Harnessing Sustainable Linkages for SMEs in Turkey’s Textile Sector (MDG-2067)

**Development and the Private Sector**

**Total Budget:** USD 2,700,000

**Budget by Agency:**
- UNIDO: 858,675
- UNDP: 1,428,922
- ILO: 410,880

**Participating Gov. Entities:** Ministry of Industry and Trade, General Secretariat of the “Istanbul Textile and Apparel Exporters’ Associations” (ITKIB) (tied to Prime Ministry Under-secretariat for Foreign Trade)

**Start Date:** 11 December 2010
**End Date:** 11 June 2011
**Extension:** Not yet requested

**Disbursements:**
- First Disbursement: 11 January 2010 USD 1,007,254
- Second Disbursement: 8 September 2011 USD 1,163,257
- Third Disbursement:

**In Brief:** Targeting SMEs in the textile sector, the largest and most labour-intensive sector in Turkey, this innovative joint programme aims at enabling the local business community to reach a state of “responsible competitiveness”, involving both upgrading the productivity and market access of firms as well as benefiting local disadvantaged communities in poor areas, including Central and South-eastern Anatolia. The joint programme and its participating UN agencies (UNIDO, ILO and UNDP) will collaborate with Istanbul Textile and Exporters Union (ITKIB) to support the SMEs in textile sector to adopt an efficient, highly qualified and responsible management structure to raise the competitiveness of Turkish business in the national and international markets. SMEs’ technological and innovative capacities will be developed to reduce the costs of doing business for an integrated pro-poor economy through an IT based value chain management platform and create a decent work environment.

**Outcomes:**
- Productivity and innovation capacities of the SMEs in the Turkish textile industry especially in poor and vulnerable areas strengthened through enhanced collaboration and networking for increased competitiveness.
- Sustainable development, CSR principles and gender equality are integrated into the business processes and practices of the Turkish SMEs in textile sector for increased competitiveness.

**Regions of Intervention:**
- Kahramanmaras and its three neighboring provinces Adiyaman, Gaziantep and Malatya

**MDGs**

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<tr>
<th>Beneficiaries (expected)</th>
<th>Direct</th>
<th>Indirect (not available yet)</th>
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<tbody>
<tr>
<td>No. Institutions</td>
<td></td>
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<tr>
<td>No. Women</td>
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<td>No. Men</td>
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<tr>
<td>No. ethnic groups</td>
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**Project coordinator:** Inci Atac
**RCO Focal Point:** Halide Caylan
Status | Delayed due to a slow inception phase
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Estimated financial execution status as of the June 30, 2011 biannual report:

Main Achievements:

**Outcome 1:**
- An online Value Chain Management Platform (VCMP) activated by ITKIB and utilized by T/A value chain actors.
- This Output will be realized by facilitating collaboration and networking between the value chain actors, operating in the different nodes of the value chain, by means of introducing state-of-the-art and user-friendly technologies.
- As a first step a situation analysis together with a needs analysis and a deployment plan is under preparation. The report will be completed in September 2011.
- In parallel with this preparation, ITKIB is carrying out negotiations with the service provider and the potential companies for launching the platform.
- The capacity of national SME support and advisory institutions in the field of clustering and business linkage development are enhanced.
- In order to fulfill this Output, a comprehensive stocktaking exercise is made to identify the needs, training will be provided to the SME support organizations and cluster action plans will be developed and implemented. The report which studies the situation, needs and problems of the textile sector and the clusters in the four provinces is completed.
- A Sustainable Competitiveness Centre (SCC) is established and activated, providing business advisory services to the SMEs on sustainable competitiveness.

**Outcome 2**
- An assessment report on CSR in Turkish T/A industry produced.
- It is planned to have primary and secondary research to identify the level of awareness of CSR, the needs of the industry as well as the needs of the SME support agencies. Surveys were conducted in the four provinces to prepare situation analysis reports on a) sustainability, b) environmental conditions, c) working conditions and d) gender equality. Workshops and questionnaires were used to reach 100 SME’s. These reports which will be completed in October 2011 will provide the input for the final CSR report of the textile sector in Turkey.
- An overall awareness-raising strategy developed, and enterprise-level awareness building tools produced and deployed.
- The JP aims at improving local capacities and producing awareness-raising tools. This Output is planned to be realized by three steps: a) JP Team and the stakeholders received extensive CSR training at the ILO Training Center at Turin/Italy in February 2011. The following activities are as follows: 1. TTT seminars will take place in October 2011 at Ankara, during which local trainers will be trained on CSR, and 2. Actual CSR training activities will start immediately afterwards, during November and December 2011, January and February 2012, with the aim of reaching 750 workers from textile SME’s of the four provinces.
- A CSR advocacy strategy, complemented with CSR-based management and reporting tools and improved institutional capacities.
- A national sustainable and responsible competitiveness agenda for the T/A industry created

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Does the JP incorporate gender considerations in the activities/outputs/outcomes?

Observations

**Paris Declaration**

**Leadership of national and local governmental institutions:**
At the national level there is the strong support of the government via the Ministries involved which are also represented at PMC.
At the mezzo level, the national counterpart, ITKIB has the ownership is committed to fulfill the expectations and realize the activities of the JP. In addition, local chambers of commerce and industry of the four provinces are involved and support project activities in various ways.
organizing meetings, inviting companies for JP activities, etc. At micro level, private sector involvement is not very satisfactory. The companies are reluctant to spend time on JP activities and therefore creative methods have to be used to increase and ensure the participation of the private sector.

Involvement of CSOs and citizens:

Alignment and Harmonization:
Early stakeholder consultations revealed that the province, which had been foreseen as the province in which most of the local activities would be carried out, will be recipient of large-scale EU-funding through at least 2 projects. It will be difficult to assure local commitment with that many international projects being implemented in a relatively small province. Aid-effectiveness is yet another concern. A meeting has been held with Delegation of the EU to identify potential redundancies, synergies and complementarities (aid effectiveness). Parties (donors) share similar concerns with regard to aid effectiveness. An adjacent province that faces similar developmental challenges and that possess also a strong textile and clothing sector is being considered as an alternate location.

Innovative elements in mutual accountability:

Delivering as One

Innovative elements in harmonization of procedures and managerial practices:

Role of the RCO and synergies with other MDG-F JPs:
Coordination and collaboration between participating UN agencies have been ensured by the UN Resident Coordinator in Turkey.

Inter-agency coordination:

Sustainability (concrete actions and strategic partnerships)
Sustainability Plan in place?
The sustainability strategy of the JP identified five key success factors: (a) an equal emphasis on skills and capabilities; (b) scalability and replicability of the interventions; (c) inclusiveness and participation; (d) cooperation and collaboration with other projects and programmes; and (e) efficient and effective communication and outreach.
A key element of the JP’s methodology is ensuring sustained impact; in other words, ensuring that the capacities to be established and/or improved continue to contribute to progress towards MDGs even after completion of the JP. The strongest assurance of the JP’s sustained impact is the ownership of the ITKIB, which is one of the key players in the Turkish T/A industry.

Innovation and Scale-up
Another important cross-cutting strategy that the present IR brings to the scene is scalability of the intervention. The present JP is about the Turkish T/A industry and targets a specific region. In terms of manageability of the JP focusing on a single industry and a specific region make perfect sense; however this should not preclude the JP partners from thinking beyond these perimeters and envisioning an impact that goes far beyond even the articulated outcomes of the JP.
For instance, the VCMP will be an online portal accessible by SMEs in other less developed regions of Turkey which could not be made part of the JP mainly for budgetary constraints.
Another example of scalability is the expanded scope of the awareness-building tools that the JP will produce. The original JP Document foresaw classroom training as the main medium of awareness-building activities; whereas the present IR adds additional media (such as animated movies etc.) that can be readily utilized by T/A SMEs all across Turkey.

External Factors and mitigation

Communication and Advocacy
C&A plan in place?
The goal of the JP’s communication and outreach strategy is to “Increase networking and collaboration among T/A value chain actors and accelerate progress towards MDG1, MDG3, MDG7 and MDG8 by raising awareness, strengthening broad-based support and action and increasing engagement in MDG related policy and practice in Turkish T/A industry”. The outcomes of this strategic goal are (a) increased networking and collaboration among T/A value chain actors; and (b) increased awareness on CSR (in particular MDG1, MDG3 and MDG7).
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<td><strong>Missions from MDG-F</strong></td>
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<td><strong>Secretariat:</strong></td>
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<td><strong>Mid Term Evaluation:</strong></td>
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