

Understanding Local and Refugee* Entrepreneurs for Normalization



The research was conducted between 01-07 June 2020 through online interviews. The interviews were conducted with 206 refugee and 177 local entrepreneurs operating in manufacturing, retail sales, wholesale, service and construction sectors.

*The term "refugee" refers to Syrians in Turkey under temporary protection status. In this document the term is used as a conceptual acronym.

The outbreak affected Refugee entrepreneurs more



- 86% of refugee entrepreneurs and 68% of local entrepreneurs stated the outbreak is affecting their business.
- 54% of refugee entrepreneurs and 34% of local entrepreneurs say their turnover has fallen by more than 50%.

Refugee entrepreneurs are not aware of stimulus packages and financial supports provided to SMEs under COVID-19



- 92% of local entrepreneurs and 41% of refugee entrepreneurs are aware of at least one support program.
- Although the support provided to SMEs has been announced through different channels, awareness is limited among refugee entrepreneurs due to the language barrier.

Refugee entrepreneurs need counseling and financial support towards digitalization



- 33% of refugee entrepreneurs and 64% of local entrepreneurs stated that they were able to run their business online before COVID-19 period.
- 27% of refugee entrepreneurs who did not carry out their daily business online prior to the outbreak now look forward to the digitalization of their business.

Supports for SMEs under COVID-19 does not reach to refugee entrepreneurs



- Among entrepreneurs who are aware of government's support programs, 68% of refugee entrepreneurs and 88% of local entrepreneurs have benefitted from at least one program.
- For refugee entrepreneurs, the most important disruption seems to be the lack of awareness related to support programs.
- Difference in the rates of refugee and local entrepreneurs who benefitted from the support programs is a manifestation of the difficulties that refugee entrepreneurs in Turkey experience with access to finance.

Refugee entrepreneurs are more pessimistic for post- COVID-19 period



- 82% of refugee entrepreneurs and 66% of local entrepreneurs foresee their turnover will decrease in June compared to the pre-COVID-19 period.
- 56% of refugee entrepreneurs and 35% of local entrepreneurs predict that their monthly turnover will be more than 50% lower in June 2020 compared to pre-Covid-19.
- 25% of the refugee entrepreneurs foresee that the effect of COVID-19 to their business will fade away between July-September, 25% between October-December, and 12% between January-March 2021.
- Remaining 38% of refugee entrepreneurs, the largest group in the breakdown, are concerned that the effect of COVID-19 will last until April-December 2021.