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TECHNICAL ASSISTANCE FOR PROMOTING DECENT FUTURE OF WORK APPROACH WITH A FOCUS ON GENDER EQUALITY

(TREESP1.3. FoW/P-01)

TURKEY

HUMAN RESOURCES DEVELOPMENT OPERATING STRUCTURE

REPUBLIC OF TURKEY MINISTRY OF LABOUR AND SOCIAL SECURITY

Geliş

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(EuropeAid/140341/IH/SER/TR)

TURKEY

CATEGORY 4 (COORDINATION AND COOPERATION MECHANISMS) INTERVENTION 13: WORKSHOPS FOR NEW EMPLOYMENT STRATEGIES

GAZİANTEP WORKSHOP: 13 JULY 2023

DESK RESEARCH REPORT

HUMAN RESOURCES DEVELOPMENT OPERATING STRUCTURE

REPUBLIC OF TURKEY MINISTRY OF LABOUR AND SOCIAL SECURITY

WEglobal

1) INTRODUCTION

The Project is required to deliver 5 workshops in 5 provinces (Ankara, Bursa, Izmir, Adana and Istanbul) aimed at generating ideas for new employment strategies to be pursued by MoLSS.

The ToR (as amended by AO7) stipulation for Intervention 13 is:

5 workshops will be organised in 5 different provinces to have feedbacks and inputs for drafting new employment strategies such as NES, women employment policies and to discuss regional needs and problems with the participation of relevant public institutions, academicians, NGOs, social partners, professional organisations, representatives of private sector. Indicative list of pilot provinces other than Ankara: Adana, Bursa, Gaziantep and İzmir. 50 local participants will attend to each workshop and will last one day. After completion of the workshops, a detailed report will be prepared by the Contractor. 5 staff of the Operation Beneficiary will participate to each workshop.

To date, 3 workshops have been delivered: Ankara - 6 July 2021; Bursa - 21 October 2021; and Adana - 12 January 2022. OB decided to delay delivery of the remaining 2 workshops but have now agreed that that a workshop will take place in Gaziantep on 13 July 2023 with the intention of examining issues of sectoral importance to that province, to ensure that these are considered in the drafting of new policies and strategies going forward.

This short Report is an economic analysis of Gaziantep, drafted to contribute to an understanding of which issues might become the focus for the workshop.

2) OVERVIEW

The TRC1 Region, which consists of Adıyaman, Gaziantep and Kilis provinces, has an important historicity in terms of entrepreneurship, trade, and multicultural life, as well as its natural and cultural values. Along with these qualities, it exhibits a versatile structure with its different production capabilities in every field and its unique characteristic structure on a provincial basis.

While Gaziantep and Kilis, which are border cities, maintain their productivity with their rich trade and entrepreneurship culture, they have an important capacity in agriculture and tourism, especially in industry. Adıyaman, on the other hand, has historically been the city of peace and tranquility, and today, with its calm and peaceful identity, it has a structure that evaluates its agricultural, industrial and tourism potentials within the framework of protection and use.

These features make the Region strong in many respects, and especially due to its strategic location, it strengthens the bridge that provides access to both east and west.

3) POPULATION

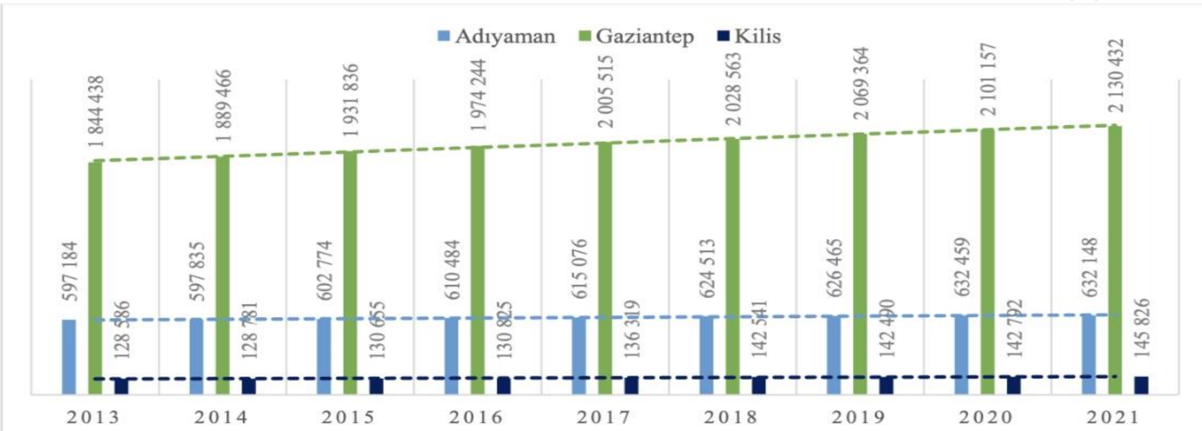
In terms of population structure, the most populous province of the Region is Gaziantep with a population of over 2 million. The recent migration movements in the region appear as a very important phenomenon. However, the multicultural structure of the Region from the past has turned this situation into an advantage and improved its production capacity.

While TRC1 Region constitutes 3.4% of Türkiye's population, 71.8% of the Region's population is Gaziantep, 23.2% is Adıyaman, and 5% is Kilis. In 2021, Gaziantep has an increase rate of 13.8 per thousand, which is close to the country average, while the rate of increase in Adıyaman is negative (-0.49). The population growth rate of Kilis is 21 per thousand, which is above the national average.

Gaziantep is the province with the highest population density (308 people). The population density per square kilometer in Kilis is 100; There are 90 people in Adıyaman. In the last ten years, it is seen that the number of people per square kilometer in Gaziantep has increased by 63, in Adıyaman by 6 and in Kilis by 16. In this increase, a high population density is encountered, considering the natural increase and the population arriving with international migration. Based on the data of the Directorate of Migration Management, the province with the highest number of international immigrants is Gaziantep with 465,378 people, while Kilis is in the second place with 91,158 people, and Adıyaman is in the last place with 23,456 people.

While the population growth in the Region requires more effective planning of activities related to the provision of basic services, it also brings the need to develop the institutional capacity in the Region and to put forward an effective management model.

Graphic 1: Population by years (TUIK)



The TRC1 Region is among the border regions that are most affected by the population mobility that emerged during the war in Syria since 2013. According to the data of 2021, 13% of the registered Syrian population in Türkiye live in Gaziantep and 2% in Kilis. Gaziantep is the second province with the highest number of Syrians after Istanbul. The ratio of the number of registered Syrians to the total number of people living in the province is 18% in Gaziantep, 4% in Adıyaman and 38% in Kilis. Kilis is the province where the highest number of Syrians live compared to its population.

4) EMPLOYMENT

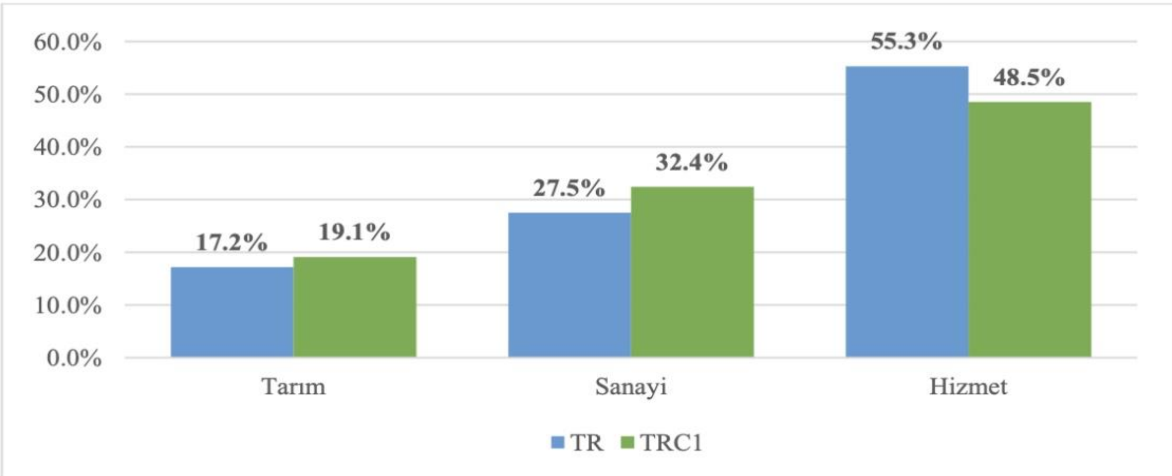
TRC1 Region ranks 14th among 26 NUTS 2 regions in Türkiye with 45% employment rate. While the number of people employed in the region is 871,000, 653,000 of this population are men and 218,000 are women. While the Region was approximately 7 points below the Turkish average in terms of employment rate between 2012 and 2017, it has closed the gap and approached the Turkish average of 45.2% as of 2020.

According to 2020 data, TRC1 Region constitutes 3.5% of the country's total with a registered labour force population of 220,212. Women constitute 26% of the workforce in the region. According to 2021 data, the labour force participation rate, which shows the share of the workforce in the working-age population, is 50% in the Region, 1.4% below the Türkiye average. Although the region has made progress from 44.8% to 50% since 2010 in terms of labour force participation rate, it ranks 17th among 26 regions.

The employment rate of the male population in the Region is above the national average (62.8%) with 67.2%, while the employment rate of the female population with 22.6% is below the country's value (28%). While the region ranks 2nd among 26 regions in terms of male employment, it ranks 21st in terms of female employment.

Regarding the employment groups in the Region, the group with the largest share in 2021 consists of salaried, salaried, and casual workers with a rate of 68.1%. Employers and self-employed workers have a rate of 21.35%. 55.3% of those employed in Türkiye are in services, 27.5% in industry and 17.2% in agriculture. The largest share in the Region belongs to the service sector with 48.5%. While the share of the industry sector is 32.4%, the share of agriculture is 19.2%.

Graphic 1: Sectoral Distribution of Employment % by 2021 (TUIK)



However, according to the data of 2020, while the Region was the 9th region with the highest unemployment rate among the Level 2 regions with 13% unemployment rate, the unemployment rate of the Region decreased to 10.1% in 2021 and the Region regressed to the 16th region with the highest unemployment rate in the country. When the distribution of the unemployed registered with İŞKUR according to their education level is examined, it is seen that the groups with the highest number of unemployed in the Region are primary education with 40% and secondary education with 28%. The share of those who have completed their higher education in the total unemployed is at a high level with 20%.

5) ECONOMY

It is possible to observe the reflections of the capacity expansion in the field of employment in the economic field. It is seen that the share of the industrial sector in the gross domestic product among the sectors in the region is dominant compared to other sectors with a rate of 36.8%. The industry sector is followed by services with 16%, public and social services with 13%, agriculture and forestry with 6.7%. The fact that the development in the industry is higher than the country's share also emphasizes the fact that the Region is ahead in terms of industry.

The fact that the development in the industry is higher than the country's share also emphasizes the fact that the Region is ahead in terms of industry. Within the industry, it is seen that the food and agriculture-based industry, especially textile, plastic-chemistry, machinery-equipment, leather-shoes sectors gain weight. According to the 2020 data, the sectors with the highest employment in the manufacturing industry are textile (17.39%), paper and paper products (8.73%), leather products (6.39%), rubber and plastic products (6.67%), chemical products (5.90%) manufacturing.

TRC1 Region has increased its export capacity in the economic field by 175% in the last ten years. Especially Gaziantep's share in the export area has increased gradually and the province ranked 5th in the ranking of the provinces that export the most in 2021. While the region's exports are 9.9 billion dollars in 2021, Gaziantep exports constitute 9.8 billion dollars of this export. Carpets and rugs are the most exported product with a 23% share in the Region's total exports. This item is followed by the textile and plastic products sectors.

The Region also exhibits an economically developed structure, also has an important capacity and potential in entrepreneurship. The entrepreneurship ecosystem of the region is mainly concentrated in Gaziantep. Ranking at the top of the country with the number of companies established, the city stands out in the region with its business establishment/development infrastructure, financing opportunities and non-governmental organisations for entrepreneurs. The number of companies established in Gaziantep has increased 2,5 times in the last ten years and this number has reached to 2,771 companies in 2021. While 375 companies were established in Adıyaman, 73 companies were established in Kilis. According to the number of companies established, Gaziantep ranks 6th among the top ten cities. Gaziantep is also in the 5th place with 29 companies in 2021 in the list of the first 500 companies published by ISO. Despite the capacity in entrepreneurship, increasing the capacity of Research & Development activities and innovation is seen as an important development area for the Region.

In addition to these, in the Region, besides the development of gastronomy and cultural tourism, there are also progress towards the development of nature and ecology-oriented tourism activities. It has been observed that alternative tourism activities have recently developed in Adıyaman districts. In addition to these developments, the tourism potential in the Euphrates River should be handled in a holistic way, considering environmental sensitivities, and forming an interregional corridor.

In the Region, which has important agricultural areas, it is considered important to increase productivity, increase value-added production capacity and develop agriculture-based industries locally. The production of derivative products and the creation of local economies are gaining importance in the Region, which has a significant production capacity in the production of peanuts, almonds, and olives.

When the gross domestic product (GDP) data per capita is analyzed by years, it is seen that both the provinces of the Region and Türkiye's average reached the highest level in 2013, while a decrease was observed after 2013. The GDP per capita in the region is below the national average. Gaziantep ranks first in the region with a value of $6,763, Kilis is in the second and third place with $5,045, and Adıyaman with $3,809. According to the GDP data on a regional scale, the TRC1 Region ranked 22nd among 26 regions in 2010 and rose to the 17th place by 2020.

When the 2020 GDP compositions of the Region and Türkiye are compared, it is noteworthy that there is a noticeable difference in the ratios of industry (TRC1 37% - TR 22%) and services activity branches (TRC1 17% - TR 23%), while other activity branches have similar weights. The region is relatively ahead of Türkiye in the field of industrial activity and behind in the field of service activity. Industrial activities provide the highest contribution to the region's GDP with a rate of approximately 37%.

6) INDUSTRY

The TRC1 Region stands out on a national scale with the number of companies operating in the manufacturing industry, production capacity, sector diversity and employment it provides. Gaziantep, one of the leading industrial cities of the country, is a centre of attraction for other provinces of the Region and surrounding regions with its industrial production, trade volume and logistics network. Adıyaman and Kilis industries continue to develop through local potentials.

Gaziantep

Gaziantep is one of the most important production bases of Türkiye. The provincial industry has been attracting foreign direct investment since 2001. In 2021, 29 companies from Gaziantep were included in the ISO Türkiye's Top 500 Industrial Enterprises list. The city is the 5th province with the most companies in the list throughout the country. The production of the provincial industry is concentrated in the textile, food, chemical/plastic, machinery/metal sectors. Gaziantep industry is in a nationally competitive position in sub-branches of the textile and food industry such as machine-made carpet, synthetic and cotton yarn, nonwoven fabric, slippers, pasta, and semolina.

Gaziantep stands out globally with its production capacity and trade volume in machine-made carpet and pasta production sub-sectors. The number of large-scale industrial enterprises in Gaziantep constitutes 4% of the country's total, and small-scale enterprises 6%. The city, which is a regional centre of attraction in the field of manufacturing industry, is the 5th most exporting province of the country with an export of $9,798,729 in 2021. 29% of those employed in the province work in the manufacturing industry. There is a total of 5,043 industrial enterprises in the province, of which 1,469 are in organised industrial zones (OIZ), 3,134 are in small industrial estates (CSR), 30 are in free zones and 440 are outside of industrial zones.

In Gaziantep industry, the production of textile products is the sub-manufacturing branch with the highest number of enterprises in the province with a share of 22%. Food products manufacturing, leather, plastic, and clothing manufacturing areas are also among the prominent sectors of the provincial industry according to the number of enterprises. The sectoral view of the number of enterprises in Gaziantep has a more diverse sub-sector structure compared to the other two provinces of the Region. Gaziantep industrial enterprises constitute 2.7% of the national total.

Gaziantep Organised Industrial Zone ranks first among 270 active regions throughout the country in terms of the area where it is located. Gaziantep OIZ, which consists of 5 sub-regions, surrounds the northwest of the city centre. Gaziantep OIZ has a connection with the western and southern ring road exits of the city and the regional infrastructure has been completed. OIZ ranks 4th in the country in terms of the number of active workplaces.

Adıyaman

In the 1990s, modern industry started to develop in Adıyaman with government incentives and private sector enterprises. With the establishment of Adıyaman Organized Industrial Zone in 1991, the development of the industry accelerated. As of 2020, Adıyaman has a planned industrial area of 768 hectares, of which 704 hectares are organized industrial zones and 64 hectares are industrial sites. According to the records of the Industrial Registry Information System (SSBS), a total of 558 industrial enterprises operates in Adıyaman in 2021, of which 192 are in OIZs, 29 are in industrial estates and 337 are outside planned industrial zones. 11% of the enterprises are in mining, 72% in manufacturing and 16% in the energy sector. The density of textile and food businesses in the manufacturing industry draws attention.

When the sub-sectors of Adıyaman, which stand out according to the number of enterprises in the field of manufacturing, are examined, it is seen that the number of enterprises in the field of clothing manufacturing constitutes 45% of the province's total and 21% of textile products manufacturing. The density of enterprises in these sectors remains above the country rates in the same sectors. Manufacturing of mineral products and manufacturing of food products are among the prominent manufacturing sub-sectors in the province. The total of provincial industrial enterprises constitutes 0.37% of the country's total.

Kilis

Industrial production in Kilis, which mainly concentrates on textile and food, continues to develop with the cement facility established in 2019 and foreign capital investments. As of 2021, there are 263 industrial enterprises operating in Kilis, of which 50 are in the OIZ, 35 are in the industrial zone and 178 are outside the planned industrial zones. 3% of the enterprises are in mining, 93% in manufacturing and 4% in the energy sector.

The manufacturing industry sector, in which many enterprises operate in Kilis, is the production of food products with a rate of 34%. Rubber and plastic products manufacturing, wood products manufacturing, metal and machinery equipment manufacturing are the prominent sectors of the province according to the number of enterprises. Kilis industrial enterprises constitute 0.17% of the country. The scale distribution of the industrial enterprises in the region generally coincides with the country distribution. The rate of micro-scale enterprises in Gaziantep, the industrial city of the region, is higher than the country average and other provinces of the region. The ratio of small-scale enterprises is lower than the country average, and the ratio of large and medium-sized enterprises in Gaziantep is above the country average. There is no business in the city that does not have employment. It is noteworthy that the rate of enterprises without employment in Kilis is 38%, which is well above the national average.

7) CLIMATE CHANGE, GREEN TRANSFORMATION and PROBLEM AREAS

The legal-administrative framework created after the Paris Climate Agreement signed in 2015 brought action-oriented practices on environmental issues to the agenda. Türkiye's ratification of the Paris Climate Agreement in 2021 and the preparation of the Green Deal Action Plan to adapt to the steps taken in the European Union on climate change emphasize the importance given to the issue in our country and are considered as the main reference in the national fight against climate change. The main environmental problems in the region are temperature increases due to urbanization, decrease in precipitation, ineffective use of resources, and industrial pollution. The pollution of the Hancağız Dam and the streams feeding it adversely affects the agricultural areas of the Region, and the increasing drought reduces agricultural productivity. Increasing renewable energy investments and expanding energy efficiency practices in the region are important both in terms of sustainability of resources and access to clean energy. Environmental problems, especially air pollution, along with traffic problems in urban areas, access to housing, lack of social facilities and green areas continue to be issues that negatively affect the quality of life.

According to the Desertification Sensitivity Map prepared by the Ministry of Environment, Urbanisation and Climate Change, it is seen that the provinces of the TRC1 Region have high desertification sensitivity. The eastern parts of the region, especially the northern and eastern parts of Adıyaman, have a very high desertification sensitivity. It is seen that the annual precipitation tends to decrease compared to the annual precipitation amounts in the 2010-2021 period.

As per the district visits and the meetings with the institutional actors within the scope of the regional plan, the main issues and problems of the Region are listed below.

- Overpopulation and migrations
- Industrialisation strategies
- Extreme temperature increases / climate change
- Weakness of institutional capacity / lack of institutionalisation
- Transportation problems
- Unskilled labour
- Inefficiency in agriculture
- Environmental issues

8) 2024-2028 REGIONAL PLAN

2024-2028 TRC1 Regional Plan vision was aimed at achieving a “Strong Social Network, Economically Developed and Green; Multifaceted Opportunity Zone; Innovation Path; Silk Road”. In this context, three strategic priorities have been put forward by considering current trends, paradigms, national goals, and strategies.

These priorities are,

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- Versatile, Innovative and Durable Economic Growth
- Sustainable Living Spaces and Clean Ecology
- Effective Governance and Social Development

The targets determined within the scope of strategic priorities were supported by measures and intervention areas. The strategic priority of “Versatile, Innovative and Durable Economic Growth” is a strategic framework that focuses on the development of technological superiority and competencies in the production areas of the region and prioritizes structural transformation in the agriculture and tourism sectors. Focusing on waste issues, sustainable resource use, and the livability of urban and rural areas, the strategic priority of "Sustainable Living Spaces and Clean Ecology" aims at the sustainability of ecology, which is the most basic structure in life, and the effective fight against climate change. The strategic priority of "Effective Governance and Social Development", in which issues such as education, health, income distribution, employment opportunities, public relations and the development of institutional capacities are addressed together with the multicultural structure of the Region, is complementary to economic and spatial priorities.

FoW TAT
July 2023