



ECONOMIC INTEGRATION PROCESS OF SYRIAN REFUGEES IN TURKEY: LABOR ASPECTS

The ongoing civil war in Syria has so far forced more than 13 million people to leave their homes looking for safe zones within the country and abroad. Among them, 8 million were relocated within the country, whereas 5.5 million search refuge abroad meaning that almost one-third of Syria's population had to flee from the country. The majority of them escaped to the neighboring countries like Turkey, Lebanon, Jordan, Egypt, and Iraq. With its open door policy, Turkey takes the lead having accepted 3.3 million Syrian refugees. Since 2011, the Turkish government has provided \$27.4 billion worth of humanitarian aid to cover the needs of Syrian refugees. By spending \$6 billion for humanitarian aid in 2016, Turkey became the second largest donor after the United States with \$6.3 billion, and is by far the most generous country as it shared 0.75% of its gross national income for humanitarian assistance.

The prolonged civil war and largely damaged cities have reduced chances of a large number of Syrians to return to their homes in the short-term perspective. Therefore, many of them try to adapt to their new lives in other countries, including those in Turkey. According to a survey conducted by the office of the United Nations High Commissioner for Refugees in April 2017, over 76% of Syrian refugees in Turkey do not want to return home in the near future. In fact, currently, 9 out of 10 Syrians already live outside the refugee camps spread all around the country trying to integrate into the host society economically and socially. Currently, Syrians in Turkey are provided with the temporary protection status so they have an access to health, education and legal assistance services through a provisional identity card.

One of the most important factors for the integration of refugees into the host society is obtaining employment. However, until January 2016, Syrian refugees under the temporary protection status were not allowed to obtain a work permit. In fact, initially the Turkish government did not expect the conflict would prolong for years and saw no need for any changes in the national labor legislation. Nevertheless, with the increasing escalation of violence in Syria and growing numbers of arrivals, the Turkish government started to change its attitude to the issue of the Syrian refugees' integration by

creating some new legal and administrative tools. As a result of the policy shift towards the long-term planning and integration of Syrians, in 2013 Turkey renewed its asylum system with the more comprehensive new Law on Foreigners and International Protection. Furthermore, in order to improve the management of the migration flow and integration process, the Directorate General of Migration Management was established in 2015.

Under the new regulation, starting from January 2016, Syrian refugees who have the temporary protection status for at least 6 months could obtain a work permit. The application for a work permit is made by an individual or an employer through the e-government portal, which sends an online application form directly to the Ministry of Labor and Social Security. Among the provisions of the new regulation, there are some major points that should be brought to the attention. For instance, the number of Syrian refugees cannot exceed 10% of the total number of employees in a company and they cannot work outside of their registered area. In fact, this legislation tool limits the Syrian refugees' participation in the workforce. For instance, a huge gap between the designated quota number and the number of Syrians can be found in the city of Kilis in southern Turkey. There are 16,000 Turkish citizens employed in the business sector, and, given the 10% limitation rule, only 1,600 Syrians could be granted a work permit. However, some 130,000 Syrians reside in Kilis meaning that merely 1% of them are allowed to obtain a work permit under the new regulation since they cannot work in other cities. Although allowing Syrians to obtain a work permit is a good news for many illegal workers, the labor force participation rate is quite low. In 2016, more than 13,000 Syrians obtained a work permit, while in 2017 the total number of refugees with work permits reached about 20,000, which means that only 0.6% of the total number of Syrians have a right to work officially in Turkey. This figure equals to only 5% of approximately 400,000 illegal Syrian workers in the Turkish labor market.

There are several factors that limit a rapid increase in the number of work permits obtained by Syrian refugees in Turkey. First, the majority of Syrians are concentrated in the textile, construction and manufacturing

sectors where cheap labor force is required. However, according to the new rules, if they obtain a work permit their employers need to pay them at least the minimum wage. Second, they cannot work outside their registered area, which limits their job opportunities. This rule forces them to migrate to Turkey's big cities with the large labor market in order to avoid the Kilis situation. On this point, to provide flexible conditions for Syrian refugees, the Turkish government should remove the geographical limitation or establish differentiated limits, which will take into account the number of Syrian refugees, job opportunities and labor market capacity in certain areas. The cities that meet necessary conditions could be exempted from the geographical limitation. Such measures would also reduce the influx of Syrians to the country's big cities.

Regarding their contribution to the Turkish economy, an increasing number of Syrian entrepreneurs has had a positive effect on Turkey's exports to Syria. In the beginning of the civil war, Turkey's exports to Syria sharply fell from \$1.6 billion in 2011 to \$497 million in 2012. However, starting in 2013 the export volume has started to increase surpassing the pre-war level in 2014 with \$1.8 billion, but then gradually declined to \$1.3 billion in 2016. The initial increase could be associated with the substantial rise in the number of companies established in Turkey jointly with Syrians. The annual number of joint Turkish-Syrian companies has grown 13 times jumping from 98 in 2011 to 1,294 in 2017. Overall, in the last 6 years, Syrian entrepreneurs opened 6,744 joint companies in Turkey. The 2016 reduction of exports could be linked to the decrease in the number of newly opened firms, especially large sized ones, comparing with the figures in 2013-2014.

In conclusion, it could be said that the majority of Syrian refugees would prefer to stay in Turkey for a long time even if the conditions for return are made available. Therefore, in order to adapt to their new lives, they need to be economically integrated into the host society. In this process, the Turkish government has taken the first steps by allowing them to obtain a work permit. However, there is still a need to reconsider the limitations in the labor legislation in order to create a suitable condition for Syrian workers to come out from shadows and work officially.

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Politics, Foreign Affairs and Security

- During his official visit to Ankara, President of Russia Vladimir Putin met with his Turkish counterpart Recep Tayyip Erdogan to discuss the situation in the Middle East, focusing primarily on the Syrian settlement. The parties discussed prospects for convening a Syrian National Dialogue Congress in early 2018.
- During his official visit to Tashkent, President of Kyrgyzstan Sooronbai Jeenbekov met with his Uzbek counterpart Shavkat Mirziyoyev to discuss the perspectives of mutual cooperation. As a result of the visit, the parties signed a package of documents, including program for cooperation in economic, scientific-technical and humanitarian fields in 2018-2021, agreement on cooperation between the emergencies ministries, customs authorities, federations of trade unions, and national academies of sciences of the two countries.
- During the 15th Ministerial Trilateral Meeting of Russia, India, and China held in New Delhi, Sergei Lavrov, Sushma Swaraj and Wang Yi reviewed global and regional issues of mutual interest, as well as discussed trilateral exchanges and activities. A joint communique was released following the meeting.
- During his visit to the Russian Hmeimim air base in Syria, President of Russia Vladimir Putin ordered the partial withdrawal of the Russian troops from the country to their permanent bases. It was also noted that Russia would retain enough firepower to destroy any possible Islamic State comeback.
- During his official visit to Baku, the Head of the Russian state-Duma's Committee on Commonwealth of Independent States Affairs, Eurasian Integration and Relations with Compatriots Leonid Kalashnikov met with President of Azerbaijan Ilham Aliyev to discuss the current status and development perspectives of bilateral relations with particular focus on interparliamentary cooperation.
- During his official visit to Ashgabat, State Secretary for Strategic Affairs of the Ministry of Foreign Affairs of Romania Danuț-Sebastian Neculaescu held political consultation with the high-ranking delegation of the Ministry of Foreign Affairs of Turkmenistan. The parties exchanged views on regional security and cooperation issues, development of bilateral relations in the political and diplomatic fields.
- According to the Defense Ministry of China, the six-day Russian-Chinese air defense drills dubbed Airspace Security-2017 started in Beijing. It was noted that the drills are aimed at strengthening mutual understanding and cooperation between the two countries' armies. These are the second such drills currently held in Beijing. The first Russian-Chinese drills Airspace Security-2016 were held in May last year in Russia.

Economy, Finance and Energy

- On the sidelines of the Russian President Vladimir Putin's official visit to Cairo, Head of Russian nuclear corporation Rosatom Alexei Likhachev met with Minister of Electricity and Renewable Energy of Egypt Mohamed Shaker to discuss the current state of bilateral energy cooperation. As a result of the meeting, the parties signed notices to proceed with contracts for the construction of four VVER-1200 units at the El Dabaa nuclear power plant, as well as the contract for the supply of nuclear fuel to this plant. It was noted that the nuclear power plant construction worth \$21 billion is expected to be completed by 2028-2029.
- According to the Statistics Committee of the Kazakh Ministry of National Economy, in January-November 2017 the country's oil production reached 66.466 million tons, which is 11.6% higher than over the same period in 2016. Within the reporting period, Kazakhstan increase the production of gas condensate by 7.3% to 12.101 million tons, while the natural gas output increase by 14.4% to 48.119 billion cubic meters.
- During his official visit to Tehran, Chairman of the Russian state-owned gas producer Gazprom Aleksei Miller met with Chief Executive of the National Iranian Oil Company of Iran Ali Kardor to sign a roadmap on implementation of energy projects and a memorandum of understanding on carrying the feasibility studies for implementing Iran LNG project. It was noted that the roadmap envisions preparation of a conceptual study on implementation of integrated projects in the field of hydrocarbon production, transportation, and refining, including petrochemistry, by Gazprom. Moreover, the first stage of Iran LNG project envisions the construction of two LNG lines with capacity of 5.25 million tons per year each. The second stage implies that the capacity will be increased to 21 million tons per year due to the construction of two more lines.
- According to the Asian Development Bank, a \$450 million loan for improving power generation efficiency and energy security in Uzbekistan was approved. The project is aimed to expand Talimarjan thermal power plant (TPP) capacity through the installation of additional combined cycle gas turbine units with combined heat and power facilities. The addition will increase the capacity of Talimarjan TPP to approximately 2,600 MW and improve its thermal efficiency from 48% to 52%.
- According to the National Statistical Committee of Kyrgyzstan, in first 11 months of 2017 the country's GDP grew by 4% compared to the same period of 2016 and reached 430.1 billion soms (\$6.17 billion).
- According to the Statistics Committee of the Kazakh Ministry of National Economy, in January-October 2017 the mutual

trade between Kazakhstan and the Eurasian Economic Union (EEU) member states amounted to \$13.97 billion from, which is a 28.1% increase compare to the same period of 2016. For the reporting period, Kazakhstan's exports to the EEU countries totaled \$4.15 billion, which a 32.1% increase in contrast to last year, while imports amounted to \$9.8 billion showing a 26.5% growth.

- According to the Ministry of Finance of Kyrgyzstan, in October 2017 the country's state debt declined by \$9.05 million to \$4,357.5 billion, \$3,958.23 billion of which is external debt. It was also noted that 41.2% of the total external debt of the country owes to the Export-Import Bank of China.

Society and Culture

- According to the National Bank of Kyrgyzstan, since the beginning of the year, migrants have transferred \$2.83 billion to the country. In comparison with the same period of 2016, the volume of remittance grew by \$423.4 million. more. It was also noted that in October 2017, \$243.1 million were transferred to Kyrgyzstan.
- According to the Flight Control Center of Russia, the descent capsule of the Russian Soyuz MS-05 spacecraft with three crewmembers of the International Space Station (ISS) has landed in Kazakhstan's steppe 147 kilometers southeast of the city of Zhezkazgan.
- The Parliamentary Committee on the Fuel and Energy Complex and Subsoil Use of Kyrgyzstan instructed the government to reduce the tariff for electricity for religious and social facilities. Until mid-January 2018, the government should introduce a proposal and analysis of tariff formation. The list of objects included mosques, madrassas, churches, orphanages, boarding schools and other social facilities.
- The Interior Ministry of Russia announced its plans to introduce obligatory fingerprinting and photographing of all foreign citizens who enter Russia for more than a month. It was noted that a foreigner who entered Russia visa-free is obliged to report to the Interior Ministry on his or her temporary residence in Russia within seven working days after the 30-day expiration date from his or her arrival to the country. The new procedure is scheduled to be launched since July 1, 2019.
- According to the authorities of the Karaganda region of Kazakhstan, the 5-days strike of the miners of the ArcelorMittal Temirtau is over. As a result of the negotiations the company that owns the coal mines has reportedly granted miners a 30% salary increase and a one-off bonus of the value of wages. More than 600 miners of eight mines of the ArsmelorMittal Temirtau company have stayed underground nearly 97 hours demanding salary increase for 100%, full payment of sick-lists, retirement in 50 years, and improvement of working conditions.