Annex H02

# INSTRUMENT FOR PRE-ACCESSION ASSISTANCE HUMAN RESOURCES DEVELOPMENT COMPONENT

## **OPERATION IDENTIFICATION SHEET**

- **1. Title and Number of the Operation:** Promoting Registered Employment Through Better Guidance and Inspection– PRE II
- **2. Operating Structure:** Ministry of Labour and Social Security EU Coordination Department
- 3. Organisation Responsible for the Implementation of the Operation:

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Social Security Institution - General Directorate of Insurance Premiums is responsible for the implementation of the Operation.

General Directorate of Insurance Premiums will work in cooperation with Presidency of Guidance and Inspection and Presidency of Strategic Development.

The Senior Representative of Operation Beneficiary is:

Mr. Cüneyt OLGAÇ

Tel: +90. 0 312 432 10 37

Fax: +90.0 312 432 10 62

Address: Sigorta Primleri Genel Müdürlüğü Mithatpaşa Cad. No: 7 A Blok Sıhhiye /

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- 4. Compatibility and coherence with the Operational Programme
- **4.1 Title and Number of Programme:** Human Resources Development Operational Programme CCI No. 2007TR05IPO001
- **4.2 Title of the Priority Axis:** To attract and retain more people in employment, particularly by increasing labour force participation of women, and decrease unemployment rates, especially for young people (Priority Axis 1. Employment).
- **4.3 Title of the Measure**: To promote registered employment (Measure 1.3).
- **5. Description of the Operation:**
- **5.1 Contribution to the Achievement of the Operational Programme:**

The Operation will particularly focus on the first priority axis of the Human Resources Development Operational Programme (HRD OP) which has the objective of "attracting and

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retaining more people in employment, particularly by increasing labour force participation of women, and decreasing unemployment rates, especially for young people". More specifically, the Operation will contribute to the implementation of Measure 1.3 in HRD OP which aims to "promote registered employment".

HRD OP defines unregistered employment as one of the key challenges in Turkish labour market. Since approximately 40% of the population participating in the labour market is operating as unregistered, HRD OP aims to contribute to the solution of the problem by addressing it through strengthening the capacity of the Social Security Institution (SSI), rising awareness and improving the coordination among relevant institutions and social partners.

In order to contribute to the solution of unregistered employment in Turkey, HRD OP envisages increasing the capacity of all related parties. In this context, Promoting Registered Employment-I (PRE-I) operation not only contributed much to the cooperation within local social partners via grant scheme, but also increased awareness and knowledge level of SSI personnel and other related people via its technical assistance scheme.

The PRE-II operation will seek to undertake complementary and follow-up activities. Through such activities, this Operation will further strengthen the institutional capacity of SSI central and local staff, local organizations and social partners. The Operation will institutionalize the bonds established during PRE-I operation between local branches of SSI and social partners.

# **5.2** Overall Objective:

The overall objective of the Operation is to contribute to the reduction of unregistered employment in Turkey.

## **5.3 Operation Purpose:**

The purpose of the Operation is to promote registered employment by increasing the guidance and inspection capacity of SSI both at central and local level, and increasing the awareness of the local actors.

## **5.4 Location(s):**

The HRD OP is focused on the regions which lag behind compared to the others within the country. The regions based in 12 NUTS-II regions (Priority-I) that are generally located in eastern part of Turkey. However, in western regions of Turkey, cities have higher population and economic activity, where labour force is concentrated on industrial areas. Compared to agricultural sector, it is easier and cheaper to increase the rate of registered employment in those areas. That means each amount of money spent on western cities will lead to a higher rate of change in unregistered employment rate. Therefore, PRE-II activities will also be implemented in the 14 NUTS II (Priority-II) regions by respecting the geographical concentration principle enshrined in the HRD OP.

The principle of geographical concentration will be implemented as follows:

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- The service and supply components will be implemented nationwide.
- The grant scheme will be implemented nationwide. At least 50 % of the funds will be allocated to the projects in Priority I regions.

### **5.5 Duration:** 24 months.

# **5.6 Target Group(s):** Target groups of the Operation are:

- Staff of SSI (mainly inspectors, social security controllers and KADIM personnel), relevant institutions and social partners,
- Workers, unregistered employees and employers especially at the organised industrial zones,
- Local actors like mukhtars, imams, farmers
- Students of primary and secondary schools
- Accountants, financial consultants and certified public accountants

# 5.7 Description of the Operation and Background:

This Operation (PRE-II) will be complementary to previous operation on "Promoting Registered Employment Through Innovative Measures (PRE-I) financed under IPA-IV and implemented in 2010-2012. Through PRE-I, the capacity of Presidency of Guidance and Inspection was strengthened and PRE-II Operation will benefit from this capacity. This Operation will focus on the inspectors and social security controllers to fulfil the inspection based on guidance. It also envisages developing follow-up activities and disseminating the activities undertaken in PRE-I including the best practices implemented under the Grant Component.

# The problem of unregistered employment

Unregistered employment is a working status which is not declared or partially declared to public bodies. This kind of employment is not included in official working force, as well. The main reason behind unregistered employment is the employers' attempt to reduce the cost of production, especially by avoiding labour costs, such as social security premiums and taxes. Also, employees' insufficient information is another reason of the issue.

Unregistered employment leads to many problems such as,

- Difficulties in achieving targets determined in strategic documents on social protection,
- Difficulties on management of social protection system,
- Increase in social security deficits,
- High level of income inequality,
- Poor working conditions,
- Poor quality of production,
- Unfair competition for registered sector,
- High level of exposure to occupational accidents and diseases for unregistered workers,
- Inability to access trade union and collective bargaining rights for unregistered

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workers,

- Promotion of child labour,
- Creation of unqualified workforce.

The problems mentioned in paragraphs above are widespread in Turkey. However, the statistics on unregistered employment is improving recently. According to Turkish Statistical Institution (TURKSTAT) data, unregistered employment rate was 42 % in 2011, which was decreased down to 37,5 % in March 2012.

# <u>Institutional Structure and the "New Approach" to tackle the problem of unregistered employment</u>

According to subtitle (ç) of Article 13/A and subtitle (b) of article 17 of Law No:5502, SSI is the entrusted institution in Turkey for combating unregistered employment. This duty is fulfilled by Presidency of Guidance and Inspection, Department of Combating Unregistered Employment under the General Directorate of Insurance Premiums and Services Combating Unregistered Employment (KADİM). Moreover, SSI has the authority to gather information from other institutions and utilize this information to prevent unregistered employment according to subtitle 7 of Article 8 of Law No:5510.

Moreover, at the central level Presidency of Guidance and Inspection has been established in 2007 under SSI to prevent unregistered employment. Since 2007, SSI has started to deal with unregistered employment through "a new approach". In this scope, mission of Presidency of Guidance and Inspection is to inspect implementation of social security acts by using preventative and informative approaches. Inspections should target awareness raising and informing society more than focusing on punishment. Because, aim of the SSI is to ensure citizens act in accordance with the law. On the other hand, providing efficient inspection will facilitate to create lawful society and to decrease the rate of unregistered employment. So, unfair competition between those who obey the law and who do not will be diminished.

In accordance to this responsibility, the Presidency has organized informative meetings for the other related public institutions, NGOs, chambers, etc. aiming to ensure social agreement on combating unregistered employment. Also, informative booklets have been prepared and shared with representatives of main sectors. Determination of "Minimum Workmanship Amounts" based on risk and sectorial analyses has started.

Developing capacity on detecting sectors or regions, in which unregistered employment is highly widespread, is very important for ensuring proper implementation of the incentives aiming to attract registration of employment. Within the scope of PRE-I, Risk Analysis Centre has been formed within the Presidency of Guidance and Inspection. By means of using software and hardware provided by PRE-I, making more accurate analysis and increasing efficiency on determining risky sectors and regions have been targeted. Although PRE-I operation improved physical and technical capacity of the Presidency of Guidance and Inspection, a lot more needs to be done.

Additionally, at the local level SSI has provincial directorates and social security centres in all 81 cities. SSI's provincial directorates are the most important bodies to fight against unregistered employment and informal economy due to their relations with the parties, sectors

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and regions in first hand. These directorates and centres have close contact with employers, employees and other regional social partners. By means of existing data and their experience, provincial directorates have the capacity to make the most accurate analysis in their regions. Provincial directorates via KADİM services and social security controllers have the opportunity to observe local business closely. Therefore, inclusion of these local organisations of SSI to combat unregistered employment has a critical value.

An "Action Plan to Fight Against Informal Economy (2011-2013)" was published in December 2011 together with a Prime Minister Circular. The Action Plan identifies 47 actions under the following 5 priority axis:

- · Improving Voluntary Compliance
- · Strengthening the Inspection Capacity
- · Increasing the deterrence capability of sanctions
- · Database sharing
- · Increasing awareness of the society

The Action Plan covers a number of actions targeting specifically informal employment, such as:

- The number of audit personnel of the Social Security Institution (SSI) will be increased to 1500 by December 2012.
- Electronic inspection will be made possible by merging the workplace fiches and workplace status reports of the SSI and the Revenue Administration.
- The forms for monthly declaration of insured workers will be revised in a way to encode the workers according to International Standard Occupational Classification.
- The natural gas, water and electricity subscription data of workplaces will be compared with the workplace data of the SSI to identify unregistered workplaces.
- · A risk analysis center will be established at the SSI to increase the effectiveness of fight against informal employment.
- · Common pilot inspections will be carried out by the Revenue Administration and the SSI (joint tax and social security inspections).
- · "Tax awareness" and "Work and Social Security" courses will be added in the curricula of primary schools.

The operation addresses many issues identified in this Action Plan (please see below).

## The structure of the Operation

Main aim of this operation is to support the "new approach" on combating unregistered employment which prioritizes guidance instead of inspection. This model contains performing guidance activities which aim to encourage the clients for voluntary compliance.

For implementing this inspection model, both inspectors and controllers should have strong visual image and accessibility to all necessary presentations, SSI database, legal documents and the other guidance materials. Also, their ability on guidance should be increased through special trainings focusing on related subjects. The other important side of this approach is to implement comprehensive awareness raising and media campaigns for enlightening society.

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The new approach will be operationalized with this Operation. The SSI's inspection authorities, composed of inspectors and controllers, will take new responsibilities and roles with new combating unregistered employment approach. Through trainings, guides and equipments provided by the Operation, the Operation will facilitate mobilization of this inspection teams for pursuing guidance-based inspection approach.

The Operation is also closely linked with the Action Plan for Combating Unregistered Economy Strategy (2011 – 2013), and helps the achievements of some activities mentioned in the Action Plan. It will address 4 objectives of the Action Plan and will support strengthening the cooperation between institutions, especially at the local level. It will provide manual which will contain methods on efficient way of using statistical data for Risk Analysis Centre of SSI (Action 16). The Operation will also support new guidance based approach of SSI and encourage it to make pilot guidance and inspection activities in the life time of the Operation (Purpose 2: Strengthening Audit Capacity). Last but not the least, there will be wide communication campaign during to the Operation designed for specific groups' needs including students (Purpose 5: Raising Public Awareness). Action 8 of the Action Plan mentions that Social Security Institution will increase the number of audit officers within the period of the Action Plan. The Operation will train those newly recruited staff.

In this context, this Operation will be composed of the following three components with an integrated approach:

1. <u>The service component</u>: The component will involve a technical assistance for capacity building and awareness raising activities.

In the scope of the service component, initially, sectoral guides will be prepared for supporting SSI's guidance activities. Guides will help to increase voluntary compliance of employers and lead inspectors and controllers to more efficient inspections. Especially, determining "minimum workmanship amount" sector by sector will be presented in the guides.

Based on these guides, inspectors will pursue guidance activities directly to companies which will be determined by risk analysis software provided by PRE-I and after certain period controllers will visit same companies for inspections. For supporting usage of sectoral guide in the scope of guidance based on inspection approach, training activities will be provided for SSI's staff who are commissioned with combating unregistered employment and promoting registered employment. Also, related public institutions and the other partners' staff will be invited these trainings. Main aim of the trainings will be increasing guidance ability of these personnel in line with SSI's policy which underline importance of guidance than inspection. There was a lot of evidence during PRE-I that trainings also contribute to increase cooperation both in house and between institutions. Additionally, trainings will be provided for ensuring advance usage of equipment provided by supply component.

Also, there will be mass communication campaign which aims to attract citizens' attention to moral side of working registered and to increase awareness on both SSI and EU involvement on the subject in the scope of the Operation. Specific groups such as employers, mukhtars, students and children will be targeted during these campaigns. By means of the campaigns, new approach of SSI on the subject will be injected to the society's mind. These communication campaigns will be supported by the supply component of the Operation.

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- 2. The supply component: This component will involve delivery of equipment to the central and local offices of the SSI to support the implementation of the new guidance-based approach by increasing the mobility of the SSI personnel.
- 3. The grant scheme component: Multilateral projects will be funded under the grant scheme in order to approach the unregistered employment from different local dimensions. Partnership with provincial bodies of SSI will be a condition to apply the grant scheme so that local partnership between SSI and NGO's will be strengthened. By means of this, sustainability of cooperation at local level will have been guaranteed. The grant projects will be instruments to support awareness raising, capacity building, human resources development and reaching out the employers and employees at local level.

### **5.8 Results with Measurable Indicators:**

- Result 1: Guidance and inspection capacity with the new approach has been increased.
- Result 2. Public awareness on the importance of registered employment has increased.
- Result 3. Policy making capacity of the SSI regarding promotion of registered employment has improved.
- Result 4. Local capacity for promoting registered employment has improved.

### **5.9 Activities:**

# RESULT I: Guidance and inspection capacity with the new approach has been increased.

- 1.1. Preparation and dissemination of Sector Guides
- 1.2 Preparation of a manual on risk assessment
- 1.3. Staff Trainings
  - 1.3.2 Training for KADİM Staff
  - 1.3.3 Leadership Awareness Raising
  - 1.3.4. Study Visits
- 1.4. Developing Equipment Infrastructure for better mobility of guidance and inspection services
  - 1.4.1 IT Infrastructure
  - 1.4.2 Mobility Infrastructure
- 1.5. Piloting the new guidance and inspection method:

# RESULT II: Public awareness on the importance of registered employment has increased.

- 2.1 Preparation of Visibility Materials
- 2.2. Awareness Raising Events

# RESULT III: Policy making capacity of the SSI regarding promotion of registered employment has improved.

- 3.1 Establishing an Academic Advisory Board (AAB)
- 3.2 Conducting regional analyses

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### **RESULT IV:** Local capacity for promoting registered employment has improved.

Grant projects will be implemented by local authorities, NGOs, and social partners collaboratively with the SSI local offices. At least 50 % of the funds will be allocated to the projects in Priority I regions.

In particular, but not exclusively, grant projects will be available for financing:

- Analysing alternative methods, doing pilot implementations in the field, and preparing reports of pilot implementations to SSI in the area of combating unregistered employment or promoting registered employment,
- Activities aiming to support bipartite or tripartite social dialogue to cooperate on combating unregistered employment,
- Capacity building activities and activities for increasing cooperation among the public institutions related with combating unregistered employment at the local level; and between the public and private/non-profit-making institutions
- Promoting registered employment by increasing the skill-level and qualifications of unregistered workers,
- Awareness raising activities.

Participation of employers in the projects will be encouraged.

## 6. Implementation Arrangements:

### **6.1 Institutional Framework:**

The overall management of the Operation will be carried out by the following structures:

- Contracting Authority (CA)
- Operation Beneficiary (OB),
- Senior Representative of the Operation Beneficiary (SROB),
- Operation Coordination Unit (OCU).

This operation will be implemented under the Human Resources Development Operational Programme (HRD OP) which is managed by Ministry of Labour and Social Security (MoLSS) as the Operating Structure (OS) which also fulfils tendering and contracting tasks as the HRD Contracting Authority. The OS will be represented by Deputy Undersecretary of MoLSS as the Head of Operating Structure while the CA will be represented by the Head of EU Coordination Department.

<u>Contracting Authority:</u> The CA will be responsible for tendering, technical and financial management of contracts under the Operation. It ensures that all the documents, reports submitted by contractors are duly checked /controlled/ read/ approved by the OB which cooperates with the CA in managing the Operation and any other aspects with relevance to the implementation of the Operation.

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Operation Beneficiary: Social Security Institution (SSI) as the Operation beneficiary will be responsible for the implementation of this operation. To that end, SSI will assign a high level manager who will act as SROB that will be the official representative of the OB. OB will establish an OCU which is the responsible body for supervision of implementation of the Operation.

Senior Representative of the Operation Beneficiary: The Operation will be implemented under the authority of the SROB on the side of beneficiary. The SROB will act as the formal representative of the SSI and will assume ultimate responsibility for the successful implementation of the Operation against the OS. He/she cooperates with the teams responsible to implement contracts (such as grant beneficiaries) ensuring that the tasks are performed in accordance with the pre-defined deadlines and the standards of quality required. He/she will provide preliminary approval of the reports of the contracts, or any technical and financial documents (such as approval of invoices with "read and approved" stamp) or deliverables and outputs, before final approval by the Contracting Authority. He/she will appoint one risk manager and one irregularity officer among OCU members, responsible for the operation on behalf of the OB.

<u>Operation Coordination Unit:</u> The SSI will establish an OCU which will be adequately staffed composing of an Operation Coordinator and (at least) five SSI staff. The existence of a professional and stable staff of OCU is guaranteed by SSI as a crucial factor for the timely and proper implementation of the Operation.

OCU is responsible for supervising the implementation of the Operation which may include different types of contracts that will be managed by the CA. It will perform the following tasks (it is not an exhaustive list):

- Following operation activities and working in close cooperation with the teams responsible to implement contracts,
- Coordinate and facilitate processes between SROB, the teams responsible to implement contracts (consultant, contractor, grant beneficiary, TAT, etc.) and the CA regarding any kind of reports, requests, documents which need approval of SROB.
- Ensuring the required coordination with other departments within the SSI or other institutions related to the implementation of the Operation.
- Ensuring timely delivery of all electronic and in paper reports, documents, transactions and information from grant beneficiaries as well as first level check and control of administrative, technical and financial aspects of the reports in accordance with the forms and instructions forwarded by the CA. OCU will act in line with the instructions delivered by the CA in terms of on desk and on spot checks/controls.

## **6.2 Proposed Monitoring Structure and Methodology:**

The overall monitoring of the Operation will be performed by the following structures and tools under the daily supervision and secretariat of the OCU:

- Operation Steering Committee Meetings,
- Operation Monthly Management Meetings (and other if necessary),

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Operation Steering Committee (OSC): OSC will be established to serve as a platform to share results achieved, follow-up of progress of the Operation (including different types of components/contracts) and exchange experiences, ideas etc. The SROB will initiate the establishment of a core OSC which will be composed of representatives of OCU, the teams responsible to implement contracts (consultant, contractor, grant beneficiary, Technical Assistance Team (TAT), etc.), the CA, stakeholders such as the representatives of the Ministry of Development, The Union of Chambers and Commodity Exchanges of Turkey (TOBB), Chambers of Industry/Commerce (12 NUTS-II regions and provinces covered under grant scheme), Trade Unions, Ministry of National Education (MoNE), Municipalities (12 NUTS-II regions and provinces covered under grant scheme), Turkish Radio and Television Corporation (TRT), Vocational Qualification Authority (VQA), Ministry of Finance, Ministry of EU Affairs. Contracting Authority and the European Union Delegation in Turkey (EUD) are ex officio members of the Committee. The OSC will meet on a semi-annual basis. First OSC will be organized 6 months after the first service or grant contract signed under the Operation. Organization of OSC meetings is under the responsibility of the SSI which may use TAT when available. Agenda of the OSC and brief note on the issues that will be discussed in the meeting will be provided to the members of the OSC at latest 1 week before. Minutes of OSC meetings will be kept by SSI (or TAT when available) and submitted to the participants in the meetings for their approvals at latest 1 week later. Minutes, agenda and brief notes can only be sent to the participants after the approval of the CA.

Operation Monthly Management Meetings (OMMM): It will be convened in order to monitor the activities of the Operation, discuss and assess the progress of the Operation and provide solution to the problems arising during the implementation of the Operation. All components of the Operation (service, supply and the grant scheme) will be discussed at the OMMMs These meetings will be chaired by SROB. Contracting Authority, EUD, OCU and representatives of the contracts composing the Operation (such as TAT) will be participants of the monthly management meetings. Minutes of OMMM will be kept by SSI (or TAT when available) and submitted to the participants in the meetings for their approvals. OCU may organize additional meetings with the teams responsible to implement contracts if necessary.

In terms of grant component of the Operation, the CA will perform technical and financial monitoring of grant contracts as well as the verification activities. However, SSI will perform thematic control of grant contracts which is a type of control to be executed on grant projects implemented under this operation. It is complimentary component of technical controls/monitoring/verification made by CA. It is limited to ensure and control to reach quantitatively and qualitatively to the committed outputs and results stated in this OIS and to serve those outputs and results to the institutional, local and national needs, policy and strategies. In order to perform thematic controls, SSI will prepare a strategy and submit to the CA within 2 months after the Operational Agreement is signed. After the implementation started, SSI will submit quarterly thematic reports on the grant projects. First thematic report will be submitted exactly 3 months after implementation period of the first grant contract is started. In addition to this, SSI will prepare and submit a grant inception study to the CA in the contracting phase. This study should reflect the expected aggregated outputs of grant projects under the Operation. It will serve to identify possible gaps regarding indicators of the Operation in terms of grant projects. The CA will make sure that no conflict of interest will occur better the SSI HQ and the SSI local offices which are involved in the implementation of the grant projects.

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As regards monitoring of operation on the basis of reports;

In terms of entire operation; SSI will submit progress reports to the CA on the overall progress of the operation. The format of the progress reports including irregularity reports will be provided by the CA. Progress reports (PR) will cover the progress in all components in relation with the operation, gap analysis in terms of indicators, the strategic contribution of each component of the operation in terms of quality, efficiency, relevance of intervention to the objectives of Operational Programme, issues of sustainability, lessons learnt, risks and remedial actions incurred under the operation. PR will be submitted once in a year. First progress report will be submitted exactly one year after the first contract under the operation is signed.

SSI will prepare Final Component Reports (FCR) when a component (service contract, and grant scheme) under the Operation is concluded. The format of the FCR including irregularity reports will be provided by the CA. FCR will cover an executive summary regarding the finalization of the related component, output effectiveness diagramme, gap analysis regarding gaps in between the expected and realised results and outputs of the component, strategic contribution of relevant component in relation with the operation, issues of sustainability, lessons learnt, risks and remedial actions incurred under the operation. For service component, İŞKUR will submit final component report within two months after the end of service contract. The final component report for supply contract will be submitted within 2 weeks after the last final acceptance certificate for relevant contract is officially approved by the CA. For grant component, İŞKUR will submit final component report within 2 months after final reporting deadline defined in relevant special conditions of grant contracts.

*In terms of contracts*; SSI with its OCU will ensure that the responsibilities regarding delivery, check, control and approval of documents as stated in part 6.1 of the OIS are duly performed. Types, frequency and content of the documents and reports will be defined specifically in the relevant tender documents of the contracts.

SSI is aware of its responsibilities as the OB including reporting requirements which will be defined in the Operational Agreement in detail. SSI is also aware that in addition to the reports mentioned above, ad hoc reports may be requested by the Contracting Authority on various aspects or issues related to the implementation of the Operation. The content and time of submission of such ad-hoc reports will be agreed between SSI and the Contracting Authority on a case-by-case basis.

# 6.3 Required procedures and contracts for the implementation of the Operation and their sequencing:

| Components        | Call for Tendering | Signing contract | Contract Completion |
|-------------------|--------------------|------------------|---------------------|
| Service Component | QIV/2012           | QIII/2013        | QIII/2015           |
| Supply Component  | QIV/2012           | QII/2013         | QIV/2013            |
| Grant Component   | QIV/2012           | QIV/2013         | QIV/2014            |

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## 7. Risks and Assumptions:

### **Risks**

- Resistance of employers and employees against the objectives of the Operation,
- Insufficient participation to activities of the Operation,
- Lack of data regarding unregistered work,
- Lack of political will towards the approval and implementation of the National Strategic Plan on unregistered economy.
- Appointment of project personnel to other positions during project life span.
- Insufficient contributions to the Operation of social partners and related public bodies.

## **Assumptions**

- Local administrators are willing and able to collaborate.
- Social partners, NGOs, VQA, Ministry of Development, MoLSS, Turkish Accreditation Agency (TÜRKAK), Small and Medium Enterprises Development Organization (KOSGEB), CoHE (YÖK), MoIT (STB) etc. are willing to share ideas and data and able to collaborate.
- Political and institutional stability and a smooth implementation of IPA instrument all over the period of execution of the Operation continue.
- Good coordination of operation activities.

# 8. Expected impact of the Operation on the target group and multiplier/spill over effects:

Expected impact of the Operation on the target groups are to increase life quality of the unregistered workers and their dependants, to create more impulsive environment for registered working and improve the capacity and ability of related institution's staff on the subject of the Operation.

Multiplier/spill over effects is expected to be:

- Contribution to sustainability of social security/protection system,
- Positive effects on the reduction of informal economy,
- Less bureaucratic and guidance oriented inspection,
- Increased social inclusion of unregistered workers, especially women,
- Improvement in the quality of social security services,
- Improved social dialogue between all stakeholders,
- Sectoral spill over of fair competition between employers.

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# 9. Sustainability:

In accordance with the National Strategy Paper and Action Plan, permanent administrative adjustments will be made in the relevant central and provincial directorates of SSI which will ensure the sustainability of the Operation and further.

The social networks to be established via grant schemes at the central and local levels will be the key to the sustainability of the Operation. It will serve and continue after the end of the Operation serving as the link that brings all relevant institutions and social partners in the field of registered employment together to identify the problems faced in sectoral and regional levels and to take concrete actions to promote registered employment. Close co-Operation among different stakeholders developed within the planning and implementation of activities will continue at national and local levels in order to assure the registered employment.

Training and workshop activities will result in increase in the skills and knowledge of social security controllers and local staff, and will have a direct effect on gaining institutional experience to be transmitted onwards. Finally the vehicles to be purchased for above mention Provincial Directorates will serve for guidance services and inspections more efficiently. It will help awareness raising and visibility even after the Operation, as well.

The main financial resource in ensuring sustainability of the Operation is the budget allocated to SSI by the law.

### 10. Horizontal Issues:

The Operation will take into consideration the horizontal issues referred to in HRD OP.

As regards **equal opportunities**, the principle of ensuring equal access to services for men and women will be ensured during the implementation and staff selection of the Operation. An appropriate men/women balance will be considered on all the managing bodies and activities of the Operation. Furthermore, guidance and awareness raising activities targeting sectors which women are mainly employed unregistered will be focused on and this will create an opportunity for women to be registered. Participation of the handicapped will be also considered as one of the main goals of the Operation.

**Environmental safety and sustainable development** will be promoted by all the activities. To prevent any damage to environment, actions for ensuring the well-being of environment and society will be taken if appropriate; i.e. usage of environment-friendly materials and equipment during the Operation will be encouraged.

As regards **participation of civil society**, partnership approach has a key role in the implementation of main activities of the Operation. Unregistered employment is a multi-dimensional problem that requires the participation of civil society and local administrations to the trainings and dissemination activities in order to reach the objectives-indicators and ensure the visibility and publicity of the Operation. NGO's and social partner's participation to activities will be promoted in every level.

The principle of **geographical**, **sectoral and thematic concentration** will be fulfilled as the Operation will be implemented in the 12 NUTS-II regions. The Operation will be

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implemented in 15 growth centres at the first instance and then will be expanded to their hinterlands in NUTS-II regions. Sectoral and thematic concentration will be ensured by taking into consideration the findings of TURKSTAT data and other relevant researches in which the sectors and provinces (that were not in the scope of PRE-I) mostly affected by unregistered employment are specified.

Finally **good governance** principle will be assured and permanently concerned at all stages and levels of the Operation. Ethical patterns and administrative rules, especially the ones on awarding contracts, will be strictly applied. During this process, EU standardised rules, especially those regulated under PRAG will be followed. An open-manner with improved public participation, accountable-effective funding and follow up of Operation outcomes will be assured, shortly transparency of procedures and results will be a key aspect.

## 11. Links with other IPA Component Measures:

This Operation will be complementary with the Priority 1 of the RC OP which aims to improve the business environment. Promoting registered employment will serve for this objective by reducing unfair competition among enterprises. Moreover, measure 2.1 of RC OP which aims at "strengthening the entrepreneurial culture and skills through consultancy and information support activities and to increase the investment capacity through facilitating access to finance for SMEs, particularly start-ups," is in consistency with the activities and objectives of this Operation if considered the awareness raising activities on negative effects of unregistered employment targeting the newly graduated who will enter labour market as entrepreneurs.

**Total Budget of the Operation:** 15.500.000 €