

RAPID SUPPORT FOR MICRO and SMALL ENTERPRISES PROJECT
Stakeholder Engagement Plan (SEP)
November 26, 2020

1. Introduction/Project Description

Micro and small enterprises (MSEs) in Turkey, as in other countries, are facing the major brunt of COVID19 related impacts. MSEs have been hit by demand and supply side shocks that are reportedly leading to widespread lockdowns and loss of earnings. An extended crisis could lead to permanent closures and loss of employment. MSEs are disproportionately vulnerable to these risks given limited financial and other capacities relative to larger enterprises. Such risks, if they were to materialize, could cause a very deep recession. MSEs account for 57.1 percent of total employment, 45 percent of total revenues, 38.1 percent of total exports and represent 99 percent of all firms in Turkey.

The MSE sector covers:

- 3,041,828 micro enterprises less than 10 staff - a total of 5.9 million employees
- 155,755 small enterprises with 10- 50 staff - a total of 3.3 million employees

Turkey's economic and industrial policies are based on economic growth led by value-added and high-tech manufacturing industries. This general strategy requires measures to enable the manufacturing sector to overcome the pandemic crisis with minimal damage. Besides, it will be more difficult and costly to restore the production activities that stop or slow down in the manufacturing sector after the outbreak, than in the service and trade sector. Considering the position of manufacturing sector in value chains as well, it is decided to prioritize and support manufacturing sector and its complementary sectors such as computer programming and scientific R&D so as to mitigate impacts of pandemic. In line with this context, World Bank is preparing a project to support private MSEs' liquidity needs through state budget institutions such as Small and Medium Enterprises Development Organization (KOSGEB) in support of the authorities' efforts to address the negative impacts of COVID19.

Taking into consideration the devastating effects of COVID19 pandemic over MSEs; KOSGEB aims to relieve MSEs which are in prioritized strategic sectors by means of a rapid and simple liquidity based support program under this "Rapid Support for Micro and Small Enterprises Project".

Given the project objectives, the following MSEs are proposed to be eligible for support under the project:

- MSEs acting in the following sectors:
 - **Manufacturing sector** (NACE Rev 2 – Section C)
 - **Computer programming sector** (NACE Rev 2 – Division 62)
 - **Scientific R&D sector** (NACE Rev 2 – Division 72)
- MSEs that were deemed to be **viable before COVID19** (as evidenced by last year's minimum income determined by KOSGEB). This is to minimize risks of adverse selection (e.g. by supporting non-viable MSEs that were non-operational even before the crisis),
- MSEs that have been **affected by pandemic**. A particular income loss in 2020 compared to 2019 will be considered as the evidence of being affected by pandemic.

Last two fiscal prerequisites will not be in effect for **innovative young enterprises** since they are deemed to be “**vulnerable**”. Other application criteria and exemption rules will be announced on KOSGEB web site (www.kosgeb.gov.tr).

1.1. Project Components

The Project will provide US\$300 million in the form of performance-based interest free reimbursable support to eligible MSEs, affected by the economic impact of COVID-19. The Project targets firms that have been negatively affected by the COVID-19 health and economic crises but that remain financially viable and are likely to survive the health crisis, if provided financing to meet temporary liquidity needs. The project will have three main components:

Component 1: interest free reimbursable support for manufacturing firms and Component 2: interest free reimbursable support for innovative young firms in manufacturing, computer programming and scientific research & development (R&D) sectors Component 3: will be for project management.

Component 1: The component will finance performance-based interest free reimbursable supports (PBRs) to eligible manufacturing MSEs to prevent the reduction of employment and closures, thereby minimizing the disruption of firms’ relations with employees, suppliers and creditors. Reimbursable support of different amounts proportional to the firm size will be made available to eligible MSEs. Eligibility will be restricted to formally registered private manufacturing MSEs that were viable prior to the COVID-19 crisis.

- **Application stage:** MSEs in target sector will fill and submit the application form through web based KOSGEB SME Information System (KBS). MSEs that don’t meet the sectoral criterion and viability criterion will not be able to proceed.
- **Control and confirmation stage:** “Being affected before pandemic” criterion (loss in income compared with last year’s amount) will be checked semi automatically by KBS. Some data (like exemption rules for vulnerables) will be subject to control of KOSGEB experts.
- **Payment stage:** Payment confirmation will be given by observing from the SGK (Social Security Institution) records that the company maintains personnel number employed in base month.

Component 2: Performance-based interest free reimbursable supports for eligible innovative young firms in manufacturing, computer programming and scientific research & development (R&D) sectors. Reimbursable supports for innovative young firms will only be used to cover a set of eligible expenses. Beyond the regular operating expenses such as payroll, suppliers, rent, and utilities, innovative young firms are also eligible for R&D related expenses, such as patent/royalty fees, technology licensing fees, testing and certification fees, etc.

Component 3: Technical support to the PIU under KOSGEB. This component will be used to support the project implementation unit under KOSGEB.

2. Regulations and Requirements

2.1 National Legislation

Constitution of Republic of Turkey

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

Law on the Right to Information

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

The Law on Use of the Right to Petition

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

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

2.2 World Bank Requirements

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

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

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

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

3. Brief Summary of Previous Stakeholder Engagement Activities

3.1 SMEs Survey:

Given the emergency nature of this Rapid Support for Micro and Small Enterprises Project operation, consultations during the project preparation phase were limited to World Bank, relevant government officials and others from institutions working in relevant target sectors.

However, in preparation of this project, KOSGEB engaged with SMEs through a survey to identify their needs in the current crisis and to collect information about the effects of coronavirus epidemic on their economic activities, and received responses from 17,447 SMEs within a week. The survey was delivered through KOSGEB communication channels and social media such as Facebook, Instagram, Twitter, LinkedIn. It was implemented between March 31 - April 07, 2020.

The responses from 17,447 enterprises were analysed. Main results of the survey are summarized below:

Participated SMEs	Percentage (%)
Micro enterprises	79
Manufacturing	31,4
Older than 6 years old	44,8
In the sectors whose activities are stopped	47,5
Tenants	85
Not have an emergency strategy	81,8
Have difficulties in cash flow	94,6
Monthly average fixed expenditure is less than 25,000 Turkish Liras	48,1
Concerns on narrowing in customer demand	84,2
Concerns on inability to provide financing to cover operating expenses	82,5
Cancelled an investment plan due to the epidemic	77,9
Cancelled their thoughts of hiring new employees due to the epidemic	78,3
Had to fire some of their employees after the epidemic.	15
May lay-off 1-5 workers in the next three months.	44

Expecting decrease in sales in 2020	96,1
Lost their income below 50.000 TL	54,7
For the next 3 months, the estimated income loss will be below 100.000 TL	50,7
Think that if the outbreak continues, they will be closed in three months.	63
Consider the economic measures implemented to date is sufficient.	26
Among the measures that can be taken to reduce the negative effects of the epidemic, the main expectation is the direct grant by the government and the postponement of taxes, duties, fees and SSI premium payments.	

According to the survey results; the basic expectation of businesses from KOSGEB was financial support in the form of grants and / or loans.

3.2 How have survey results been utilized

It's understood from the results of the survey that almost all of the MSEs have serious cash flow problems. Most of participants expect sales loss in 2020. This is 96% of all the enterprises participating the survey study. Their average loss expectation for the remaining 9 months is 60%. If this is the case, we can estimate 25-30% loss for the 5 months of the year. More than half of the enterprises surveyed think that if the outbreak continues, they will be closed in three months.

Taking into consideration the survey results, below mentioned fundamental strategies were formed:

1-Since a rapid, simple and secure way of supporting is required, KOSGEB will comprise a new program and sub regulation set apart from other KOSGEB programs. Program and sub regulation set will be simple, easy to understand and suitable for rapid implementation. Unlike other KOSGEB programs, there won't be an assessment procedure or assessment committees. Following the application made by eligible MSEs, support disbursement progress will begin.

2-Eligibility criteria will depend on sales loss in 2020 compared with 2019. And level of the loss will be 25% as calculated above. While designing the support model in the frame of this project all the outcomes of the survey were taken into account as much as possible.

In addition to the first survey, a second and more comprehensive survey was implemented from 5 to 12 May under the guidance of Ministry of Industry and Technology. By means of the second survey it is aimed at monitoring the current situation of MSEs after the first survey and understanding the needs and expectations of MSEs deeper. Also the results of the survey will provide contribution of ongoing SEP activities and project design.

4. Stakeholder identification and analysis

4.1. Methodology

In order to meet best practice approaches, the project will apply the following principles for stakeholder engagement. This will be ensured through the electronic platform:

- *Openness and life-cycle approach*: public consultations for the project will be arranged during the whole life-cycle, carried out in an open manner, free of external manipulation, interference, coercion or intimidation;
- *Informed participation and feedback*: information will be provided to and widely distributed among all stakeholders in an appropriate format; opportunities are

provided for communicating stakeholders' feedback, for analyzing and addressing comments and concerns;

- *Inclusiveness and sensitivity*: stakeholder identification is undertaken to support better communications and build effective relationships. The participation process for the projects is inclusive. All stakeholders are encouraged to be involved in the consultation process, to the extent the current circumstances permit. Equal access to information is provided to all stakeholders.

For the purposes of effective and tailored engagement, stakeholders of the proposed project can be divided into the following core categories:

4.2 Affected parties

Affected Parties are defined as persons, groups and other entities that may be directly or indirectly impacted by the project and/or have been identified as most susceptible to change associated with the project. The following identified individuals and groups fall within this category:

- Eligible MSEs under lockdown
- MSEs under partial lockdown/operating below capacity
- MSEs that were deemed to be viable before COVID19
- Employees of the above mentioned firms

4.3 Other interested parties

Other Interested parties – individuals/groups/entities that may not experience direct impacts from the project but who consider or perceive their interests as being affected by the project and/or who could affect the project and the process of its implementation in some way:

- KOSGEB Executive Committee members (Ministry of Industry and Technology, Ministry of Treasury and Finance, The Union of Chambers and Commodity Exchanges of Turkey (TOBB), Turkish Federation of Tradesmen and Craftsmen (TESK), Turkey Exporters Assembly, TUBITAK and Turkey Investment and Development Bank representatives)
- KOSGEB personnel,
- Government institutions associated with the project (Social Security Institution, Revenue Administration, Credit Guarantee Fund)
- Public Institutions and Organizations, NGOs

4.4 Disadvantaged / vulnerable groups

Disadvantaged / vulnerable groups are persons, groups or entities who may be disproportionately impacted or disadvantaged by the project. The vulnerable group involved in this project can be considered as; (i) innovative young businesses since they have limited experience about KOSGEB supports and communication tools of KOSGEB related to consultation & grievance. Besides, the disadvantaged groups are considered as (ii) women - owned enterprises and (iii) enterprises owned by refugees.

4.5 Summary of project stakeholder needs

Various methods of engagement will be used as part of the project’s interaction with the stakeholders, to ensure that different stakeholder groups are successfully reached and are involved in the process of consultation, decision-making and the development of impact management solutions. With the evolving situation, as the Government of Turkey has taken measures to impose restrictions on public gatherings, meetings and people’s movement, the general public has also become increasingly concerned about the risks of transmission, particularly through social interactions. Hence, alternative ways will be adopted to manage consultations and stakeholder engagement in accordance with the local laws, policies and new social norms in effect to mitigate prevention of the virus transmission. Considering evolving situation of current COVID19 outbreak, the project should select methods for stakeholder engagement that are appropriate to the situation, in view of the currently imposed regulations and restrictions on public gatherings and face-to-face interaction affecting everyday life as well as business operations. The restrictions in business operations require new methods, tools and techniques for stakeholder engagement.

These alternate approaches that will be practiced for stakeholder engagement will include: reasonable efforts to conduct meetings through online channels (e.g. webex, zoom, skype, etc.); diversified means of communication and relying more on social media, chat groups, dedicated online platforms & mobile Apps (e.g. Facebook, Twitter, Instagram, Viber, WhatsApp groups, project weblinks/websites etc.).

KOSGEB will assign a designated expert within PIU for the management and monitoring of stakeholder activities including the monitoring of grievance related actions taken.

KOSGEB will utilize existing online communication channels and facilities for project promotion and stakeholder engagement. Project updates will be posted on KOSGEB’s website and where applicable and preferred by the stakeholders, KOSGEB will also communicate project information and updates through other means such as social media, distributed printed material, one to one interviews and consultation meetings when needed and allowed, after the restriction measures are lifted.

5. Stakeholder Engagement Program

5.1. Purpose and timing of stakeholder engagement program

Stakeholder engagement will involve consultations with stakeholders throughout the entire project cycle to inform them about the project, including their concerns, feedback and grievances.

Project stage	Topic of consultation / message/	Method used	Target stakeholders	Responsibilities	Timing
Design and Preparation	Survey	Online survey	MSEs	KOSGEB PIU	At the beginning of design
Design and Preparation	Project Summary	Electronic information,	MSEs, Other interested	KOSGEB PIU	Once

	SEP	KOSGEB website,	parties		
Design and Preparation	Project Summary SEP	Electronic information, Targeted e-mail announcement, KOSGEB website	Disadvantaged /Vulnerable groups	KOSGEB PIU	Once
Implementation Stage	Application documents ESMS documents SEP GRM requirements	Electronic information, KOSGEB website	MSEs and Other interested parties	KOSGEB PIU	Once in the middle of implementation stage (approximately 45 th day of support announcement)
Implementation Stage	Data formats that will be used to gather data from other institutions	Electronic information	Social Security Institution, Revenue Administration, Credit Guarantee Fund	KOSGEB PIU	At the beginning of implementation and throughout project implementation
Implementation & Closing	Project implementation progress reports with key indicators	Written information electronic information, GRM reports	WB	KOSGEB PIU	After closing
Implementation & Closing	Project implementation progress reports with key indicators	Written information electronic information	Other interested parties	KOSGEB PIU	After closing

5.2. Proposed strategy to incorporate the view of disadvantaged/vulnerable groups

All stakeholders including vulnerable groups will have equal opportunity to access information, provide feedback, or submit grievances. In case of a communication disruption KOSGEB branches

will contact to the ones who are facing problems about communication.

The vulnerable group defined as innovative young businesses will be informed by specialized methods in order ensure that they are aware of this program and communication tools. An e-announcement will be sent to firms located in technoparks (by means of technopark administration offices) and KOSGEB Technology Development Centres.

First disadvantaged group comprising women - owned enterprises will be informed by relevant NGOs.

Second disadvantaged group comprising of firms owned by refugees will be informed by Turkish/English informative documents.

5.3 Information disclosure

The current KOSGEB website (<http://www.kosgeb.gov.tr>) is being used to disclose project documents, including in both Turkish and English. KOSGEB will create a webpage on the project on its existing website. All future project related environmental and social monitoring reports, listed in the above sections will be disclosed on this webpage. All information documents will be posted on the website. Details about the project grievance mechanism will be posted on the website. An electronic grievance submission form will also be made available on KOSGEB’s website. KOSGEB will update and maintain the website regularly. Face to face meetings and consultations will be held only after the government rules on restrictions on social gatherings are eased and lifted, following the World Bank’s Technical Note: Public Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings (March 20, 2020).¹

5.4. Future of the Project

Stakeholders will be kept informed as the project develops, including reporting on project environmental and social performance and implementation of the Stakeholder Engagement Plan and the grievance mechanism. This will be important for the firms affected by COVID-19 outbreak, but equally and even more so for employees in these MSEs.

6. Resources and Responsibilities for implementing stakeholder engagement activities

6.1. Resources

KOSGEB PIU will be in charge of stakeholder engagement activities. The budget required for implementing the stakeholder engagement plan over project duration will be allocated and used for conducting the above specified activities with different stakeholders and for communication and visibility activities.

All the activities will be conducted by use of human resources of KOSGEB. The table below indicates some operational expenditures planned to be carried out by project budget.

Budget categories	Total costs (USD)	Resource
1. Communication campaigns		

¹<https://worldbankgroup.sharepoint.com/sites/wbunits/opcs/Knowledge%20Base/Public%20Consultations%20in%20WB%20Operations.pdf>

Material for promotion of project (to inform stakeholders)	10,000	WB project budget
2. Equipment for personnel who will be dealing stakeholder activities		
Computers, printers	5,000	WB project budget
PIU office stationery consumables	1,000	WB project budget
3. Software		
Video conferencing software	2,000	WB project budget
4. Other contingency expenses	2,000	WB project budget

6.2. Management functions and responsibilities

KOSGEB has 1912 employees with offices in 81 cities and in 2019 year supported 69,081 SMEs . It operates with web based applications, and direct money transfers directly to SME accounts. KOSGEB is able to obtain data from SGK, tax authorities, and others to quickly assess eligibility and undertake adjustments as needed.

KOSGEB will establish a Project Implementation Unit (PIU), consisting of a Project Manager, FM Specialists, M&E Specialist, E&S specialist and technical coordinators. The staff of PIU will be assigned from existing human resources by KOSGEB. KOSGEB will assign a full-time designated expert within PIU for the management and monitoring of stakeholder activities including the monitoring of grievance related actions taken.

7. Grievance Mechanism

The main objective of a Grievance Redress Mechanism (GRM) is to assist to resolve complaints and grievances in a timely, effective and efficient manner that satisfies all parties involved. Specifically, it provides a transparent and credible process for fair, effective and lasting outcomes. It also builds trust and cooperation as an integral component of broader community consultation that facilitates corrective actions. Specifically, the GRM:

- Provides affected people with avenues for making a complaint or resolving any dispute that may arise during the course of the implementation of projects;
- Ensures that appropriate and mutually acceptable redress actions are identified and implemented to the satisfaction of complainants; and
- Avoids the need to resort to judicial proceedings.

7.1 KOSGEB's Grievance Redress Mechanism

KOSGEB is already maintaining a Grievance Redress Mechanism (GRM) for project beneficiaries and other stakeholders under the FRIT WB-funded project *Development of Businesses and Entrepreneurship For Syrians under Temporary Protection and Turkish Citizens*. The GRM is based on KOSGEB's existing communication channels and can be extended to cover the present Project as well.

In the support and credit processes provided by the KOSGEB to the MSEs, the processes regarding the complaint mechanisms are operated through the means of application for the following complaint:

- Application with petition
- Application with CIMER and KOSGEB GRM Channels
- Application with help desk
- Application with KOSGEB Online Information Center

If the applicant is not satisfied with the results from the existing grievance mechanism he/she could make a final application to CIMER as assesment authority. (<https://www.cimer.gov.tr>). Anonymous complaints are allowed by e-mail to PIU. (piu@kosgeb.gov.tr)

Application by legal representative of MSE or citizen petition:

Legal representative of MSE, who have difficulties in their support processes, report their problems with a petition and report to the KOSGEB SME Development Department with additional documents. If the issues stated in the petition require any inspection process (bribery, favoritism, insults, personnel complaints, etc.), the application is sent to the KOSGEB Guidance and Inspection Board. Applications that do not require the inspection process are directed to the Directorate regarding the complaint, and the reply received is evaluated within the body of the SME Development Department and forwarded to the person. The petition regarding the complaint of the person is kept in the KOSGEB Document Software. In accordance with the law on the use of the right of petition, "Petitioners who are Turkish citizens and foreigners residing in Turkey are reasoned to respond within thirty days at the latest, as a result of their applications to the competent authorities regarding their wishes and complaints about the public, or the purity of the transaction being made."

Application by legal representative of MSEs and citizens through CIMER and KOSGEB GRM Channels:

Presidential Communication Center (CIMER) is a public relations application that is implemented on receiving and responding to the problems, wishes, demands and complaints of citizens in the fastest way. There are three different ways to express their complaints, suggestions and requests through the Presidential Communication Center, CIMER:

1-Firstly, an application can be made using the CIMER Application Form on the official website of the Presidency (<https://www.cimer.gov.tr>).

2- They can also send their suggestions and complaints to the Presidency through the e-Government portal <https://www.kosgeb.gov.tr/site/tr/genel/iletisimmerkezi>.

3- Phone application can be made with Alo 150.

The application received is firstly forwarded by the Presidency to the Ministry of Industry and Technology of the Republic of KOSGEB. Ministry of Industry and Technology directs the applications related to our institution to the Corporate Communication Directorate. If the issues stated in the application require any inspection process (bribery, favoritism, insults, personnel complaints, etc.), the application is forwarded to the Directorate of Guidance and Inspection by the Corporate Communications Directorate. Applications that do not require an inspection process are directed to the Directorate regarding the complaint by the KOSGEB Corporate Communications Directorate and the application is answered by the Directorate. The CIMER application regarding the person's complaint is kept digitally in the CIMER system. An application

may be made to the judicial and administrative judicial authorities regarding the response to the complaint. In accordance with the law on the use of the right of petition " Petitioners who are Turkish citizens and foreigners residing in Turkey are reasoned to respond within thirty days at the latest, as a result of their applications to the competent authorities regarding their wishes and complaints about the public, or the purity of the transaction being made."

At the same time, the records of KOSGEB Call Center (444 1 567), which is active 7/24, and the "information retrieval system" accessible via the KOSGEB website; will be used to provide information about the project regarding complaints received, as well as corrective actions. All these channels will be actively used throughout the life cycle of the project.

Application by legal representative of MSEs and citizens through the Help Desk:

MSEs can submit their complaints about the Directorates directly to the KOSGEB Presidency via the link <https://www.kosgeb.gov.tr/site/tr/genel/iletisimmerkezi>. Incoming applications are directed to KOSGEB Corporate Communications Directorate. If the points stated in the application require any inspection process (bribery, favoritism, insults, personnel complaints, etc.), the application is forwarded to the KOSGEB Directorate for Guidance and inspection by the KOSGEB Corporate Communications Directorate. Applications that do not require the inspection process are directed to the Directorate regarding the complaint by the Corporate Communications Directorate and the application is answered by the Directorate. Applications are stored digitally in the Help Desk software. An application can be made to the judicial and administrative judicial authorities regarding the response to the complaint. In accordance with the law on the use of the right of petition " Petitioners who are Turkish citizens and foreigners residing in Turkey are reasoned to respond within thirty days at the latest, as a result of their applications to the competent authorities regarding their wishes and complaints about the public, or the purity of the transaction being made."

Application by legal representative of MSEs and citizens through the KOSGEB Online Information Center (<https://www.kosgeb.gov.tr/site/tr/genel/iletisimmerkezi>).

It is directed to KOSGEB Communication Center. There are two services in this section:

- Frequently Asked Questions section
- Section for submission of requests, opinions / suggestions, complaints and information applications about KOSGEB.

KOSGEB Corporate Communications Directorate is responsible for this section within the scope of the Information Acquisition Law and related legislation.

7.2 KOSGEB grievance redress system for staff

Personnel have the right to apply for their formal and personal affairs related to the workplace, and to file complaints and lawsuits due to the administrative actions and procedures applied to them by their supervisors or the workplace.

Applications and complaints are made by conversation or writing, starting with the nearest supervisor, by skipping the supervisors who are complained through one by another. If necessary, all staff has right to fill petition and submit it to KOSGEB Human Resources Department. Petition is assessed by the mentioned department and necessary measures are taken under KOSGEB Human Resources Regulation and Disciplinary Regulation. This issue is explained in the regulation. This regulation is easily accessible on intranet and web page.

If the complaint issue is about working conditions, KOSGEB Administrative Support Services Department will be involved for redress.

7.3 World Bank Grievance Redress System

Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

8. Monitoring and Reporting

The project will monitor the SEP on an ongoing basis during the implementation, including reviewing the functioning of the GRM and types of grievances recorded. This will work as a feedback loop on the project and facilitate adjustments/improvements to be made during engagement. At completion of SEP activities, a review of outputs will be conducted in order to evaluate the effectiveness of the SEP as implemented.

The project will monitor a beneficiary feedback indicator on a regular basis. The indicator will be determined in the updated SEP and may include: number of consultations, number of public grievances and since the start of the project and number of those resolved within the prescribed timeline; number of press materials published/broadcasted in the media.

KOSGEB PIU will maintain a simple database and activity file detailing all public consultation, disclosure information and grievances collected throughout the project. Records of all stakeholder engagement activities kept in the database will include dates, venues, attendees, objectives and outcomes.

The PIU will ensure that all consultation and disclosure activities are recorded adequately. SEP implementation and relevant grievances will be reported in semi-annual project progress reports under a separate section. The reports will include all stakeholder engagement and consultations made, grievances and resolutions. Results will be posted on the KOSGEB website

8.1 Involvement of stakeholders in monitoring activities

KOSGEB will be seeking feedback from beneficiary MSEs and other relevant stakeholders throughout the project and PIU will discuss the results of the progress reports with relevant stakeholders as needed.

A midterm survey on Citizen Engagement will be conducted by KOSGEB PIU to seek feedback from the beneficiary MSEs on their satisfaction with the Project. The PIU will analyze the results which will inform project implementation, as appropriate.

8.2. Reporting back to stakeholder groups

The SEP will be periodically revised and updated as necessary in the course of project implementation in order to ensure that the information presented herein is consistent and is the most recent, and that the identified methods of engagement remain appropriate and effective in relation to the project context and specific phases of the development.

Any major changes to the project related activities and to its schedule will be duly reflected in the SEP.

Information on public engagement activities undertaken by the project may be conveyed to the stakeholders following ways:

- A number of Key Performance Indicators (KPIs) will also be monitored by the project on a regular basis, including the following parameters:
- Monitoring and reporting of project related stakeholder engagement activities, consultation meetings, tracking number of grievances received within reporting period, number of resolved, number of press releases published on KOSGEB website and social media, and/or, national media will be made by KOSGEB PIU.
- Project updates including stakeholder engagement activities will be posted on KOSGEB's website.

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