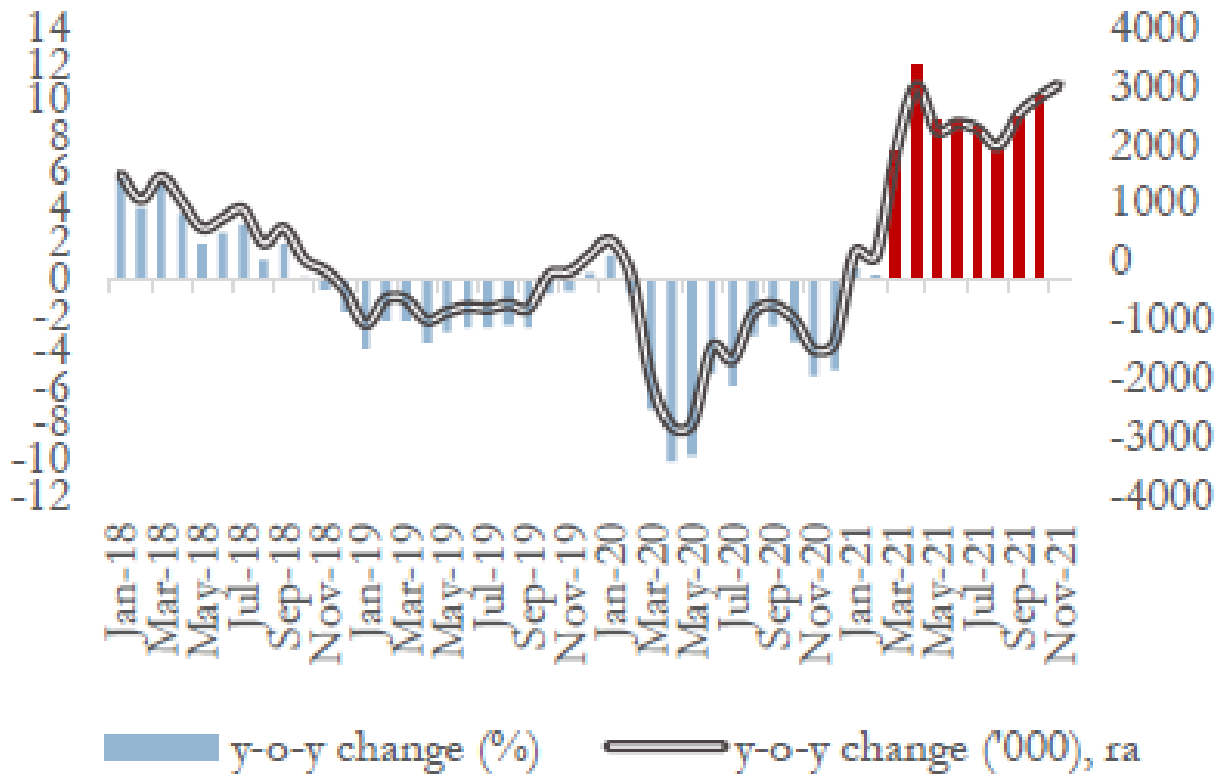


Figure 2. Change in total employment

Source: (World Bank, 2022)

If re-opening partially explained the strong economic performance in 2020, the large credit stimulus unveiled by the government (one of the highest among G20 emerging market economies) contributed to a large extent to the strong rebound of the economy. Türkiye’s fiscal support package focused primarily on support through indirect fiscal measures (contingent liabilities) and direct fiscal measures (additional social support transfers to households, rent and revenue support to small businesses, tax and social security contribution deferrals for businesses, etc.)

Over the course of 2020, Türkiye and other emerging markets were severely hit by capital outflows. This pressure led to a depreciation of the Turkish Lira, despite the use of international reserves by The Central Bank of the Republic of Türkiye. Compared to the last quarter of 2019, the lira depreciated by 30 percent in the last quarter of 2020. Food and core goods (mainly durables) accounted for around two thirds of the rise in inflation by the end of 2020. International food prices pushed domestic food prices upward, and extended to prices at restaurants, hotels and cafés. Transport, automobile and furniture prices were also impacted,

changing consumption patterns (more spending on food and less on clothing and fuel). Because varying consumption patterns were observed across income groups, inflation affected households differently according to their position in income distribution. Inflation affected food prices, which represent a significant share of low-income household budgets.

In mid-December 2021, the Turkish Lira reached record low levels, depreciating by more than 130 percent year to date. In 2021, the combined three factors of rising international commodity prices; rising inflation expectations; and the lira depreciation, accelerated the inflation. In January 2022, official CPI5 inflation reached 49%, and domestic producer price inflation reached 93%, the highest level in two decades.

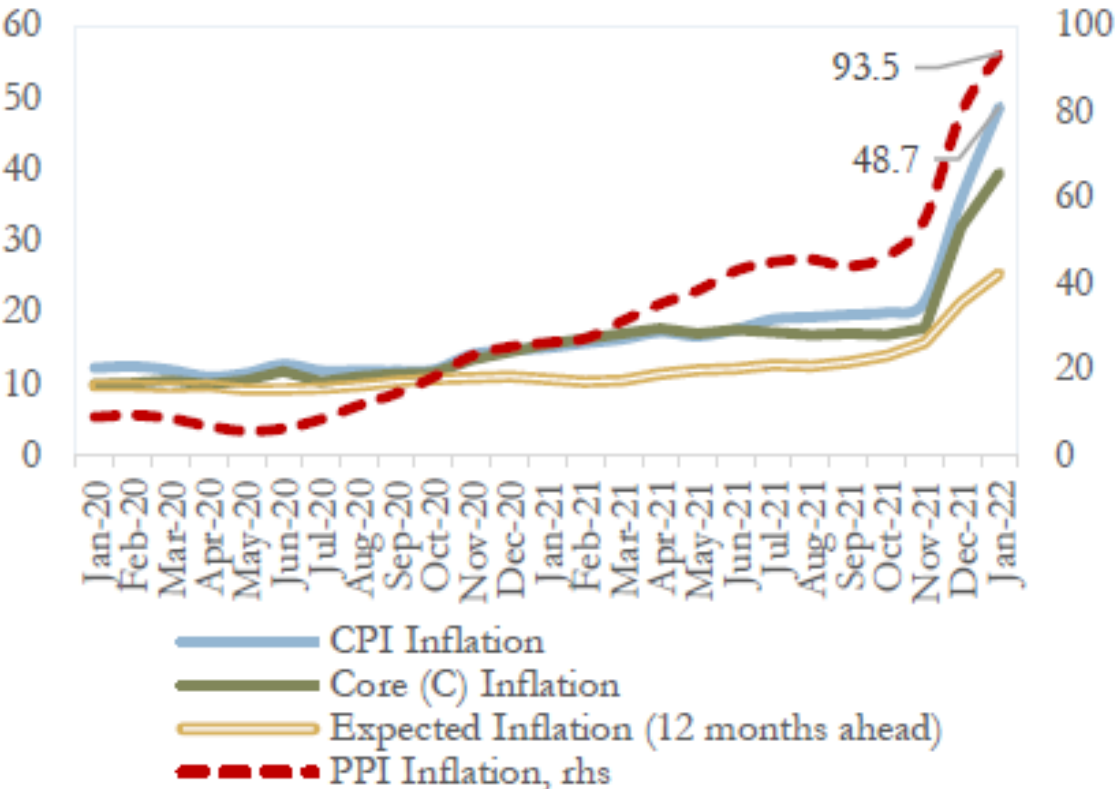


Figure 3. Inflation (year-on-year, % change)
 Source: (World Bank, 2022)

⁵ Consumer price index reflects changes in the cost to the average consumer of acquiring a basket of goods and services that may be fixed or changed at specified intervals.

Millions more in poverty

COVID-19 appeared during a fragile economic recovery in Türkiye (mid-2018 shock). From 2003 to 2018, poverty in Türkiye decreased from 37% to 8.5%. **In 2018, the poverty rate increased for the first time in 15 years.** Since the mid-2018 shock, 3.2 million people have fallen into poverty in 2 years, among which were 1.5 million after the onset of the pandemic. (World Bank, 2021)

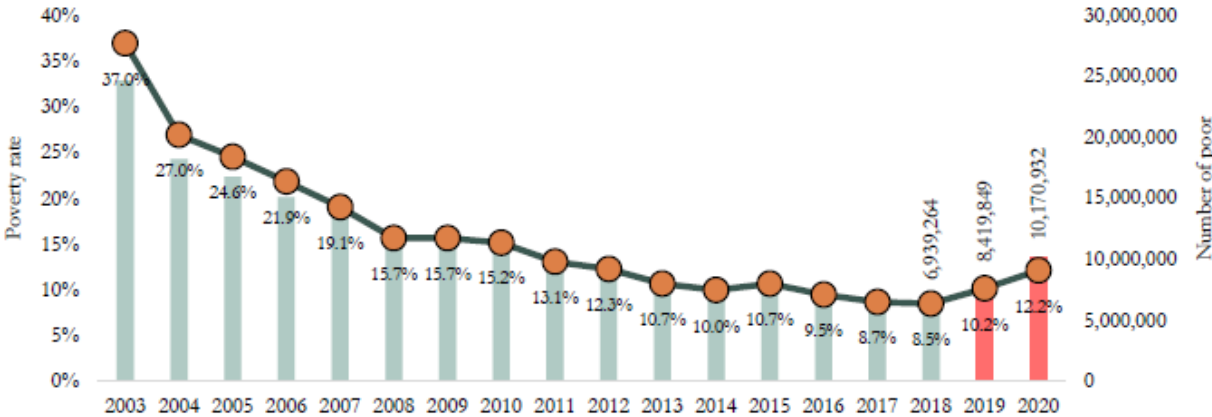


Figure 4. Absolute poverty rate and number of poor (consumption-based poverty)

Source: Türkiye Economic Monitor, Navigating the Waves (April 2021) The World Bank, using data from Turkstat.

The high effects of COVID-19 on poverty despite overall positive growth can be explained, as highlighted by Figure 5, by the fact that **COVID-19 has had a more severe impact on the poorest.** Indeed, respectively 15.5% and 16.5% of the poorest individuals (first- and second-income deciles, as shown in the bottom left in Figure 5) have lost their jobs. (World Bank, 2021)

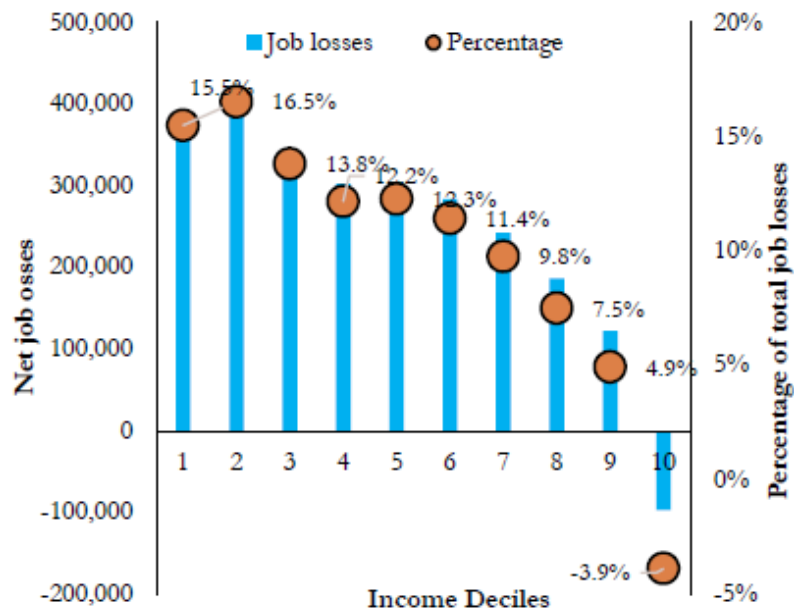


Figure 5. Net change in employment between April 2019 and April 2020 by income decile
 Source: Türkiye Economic Monitor, Navigating the Waves (April 2021) The World Bank (using Turkstat data)

Firms were affected more severely than in comparable countries

Relative to other European and Central Asian countries, in Türkiye, firms were affected more severely.⁶ On average firms reported a 37% drop in sales (greater than the average for EU and for non-EU ECA comparators but below non-ECA comparator countries). Transport and storage have been the sectors most severely hit (Figure 6) with 75% fall in sales, followed by the food services and financial sectors.

⁶ Business Pulse Survey (BPS), the World Bank

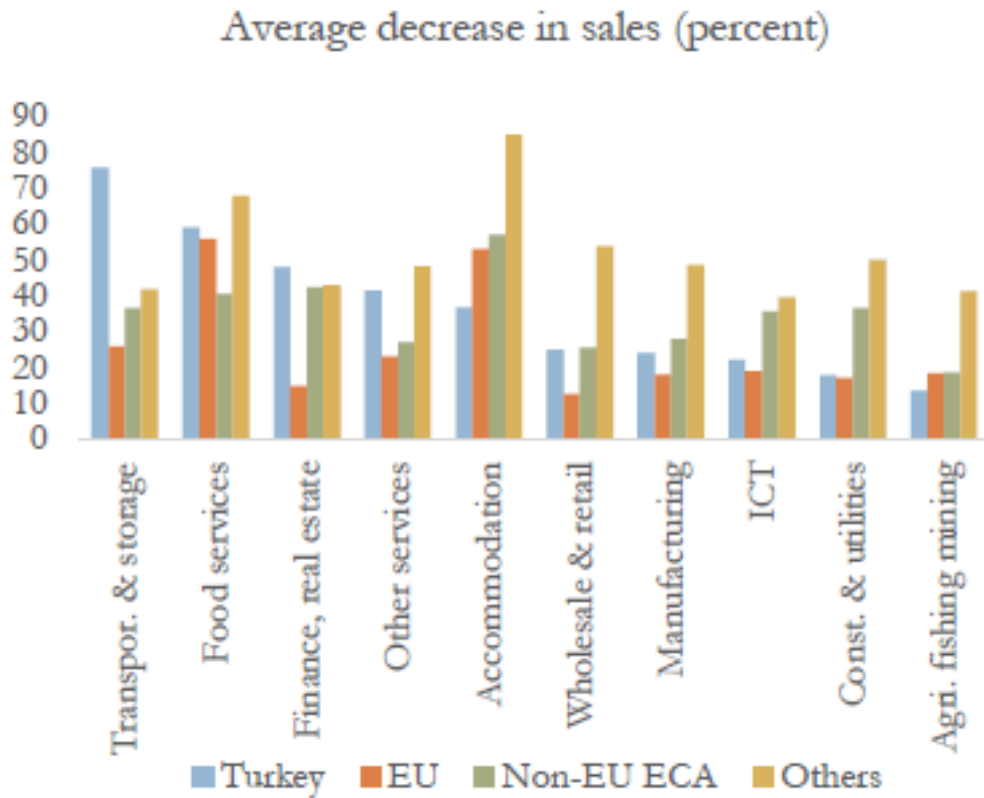


Figure 6. Average decrease in sales

Source: (World Bank, 2021)

The same survey showed that, on average, the number of employees did not decrease in Türkiye except for sectors with a large share of seasonal labour with temporary contracts such as agriculture, fishing and mining. Eleven per cent of employees at firms received wage cuts, 31% of employees saw their working hours reduced.

A labour market further weakened

As highlighted in Figure 7 in October 2021, the main labour force indicators (labour force participation, employment rate and unemployment rate) reverted to pre-pandemic levels. However as highlighted by a labour market assessment prepared by UNHCR, the Directorate General of International Labour Force (DGoILF) of MoFSS, and the World Bank (WB) in 2020, **before COVID-19 an already fragile labour market was observed, with low female labour force participation, high youth unemployment and a significant share of informal workers.**

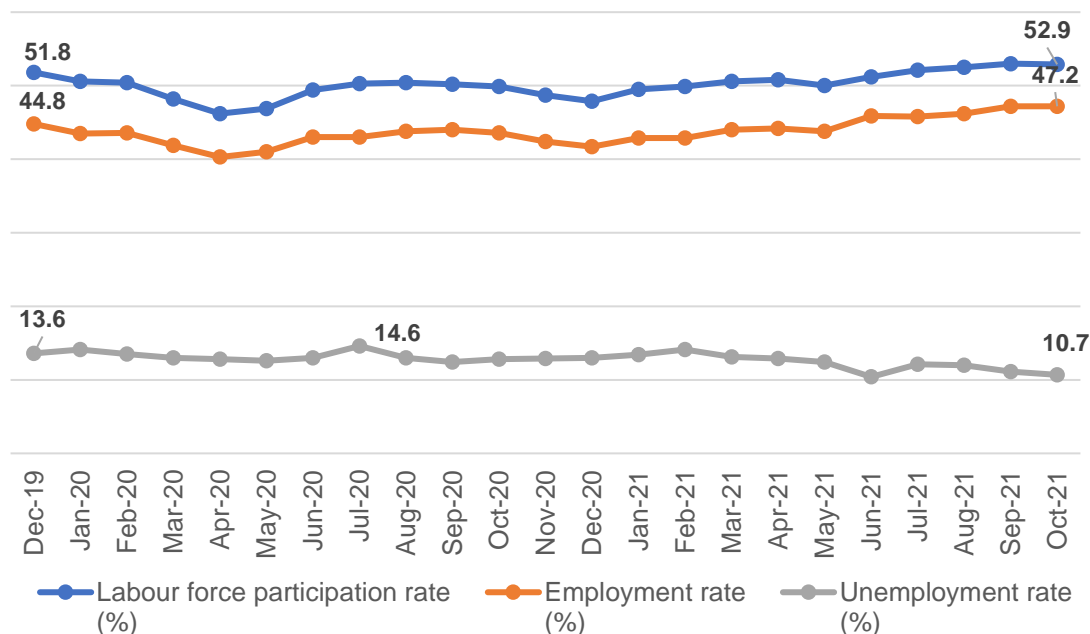


Figure 7. Main labour force indicators (>15 years old)

Source: Authors' computation using TURKSTAT, Labour Force Statistics

The outbreak of COVID-19 and the mitigating measures undertaken by the government have accentuated these existing challenges for the most vulnerable populations. By May 2020, the economy had lost 2.6 million jobs (9.2% of total employment). Despite a partial recovery during the year, in November 2020 employment remained 3.9% down compared to a year earlier, with disparities among sectors. Sectors where informality prevails were particularly harder hit, including services or agriculture (World Bank, 2021).

For instance, as of November 2020, employment among informal workers remained 15.7% percent lower than the year before, whereas it reverted to pre-pandemic levels for formal workers. A similar pattern is observed for unskilled workers when compared to medium and high skilled workers (See (World Bank, 2021) for more details). However, in November 2021, compared to the previous year, over 3 million jobs were regained (Figure 2). Despite this return to pre-2018 crisis employment level, the labour market recovery was weaker among informal workers (Figure 8). In March 2021 informal employment trends reversed but remained below the number of jobs in 2018, prior to the economic shock.

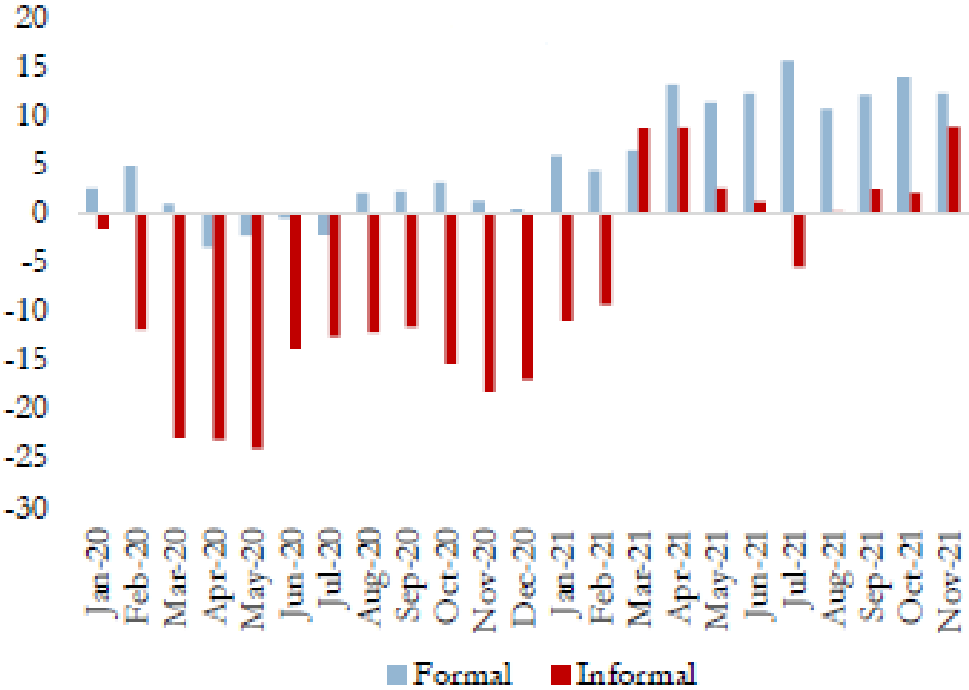


Figure 8. Change in employment compared to year earlier (Formal vs. Informal percentage)

Source: (World Bank, 2022)

As highlighted in (World Bank, 2022), because they were not eligible to benefit from any of the measures that were put in place by the government to support businesses, informal workers are one of the groups most disproportionately hit by the COVID-19 crisis, although many may have benefited households with transfers. Measures included short term work allowance, unpaid

leave support, contract termination bans, reduced hours support and amplification, and encouraged teleworking.



Figure 9: Percentage of change in employment (February-August 2020) by economic activity

Source: (ILO, 2020)

A research brief published in December 2020 by the International Labour Organization (ILO, 2020). shows how the COVID-19 crisis affected economic activities differently depending on the sectors. As highlighted by the figure above, certain activities which can more easily continue remotely observed a smaller impact than others (education, public administration and business activities for example). In 2020, the World Bank identified sectors that are most amenable to working from home. **The study found that only 10% of workers in Türkiye could work from home, and employment vulnerability is higher among sectors that are less amenable to working from home. Sectors such as construction, manufacturing and services experienced the highest negative impact** (World Bank, 2020).

The services sector was especially hard hit in 2020. However, the trend reversed and through 2021 the service sector accounted for more than half of job creation (World Bank, 2022). The industrial, construction and manufacturing sectors regained some job losses, recovering to 2018 pre-crisis levels for some of them.

Refugees are especially vulnerable as they mainly rely on informal jobs and economic sectors mostly affected by the crisis

Most refugees in Türkiye are engaged in the informal sector and in low skilled jobs where productivity is relatively low, paid below the minimum wage rate, and working in unsafe conditions. A pre-pandemic study (ILO, 2019) shows that **trade, construction, and manufacturing** are the main sectors employing Syrian workers and account for 79.1% of Syrian workers across Türkiye. One of those sectors stands out in terms of employment, as explained in (ILO, 2019); “Textile, clothing, leather and footwear industries (TCLF) provide jobs to almost one in every three Syrians”. These are however, mainly informal.

Employees in these sectors have not only suffered from important changes in their status, but for the small share of respondents who observed no change in their work status, income reduction also hit them harder, as highlighted in Figures 10 and 11. In TCLF, sectors in which refugees are especially represented, only 21.9% declared having not observed any change in their work status due to the pandemic; thereby making it the second most affected sector after Social and Personal Services. In Trade and Construction, two sectors in which many refugees are engaged, the share of respondents declaring not observing any change in their working status is respectively 34% and 31%.

Among those who did not experience changes in work status, an important share has seen their income decrease as a result of the pandemic. In construction, trade, and TCLF respectively, 85%, 76% and 64% of the workers experienced an income decrease.

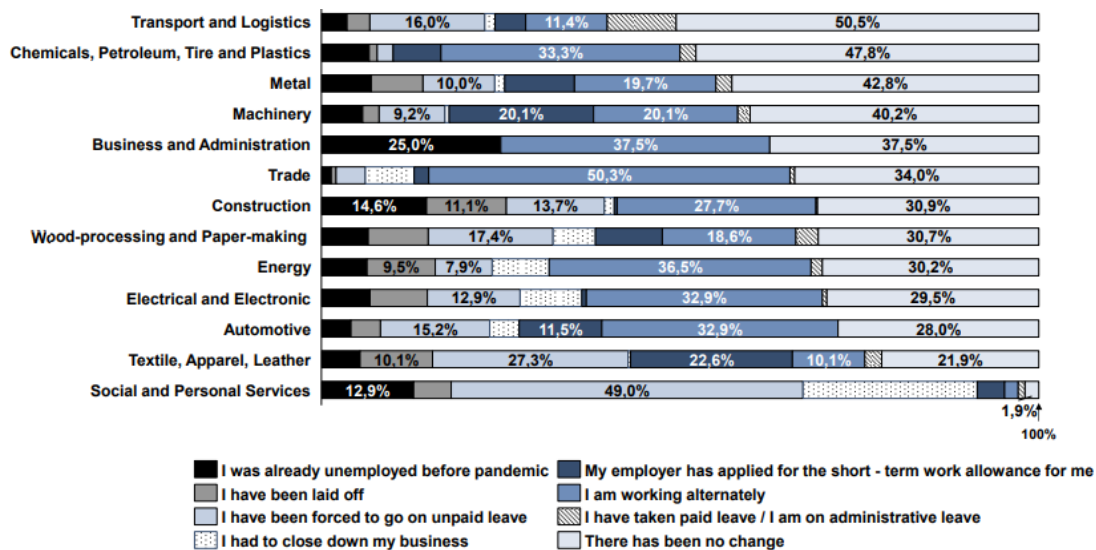


Figure 10 Sectoral distribution of responses to the question “Has there been any changes in your work status due to the Coronavirus pandemic?”

Source: (TEPAV, 2020)

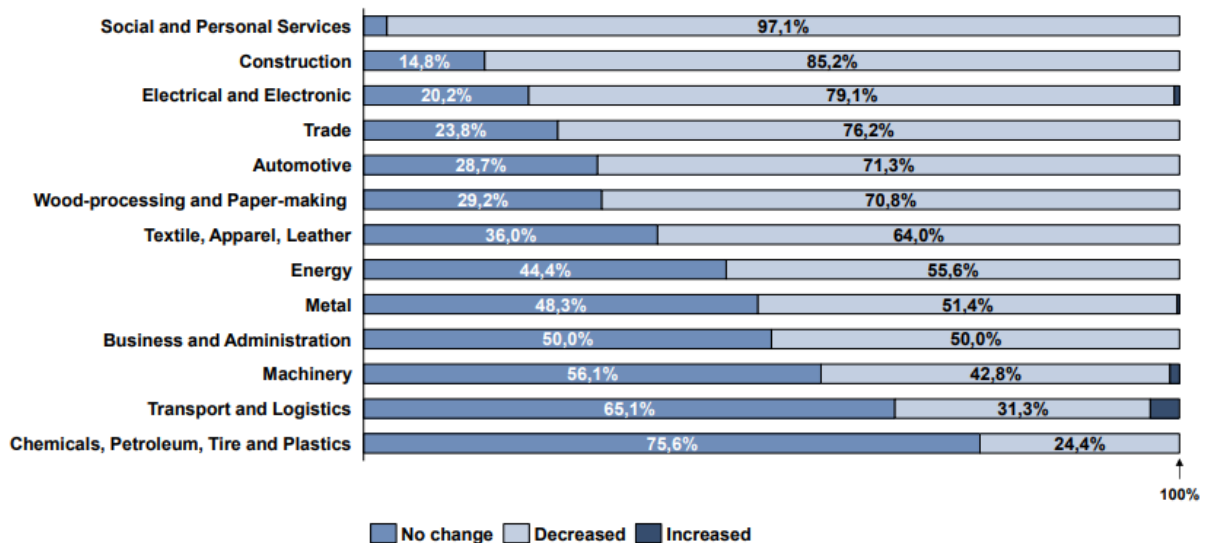


Figure 11. Sectoral distribution of responses to the question "Has there been a change in your income due to the Coronavirus pandemic"

Source: (TEPAV, 2020)

Refugees face several obstacles which make it difficult to integrate in the formal market. The first obstacle being access to a work permit, which costs time, and money, and needs to be renewed on a yearly basis. Moreover, firms have a 10% quota limitation for foreign workers and some jobs are simply not accessible. The second reason disincentivising refugees from working formally is the design of the ESSN cash-support programme, which stipulates that households are excluded from the programme if one member is formally employed. A third reason concerns mobility disincentives, since the place where a refugee is registered determines where they are permitted to seek formal jobs (Del Carpio, Yener, & Seker, 2018). This restriction prevents refugees from moving to more dynamic regions where they could find a work more easily, or for those who moved their place of residence to have access to a formal job.

In June 2021, the Fourth Round of the protection sector inter-agency needs assessment was carried out via 29 sector partners and four municipalities, providing a broad overview of the impact of COVID-19 on refugee communities (UNHCR, 2021). **This report shows that of the 64% of respondents who were working in informal jobs before the pandemic, only 7% actually worked with work permits while 29% are currently unemployed.** Furthermore, 45% of respondents declared working for a person/company/household, **27% declared working in short term/irregular jobs, and 17% in seasonal occupations. Seasonal work is higher amongst the rural population (47%) and irregular jobs are highest among Iraqi (55%) and Afghan (41%) nationals, making these populations in positions with a more insecure job.**

These specific conditions make them especially vulnerable to the socio-economic changes brought about by the pandemic. Informal workers and low skilled jobs were severely hit and many of the sectors (construction, services, and others) in which refugees are predominantly represented have been severely impacted by the pandemic and its mitigating measures (See Figure 9).

Food and agriculture is a strategic sector because it can enable refugees and vulnerable host communities to enhance their livelihoods. According to a report from the FAO (FAO, 2020), agriculture is not the sector the most affected by the pandemic, however it has experienced job losses and **is the main source of income for many Syrians under temporary protection.** Agriculture is also a sector with a work permit exemption for seasonal agricultural jobs. **Moreover, these income opportunities are essential for refugees as the ESSN only meets the minimum expenditure basket of 120 TRY per person as of 2019.**

Informal workers are especially vulnerable to the impact of the pandemic and the mitigating measures taken by the government. Moreover, as highlighted in Figure 12, among the agriculture sector more than 80% of workers are informal workers (not registered to social security).

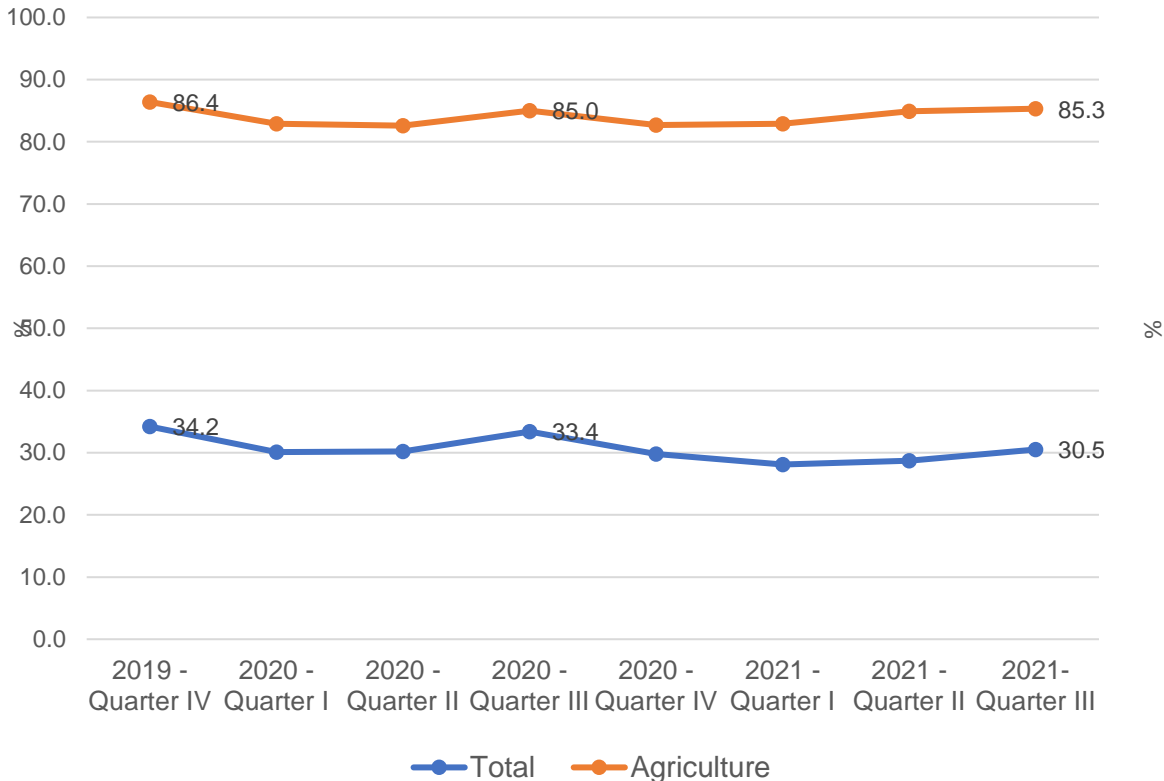


Figure 12 Share of workers in the agriculture sector not registered to social security institution (informal workers) (>15 years old)

Source: Authors' computation using TURKSTAT, Labour Force Statistics

Certain differences between groups were also identified in the Inter-Agency Protection Sector Needs Assessment, Round 4 (UNHCR, 2021) showing that the rate of **informal workers is higher in rural areas** (73% for rural population compared to 63% for urban population). Among refugees, **informal work is highest among Iranian and Syrian households, respectively 74% and 67%, and unemployment is highest among Afghan (44%) and Iraqi (40%) refugees.** No major differences in working status have been identified between sex groups, except for a higher share of informal employment **among male-headed households (67%) compared to 53% for female-headed households).**

Refugees have been more severely affected by jobs and income loss

Few studies have focused on the impact of COVID-19 on the labour situation of refugees. These studies, mainly conducted by TRC, IFRC, UNHCR and TEPAV (the Economic Policy Research Foundation of Türkiye), all confirm greater hardships faced by refugees – particularly at the start of the pandemic. Despite limitations, these surveys give an overview of the impact of COVID-19 on refugees' employment and income.

In May 2020, TEPAV conducted a survey of a total of 3,033 beneficiaries of the Mahir Eller Project⁷, among which 43% are Syrians (TEPAV, 2020). Study participants were asked to share their experiences regarding changes in work patterns, loss of income, and assistance from social benefits.

Of those surveyed, 32% stated that there had been no change in their work status. This percentage differs significantly between SuTP (Syrians under Temporary Protection) and Turkish citizens. **While 38.2% of Turkish citizen declared that there had been no change in their work status, it is the case for only 23.8% of SuTP.**

As highlighted in Figure 13 due to the pandemic, SuTP have become more economically fragile compared to Turkish citizens. Almost half lost their livelihood two months after the first official case of COVID-19 in Türkiye: **45% of the SuTPs surveyed had to close their businesses, take unpaid leave or were laid off.**

Of the respondents who stated not observing any change in their work status, **50% of Turkish citizens declared facing a loss of income, against 88% of SuTPs** indicating a significant disparity between both populations.

⁷ Within the scope of the Mahir Eller Project (For more details: <http://mahirellerprojesi.com>)

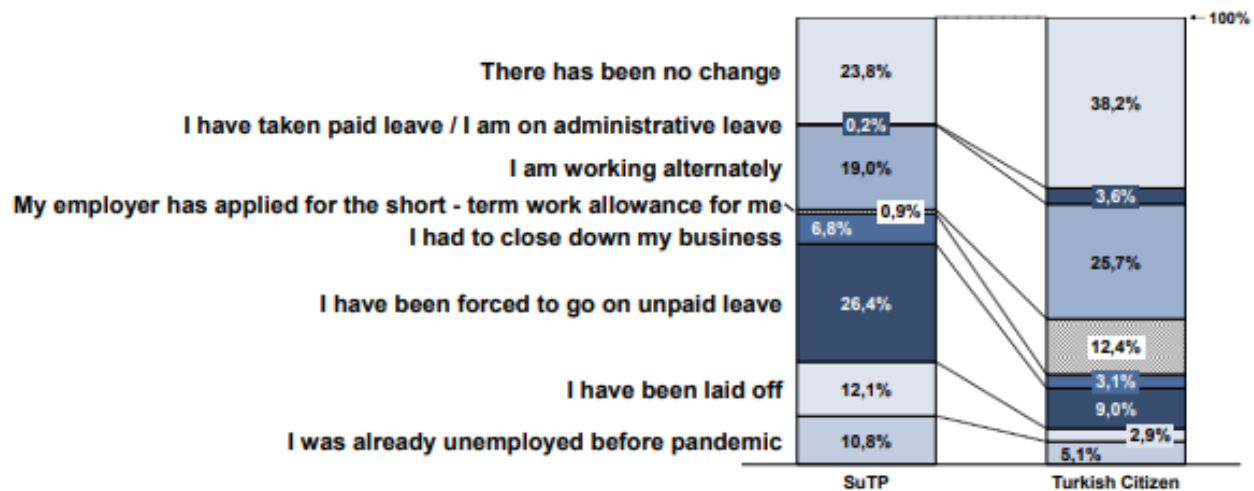


Figure 13. Distribution of responses by nationality to the question "Has there been any change in your work status due to the coronavirus pandemic?"

Source: (TEPAV, 2020)

The fourth round of the Inter-Agency Protection Sector Needs Assessment (UNHCR, 2021) found that **69% of respondents saw their work situation change because of the pandemic**, among which 50% declared that this change was imposed to them by their employers. **Afghan and Iranian respondents were hit the hardest, with respectively 80% and 86% declaring that their working status had changed because of the pandemic.** Figure 14 presents the 3 main reasons behind the change of work status: loss of job or dismissal by employers, COVID-19 measures or being sent on unpaid leave.



Figure 14. Three main reasons for change of work status amongst refugees

Source: (UNHCR, 2021)

The Turkish Red Crescent Society (TRC) through a joint effort with the International Federation of Red Cross and Red Crescent Societies (IFRC) conducted a rapid assessment in April 2020 including 468 refugee households benefiting from the emergency social safety net programme (ESSN) (IFRC/TRC, 2020). **In April 2020, 69% of respondents had lost their job due to COVID-19 and only 19% were employed at the moment of the survey. Moreover, 93% of those who lost their jobs were the only one employed in the family.** Consequently, most households (82%) had no member engaged in income-generating activities, 77% had debts which increased since the beginning of the pandemic.

The fourth round of the Inter-Agency Protection Sector Needs Assessment (UNHCR, 2021) **found that children were also engaged in income-generating activities.** Among the 3,203 children in the sample, 5% (148 children) work, among which are one-third below the age of 12. Respondents indicated that most worked in the textile and tailor sectors (33%), agriculture and husbandry (20%) and as street workers (11%).”

Using phone surveys, TRC and IFRC conducted a follow-on Intersectoral Vulnerability Study from August 2020 to February 2021 (IFRC/TRC, 2021) and collected data from 4,522 refugee households in Türkiye (ESSN eligible and non-eligible) (IFRC/TRC, 2021). They explain that: **“While the eligible population currently shows the highest proportion of people in need, the ESSN assistance provides an important financial buffer compared to those who are ineligible for ESSN.** The main results are summarised below:

- ESSN-eligible refugees are more affected by unemployment compared to ineligibles (20% for ESSN eligible refugees compared to 15% for ineligible), especially in geographical areas where the local economy has been more impacted by COVID-19 restrictions.

- But 83% of interviewed households had at least one household member working in the last 30-days.
- Most income earners are engaged in unskilled and semi-skilled activities.
- The primary source of income for the eligible population is the ESSN cash assistance, followed by unskilled/semi-skilled labour and remittances

Humanitarian assistance represents a significant share of income for refugees

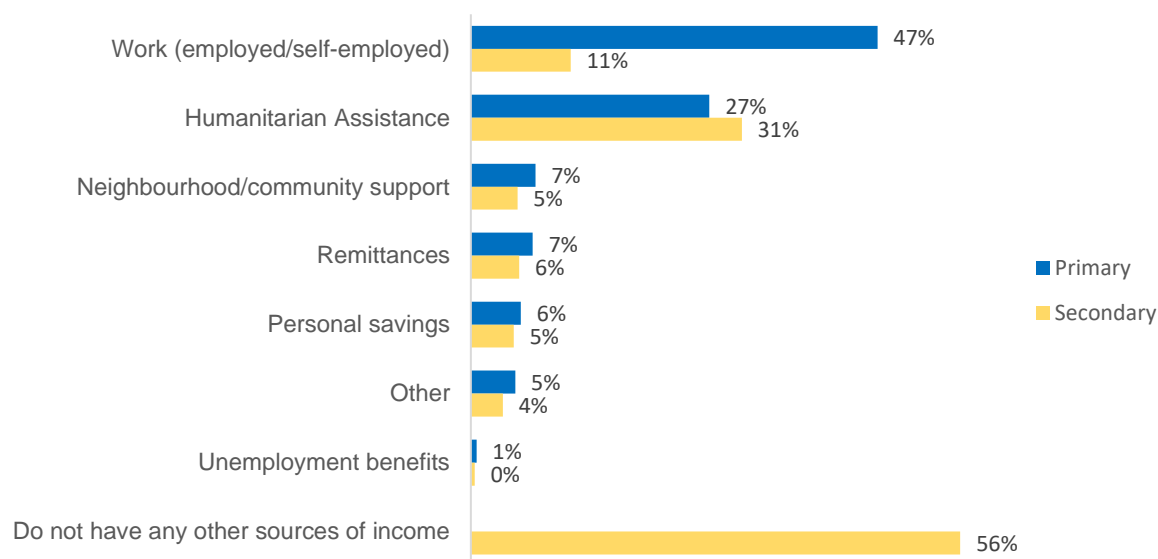


Figure 15. Primary and secondary sources of income

Source: (UNHCR, 2021)

Despite experiencing change in working status and income losses, the main source of income for refugees remains income from employment (Figure 15). Humanitarian assistance comes as the secondary source for 31% of the respondents and the first source for 27% of respondents, while 56% declared having no other sources of income apart from their primary one. **However, differences are observed between female and male:** Humanitarian assistance is the first source of income for female households (33%). They also rely more heavily on community assistance compared to male households. Afghan refugees rely more on

community/neighbourhood support when compared to other groups, and remittances are an important source of income for Iranians and Iraqis.

About one half of the Inter-Agency Protection Sector Needs Assessment respondents indicated having received assistance through public institutions, local authorities, I/NGOs and UN agencies. The principal assistance being cash assistance for 84% of respondents and in-kind assistance for 16%.

- ESSN assistance is the first source of cash assistance (75%),
- CCTE is in second place (16%),
- Followed closely by non-ESSN cash received through Social Assistance and Solidarity Foundations (15%).
- Other sources of cash assistance include UNHCR- PMM and I/NGOs (18% in total).

Afghans and Iranians have the least access relative to other populations, 59% of Afghans and Iranians state that they do not receive assistance. According to the Intersectoral Vulnerability Survey (IFRC/TRC, 2021), the primary source of income for the ESSN eligible population is the ESSN cash assistance, followed by unskilled/semi-skilled labour and remittances. Figure 16 provides the median monthly income (ESSN assistance excluded). Median income is 1,200 TRY for eligible households and 1,800 TRY for ineligible households. It also shows some heterogeneity by regions, with the highest income for both eligible and ineligible households in the Istanbul region and the lowest for the Black Sea and Eastern Anatolia regions. **The lowest income of ESSN eligibility can also be explained by the design of the programme and the fact that households with formal workers cannot benefit from ESSN.**

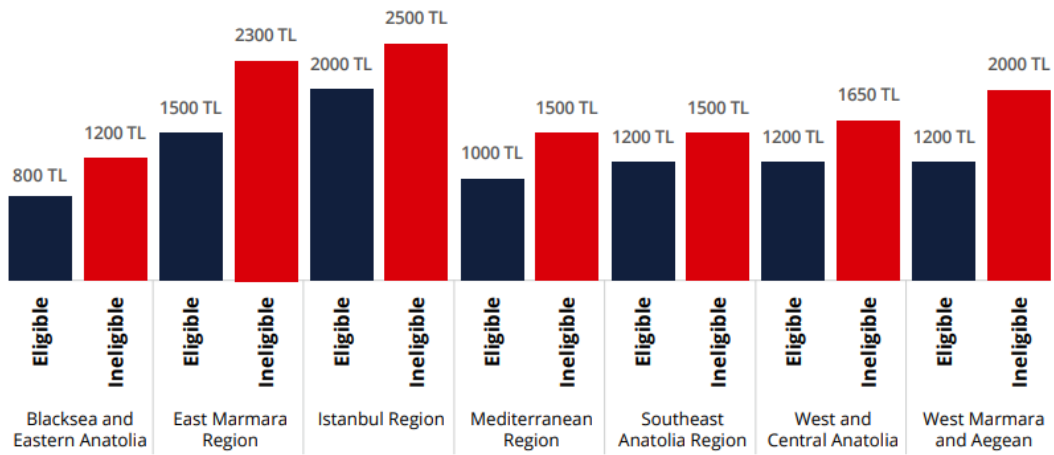
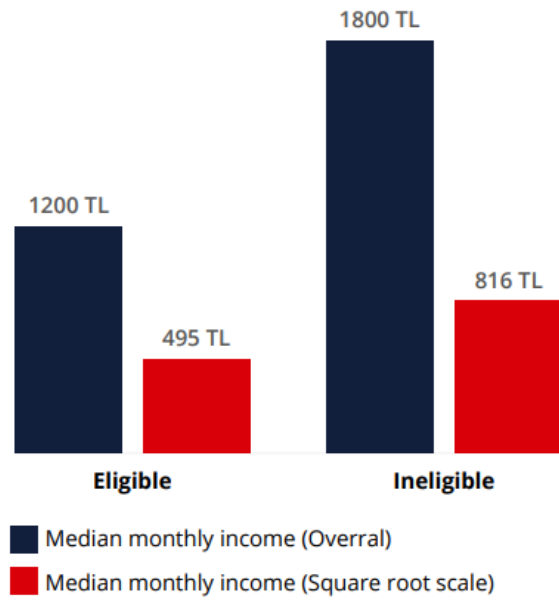


Figure 16. Median monthly income by eligibility status and regions

Source: (IFRC/TRC, 2021)

Assistance does not fully meet refugees' needs during the pandemic

Of the respondents of the Inter-Agency Protection Sector Needs Assessment who received assistance (in-kind and cash), 86% declared that the assistance was not enough to meet their needs during the pandemic:

- 53% of Afghans and 59% of Iranians indicated that they were not able to cover their monthly expenses and basic needs at all.
- Only 8% of Afghans and 10% of Iranians confirmed they could **fully cover their needs** (UNHCR, 2021).

Similar results are found for ESSN applicants. The 2021 Post-Distribution Monitoring (PDM) survey report of the ESSN found that while the income of ESSN applicants **increased on average by 33% (recipients and non-recipients) between Round 10 (June-September 2020) and Round 12 (May-September 2021) of the PDM, the increase did not compensate for the simultaneous increase in the cost of living, mainly due to inflation.**

The situation nevertheless slightly improved over the June-September 2020 to May-September 2021 period as highlighted in Figure 17. In (IFRC/TRC, 2021), after defining the cost of a Minimum Expenditure Basket (MEB), an estimation of the essential goods and services required to ensure a household of six members meets the minimum nutritional requirement, comparing the actual expenditure of households to the MEB to assess relative poverty. In August 2021, the value of the MEB was 2,816 TRY (15% more than the previous year). Figure 17 provides the share of households (recipients and non-recipients of the ESSN) with per capita expenditure above or below the MEB. **For both recipients and non-recipients, the percentage of households with expenditure above MEB increased, especially for ESSN recipients. From June-September 2020 to May-September 2021 a higher share of respondents had expenditure above the Minimum Expenditure Basket, suggesting that a higher share of respondents was able to meet their basic needs in May-September 2021 compared to a year earlier.**

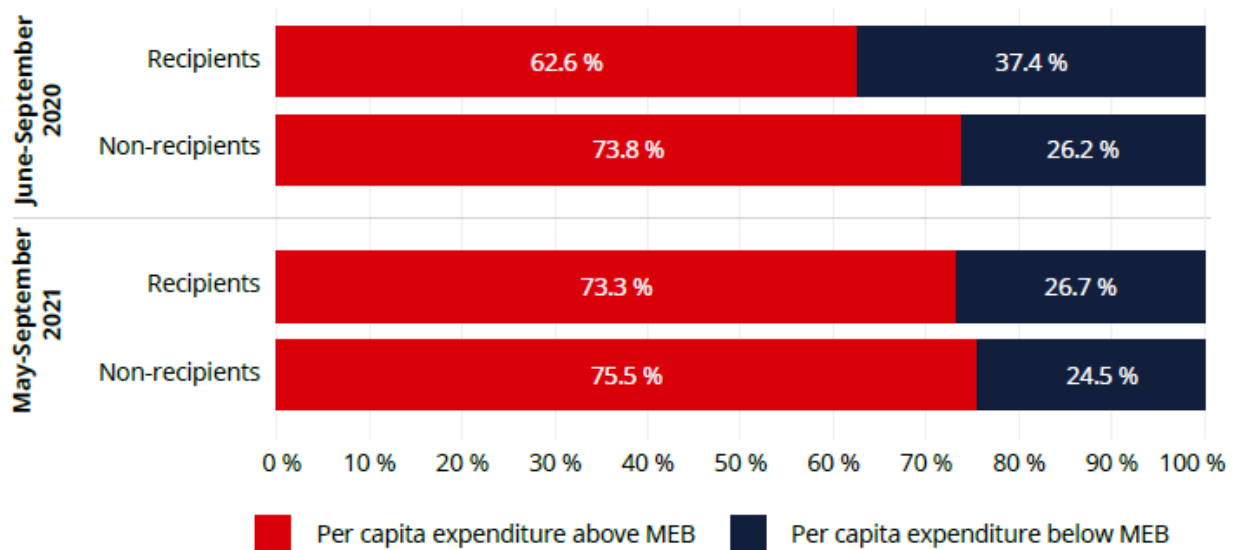


Figure 17. Households with per capita expenditure above/below MEB

Source: (IFRC/TRC, 2021)

However, as highlighted by the report, even though most households had expenditures above MEB, the majority were only able to pay for goods by relying on debt. Over 80% of the ESSN applicant households were in debt. Moreover, if median debt remains the same for households receiving cash assistance it increases by 36% for those not receiving cash assistance.

All refugees adopted coping mechanisms

Many households adopted negative coping strategies by relying on less preferred and less expensive food, by reducing the number of meals eaten per day or its size or reducing adult consumption so children can eat. Figure 18 presents the Livelihood Coping Strategy Index (IFRC/TRC, 2021). The index, presented in Figure 18, aims to assess household level livelihood and economic security to understand coping capacities to economic shocks. The LCS index is divided into three categories: stress, crisis, and emergency; with behaviours in the emergency category being the most severe. The most frequently adopted **stress coping strategy** was to buy food on credit, while the most frequently adopted **crisis coping strategy** was to reduce health expenditure and the most frequently adopted **emergency coping strategy** was to move the entire household to another location.

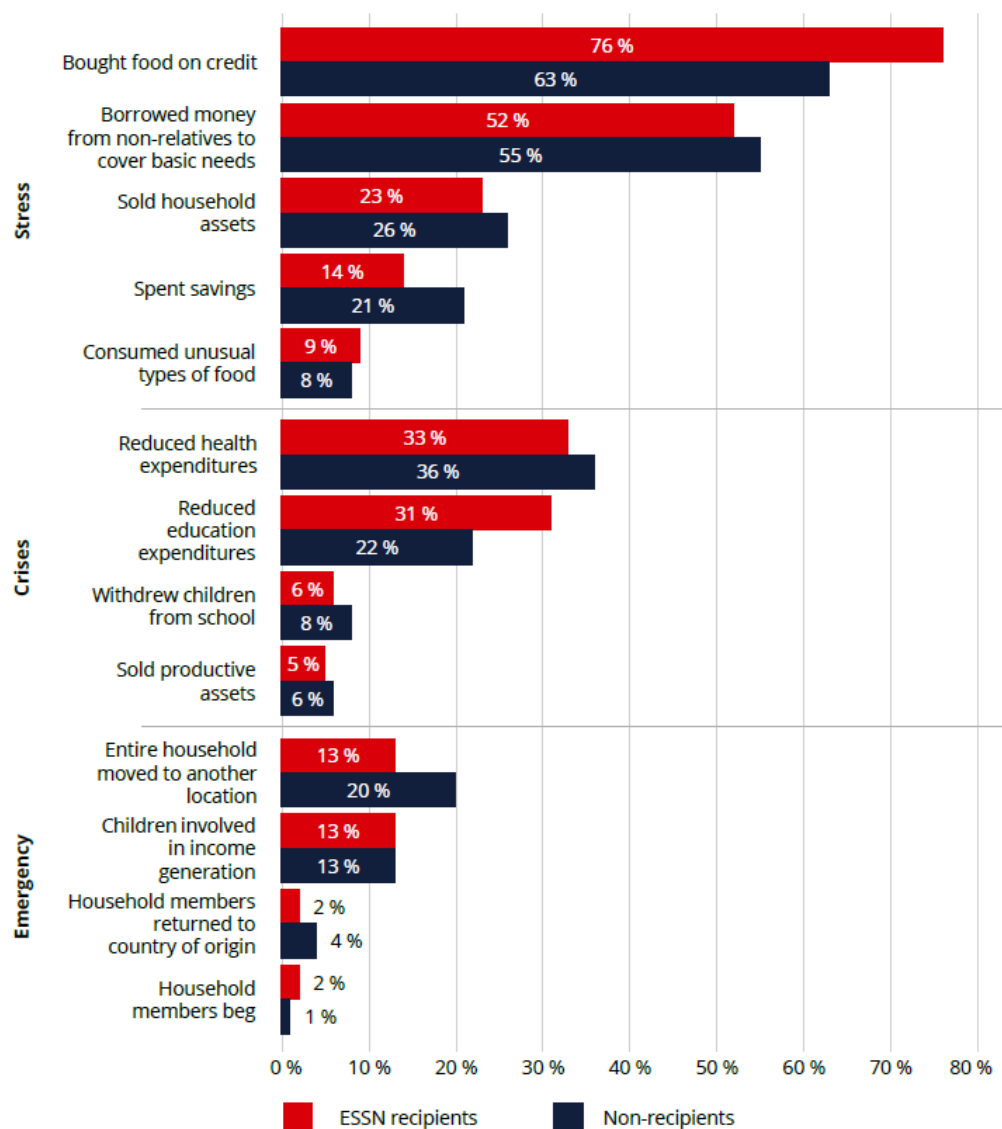


Figure 18. Adoption of livelihood coping strategies

Source: (IFRC/TRC, 2021)

Similar findings are presented in the Inter-Agency Protection Sector Needs Assessment (UNHCR, 2021), **98% of respondents indicated adopting at least one coping mechanism to deal with their inability to cover monthly expenses. Reducing essential food expenditure is the first coping mechanism (50%) followed closely by remittances or money borrowed from relatives (47%).** Other coping mechanisms include essential non-food expenditure reduction (31%), buying food on credit (30%). Reduction of essential food expenditure is especially a concern of the mobile population (67%) and of Afghans (68%).

Difficult data collection in a time of crisis

The COVID-19 crisis and social distancing measures imposed made it more difficult to collect reliable data and may deepen even further the existing data gap on the situation of refugees in Türkiye. As highlighted by Luis Pinedo Caro (Caro, 2020), **the use of microdata to inform about Syrian refugees has been scarce and lacked national representativeness even before the crisis.** Nevertheless, various information collection initiatives have taken place and have provided a snapshot of the impact of the crisis and the mitigating measures on the livelihood of refugees as described in this document.

These studies have certain limitations: they cover mainly small samples with incomplete geographical coverage. Because of the social distancing measures most of them were carried out over the phone, potentially excluding the most vulnerable population not having access to a phone. While collecting data, and more precisely data of quality is particularly difficult in this context, it is nonetheless essential to inform decision making and to target programmes towards the most vulnerable populations hardly hit by the crisis. This includes collecting data on a regular basis to assess any change in the situation of refugees, particularly in a constantly changing environment. Collecting representative and inclusive data enables targeting programmes to where the needs are greatest, together with tailored solutions.

Conclusion

The COVID-19 pandemic has affected all spheres of the Turkish economy. Despite early and strong reactions and mitigating measures from the Government, the most vulnerable populations have been hard hit. **Access to quality jobs is at the top of the list of challenges faced by vulnerable people in Türkiye and Syrians, Afghans, Iranians, other refugees. Lack of access to employment considerably reduces their income and results in adopting negative coping mechanisms**, which will have long term impacts on their economic opportunities, as well as on the lives of their families and children.

To face these challenges, better access to safety nets should be a core priority to avoid an already increasing level of debts and poverty, and ensure access to basic needs and services and better resilience to future economic shocks. **In addition, access to decent jobs for refugees requires lower barriers to accessing formal jobs.** Moreover, a deeper understanding of the sectoral impact COVID-19 has had on the labour market for refugees would help to better understand the needs and provide tailored solutions.

Among refugees, certain populations were more affected, with insufficient access to assistance, calling for an increased targeting of these groups through improved inclusiveness. **Such programmes would require better evidence of the situation of refugees and greater coordination of aid programmes.** In addition, the lack of evidence and representative data makes it difficult to identify prevalent needs. **Coordination and collaboration among the international community is key** to avoid duplicating efforts. It might also help to pool resources for better effectiveness in filling the data gaps and providing better evidence-based policies.

The unequal impact of the pandemic on refugees is likely to pose longer-term risks to inequality and social mobility, widening pre-existing inequalities of opportunity. Not only have disadvantaged groups suffered the larger impact of the pandemic, but they have also adopted negative coping mechanisms, which will continue to affect their economic prospects and resilience to future shocks. **An uneven job recovery will increase pre-existing inequalities in the labour markets.** To prevent these trends, policy interventions must target vulnerable households and promote economic growth that supports a robust recovery in jobs and earnings.

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