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Syrian Refugee Employment in Turkish *MSMEs*: Employer Experience and Formal Hiring Frictions

Mpumelelo Nxumalo

World Bank

Dhushyanth Raju

World Bank

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Syrian Refugee Employment in Turkish MSMEs: Employer Experience and Formal Hiring Frictions*

Abstract

Formal labor market integration remains central to Türkiye's Syrian refugee response as the policy agenda has shifted from emergency protection toward longer-term questions of self-reliance and social cohesion. Türkiye has established legal and programmatic pathways into employment and, following an October 2024 regulatory amendment, introduced a work permit exemption pathway for eligible Syrians under temporary protection alongside the existing work permit system. Yet relatively little is known about the firm-level conditions shaping whether legal access translates into formal hiring. This paper uses a large-scale survey of micro, small, and medium-sized enterprises (MSMEs) conducted across all 81 provinces in Türkiye in early 2026. A dedicated Syrian refugee employment module was administered in 24 provinces that together accounted for approximately 95 percent of the Syrian population under temporary protection in Türkiye at the time the sampling design was developed. Selected questions on support program awareness and use and openness to hiring with additional support were administered nationally. Among MSMEs in the 24 module-covered provinces, 4.5 percent have ever hired Syrian refugee workers and 2.6 percent currently employ them, representing roughly 100,000 and 58,000 firms, respectively. Despite this limited employer incidence, reported experience among firms that have hired Syrian refugee workers is generally favorable: most assess Syrian refugee workers' performance as similar to or better than that of other employees in comparable roles, and only a minority report negative firm-level effects. The findings point to formal hiring frictions associated with limited knowledge of formal employment requirements, procedural complexity, low support program awareness and use, and heavy reliance on personal networks and direct applications for recruitment. Current and former employers are substantially more likely than never-employers to report that additional support would make hiring easier. The results suggest that policy should focus on making the applicable work authorization pathway clear and usable, reducing administrative frictions, strengthening matching and support services, and differentiating assistance by firms' prior hiring experience.

JEL classification

J15, J61, J68, O15, L26

Keywords

Syrian refugees, MSMEs, formal employment, work permits, employer-side constraints, labor market integration, Türkiye

Corresponding author

Mpumelelo Nxumalo

mnxumalo@worldbank.org

Dhushyanth Raju

draju2@worldbank.org

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1. Introduction

Türkiye's response to Syrian displacement has increasingly shifted from emergency protection toward longer-term questions of labor market integration, self-reliance, and social cohesion. A key issue is not only whether Syrian refugees, defined throughout this paper as Syrians under temporary protection in Türkiye unless otherwise stated, participate in local labor markets, but whether their employment is formal, protected, and sustainable for workers and firms. Formal employment shapes access to legal protections and social security, compliance with labor regulations, job quality, productivity, and firms' ability to plan and retain workers. Understanding the conditions under which firms employ Syrian refugee workers formally is therefore important to the next phase of refugee labor market policy in Türkiye.

The scale and duration of displacement make this question particularly salient. Syrians began arriving in Türkiye in large numbers after the outbreak of the Syrian conflict in 2011 and were subsequently covered by Türkiye's temporary protection framework. The registered Syrian population under temporary protection reached roughly 3.7 million around 2021–2022 before declining to about 2.34 million by the end of 2025, a few months before the survey used in this paper was fielded (United Nations High Commissioner for Refugees 2022, 2026). Even after this decline, Türkiye continued to host one of the world's largest Syrian refugee populations. The policy agenda has consequently moved beyond emergency reception toward livelihoods, formal work, social cohesion, and, increasingly, return and mobility. Recent developments in Syria have raised expectations of voluntary return for some Syrians, although return decisions remain shaped by security, housing, services, livelihoods, family considerations, and uncertainty. Formal employment in Türkiye therefore remains relevant both to the self-reliance of those who stay and to workforce planning amid return or onward mobility.

Türkiye has established a substantial legal and programmatic architecture to support formal employment. The 2016 regulation on work permits for foreigners granted temporary protection created a legal route through which Syrians under temporary protection could obtain work permits and be employed formally (Republic of Turkey 2016). Turkish institutions and international partners have since supported employment services, skills development, job placement, entrepreneurship, formal agricultural employment, employer incentives, and administrative

assistance related to work authorization.¹ In October 2024, the regulatory framework was amended to introduce a work permit exemption pathway for eligible Syrians under temporary protection alongside the existing work permit system.² The exemption pathway did not replace the work permit system, and both mechanisms continue to operate. It also does not authorize unregistered employment: employers remain responsible for complying with applicable labor law and social security obligations. The survey was fielded from January to April 2026, so its findings capture employer knowledge and constraints during implementation of this revised framework and the frictions affecting use of the available formal employment pathways.

The policy problem is therefore no longer simply whether legal or programmatic pathways exist, but whether firms can translate legal access, available labor, and program support into formal employment. Micro, small, and medium-sized enterprises (MSMEs) are central to this process. In 2024, 3.928 million small and medium-sized enterprises operated in Türkiye’s industry and service sectors, accounting for 99.6 percent of enterprises and 68.5 percent of employment in that statistical frame (Turkish Statistical Institute 2025). Their importance in employment makes them critical to any strategy for expanding formal Syrian refugee employment beyond project-based interventions. Yet many MSMEs have limited administrative, legal, and human resource capacity, which may make work authorization procedures, compliance obligations, recruitment, and program access difficult to navigate. These refugee-specific frictions also operate within broader constraints on labor demand: weak demand, financing constraints, labor costs, and economic uncertainty may limit firms’ willingness or ability to expand employment generally. Reducing refugee-specific barriers can therefore make formal hiring more feasible where labor demand exists, but it cannot substitute for that demand.

Research on Syrian refugee labor market integration in Türkiye has established several important facts. Studies of refugee inflows examine effects on Turkish workers’ employment, wages, informality, and sectoral allocation (Aksu, Erzan, and Kırdar 2022; Cengiz and Tekgüç 2022; Ceritoglu et al. 2017; Del Carpio and Wagner 2015; Loayza, Ulyssea, and Utsumi 2022; Tumen

¹ Refer to, for example, World Bank (2017, 2019, 2020a, 2020b, 2020c, 2021, 2022a, 2022b, 2023, 2025a, 2025b) and United Nations Development Programme (2019, 2025a, 2025b).

² Regulation Amending the Regulation on the Implementation of the International Labor Force Law, *Official Gazette* No. 32693, October 15, 2024.

2016), as well as firm responses through entry, performance, production choices, investment, market structure, informality, exports, and supply chain relationships (Akgündüz et al. 2023, 2024; Akgündüz and Torun 2020; Akgündüz, van den Berg, and Hassink 2018; Altındağ, Bakış, and Rozo 2020; Gulek 2025). A related literature examines Syrian refugees' labor market outcomes, including employment, informality, wages, job quality, gender differences, and sectoral concentration, and the legal and institutional constraints surrounding formalization and work authorization (Badalič 2023; Demirci and Kırdar 2023; Gençosman and İnkaya 2021; Hari, Nas Özen, and Testaverde 2023; International Labour Organization 2020; Kayaoglu and Erdoğan 2019; Pinedo Caro 2020). Other work examines skills, language training, active labor market programs, social assistance and work incentives, sector-specific working conditions, and social cohesion (Fatima, Nas Özen, and Raju 2026; Hari, Nas Özen, and Testaverde 2023; Nas Özen and Raju 2025). This literature shows that Syrian refugees participate extensively in local labor markets, but that employment is often informal, concentrated in particular sectors and locations, and shaped by legal, administrative, informational, and matching frictions.

Much less is known from the employer side. Firm-level studies illuminate how refugee inflows affect firm behavior and performance, but do not directly examine the decisions and constraints surrounding the recruitment, formal employment, and retention of Syrian refugee workers. Research on legal access and work authorization documents formalization constraints and uptake of formal employment pathways, but it provides limited evidence on firms' knowledge of formal employment requirements, recruitment practices, experience with Syrian refugee workers, perceived barriers to formal hiring, and demand for support. This is an important gap because firms ultimately determine whether workers' legal eligibility and availability translate into formal jobs. Even where workers are legally able and willing to work, firms may lack information about the relevant procedures, perceive authorization and compliance as complex or costly, rely on informal recruitment channels, or have limited access to matching and support services.

To our knowledge, this paper provides the first large-scale survey evidence in Türkiye that directly examines MSMEs' experience hiring Syrian refugee workers together with MSMEs' knowledge of formal employment requirements, recruitment practices, perceived barriers, and demand for support. The paper draws on a survey fielded across all 81 provinces in Türkiye in early 2026, with

a final sample of 11,062 firms weighted to represent approximately 3.2 million MSMEs in the covered survey frame. A dedicated Syrian refugee employment module was administered in 24 provinces that together accounted for approximately 95 percent of the Syrian population under temporary protection in Türkiye at the time the sampling design was developed. The questions measure hiring history and current employment, recruitment, job roles, employment arrangements, employer-reported outcomes, formal employment knowledge, and hiring barriers. Selected questions on support program awareness and use and openness to hiring with additional support were administered nationally.

The central empirical finding is a sharp contrast between limited employer participation and generally favorable reported experience among firms that have hired Syrian refugee workers. Among MSMEs in the 24 module-covered provinces, 4.5 percent report ever having hired a Syrian refugee worker and 2.6 percent currently employ one, representing roughly 100,000 and 58,000 firms, respectively. Among firms with hiring experience, 70.7 percent assess Syrian refugee workers' performance as similar to or better than that of other employees in comparable roles, while only 10.2 percent report a negative overall firm-level impact. The contrast suggests that unfavorable reported experience among firms with hiring experience is unlikely to be the main explanation for limited employer incidence. It does not, however, establish why Syrian refugee hiring remains limited overall or distinguish the relative importance of worker-side and firm-side constraints.

The findings point to substantial frictions surrounding entry into and continuation of formal hiring. Knowledge of formal employment requirements is limited: the mean knowledge score is 2.19 on a 0–6 scale, and only 43.6 percent of firms with valid responses know that a work permit or exemption is required. Procedural complexity is the most frequently reported single biggest barrier to formal hiring. Support program awareness and use also remain low. Recruitment is dominated by personal networks and direct applications rather than formal intermediation. These frictions are not distributed uniformly. Current and former employers are substantially more likely than never-employers to report that additional support would make hiring easier, identifying firms with prior hiring experience as a potentially important group for near-term support. The contribution of the analysis is therefore to identify policy-relevant constraints on the firm side and the groups of firms

that appear closest to the hiring margin, rather than to explain the low incidence of Syrian refugee hiring as a whole.

These patterns imply a differentiated policy approach rather than uniform employer support. Implementation of the work permit and work permit exemption pathways should make the applicable formal employment route clear and usable and clarify that labor law, registration, and social security obligations remain in force. Current employers may benefit from support focused on compliance, retention, and expansion; former employers may benefit from assistance addressing the reasons hiring stopped; and never-employers may benefit from lower-intensity support centered on information, guidance, matching, and reduced entry costs. Targeting should also prioritize firms and locations with credible prospects for formal hiring because employer support cannot substitute for underlying labor demand.

The remainder of the paper is organized as follows. Section 2 describes the survey, variables, weighting, empirical approach, and interpretation caveats. Section 3 presents the main empirical findings. Section 4 discusses policy implications for reducing barriers to formal hiring. Section 5 concludes and outlines a data and evaluation agenda.

2. Data, Survey Design, and Empirical Approach

This paper uses data from a large-scale survey of MSMEs fielded across Türkiye in early 2026. The survey covered all 81 of the country's provinces and included questions on Syrian refugee employment, firms' hiring experience, employer-reported outcomes, knowledge of and barriers to formal hiring, recruitment practices, support program awareness and use, and openness to hiring with additional support.

Survey Design and Covered Population

Fieldwork was conducted from January 10 to April 10, 2026, using computer-assisted personal interviewing with firm owners or senior executives. The final survey sample includes 11,062 firms and is weighted to represent approximately 3.2 million MSMEs in the covered survey frame. The sample design incorporated firm size, sector, and regional distribution (İstatistik Dünyası 2026a, 2026b).

The Syrian refugee employment questions used to identify firms' hiring history, current employer status, employer experience, formal employment knowledge, and formal hiring barriers were administered in a targeted subset of 24 provinces, 13 with oversampling and 11 without. All provinces hosting more than 10,000 Syrians under temporary protection were included, and together the 24 provinces accounted for approximately 95 percent of the Syrian population under temporary protection in Türkiye at the time the sampling design was developed. Thirteen provinces with particularly large Syrian populations were selected for oversampling to improve the precision of estimates in high-concentration areas (İstatistik Dünyası 2025).

Firms in the remaining 57 provinces were not administered these questions. Selected questions on support program awareness and use and openness to hiring with additional support were administered to all surveyed firms.

The estimates represent the covered MSME population rather than all enterprises in Türkiye because the sampling frame covers firms operating in the sectors included in the reference population provided by the Turkish Statistical Institute (TurkStat). The frame excludes agriculture and selected activities outside the coverage of the Small and Medium Enterprises Development Organization of Türkiye (KOSGEB).³ The survey frame classified firms using the thresholds for small and medium-sized enterprises in effect when the frame was constructed.⁴ Province-level estimates should not be interpreted as precise province-representative estimates, particularly where unweighted cell sizes are small. Appendix A provides further details on survey implementation, firm size definitions, frame coverage, questionnaire routing, variable construction, weighting, and interpretation.

Questionnaire Structure and Key Measures

Among firms in the 24 covered provinces, the questionnaire identifies three mutually exclusive Syrian refugee employer status groups. Current employers report both prior hiring and current

³ KOSGEB is a public institution affiliated with Türkiye's Ministry of Industry and Technology that supports the development, competitiveness, and capacity of MSMEs.

⁴ Turkish Statistical Institute, "Small and Medium-Sized Enterprises Statistics, 2024: Metadata," released December 24, 2025, Issue 54054, <https://veriportali.tuik.gov.tr/en/press/54054/metadata>.

employment of at least one Syrian refugee worker. Former employers report prior hiring but no current Syrian refugee employment. Never-employers report no prior hiring experience. Firms in the remaining 57 provinces are unobserved on employer status rather than classified as never-employers.

Questionnaire routing further determines the relevant analytical population. The questionnaire asked detailed questions on recruitment, job roles, employment arrangements, performance, firm-level impact, integration, turnover, departure reasons, and observed return intentions only of firms that had hired Syrian refugee workers. Formal employment knowledge, hiring barriers, perceived process complexity, and additional hiring costs were measured among firms in the 24 covered provinces. Selected questions on support program awareness and use and openness to hiring with additional support were administered nationally. Follow-up questions, including those on desired support and those asked only of program users, were administered only to respondents meeting the relevant preceding conditions.

The analysis focuses on three sets of outcomes. The first measures Syrian refugee employer incidence, distinguishing current, former, and never-employers. The second describes recruitment, employment arrangements, and employer-reported experience among firms that have hired Syrian refugee workers. The third captures formal hiring constraints and support needs, including formal employment knowledge, the single biggest barrier to formal hiring, perceived process complexity, additional hiring costs, support program awareness and use, and openness to hiring with additional support. Formal employment knowledge is summarized using a six-item score ranging from 0 to 6. Desired support is reported among firms indicating that additional support would make hiring Syrian refugee workers easier.

Weighting and Analytical Populations

The estimates use TurkStat-supplied design weights. The realized sample was calibrated to the joint distribution by sector and firm size of the covered MSME population. The weights for the full survey sum to 3,214,922 MSMEs, while the corresponding weighted population in the 24 covered provinces is 2,232,033 MSMEs. The population represented by each estimate follows the geographic coverage and routing of the underlying survey item.

Employer incidence, employer status, employer experience, formal employment knowledge, and indicators of formal hiring barriers therefore refer to MSMEs in the 24 covered provinces or to the relevant conditional subgroup within those provinces. Support program awareness, program use, and openness to hiring with additional support are reported for the full survey sample where the underlying questions were administered nationally. However, comparison of these indicators by employer status is necessarily restricted to firms in the 24 provinces where employer status is observed.

Within these geographic populations, the denominators vary further with questionnaire routing and item-specific valid responses. Employer experience indicators are restricted to ever-employers; desired support indicators to firms reporting that additional support would make hiring easier; and program-user questions to the program-user subsample. Item nonresponse is excluded from the relevant denominator unless otherwise noted.

Where useful, weighted percentages are converted into approximate firm counts using the relevant weighted population or conditional subpopulation. These counts should be interpreted as population estimates rather than administrative totals. Single-response items should sum to approximately 100 percent, allowing for rounding and item nonresponse, whereas multiple-response items may exceed 100 percent because firms may report more than one response.

Estimates for small subgroups, including current and former employers, program users, less commonly used recruitment channels, and some provinces, may be imprecise because of small cell sizes. The analysis therefore emphasizes aggregate patterns and policy-relevant differences rather than small contrasts across narrowly defined groups.

Empirical Approach

The analysis uses three complementary approaches. First, the paper reports weighted estimates of employer incidence, employer-reported experience, knowledge of and barriers to formal hiring, support program awareness and use, and openness to hiring with additional support.

Second, the paper compares these outcomes across employer status groups and selected firm characteristics, including firm size, sector, geography, operating conditions, investment orientation, and institutional connections. These comparisons draw on variables from the broader MSME survey, including investment activity, labor and operating constraints, digital capacity, and exposure to public support. They identify where Syrian refugee employment is more common, how firms with hiring experience report their outcomes and constraints, and which firm groups exhibit stronger hiring- or support-related indicators.

Third, Appendix C reports weighted linear probability models for three outcomes: whether a firm has ever hired a Syrian refugee worker, whether it currently employs at least one Syrian refugee worker, and whether additional support would make hiring easier. The models include firm size, sector, geography, formal employment knowledge, support program awareness, and support program use. The regression sample is restricted to the 8,591 firms in the 24 covered provinces because the formal employment knowledge score is observed only in those provinces. The models assess whether selected patterns remain after accounting for the included observed firm characteristics.

Interpretation Caveats

The analysis is observational and based on cross-sectional employer self-reports. It therefore cannot establish whether knowledge leads firms to hire, whether firms acquire knowledge through hiring, or whether unobserved characteristics jointly shape knowledge, program exposure, and hiring behavior.

A further limitation is that the employer-based survey does not observe worker-side determinants of matching and cannot distinguish the relative importance of worker-side and firm-side factors in explaining the low incidence of Syrian refugee hiring.

The survey was fielded from January to April 2026, after the October 2024 regulatory amendment introducing a work permit exemption pathway for eligible Syrians under temporary protection alongside the existing work permit system. Measures of formal employment knowledge, process complexity, and formal hiring barriers therefore describe employer knowledge and perceptions

during implementation of this revised framework. They remain relevant because firms must understand the applicable work authorization route, registration process, and labor law and social security obligations.

Work permits and work permit exemptions do not override statutory restrictions reserving certain professions or duties for Turkish citizens. The survey does not identify whether firms' current or potential Syrian refugee jobs fall within those restrictions, so the results should be interpreted as evidence of barriers within the set of jobs potentially open to formal employment rather than as evidence of access to all occupations in the covered MSME frame.

Several measures may be affected by recall, sensitivity, or social desirability bias. Former employers may recall past hiring experience imperfectly, and firms may underreport informal or irregular employment, overstate their knowledge of legal requirements, or provide favorable responses about performance or willingness to hire. Confidential survey administration and aggregate reporting reduce but do not eliminate these risks.

The questionnaire collected the number of Syrian refugee workers currently employed, but the paper does not use this variable to estimate aggregate Syrian refugee employment or employment intensity because fieldwork verification and data review identified sensitivity and internal consistency concerns. The analysis therefore focuses on the extensive margin of firm participation, specifically whether firms have ever hired or currently employ Syrian refugee workers, rather than on the number employed within firms.

Employer-reported performance, firm-level impact, turnover, integration, departure reasons, and return intentions are not independently measured worker or firm outcomes. Stated openness to hiring with additional support is likewise not equivalent to future hiring or program take-up. These measures capture employer experience, constraints, and stated support needs rather than independently measured outcomes or future behavior.

3. Empirical Findings: Employer Experience and Formal Hiring Frictions

Headline Patterns

The headline indicators show a narrow but policy-relevant employer base (Table 1). Among MSMEs in the 24 provinces covered by the Syrian refugee employment questions, 4.5 percent report ever having hired at least one Syrian refugee worker, equivalent to roughly 100,000 firms. A smaller share, 2.6 percent, currently employs at least one Syrian refugee worker, while 1.9 percent are former employers. Syrian refugee employment is therefore limited in incidence but meaningful in scale within the covered provinces.

Among firms with hiring experience, reported outcomes are generally favorable. About 71 percent assess Syrian refugee workers' performance as similar to or better than that of other employees in comparable roles, and only 10 percent report a negative firm-level impact.

The indicators also point to substantial constraints surrounding formal hiring. Among MSMEs in the 24 covered provinces with valid responses, 43.6 percent know that a work permit or exemption is required, and the mean formal employment knowledge score is 2.19 out of 6. Procedural complexity is the most frequently reported single biggest barrier, and 59 percent rate the applicable work authorization process as complex or very complex. Support program awareness and use, which are measured nationally, are also limited: 9.0 percent of MSMEs report awareness of a program supporting Syrian refugee employment, and 0.5 percent report having used such a program. Nationally, 9.2 percent report that additional support would make hiring easier (Figure 1).

Employer Incidence and Firm Characteristics

Employer incidence varies across firm characteristics. Sectoral differences are especially pronounced (Figure 2). Among MSMEs in the 24 covered provinces, manufacturing records the highest ever-employer share, at 6.4 percent; 4.3 percent currently employ Syrian refugee workers. Construction; administrative and support services; electricity, gas, steam, and air conditioning supply; and wholesale and retail trade also record relatively high employer incidence rates. These estimates should be interpreted as within-sector employer rates rather than as the distribution of all Syrian refugee employing firms across sectors because sectors differ substantially in size.

By firm size, ever-hiring is highest among small firms, at 4.9 percent, followed by micro firms at 4.5 percent and medium-sized firms at 3.7 percent. Current employment is also somewhat more common among small and medium-sized firms than among micro firms. The results do not indicate a simple monotonic relationship between firm size and Syrian refugee hiring (Appendix Figure C1; Appendix Table B1).

Syrian refugee employment is also geographically concentrated (Figure 3; Appendix Table B1). Among the 24 covered provinces, the 10 provinces with the highest ever-employer shares have an average ever-employer share of 7.3 percent, compared to 4.5 percent across all covered provinces; border provinces also record elevated shares of MSMEs currently employing Syrian refugee workers. High employer shares do not necessarily identify the provinces with the largest numbers of employing firms because provinces differ in the size of their MSME populations. Figure 3 therefore presents both within-province employer shares and estimated employer counts. This distinction matters for targeting: some provinces have high employer incidence, while others account for large numbers of Syrian refugee employing MSMEs given the size of their MSME base.

Current and former employers also differ in sectoral composition. Current employers are more concentrated in wholesale and retail trade and manufacturing, whereas former employers are more concentrated in transportation and storage (Appendix Table C1).

Employer incidence and openness to hiring with support also vary with firms' operating conditions, investment orientation, and capacity (Appendix Figure C2; Appendix Table C2). Firms that invested during the previous 12 months or plan to invest during the next 12 months report higher employer incidence, greater formal employment knowledge, higher program awareness, and stronger openness to hiring with support. Firms using advanced digital tools and firms that received KOSGEB support also report greater knowledge and program awareness, but not consistently higher hiring or openness. These patterns identify investment-oriented firms, as well as some firms reporting labor or operating constraints, as groups with comparatively high hiring- or support-related indicators.

Recruitment Channels, Job Roles, Employment Arrangements, and Integration

Among MSMEs that have hired Syrian refugee workers, recruitment is dominated by personal and direct channels. Personal networks are reported by 73.5 percent of ever-employers, followed by direct applications at 50.5 percent. Among ever-employers, 27.5 percent report using public employment services, including the Turkish Employment Agency (İŞKUR). They use online job portals, nongovernmental or humanitarian organizations, community-based organizations, and professional or business organizations much less frequently (Figure 4; Appendix Table B2).⁵

The jobs filled are concentrated in manual, support, and technical work. Manual labor and support roles are reported by 84.2 percent of ever-employers, and technical or skilled occupations by 31.6 percent (Appendix Figure C3; Appendix Table B2). Other job categories are considerably less common. Syrian refugee employment among these firms is therefore concentrated primarily in production, support, and skilled trade functions.

Employment arrangements are predominantly full-time: 85.9 percent of ever-employers report full-time arrangements. Nevertheless, 35.1 percent report at least one integration difficulty, most commonly related to cultural adaptation, language, work quality or discipline, and team integration. Nearly two-thirds report no significant integration difficulties.

Appendix Table C3 reports employer-reported outcomes by recruitment channel. The differences should not be interpreted as effects of particular recruitment channels, as firms may use multiple channels and some categories have small cell sizes.

Employer-Reported Performance, Turnover, and Mobility

Employer assessments of Syrian refugee workers are generally favorable. Among ever-employers, 70.7 percent assess performance as similar to or better than that of other employees in comparable roles, while about one-quarter report lower performance (Figure 5; Appendix Table B3).

⁵ İŞKUR is a public institution affiliated with Türkiye's Ministry of Labor and Social Security that is responsible for public employment services, including job matching, vocational training, and active labor market programs.

Only 10.2 percent of ever-employers report an overall negative impact from employing Syrian refugee workers; the remainder report positive, mixed, no, or uncertain effects.

Turnover remains an important concern. More than one-quarter of ever-employers report higher turnover among Syrian refugee workers than among other employees in similar roles. Reported departures reflect family and mobility factors, better opportunities elsewhere, workplace mismatch or integration difficulties, and legal issues or issues related to work authorization (Appendix Figure C4; Appendix Table B3). Legal issues or issues related to work authorization are cited by 26.7 percent of ever-employers.

Return intentions are relevant but not universal. About 38 percent of ever-employers report observing a full or partial intention among Syrian refugee workers to return to Syria, while 53.9 percent report no observed intention to return (Appendix Figure C4; Appendix Table B3). Among firms reporting a full or partial intention, commonly cited reasons include family considerations, perceived opportunities and security in Syria, integration challenges in Türkiye, and legal uncertainty. Most firms expect potential return to have no effect on their business, although some report workforce planning concerns or an accelerated search for replacement workers.

Formal Employment Knowledge and Hiring Barriers

The survey reveals substantial gaps in firms' knowledge of formal employment requirements. Among MSMEs in the 24 covered provinces with valid responses, 43.6 percent know that a work permit or exemption is required to employ Syrian refugee workers, and the mean formal employment knowledge score is 2.19 out of 6 (Figure 6; Appendix Table B4).

Knowledge varies sharply by hiring experience. Current employers have a mean score of 4.73, compared to 3.96 among former employers and 2.09 among never-employers. Low scores are concentrated among never-employers, whereas current employers are much more likely to fall in the highest knowledge category (Appendix Figure C5; Appendix Table C4). This pattern may reflect learning through hiring, selection of better-informed firms into hiring, or both. It documents a substantial knowledge divide between firms with and without direct Syrian refugee employment experience, but does not distinguish between these possible explanations.

Procedural complexity is the most frequently reported single biggest barrier to formal hiring (Figure 7). Among MSMEs in the 24 covered provinces with valid responses, 32.5 percent identify complexity of procedures as the main barrier. Language and communication difficulties and legal costs are the next most frequently reported barriers, followed by approval delays, preference for informal employment, and lack of guidance. These responses indicate that formal hiring frictions span administrative, cost, communication, information, and informality-related dimensions rather than a single procedural step.

When complexity, approval delays, and lack of guidance are combined, administrative barriers account for a majority of reported single biggest barriers across employer status groups (Appendix Figure C6; Appendix Table C5).

The applicable work authorization process is also widely perceived as difficult: 59 percent of firms with valid responses rate it as complex or very complex. Firms additionally report language, onboarding, supervision, and administrative costs beyond the work permit (Appendix Table B4). These patterns point to a combination of limited knowledge, administrative complexity, compliance uncertainty, and practical hiring costs surrounding formal employment.

Support Program Awareness, Use, and Openness to Hiring

Support program awareness and use are limited nationally. Only 9.0 percent of MSMEs report awareness of a program supporting the employment of Syrian refugee workers, and 0.5 percent report having used one (Figure 1; Appendix Table B5). Among firms with observed employer status in the 24 covered provinces, 10.5 percent of current employers, 5.8 percent of former employers, and 0.2 percent of never-employers report having used a program (Table 2; Appendix Table C1). Most firms with Syrian refugee hiring experience therefore report no use of formal support programs.

Among the small number of program users, financial and cost reduction instruments, particularly wage or social security premium subsidies and tax reductions or exemptions, are reported more often than training or job placement services.

Nationally, 9.2 percent of MSMEs report that additional support would make hiring Syrian refugee workers easier, equivalent to roughly 296,000 firms in the covered MSME frame. This group is substantially larger than the group that reports having used a support program. Desired support spans several areas, including financial assistance, procedural simplification, legal guidance, language and vocational training, and job placement services (Figure 8; Appendix Table B5).

Openness differs sharply by employer status within the 24 covered provinces. Among current employers, 81.3 percent report that support would make hiring easier, compared to 66.9 percent of former employers and 8.4 percent of never-employers (Figure 8; Table 2; Appendix Table C1). These differences identify firms with prior hiring experience as a potentially important group for retention, reactivation, or expansion support, but do not show how firms would respond to a particular intervention.

Adjusted Associations

Appendix Table C6 reports weighted linear probability models for three outcomes: ever-hiring, current employment of at least one Syrian refugee worker, and whether additional support would make hiring easier. The models include firm size, sector, geography, formal employment knowledge, and support program awareness and use. All three models are estimated on the 8,591 firms in the 24 covered provinces because the formal employment knowledge score is observed only in those provinces. The estimates report conditional associations after accounting for the included firm characteristics.

Sector remains strongly associated with employer incidence after accounting for the included covariates. Several sector coefficients remain statistically significant, whereas the geographic indicators are generally not significantly associated with ever-hiring or current employment. For openness to hiring with additional support, the geographic associations are mixed: high Syrian refugee density provinces are negatively associated with openness, while the positive association for border provinces is statistically significant only at the 10 percent level.

Formal employment knowledge is positively associated with all three outcomes. A one-point increase in the 0–6 knowledge score is associated with a 1.4 percentage-point increase in ever-

hiring, a 1.0 percentage-point increase in current employment, and a 1.0 percentage-point increase in reporting that additional support would make hiring easier. These associations are consistent with the observed knowledge divide between firms with and without direct hiring experience, but they do not establish whether greater knowledge increases hiring or instead reflects prior hiring experience.

Support program awareness is positively associated with ever-hiring and openness to hiring with additional support, but it is not significantly associated with current employment. Program use is strongly positively associated with all three outcomes. Program-connected firms are highly selected and may differ substantially from other firms in prior hiring experience, motivation, administrative capacity, sector, and location.

Empirical Synthesis

Three findings stand out. First, employer participation is limited in the 24 covered provinces, but reported experience among firms that have hired Syrian refugee workers is generally favorable. Second, formal employment knowledge is limited and administrative frictions are substantial, with large differences in knowledge by prior hiring experience. Third, stated openness to additional support is concentrated among firms already at or near the Syrian refugee hiring margin: current and former employers are far more likely than never-employers to report that additional support would make hiring easier.

Sector, geography, and firm conditions further indicate where these patterns are concentrated. Employer incidence varies substantially across sectors and provinces, while investment-oriented firms display comparatively high hiring- and support-related indicators. Support program awareness and use remain low nationally. These patterns motivate the differentiated policy responses discussed in Section 4.

Table 1. Headline Indicators of Syrian Refugee Employment, Formal Employment Knowledge, Hiring Barriers, and Openness to Hiring with Support among Turkish MSMEs

Indicator	Weighted estimate	Estimated number of MSMEs
A. Employer incidence		
Ever hired at least one Syrian refugee worker	4.5%	~100,000
Currently employs at least one Syrian refugee worker	2.6%	~58,000
Former Syrian refugee employer	1.9%	~42,000
B. Employer experience among ever-employers		
Performance similar to or better than other employees in similar roles	70.7%	—
Negative firm-level impact from employing Syrian refugee workers	10.2%	—
Turnover rate higher than other employees in similar roles	27.5%	—
Observes intention among Syrian refugee workers to return to Syria, yes or partially	37.9%	—
C. Formal employment knowledge and barriers		
Knows work permit or exemption is required	43.6%	~974,000
Mean formal employment knowledge score, 0–6	2.19	—
Complexity of procedures is the single biggest barrier to formal hiring	32.5%	~726,000
Work permit or exemption process rated complex or very complex	59.0%	~1.3 million
D. Support program awareness and openness to hiring with additional support		
Aware of any program supporting employment of Syrian refugee workers	9.0%	~288,000
Has used any such program	0.5%	~17,000
Additional support would make it easier to hire Syrian refugee workers	9.2%	~296,000
Among firms open to hiring with additional support: wants stronger financial support	93.8%	~277,000
Among firms open to hiring with additional support: wants simplification and acceleration of work permit procedures	90.5%	~268,000
Among firms open to hiring with additional support: wants clear legal guidance	85.9%	~254,000

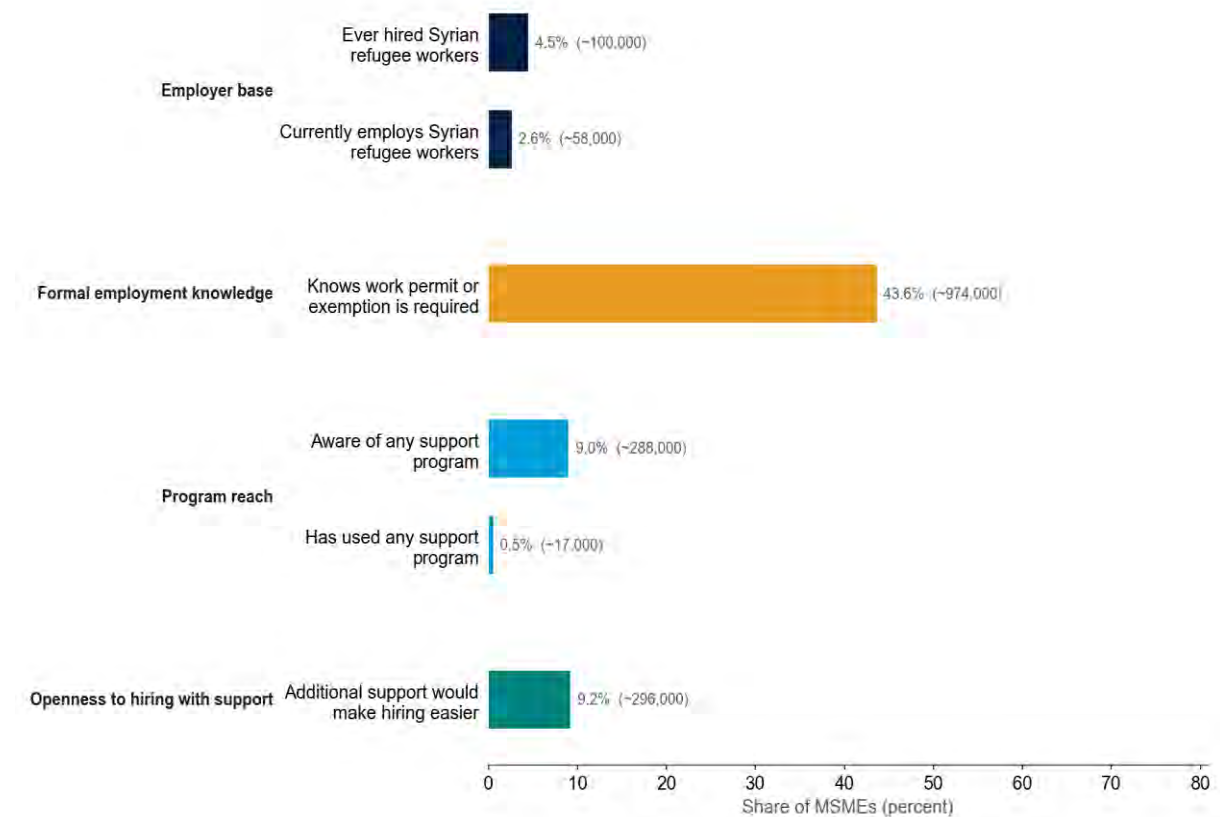
Notes: Estimates are weighted using TurkStat-supplied design weights. The Syrian Refugee Worker Employment Module was administered in 24 of the survey's 81 provinces; accordingly, Panels A to C refer to MSMEs in those 24 provinces. Panel D refers to the full national sample because the underlying questions were administered to all surveyed firms. Measures of formal employment knowledge and formal hiring barriers reflect the work authorization framework in place during fieldwork, following the October 2024 regulatory amendment.

Table 2. Selected Indicators by Syrian Refugee Employer Status among Turkish MSMEs

Indicator	Current employers	Former employers	Never-employers	All MSMEs
Share of MSME population (%)	2.6	1.9	95.5	100.0
Estimated number of firms	~58,000	~42,000	~2.1 million	~2.2 million
Mean formal employment knowledge score, 0–6	4.73	3.96	2.09	2.19
Knows work permit or exemption is required (%)	79.0	84.7	41.9	43.6
Aware of any program supporting employment of Syrian refugee workers (%)	36.9	34.3	9.9	9.0
Has used any such program (%)	10.5	5.8	0.2	0.5
Additional support would make hiring easier (%)	81.3	66.9	8.4	9.2
Administrative barrier category among single biggest barriers (%)	55.3	55.8	56.6	56.6

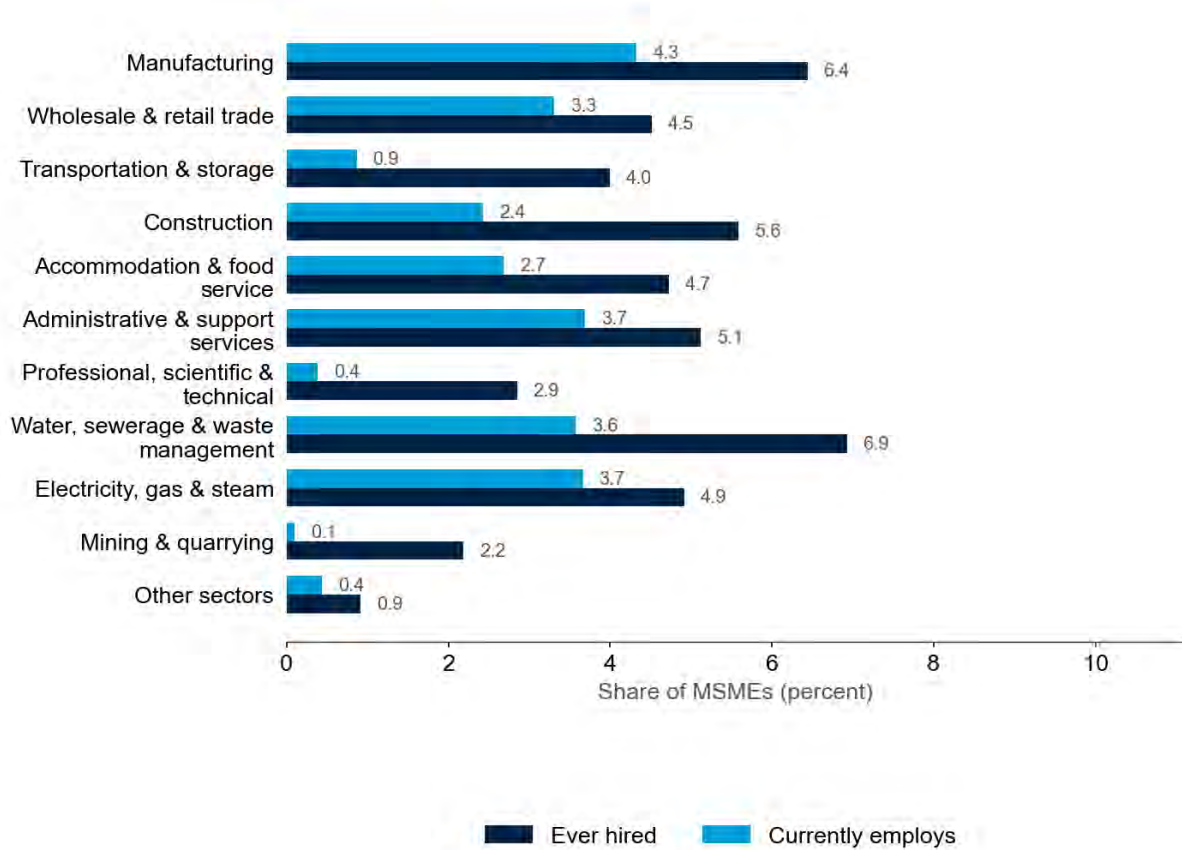
Notes: Estimates are weighted using TurkStat-supplied design weights. Employer status columns refer to MSMEs in the 24 provinces where the Syrian Refugee Worker Employment Module was administered. In the “All MSMEs” column, support program awareness, program use, and openness to hiring with additional support are reported for the full national sample because these questions were administered to all surveyed firms; all other indicators refer to MSMEs in the 24 module-covered provinces. The formal employment knowledge score ranges from 0 to 6. Administrative barriers combine complexity of procedures, length of approval processes, and lack of adequate guidance and information. Formal employment knowledge and administrative barrier measures reflect the work authorization framework in place during fieldwork, following the October 2024 regulatory amendment.

Figure 1. Employer Base, Formal Employment Knowledge, Program Reach, and Openness to Hiring with Support among Turkish MSMEs



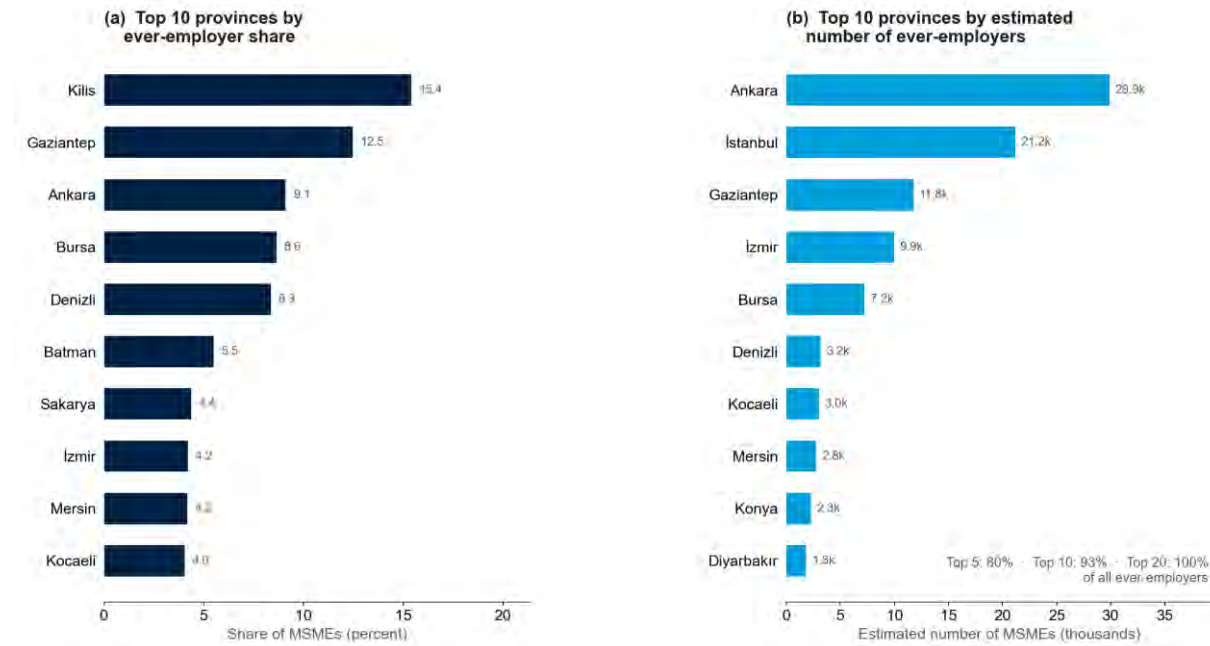
Notes: The figure shows selected indicators of employer base, formal employment knowledge, support program awareness and use, and openness to hiring with support. Employer base and formal employment knowledge indicators refer to MSMEs in the 24 provinces where the Syrian Refugee Worker Employment Module was administered; formal employment knowledge is reported among firms with valid responses to the relevant item. Indicators of support program awareness and use and openness to hiring with support refer to the full national sample because the underlying questions were administered to all surveyed firms. Formal employment knowledge reflects the work authorization framework in place during fieldwork, following the October 2024 regulatory amendment.

Figure 2. Syrian Refugee Employer Incidence among Turkish MSMEs, by Sector



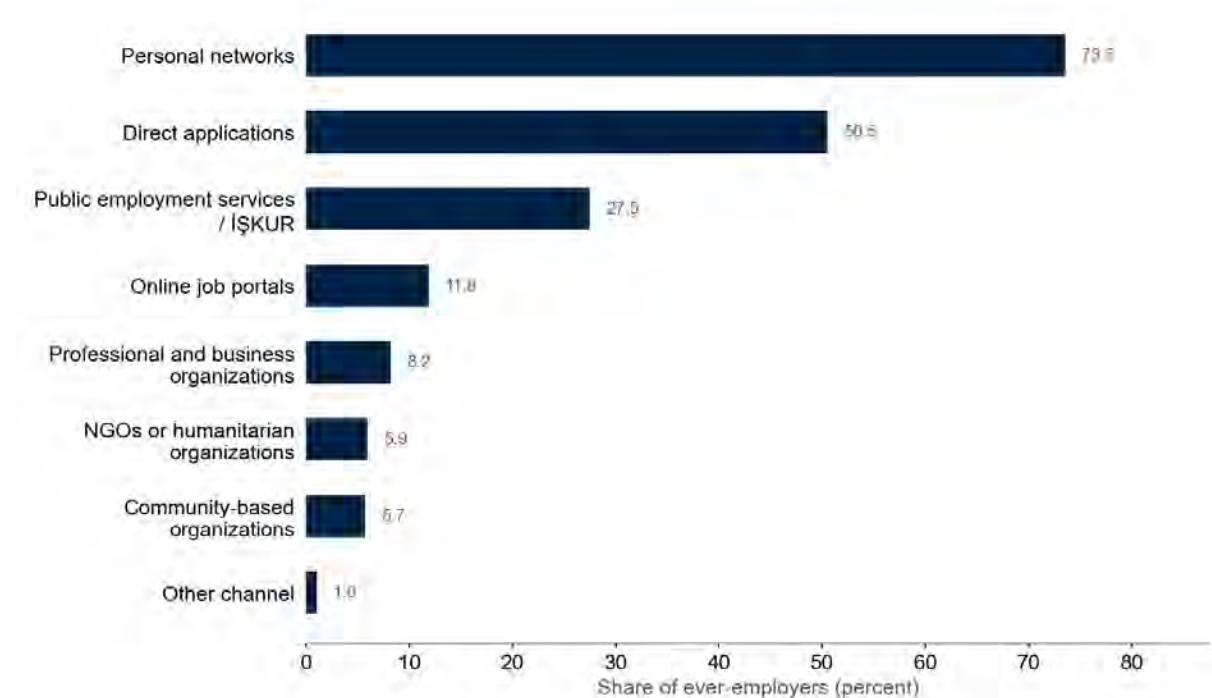
Notes: The figure shows shares of MSMEs that have ever hired and currently employ Syrian refugee workers, by sector. Percentages are reported within each sector among MSMEs in the 24 provinces where the Syrian Refugee Worker Employment Module was administered. Sectors follow the Statistical Classification of Economic Activities in the European Community (NACE Rev. 2), and “other sectors” combines sectors not shown separately.

Figure 3. Geographic Concentration of Syrian Refugee Employing MSMEs: Employer Shares and Estimated Counts



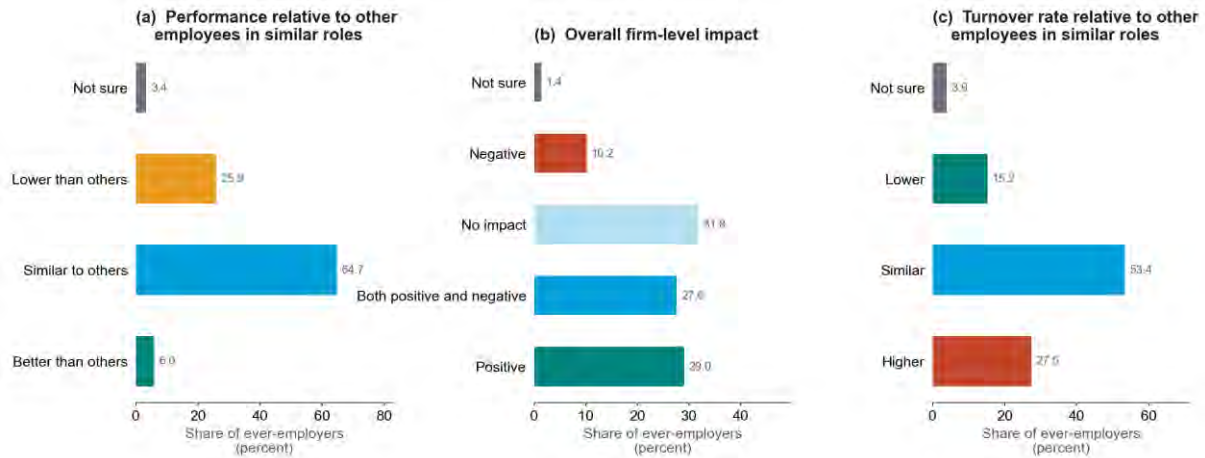
Notes: The figure shows province-level Syrian refugee employer incidence and estimated employer counts. Panel (a) reports the share of MSMEs that have ever hired at least one Syrian refugee worker, by province. Panel (b) reports the corresponding estimated number of MSMEs. Both panels show the top 10 provinces among the 24 provinces where the Syrian Refugee Worker Employment Module was administered and exclude provinces with fewer than 10 unweighted observations. Counts are rounded.

Figure 4. Recruitment Channels Used by Syrian Refugee Employing MSMEs



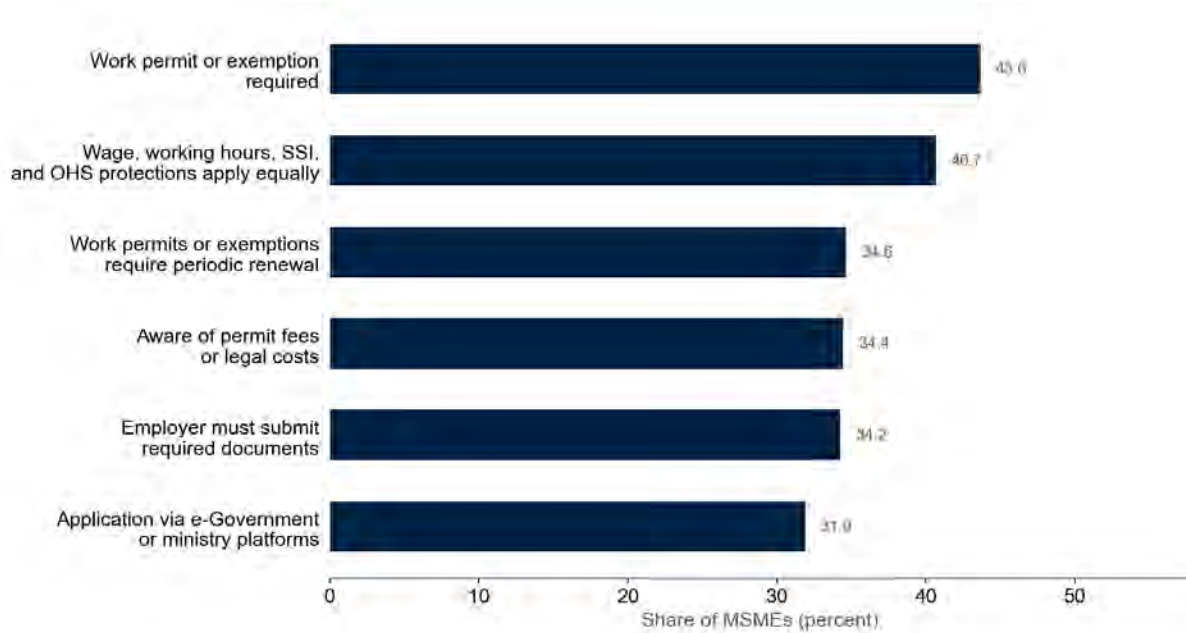
Notes: The figure shows shares of Syrian refugee employing MSMEs reporting each recruitment channel. Percentages are reported among MSMEs in the 24 provinces where the Syrian Refugee Worker Employment Module was administered that have ever hired Syrian refugee workers. The item is multiple-response, so percentages need not sum to 100.

Figure 5. Employer-Reported Performance, Firm-Level Impact, and Turnover among Syrian Refugee Employing MSMEs



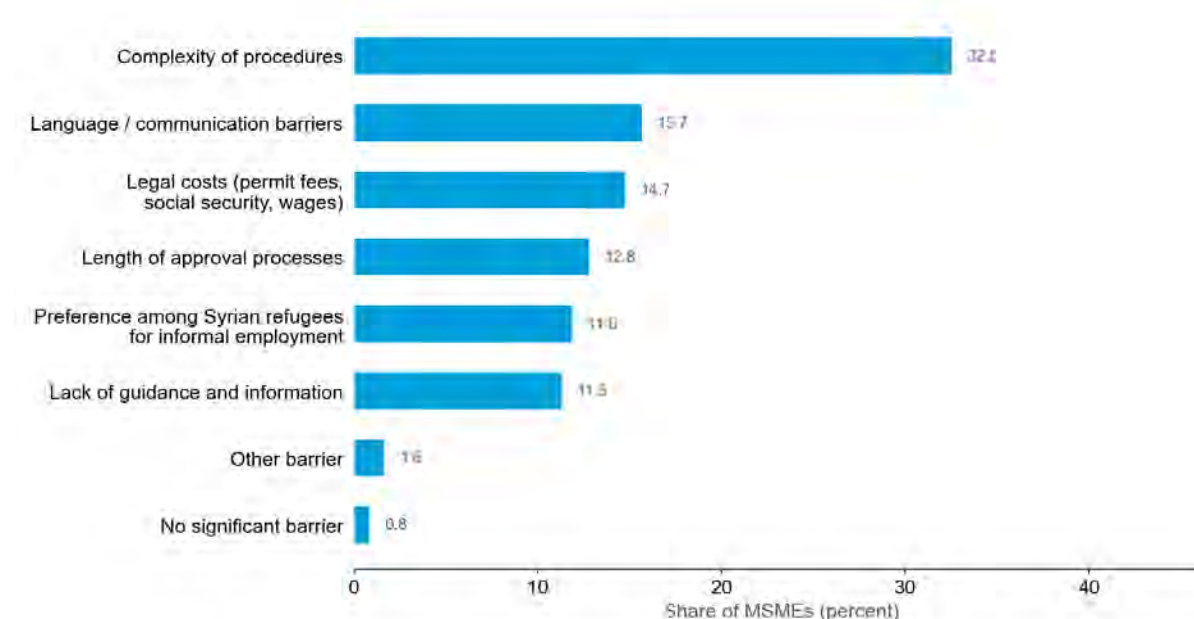
Notes: The figure shows shares of ever-employers reporting employer-assessed performance, overall firm-level impact, and turnover of Syrian refugee workers relative to other employees in similar roles. Percentages are reported among MSMEs in the 24 provinces where the Syrian Refugee Worker Employment Module was administered that have ever hired Syrian refugee workers. Each panel is single-response and sums to approximately 100 percent, allowing for rounding.

Figure 6. MSME Knowledge of Formal Employment Requirements for Syrian Refugee Workers



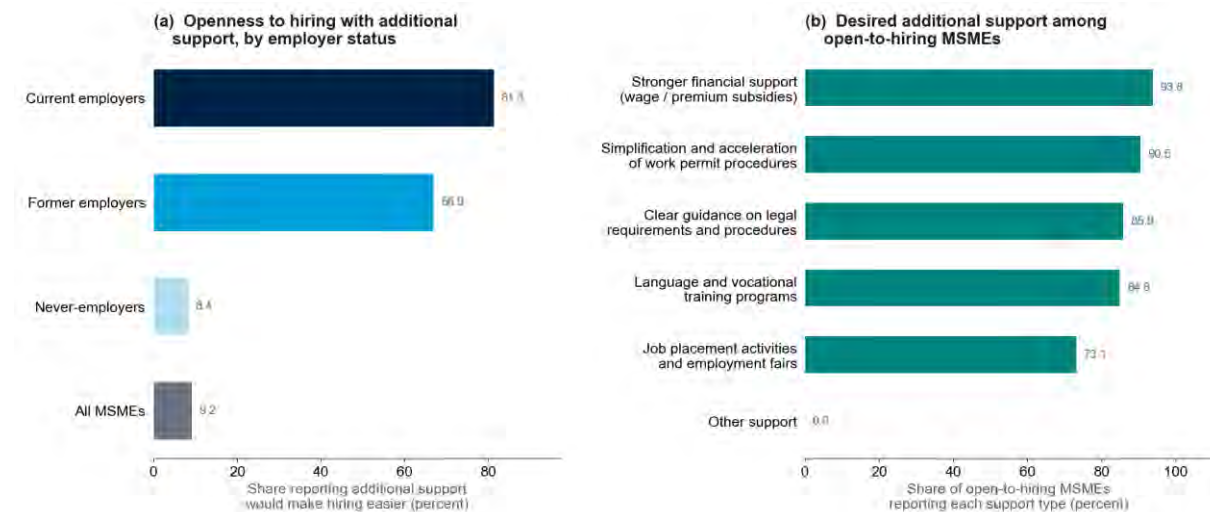
Notes: The figure shows shares of MSMEs reporting awareness of the six formal employment requirements available in the survey data. Percentages are reported among MSMEs with valid responses in the 24 provinces where the Syrian Refugee Worker Employment Module was administered. Formal employment knowledge reflects the work authorization framework in place during fieldwork, following the October 2024 regulatory amendment. OHS = occupational health and safety; SSI = Social Security Institution.

Figure 7. The Single Biggest Barrier to Formally Hiring Syrian Refugee Workers



Notes: The figure shows shares of MSMEs reporting the single biggest barrier to formally hiring Syrian refugee workers. Percentages are reported among MSMEs with valid responses in the 24 provinces where the Syrian Refugee Worker Employment Module was administered. First-ranked barrier categories are mutually exclusive and sum to approximately 100 percent, allowing for rounding. “Other barrier” records a supplementary free-text response and is not mutually exclusive with the first-ranked categories; percentages may therefore exceed 100 percent when it is included. Barriers reflect the work authorization framework in place during fieldwork, following the October 2024 regulatory amendment.

Figure 8. Openness to Hiring with Additional Support and Desired Support among Turkish MSMEs



Notes: The figure shows shares of MSMEs reporting that additional support would make hiring Syrian refugee workers easier, by employer status, and desired support among firms open to hiring with additional support. The percentages in Panel (a) are reported within employer status groups in the 24 provinces where the Syrian Refugee Worker Employment Module was administered. The percentages in Panel (b) are reported among MSMEs in the full national sample that indicated that additional support would make hiring easier. Desired support is multiple-response, so percentages need not sum to 100.

4. Policy Implications for Reducing Barriers to Formal Hiring

The findings point to a practical policy agenda centered on reducing the administrative and practical costs firms face when hiring Syrian refugee workers formally. These refugee-specific frictions operate within broader constraints on labor demand, including weak demand, financing constraints, labor costs, and economic uncertainty. Türkiye's work authorization framework includes both work permits and, following the October 2024 regulatory amendment, work permit exemptions for eligible Syrians under temporary protection. The policy priority is therefore to make the applicable formal employment pathway clear, accessible, and connected to registered employment while maintaining labor law and social security compliance.

Clarify Work Authorization Pathways and Provide Active Employer Guidance

The first priority is to make the applicable work authorization pathway operationally clear and usable. Procedural complexity is the most frequently reported single biggest barrier to formal hiring, and firms with direct hiring experience are substantially more knowledgeable about formal employment requirements than never-employers. Effective implementation therefore depends on firms understanding which authorization route applies, the relevant eligibility and documentation requirements, applicable occupational and provincial restrictions, and any duration, renewal, or re-notification requirements.

Implementation should combine process simplification with active employer guidance. Clear employer-facing procedures, supported by concise checklists, guidance materials, eligibility tools, worked examples, and accessible advisory support, could assist firms before hiring, during onboarding, and when documentation must be updated. Where feasible, digital systems should reuse information already held by public agencies and minimize repeated documentation requests.

Guidance should be designed with micro and small firms in mind, given their often limited legal and human resource capacity. It should also make clear that use of a work permit exemption does not authorize informal employment or remove obligations related to registration, wages, working hours, occupational health and safety, and social security. Public agencies should deliver guidance through channels firms already use, including local offices, chambers, organized industrial zones, advisory services, and peer networks.

Link Informal Recruitment to Formal Matching

Policy should strengthen formal matching without attempting to replace the personal networks and direct applications through which many firms already recruit Syrian refugee workers. These channels can connect firms and workers quickly, but they do not necessarily provide reliable information on eligibility, registration, or available support.

The objective should therefore be to connect informal and direct recruitment channels to formal hiring pathways. İŞKUR can support vacancy registration, candidate referral, and access to active labor market programs. Local public, business, municipal, and community intermediaries can help identify firms and workers, disseminate information, and provide referrals to relevant services. These advisory and referral functions should remain clearly separate from work authorization decisions administered by the responsible public authorities.

Matching support could initially focus on sectors and provinces with substantial hiring experience, large employer counts, or comparatively high stated openness to hiring with support. This would make intermediation more responsive to observed patterns of labor demand and reduce the risk that services are spread too thinly across firms with limited near-term engagement.

Package and Differentiate Employer Support

Low support program awareness and use, combined with the substantially larger share of firms reporting that additional support would make hiring easier, suggest that support may need to address multiple constraints rather than a single barrier. A practical support package could combine procedural assistance, appropriately targeted financial support, training, onboarding, and matching.

Procedural assistance should help firms understand and use the applicable work authorization route and meet continuing registration and compliance requirements. Temporary financial support may be considered where firms have labor demand but social security contributions, onboarding, or administrative costs discourage formal hiring. Such support should be carefully targeted and time-bound. Active labor market program effects vary across designs, participant groups, and labor

market conditions, and gains for supported firms or workers may partly reflect deadweight, substitution, or displacement rather than net employment creation (Heckman, LaLonde, and Smith 1999; Le Barbanchon, Schmieder, and Weber 2024). Language and vocational training can address communication, productivity, and integration concerns, while job placement support can connect interested firms with suitable workers.

Support should also be differentiated by firms' prior hiring experience. Current employers may need assistance with compliance, retention, and expansion. Former employers may require reactivation support focused on the reasons hiring stopped, including turnover, administrative burdens, uncertainty about work authorization, workplace integration difficulties, or changes in labor demand. Never-employers may need a lower-intensity entry package centered on information, guidance, matching, and reduced entry costs. This differentiated approach is more consistent with the observed differences across employer status groups than treating the MSME population as a homogeneous target group.

Target Firms, Sectors, and Locations

Implementation should be geographically, sectorally, and operationally focused. In the 24 covered provinces, Syrian refugee employment is concentrated in particular sectors and locations, while some firm groups exhibit comparatively high hiring- and support-related indicators. Employer support cannot substitute for underlying labor demand, so outreach could prioritize firms and areas with substantial hiring experience, large employer counts, or other indicators consistent with a realistic prospect of formal hiring.

Operational planning should use both employer shares and estimated employer counts. Shares identify provinces or sectors where hiring is relatively common, while estimated counts identify where larger numbers of Syrian refugee employing MSMEs are located. The two measures need not identify the same places; both can therefore inform geographic and sectoral priorities.

Firm conditions should also inform implementation. Firms with recent or planned investments and firms open to hiring with support display comparatively high hiring- or support-related indicators.

Firms using advanced digital tools or connected to KOSGEB support appear more likely to be informed and aware of support programs than to hire consistently at higher rates.

A practical delivery model would combine national standardization with local implementation. National agencies should clarify rules, standardize guidance, define responsibilities, and set program parameters. Local public, business, and community actors can support outreach, referral, matching, and implementation troubleshooting. Work authorization decisions should remain clearly separated from these advisory functions.

Address Retention and Workforce Mobility

Policy should address retention as well as initial hiring. Although employer-reported performance is generally favorable, turnover, mobility, and issues related to work authorization remain concerns among firms with hiring experience. Onboarding, language support, clearer guidance on documentation and social security obligations, and assistance with workplace integration may therefore help firms sustain formal employment.

Return intentions should not be treated as universal. Some employers report observing a full or partial intention among Syrian refugee workers to return to Syria, but most do not. Where return, relocation, or onward migration affects sectors or provinces with substantial Syrian refugee employment, practical workforce planning support may help firms manage replacement hiring and associated registration, contractual, and social security requirements.

Phase, Monitor, and Evaluate Implementation

The evidence is observational, and stated openness is not revealed behavior. The findings should therefore guide prioritization and program design rather than be read as proof that any specific intervention will increase formal employment. Interventions should be phased, monitored, and evaluated in priority sectors, provinces, and firm groups before being scaled.

Monitoring should track program take-up, use of the applicable work authorization route, formal job starts, social security registration, retention, firm satisfaction, and selected worker outcomes. It should distinguish completion of the applicable work authorization process from successful

formalization, and gains among supported firms or workers from net employment creation. Where feasible, evaluations should assess whether supported hiring represents additional employment or instead reflects substitution, displacement, or hiring that would have occurred without support. The relevant outcome is not simply whether firms complete an administrative step, but whether formal jobs are created, registered, compliant, and sustained.

Where financial support is used, program design should link payments to formal hiring, compliance, and retention rather than participation alone. The duration and targeting rules of financial support should be reviewed as evidence accumulates on take-up, additionality, retention, and spillovers.

The objective is not simply to increase Syrian refugee employment among MSMEs, but to make formal hiring more predictable, accessible, and sustainable for firms and workers.

Table 3 summarizes the empirical findings, policy implications, and illustrative operational responses.

Table 3. Empirical Findings and Policy Implications for Formal Employment of Syrian Refugees in MSMEs

Empirical finding	Policy implication	Illustrative operational response
Syrian refugee employment among MSMEs is limited, despite generally favorable reported outcomes among firms with hiring experience.	The evidence identifies firm-side constraints relevant to entering and sustaining formal employment, but it does not explain the low incidence of Syrian refugee hiring overall.	Reduce the administrative and practical costs of formal hiring and prioritize firms with prior hiring experience or stated openness to hiring with support.
Knowledge of formal employment requirements is limited, and procedural complexity is the most frequently reported single biggest barrier.	The applicable work authorization pathways should be clear, predictable, and employer friendly.	Provide clear employer-facing guidance covering eligibility, the applicable authorization route, occupational restrictions, required forms, provincial rules, duration, renewal or re-notification, and labor law and social security obligations; offer guidance before hiring and during onboarding.
Recruitment relies heavily on personal networks and direct applications, while formal intermediation is less commonly used.	Formal matching should complement rather than displace existing personal and direct recruitment channels.	Link personal and community referrals to İŞKUR vacancy registration, candidate referral, active labor market programs, and local advisory and support services.
Support program awareness and use are low, and a larger group of firms reports that additional support would make hiring easier.	Support should address firms' combined procedural, cost, matching, training, and integration constraints rather than rely on isolated instruments.	Combine procedural assistance, targeted temporary financial support, language and vocational training, onboarding, and job placement services.
Current and former employers are much more likely than never-employers to report openness to hiring with additional support.	Support should be differentiated by prior hiring experience.	Provide retention and expansion support for current employers, reactivation support for former employers, and lower-intensity entry support for never-employers.
Firms with recent or planned investments and firms open to hiring with support display comparatively high hiring- or support-related indicators.	Targeting should focus on firms with credible labor demand and a realistic prospect of hiring formally.	Prioritize firms with prior hiring experience, stated openness, recent or planned investment, or relevant labor constraints.
Syrian refugee employment is concentrated in particular sectors and local labor markets, and employer shares and estimated counts can point to different priorities.	Implementation should be geographically and sectorally targeted.	Use both employer shares and estimated employer counts to identify priority provinces, sectors, and local delivery partnerships.

Table 3. Empirical Findings and Policy Implications for Formal Employment of Syrian Refugees in MSMEs

Empirical finding	Policy implication	Illustrative operational response
Turnover, mobility, and return intentions are relevant but not universal.	Policy should address retention and workforce planning as well as initial hiring.	Offer onboarding, language and integration support, documentation guidance, and practical assistance when workers relocate, return, or leave.
The evidence is observational.	Interventions should be phased, monitored, and evaluated before scaling.	Track take-up, formal job starts, social security registration, retention, firm satisfaction, and selected worker outcomes and distinguish results by employer status, sector, and location.

Notes: The operational responses are illustrative rather than prescriptive. References to work authorization pathways reflect the October 2024 regulatory amendment introducing a work permit exemption pathway alongside the existing work permit system. İŞKUR = Turkish Employment Agency.

5. Conclusion

Syrian refugee employment among MSMEs in the 24 provinces covered by the relevant survey questions is limited in incidence but meaningful in scale. About 4.5 percent of firms have ever hired Syrian refugee workers and 2.6 percent currently employ them, representing roughly 100,000 and 58,000 firms, respectively. Reported experience among firms that have hired Syrian refugee workers is generally favorable: most assess Syrian refugee workers' performance as similar to or better than that of other employees in comparable roles, and only a minority report negative firm-level effects. The key empirical contrast is therefore between limited employer participation and generally favorable reported experience among firms with hiring experience.

The findings point to substantial firm-side frictions surrounding entry into and continuation of formal hiring. Among firms in the 24 covered provinces, formal employment knowledge is limited, and procedural complexity is the most frequently reported single biggest barrier. Nationally, support program awareness and use are low. Among firms with hiring experience, recruitment relies heavily on personal networks and direct applications, while turnover, integration, and other practical hiring and retention issues remain relevant. The October 2024 introduction of a work permit exemption pathway alongside the existing work permit system expanded the available formal work authorization routes, but firms must still understand the applicable process, comply with labor law and social security obligations, and connect recruitment to formal employment.

The evidence is consistent with a differentiated policy approach rather than uniform employer assistance. Implementation should make the applicable work authorization pathway clear and usable, reduce unnecessary administrative burdens, and strengthen matching and support services. Current employers may benefit from assistance focused on compliance, retention, and expansion; former employers may benefit from support addressing the reasons hiring stopped; and never-employers may benefit from lower-intensity assistance centered on information, guidance, matching, and reduced entry costs. Targeting could also take account of firms' prior hiring experience, stated openness to support, and indicators of labor demand and investment orientation.

The evidence is observational and employer reported. It identifies where employer experience, constraints, and stated support needs are concentrated. However, it does not establish why Syrian

refugee hiring remains limited overall or distinguish the relative importance of worker-side and firm-side constraints. It also cannot determine whether knowledge, program exposure, or stated openness causes firms to hire or predicts how they would respond to a particular intervention.

A key analytical priority is to combine firm-side evidence with worker-side and administrative data. Where feasible and consistent with data protection requirements, firm survey responses could be linked to administrative records on work authorization, social security registration and contributions, employment services, and formal employment, and complemented by worker-side data on job search, preferences, awareness, and matching constraints. Such evidence, supplemented by follow-up surveys, could help distinguish where matches fail to form from where they subsequently break down. It could also help establish whether firms use the applicable work authorization route, hire formally, and retain workers. Future interventions should be designed with evaluation from the outset, with outcomes distinguished by prior hiring experience and other firm characteristics that may shape participation and response.

The next phase of research and policy experimentation should test whether targeted support can translate employer awareness and stated openness into formal hiring and improve retention and expansion among firms with prior hiring experience. In a context of long-duration displacement and growing return and mobility, understanding which interventions generate sustained formal employment matters for refugee self-reliance, firm workforce planning, social cohesion, and the credibility of formal labor market pathways.

Data Availability

The survey data used in this paper are proprietary to the Small and Medium Enterprises Development Organization of Türkiye (KOSGEB) and the World Bank and cannot be made publicly available because they contain confidential firm information and are subject to institutional restrictions on data use and disclosure. Any replication materials that can be disclosed without compromising confidentiality will be made available in accordance with World Bank policies.

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Appendix A. Survey Design, Variable Definitions, and Data Quality

This appendix provides the technical details underlying Section 2, including the survey design and the covered population, questionnaire structure and routing, variable construction, weighting and denominator conventions, and key data quality and interpretation issues.

Survey Design and Fieldwork

The survey was organized by the Small and Medium Enterprises Development Organization of Türkiye (KOSGEB) with World Bank support. It was a multi-topic survey of micro, small, and medium-sized enterprises (MSMEs) covering firm characteristics, access to finance, firm performance, support programs, green and digital transformation, and employment. This paper draws primarily on questions concerning the employment of Syrian refugee workers and, for selected comparisons by firm characteristics, on variables from the broader questionnaire.

Fieldwork was conducted from January 10 to April 10, 2026, using computer-assisted personal interviewing with firm owners or senior executives (İstatistik Dünyası 2026a, 2026b). The survey covered all 81 provinces of Türkiye. The sample design incorporated firm size, sector, and regional distribution, and the final survey sample includes 11,062 valid interviews.

The Syrian refugee employment questions used to identify firms' hiring history, current employer status, employer experience, formal employment knowledge, and formal hiring barriers were administered in a targeted subset of 24 provinces. The geographic design included all provinces hosting more than 10,000 Syrians under temporary protection, which together accounted for approximately 95 percent of the Syrian population under temporary protection in Türkiye at the time the sampling design was developed. Within this group, 13 provinces hosting more than 40,000 Syrians under temporary protection were selected for oversampling to improve the precision of estimates in high-concentration areas (İstatistik Dünyası 2025).

The 13 provinces with oversampling and implementation of the Syrian Refugee Worker Employment Module were Adana, Ankara, Bursa, Gaziantep, Hatay, İstanbul, İzmir, Kahramanmaraş, Kayseri, Kilis, Konya, Mersin, and Şanlıurfa. The module was also administered without oversampling in Adıyaman, Batman, Denizli, Diyarbakır, Kocaeli, Malatya, Manisa, Mardin, Nevşehir, Osmaniye, and Sakarya. Firms in the remaining 57 provinces were not administered these questions.

Selected questions on support program awareness and use and openness to hiring with additional support were administered to all surveyed firms. The desired support follow-up was administered through this national support pathway to firms indicating that additional support would make hiring easier.

Field implementation was preceded by interviewer training, desk-based testing, pretesting, and pilot field implementation. Findings from these activities informed revisions to question wording, technical terminology, questionnaire flow, skip logic, mandatory fields, and digital validation rules. Quality assurance included telephone verification, back-checks, field accompaniment, range

and logical consistency checks, duplicate record detection, missing data checks, and post-field consistency reviews (İstatistik Dünyası 2026a, 2026b).

Covered MSME Population and Firm Size Definitions

The analysis uses Turkish Statistical Institute (TurkStat) supplied design weights based on the reference population and information on sampling probabilities. The realized sample was calibrated to the joint distribution by sector and firm size of the covered reference population. The weights for the full survey sum to 3,214,922 MSMEs, reported in the paper as approximately 3.2 million. For indicators based on questions administered only in the 24 provinces covered by the Syrian refugee employment questions, estimates refer to the corresponding weighted MSME population in those provinces, which totals 2,232,033 firms. Indicators based on questions administered nationally refer to the full covered MSME population, while conditional indicators use the relevant item-specific weighted subpopulation.

The survey frame, provided by TurkStat, classified firms using the thresholds for small and medium-sized enterprises in effect when the frame was constructed (Turkish Statistical Institute 2025). Micro enterprises are firms with fewer than 10 employees and annual net sales revenue or financial balance sheet totals not exceeding TRY 10 million. Small enterprises are firms with fewer than 50 employees and annual net sales revenue or financial balance sheet totals not exceeding TRY 100 million. Medium-sized enterprises are firms with fewer than 250 employees and annual net sales revenue or financial balance sheet totals not exceeding TRY 500 million.

The sampling frame covers firms operating in the sectors and subcategories of the Statistical Classification of Economic Activities in the European Community, Revision 2 (NACE Rev. 2) included in the TurkStat-provided reference population and eligible for KOSGEB coverage. The estimates therefore represent the covered MSME population rather than all enterprises in Türkiye. The frame excludes agriculture and selected activities outside the covered sectors and NACE Rev. 2 subcategories.

Province-level estimates should not be interpreted as precise province-representative estimates, particularly where unweighted cell sizes are small.

Questionnaire Structure and Routing

This paper draws primarily on the Syrian Refugee Worker Employment Module and, for selected comparisons, on variables on firm characteristics from the broader MSME questionnaire. Table A1 summarizes the structure, analytical use, and geographic coverage of the relevant questions.

Table A1. Structure of the Syrian Refugee Worker Employment Module

Section	Topic	Main response formats	Main use in the paper	Geographic coverage
A. Experience with Syrian Refugee Workers	Hiring history, current employment, employment arrangements, recruitment, job roles, employer-reported outcomes, turnover, integration, and return-related questions	Yes/no, single response, multiple response, numeric count, percentage	Employer incidence and experience among ever-employers	Relevant questions administered in 24 provinces
B. Barriers to Hiring Syrian Refugee Workers	Awareness of formal employment requirements, the single biggest barrier to formal hiring, perceived process complexity, and additional costs	Yes/no matrix, single response, multiple response	Formal employment knowledge, hiring barriers, process complexity, and additional costs	Relevant questions administered in 24 provinces
C. Incentives and Support Mechanisms	Support program awareness and use, openness to hiring with additional support, and desired support	Yes/no, Likert-type scales, single response, multiple response	Support program awareness and use, openness to hiring with support, and desired support	Selected support questions were administered nationally

Part A of the module first asks whether the firm has ever hired Syrian refugee workers and then asks firms with prior hiring experience whether they currently employ any Syrian refugee workers. Ever-employers are subsequently asked about employment arrangements, recruitment, job roles, employer-reported performance and firm-level impact, turnover, integration, departure reasons, return intentions, and the business implications of possible return to Syria. Part B asks about knowledge of formal employment requirements, the single biggest barrier to formal hiring, perceived complexity of the applicable work authorization process, and additional costs beyond the work permit. Part C asks about support program awareness and use, openness to hiring with additional support, and desired support.

Geographic coverage differs across these questions. Hiring history, current employment, employer experience, formal employment knowledge, and formal hiring barriers are observed for firms in the 24 provinces in which the relevant questions were administered. By contrast, support program awareness, support program use, and openness to hiring with additional support were administered to all 11,062 surveyed firms. Desired support was administered to firms routed from the nationally administered openness question. These support indicators can therefore be reported for the full national sample or the relevant national subsample or, when comparisons by employer status are made, for firms in the 24 provinces where employer status is observed.

Questionnaire routing further determines the relevant analytical population for each indicator. Firms reporting that they had never hired Syrian refugee workers skipped the detailed employer experience questions in Part A. Employer experience indicators are therefore reported among ever-employers. Desired support indicators are reported among firms indicating that additional support would make hiring easier, and questions asked only of program users use the corresponding subsample. Item nonresponse is excluded from the relevant denominator unless otherwise noted.

The formal employment knowledge and single biggest barrier items have valid responses for 8,591 firms in the 24 covered provinces, comprising 361 ever-employers and 8,230 never-employers. Estimates for these items therefore refer to this analytical population rather than to the full national survey sample.

Key Variable Definitions

Employer Status Variables

An ever-employer is a firm that reports having hired at least one Syrian refugee worker at any point.

A current employer is an ever-employer that reports currently employing at least one Syrian refugee worker.

A former employer is an ever-employer that reports no Syrian refugee workers employed at the time of the survey.

A never-employer is a firm that reports never having hired a Syrian refugee worker.

Current, former, and never-employers are mutually exclusive categories. This classification is based on the hiring history and current employment questions and is used for subgroup comparisons throughout the main text and Appendix C. Employer status is observed only for firms in the 24 provinces where these questions were administered. Firms in the remaining 57 provinces are treated as unobserved on employer status and are not classified as never-employers in the analysis.

Formal Employment Knowledge Score

The formal employment knowledge score measures firms' reported awareness of formal employment requirements for Syrian refugee workers. It is not a validated test of legal knowledge and should not be interpreted as a measure of compliance.

The questionnaire specified seven awareness items, but the analytical data set contains six; the quota or ratio limits item was not available in the implemented data. The score therefore ranges from 0 to 6 and counts affirmative responses to the following statements:

1. A work permit or exemption is required to employ Syrian refugee workers.
2. Applications are submitted online through e-Government or relevant ministry platforms.
3. The employer must submit the required documents.
4. Fees or similar legal costs are associated with obtaining a work permit.
5. Minimum wage, working hours, social security, and occupational health and safety regulations apply to Syrian refugee workers.
6. Work permits or exemptions must be renewed periodically.

Higher values indicate greater reported awareness of the formal employment requirements in place during fieldwork. The survey was conducted after the October 2024 regulatory amendment introducing a work permit exemption pathway alongside the existing work permit system. The score therefore measures firms' reported awareness during implementation of the revised work authorization framework.

Barrier and Additional Cost Variables

The barrier measure is based on a question asking firms to identify the single biggest barrier to formally hiring Syrian refugee workers. The following are mutually exclusive first-ranked response categories:

- Complexity of procedures
- Length of approval processes
- Legal costs, including work permit fees, social security contributions, and wages
- Lack of adequate guidance and information
- Language and communication barriers
- Preference among Syrian refugees for informal employment
- No significant barrier.

The questionnaire also includes an open-ended “other” option. The “legal costs” category combines work permit fees, social security contributions, wages, and related formal employment costs.

For selected appendix analyses, the mutually exclusive first-ranked responses are grouped into summary categories. The administrative barrier category combines complexity of procedures, length of approval processes, and lack of adequate guidance and information. The cost barrier category corresponds to the legal cost response. The language or communication and informality categories correspond directly to the relevant response options. “No significant barrier” is reported separately.

A supplementary “other barrier” indicator identifies firms that provided a free-text response under the questionnaire’s open-ended “other” option. This indicator records the presence of a free-text response rather than a separate first-ranked category, so it is not mutually exclusive with the other barrier categories. Percentages may therefore sum to more than 100 percent where the supplementary indicator is included.

Additional cost variables are based on a multiple-response question asking whether firms incurred costs beyond the work permit when hiring Syrian refugee workers. The following are the categories:

- Language support, including courses or interpreters
- Onboarding and cultural orientation activities
- Additional supervision or mentoring
- Bureaucratic or administrative process costs
- No additional cost
- Other costs.

Program and Support Variables

A program-aware firm reports awareness of at least one program supporting the employment of Syrian refugee workers.

A program user reports having used at least one such program.

A firm is classified as open to hiring with additional support if it reports that additional support would make hiring Syrian refugee workers easier. This measure captures stated openness under additional support rather than actual future hiring.

Desired support categories include the following:

- Stronger financial support, including wage or social security premium subsidies
- Simplification and acceleration of work permit procedures
- Job placement activities and employment fairs
- Language and vocational training programs
- Clear guidance on legal requirements and procedures

- No additional support would increase the likelihood of hiring
- Other support.

Desired support questions were administered to firms indicating that additional support would make hiring Syrian refugee workers easier through the national support pathway.

Program users were asked additional questions about ease of program access, access to clear and reliable information, the influence of programs on hiring decisions, and the retention of workers hired through programs. These items are not reported separately because the number of program users is small.

Weighting, Denominators, and Reporting Conventions

Percentages and population estimates use TurkStat-supplied design weights unless otherwise noted. The realized sample was calibrated to the joint distribution by sector and firm size of the covered reference population. The weights for the full national survey sum to 3,214,922 MSMEs. The corresponding weighted population in the 24 provinces covered by the Syrian refugee employment questions is 2,232,033 MSMEs.

The population base used for each estimate follows the geographic coverage and routing of the underlying survey item. Employer incidence, employer status, employer experience, formal employment knowledge, and indicators of formal hiring barriers refer to firms in the 24 module-covered provinces or to the relevant conditional subgroup within those provinces. Support program awareness, program use, and openness to hiring with additional support can be reported for the full national sample. Desired support indicators are reported for the national subsample of firms indicating that additional support would make hiring easier. When support indicators are compared by employer status, however, the comparison is necessarily restricted to firms in the 24 provinces where employer status is observed.

Within these geographic populations, denominators vary further with questionnaire routing and item-specific valid responses. Employer experience indicators are restricted to ever-employers. Desired support indicators are restricted to firms reporting that additional support would make hiring easier. Questions asked only of program users use the subsample of program users. Item nonresponse is excluded from the relevant denominator unless otherwise noted.

For single-response questions, percentages should sum to approximately 100 percent within the relevant analytical population, allowing for rounding and item nonresponse. The supplementary free-text “other barrier” indicator is an exception because it is not mutually exclusive with the first-ranked barrier categories. For multiple-response questions, each response is reported separately as a percentage of the relevant analytical population, and percentages may sum to more than 100 percent. Mean ratings are reported on the scales used in the questionnaire. Percentages are generally reported to one decimal place.

Approximate firm counts are obtained by applying weighted shares to the relevant weighted population or conditional subpopulation and are rounded for presentation. They should be interpreted as population estimates rather than administrative totals.

The conditional association models in Appendix C are estimated on the sample of firms with valid responses for all variables included in the models. Their dependent variable means may therefore differ from the corresponding headline estimates.

Interpretation and Data Quality Limitations

Geographic Coverage

Syrian refugee employer status, employer experience, formal employment knowledge, and formal hiring barriers are observed only in the 24 provinces in which the relevant survey questions were administered. Although these provinces accounted for approximately 95 percent of the Syrian population under temporary protection in Türkiye at the time the sampling design was developed, estimates based on these measures describe the covered MSME population in those provinces and should not be interpreted as national estimates of Syrian refugee employer incidence or experience. Firms in the remaining 57 provinces are unobserved on these measures rather than being classified as never-employers.

Self-Report and Lack of Administrative Validation

The survey is based on reports by firm owners or senior executives. It does not include worker-level records or linked administrative data that would independently validate employment, work authorization, wages, tenure, social security registration, or job quality.

Timing Relative to the October 2024 Regulatory Amendment

The survey was fielded from January to April 2026, after the October 2024 regulatory amendment introducing a work permit exemption pathway for eligible Syrians under temporary protection alongside the existing work permit system. Measures of formal employment knowledge, perceived process complexity, and formal hiring barriers therefore describe employer knowledge and perceptions during implementation of this revised framework.

These measures should not be interpreted as a comprehensive assessment of firms' knowledge of all aspects of the work permit exemption framework. They remain relevant because employers must understand the applicable work authorization route, registration process, and labor law and social security obligations.

Occupation-Specific Legal Restrictions

Work permits and work permit exemptions do not override statutory provisions reserving certain professions or duties for Turkish citizens. The survey does not identify whether each firm's current or potential Syrian refugee jobs fall within such restrictions. Sector categories may therefore include both activities open to foreign workers and activities in which particular professions or duties are legally restricted.

Sector-level estimates may reflect employer demand, firm characteristics, local labor market conditions, informational and administrative barriers, and occupation-specific legal restrictions. They should not be interpreted as evidence that all occupations within a sector are legally accessible to Syrians under temporary protection.

Employer-Reported Outcomes and Worker Outcomes

Performance, firm-level impact, integration, turnover, departure reasons, and return intentions are reported by employers. They should not be interpreted as independently measured productivity, effects of hiring on firm performance, or direct measures of worker outcomes.

The survey does not directly measure Syrian refugee workers' wages, hours, tenure, contract status, social security registration, working conditions, job satisfaction, or household welfare.

Recall, Sensitivity, and Social Desirability Risks

Several measures may be affected by recall, sensitivity, or social desirability bias. Former employers may recall past hiring experience imperfectly, particularly where the employment relationship occurred well before the survey or firm records were incomplete. Firms may also underreport informal or irregular employment, report Syrian refugee hiring inconsistently, overstate their knowledge of legal requirements, or provide socially desirable responses about performance, willingness to hire, or support needs. Confidential and standardized survey administration reduces but does not eliminate these risks.

Worker Count Variable and Extensive Margin Focus

The questionnaire asks whether a firm has ever hired Syrian refugee workers, whether ever-employers currently employ any Syrian refugee workers, and, for current employers, the number employed.

The paper does not use the reported worker count to estimate aggregate Syrian refugee employment or employment intensity because fieldwork verification and data review identified sensitivity and internal consistency concerns. The survey firm reported that some firms appeared reluctant to provide Syrian refugee worker counts.

A number of firms initially terminated the interview upon reaching the Syrian Refugee Worker Employment Module and were subsequently recontacted. This fieldwork experience is consistent with the sensitivity of the module, although the available analytical data do not establish that the recontact process itself caused the worker count inconsistencies.

The raw survey data also contain evidence consistent with concerns about the reliability of the worker count variable. In 22 of the 242 records for current employers, the reported number of Syrian refugee workers exceeds the firm's reported total employment. This inconsistency is treated as one indication of concerns about the reliability of reported worker counts rather than as the sole basis for those concerns.

The analysis therefore uses the hiring history and current employment questions to identify ever-, current, and former employers and focuses on the extensive margin of firm participation rather than on the number of Syrian refugee workers employed within firms.

Stated Openness, Program Selection, and Small Cells

Openness to hiring with additional support is a stated preference rather than revealed behavior. Actual program take-up and subsequent hiring may be lower than the share of firms reporting that support would make hiring easier.

Program-aware and program-using firms may differ systematically from other firms in prior hiring experience, motivation, administrative capacity, sector, or location. Differences involving program awareness or use should therefore not be interpreted as evidence that support programs caused firms to hire Syrian refugee workers.

Results for program users, less commonly used recruitment channels, current and former employer subgroups, and some provinces are based on small cells and may be imprecisely estimated.

Appendix B. Detailed Statistics

This appendix reports the detailed estimates underlying the main-text figures and headline statistics on Syrian refugee employment among Turkish micro, small, and medium-sized enterprises (MSMEs). The tables cover employer incidence, employment characteristics and employer-reported experience, knowledge of and barriers to formal hiring, and support program awareness, use, and desired support.

Unless otherwise noted, the estimates use Turkish Statistical Institute-supplied design weights. Unweighted sample sizes are reported to clarify questionnaire routing and the relevant analytical denominators.

Table B1. Syrian Refugee Employer Incidence by Firm Characteristics

Firm group	Total firms, unweighted n	Ever hired at least one Syrian refugee worker, unweighted n	Ever hired at least one Syrian refugee worker (%)	Currently employs at least one Syrian refugee worker, unweighted n	Currently employs at least one Syrian refugee worker (%)
A. Firm size					
Micro	5,729	238	4.5	155	2.5
Small	1,665	73	4.9	54	3.3
Medium	1,197	50	3.7	33	3.1
B. Sector					
Manufacturing	1,112	76	6.4	51	4.3
Wholesale and retail trade	2,333	106	4.5	83	3.3
Transportation and storage	900	30	4.0	10	0.9
Construction	554	28	5.6	15	2.4
Accommodation and food service	532	37	4.7	28	2.7
Administrative and support services	294	15	5.1	12	3.7
Professional, scientific, and technical activities	392	11	2.9	5	0.4
Water, sewerage, waste management, and remediation	247	12	6.9	7	3.6
Electricity, gas, steam, and air conditioning supply	281	13	4.9	10	3.7
Mining and quarrying	207	5	2.2	1	0.1
Other sectors	1,739	28	0.9	20	0.4
C. Geography					
Top 10 provinces by Syrian refugee employer share	3,716	260	7.3	174	3.8
Border provinces	1,586	111	6.6	105	6.1
Other provinces	4,114	96	2.5	67	1.8
All MSMEs	8,591	361	4.5	242	2.6

Notes: The table reports shares of MSMEs that have ever hired and currently employ Syrian refugee workers, by firm size, sector, and geography. Estimates use TurkStat-supplied design weights. Percentages are reported within each group among MSMEs in the 24 provinces where the Syrian Refugee Worker Employment Module was administered. Firm size categories follow the national thresholds for small and medium-sized enterprises used in constructing the survey frame, and sectors follow NACE Rev. 2. In Panel B, “other

Table B1. Syrian Refugee Employer Incidence by Firm Characteristics

Firm group	Total firms, unweighted n	Ever hired at least one Syrian refugee worker, unweighted n	Ever hired at least one Syrian refugee worker (%)	Currently employs at least one Syrian refugee worker, unweighted n	Currently employs at least one Syrian refugee worker (%)
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sectors” combines sectors not shown separately. In Panel C, the “top 10 provinces by Syrian refugee employer share” are the 10 module-covered provinces with the highest ever-employer shares; the “border provinces” are Hatay, Gaziantep, Kilis, Şanlıurfa, and Mardin; and “other provinces” are provinces in neither group. The top 10 provinces and border provinces may overlap, so the rows in Panel C are not mutually exclusive.

Table B2. Employment Characteristics and Integration Experience among Syrian Refugee Employing MSMEs

Item	Ever-employers reporting item, unweighted n	Share of ever-employers (%)
A. Employment arrangements		
Full-time	321	85.9
Part-time	23	8.0
Seasonal / temporary	11	3.9
Mix of different employment arrangements	6	2.2
B. Recruitment channels		
Online job portals	45	11.8
Personal networks	266	73.5
Public employment services / İŞKUR	97	27.5
Nongovernmental or humanitarian organizations	27	5.9
Community-based organizations	28	5.7
Professional and business organizations	32	8.2
Direct applications	153	50.5
Other channel	13	1.0
C. Job roles filled by Syrian refugee workers		
Manual labor / support roles	311	84.2
Technical / skilled occupations	104	31.6
Customer service	46	12.8
Administrative / clerical roles	29	7.9
Team leader / supervisory roles	27	7.9
Professional / managerial roles	25	7.2
Other roles	11	2.3
D. Integration difficulties		
Any integration difficulty reported	96	35.1
Language barriers	83	31.6
Cultural adaptation	85	31.9
Skills mismatch	50	18.3
Work quality or work discipline	67	25.8
Team integration	67	24.6
Occupational health and safety practices	42	13.8
Legal / bureaucratic requirements	44	15.3
Customer reactions	30	11.1
No significant challenges experienced	265	64.9
Other difficulty	1	0.7
All ever-employers	361	100.0

Notes: The table reports shares of Syrian refugee employing MSMEs reporting each employment arrangement, recruitment channel, job role, and integration difficulty. Estimates use TurkStat-supplied design weights. Percentages are reported among MSMEs in the 24 module-covered provinces that have ever hired Syrian refugee

Table B2. Employment Characteristics and Integration Experience among Syrian Refugee Employing MSMEs

Item	Ever-employers reporting item, unweighted n	Share of ever- employers (%)
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workers. Employment arrangements are mutually exclusive. Recruitment channels, job roles, and integration difficulty types are multiple-response items, so percentages within those panels need not sum to 100. “Any integration difficulty reported” indicates whether the firm reported at least one integration difficulty. Specific difficulty types are reported as shares of all ever-employers. İŞKUR = Turkish Employment Agency.

Table B3. Employer-Reported Performance, Firm-Level Impact, Turnover, and Return Intentions among Syrian Refugee Employing MSMEs

Item	Reporting firms, unweighted n	Share of relevant sample (%)
A. Performance relative to other employees in similar roles		
Better than other employees	24	6.0
Similar to other employees	255	64.7
Lower than other employees	71	25.9
Not sure	11	3.4
B. Overall firm-level impact		
Positive	155	29.0
Negative	25	10.2
Both positive and negative	85	27.6
No impact	90	31.8
Not sure	6	1.4
C. Turnover rate relative to other employees in similar roles		
Higher	69	27.5
Similar	220	53.4
Lower	55	15.2
Not sure	17	3.9
D. Reasons Syrian refugee workers left their jobs		
Job expectations not being met	117	37.8
Difficulty adapting to company culture or work environment	134	44.4
Personal or family reasons	228	58.6
Relocation within Türkiye	196	47.9
Returned to Syria	181	40.5
Migrated to another country	128	31.6
Better job opportunities elsewhere	150	45.0
Legal or permit-related issues	98	26.7
Other reason	1	0.4
I do not know	—	—
E. Observed intention to return to Syria		
Yes	57	13.8
No	179	53.9
Partially	84	24.1
Not sure	41	8.1
F. Reasons for intention to return to Syria		
Improved security conditions	77	65.0
Family-related reasons	114	81.0
Increased opportunities in Syria	96	67.3

Table B3. Employer-Reported Performance, Firm-Level Impact, Turnover, and Return Intentions among Syrian Refugee Employing MSMEs

Item	Reporting firms, unweighted n	Share of relevant sample (%)
Integration challenges in Türkiye	75	53.2
Uncertainty regarding legal status	51	47.4
Other reason	—	—
I do not know	—	—
G. Business impact of potential return to Syria		
Very negative	11	2.6
Negative	62	13.1
No effect	228	69.9
Positive	50	10.4
Very positive	10	4.0
Not sure	—	—
H. Effect of potential return on business planning		
Creates uncertainty in workforce planning	116	29.4
Encourages decisions to expand into the Syrian market	134	25.5
Accelerates the search for new employees	169	39.7
Has no effect	—	—
Other effect	—	—
All ever-employers	361	100.0

Notes: The table reports shares of Syrian refugee employing MSMEs reporting each employer-reported performance, firm-level impact, turnover, and return-related outcome. Estimates use TurkStat-supplied design weights. Percentages are reported among MSMEs in the 24 module-covered provinces that have ever hired Syrian refugee workers, except Panel F, which is reported among firms observing a full or partial intention among Syrian refugee workers to return to Syria. Panels A, B, C, E, and G are single-response items and should sum to approximately 100 percent, allowing for rounding and item nonresponse. Panels D and H are multiple-response items, so percentages need not sum to 100. “—” indicates that the category was not available or was not computed in the prepared tabulation.

Table B4. Formal Employment Knowledge, Hiring Barriers, and Additional Hiring Costs among Turkish MSMEs

Item	Reporting firms, unweighted n	Share of MSMEs with valid responses (%)
A. Formal employment knowledge items		
Knows work permit or exemption is required to employ Syrian refugee workers	3,798	43.6
Knows applications are submitted online via e-Government or relevant ministry platforms	2,815	31.9
Knows employer must submit required documents	3,060	34.2
Aware of fees or similar legal costs associated with obtaining a work permit	3,041	34.4
Knows minimum wage, working hours, social security, and occupational health and safety regulations apply to Syrian refugee workers	3,470	40.7
Knows work permits or exemptions must be renewed periodically	3,009	34.6
B. Single biggest barrier to formally hiring Syrian refugee workers		
Complexity of procedures	2,815	32.5
Length of approval processes	1,125	12.8
Legal costs, including work permit fees, social security contributions, and wages	1,186	14.7
Lack of adequate guidance and information	945	11.3
Language and communication barriers	1,401	15.7
Preference among Syrian refugees for informal employment	1,010	11.8
No significant barrier	77	0.8
Other barrier	148	1.6
C. Evaluation of the work permit or exemption process		
Very simple	50	0.6
Somewhat simple	324	3.1
Complex	2,926	38.2
Very complex	1,873	20.8
Moderate	3,418	37.2
Complex or very complex	4,799	59.0
D. Additional costs incurred beyond the work permit		
Language support, including courses or interpreters	2,144	26.8
Onboarding and cultural orientation activities	2,032	24.7
Additional supervision or mentoring needs	1,933	23.7
Bureaucratic or administrative process costs	2,055	25.0
No additional cost	5,789	65.5
Other cost	11	0.1

Notes: The table reports shares of MSMEs reporting formal employment knowledge, the single biggest barrier to formal hiring, evaluation of the work permit or exemption process, and additional costs incurred beyond the work permit. Estimates

Table B4. Formal Employment Knowledge, Hiring Barriers, and Additional Hiring Costs among Turkish MSMEs

Item	Reporting firms, unweighted n	Share of MSMEs with valid responses (%)
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use TurkStat-supplied design weights. Percentages are reported among MSMEs with valid responses in the 24 module-covered provinces. Panel A reports the six formal employment knowledge items available in the implemented survey data. In Panel B, firms identify the single biggest barrier to formally hiring Syrian refugee workers; the first-ranked categories are mutually exclusive and should sum to approximately 100 percent, allowing for rounding and item nonresponse. “Other barrier” records a supplementary free-text response and is not mutually exclusive with the first-ranked categories; The percentages in Panel B may therefore exceed 100 percent when it is included. In Panel C, “complex or very complex” is a computed summary category. Panel D is multiple response, so percentages need not sum to 100. Measures of formal employment knowledge, formal hiring barriers, process complexity, and additional costs reflect the work authorization framework in place during fieldwork, following the October 2024 regulatory amendment. “—” indicates that the category was not available or was not computed in the prepared tabulation.

Table B5. Support Program Awareness and Use, Openness to Hiring with Additional Support, and Desired Support among Turkish MSMEs

Item	Reporting firms, unweighted n	Share of relevant sample (%)
A. Support program awareness and use		
Aware of any program supporting employment of Syrian refugee workers	1,211	9.0
Has used any such program	49	0.5
B. Program types used among program users		
Wage / social security premium subsidies	32	52.7
Tax reductions or exemptions	28	50.0
Training programs, including language or skills training	14	23.7
Job placement services	14	28.6
Other program type	3	9.0
C. Openness to hiring with additional support		
Additional support would make it easier to hire Syrian refugee workers	1,273	9.2
No additional support would increase the likelihood of hiring Syrian refugee workers	9,789	90.8
D. Desired additional support among firms open to hiring with additional support		
Stronger financial support, including wage or premium subsidies	1,203	93.8
Simplification and acceleration of work permit procedures	1,182	90.5
Job placement activities and employment fairs	1,030	73.1
Language and vocational training programs for Syrian refugees	1,121	84.8
Clear guidance on legal requirements and procedures	1,132	85.9
Other support	2	0.0

Notes: The table reports shares of MSMEs reporting support program awareness, support program use, openness to hiring with additional support, and desired additional support. Estimates use TurkStat-supplied design weights. Panels A and C are reported among MSMEs with valid responses in the full national sample; Panel B is reported among firms that have used a support program; and Panel D is reported among firms indicating that additional support would make hiring Syrian refugee workers easier. Panels B and D are multiple-response items within their respective denominators, so percentages need not sum to 100. Estimates in Panel B are based on 49 program users and may be imprecisely estimated.

Appendix C. Additional Analysis

This appendix presents additional analyses. It compares firm groups, uses constructed summary measures, examines employer-reported outcomes by recruitment channel, and reports conditional associations. The analysis focuses on variation in Syrian refugee employment, knowledge of and barriers to formal hiring, support program awareness and use, and openness to hiring with additional support across employer status groups and other firm characteristics.

Differences across firms may reflect hiring experience, access to information, motivation, administrative capacity, institutional connections, or other observed and unobserved characteristics. The reported associations should therefore not be interpreted as evidence of the effects of particular firm characteristics, hiring experience, or program exposure. Unless otherwise noted, estimates use Turkish Statistical Institute-supplied design weights, and unweighted sample sizes are reported to clarify analytical denominators and identify small-cell concerns.

Table C1. Firm Characteristics, Constraints, and Openness to Hiring with Additional Support, by Syrian Refugee Employer Status

Variable	Current employers	Former employers	Never-employers	All MSMEs
A. Employer status				
Share of MSME population (%)	2.6	1.9	95.5	100.0
Estimated number of firms	~58,000	~42,000	~2.1 million	~2.2 million
Unweighted sample size	242	119	8,230	8,591
B. Firm size distribution (%)				
Micro	83.1	90.0	86.6	87.7
Small	14.4	9.2	11.2	10.4
Medium	2.6	0.7	2.2	1.8
C. Sector distribution (%)				
Manufacturing	24.5	16.4	14.4	13.2
Wholesale and retail trade	50.4	25.2	39.6	39.2
Accommodation and food service	6.2	6.4	6.0	6.7
Construction	8.0	14.3	8.5	9.1
Transportation and storage	5.7	28.1	17.1	18.4
Administrative and support services	2.9	1.5	2.0	2.0
Professional, scientific, and technical activities	0.6	5.7	4.4	3.8
Other sectors	1.7	2.4	8.0	7.6
D. Geography (%)				
Top 10 provinces by Syrian refugee employer share	64.6	79.5	42.6	30.5
Border provinces	21.4	2.7	9.0	6.4
Other provinces	35.2	18.9	52.6	66.3
E. Formal employment knowledge				
Mean formal employment knowledge score, 0–6	4.73	3.96	2.09	2.19
Knows work permit or exemption is required (%)	79.0	84.7	41.9	43.6
Knows applications are submitted online via e-Government or relevant ministry platforms (%)	79.8	47.5	30.3	31.9
Knows employer must submit required documents (%)	77.8	60.6	32.5	34.2
Aware of fees or similar legal costs associated with obtaining a work permit (%)	74.9	68.7	32.7	34.4
Knows minimum wage, working hours, social security, and occupational health and safety regulations apply to Syrian refugee workers (%)	80.9	82.6	38.7	40.7
Knows work permits or exemptions must be renewed periodically (%)	80.2	52.3	33.1	34.6
F. Single biggest barrier to formally hiring Syrian refugee workers (%)				
Complexity of procedures	24.3	32.8	32.7	32.5

Table C1. Firm Characteristics, Constraints, and Openness to Hiring with Additional Support, by Syrian Refugee Employer Status

Variable	Current employers	Former employers	Never-employers	All MSMEs
Length of approval processes	20.0	13.3	12.6	12.8
Legal costs, including work permit fees, social security contributions, and wages	13.4	17.1	14.7	14.7
Lack of adequate guidance and information	11.1	9.7	11.3	11.3
Language and communication barriers	19.2	18.4	15.5	15.7
Preference among Syrian refugees for informal employment	12.1	8.7	11.9	11.8
No significant barrier	0.0	0.0	0.9	0.8
Other barrier	0.0	4.4	1.6	1.6
G. Support program awareness and use (%)				
Aware of any program supporting employment of Syrian refugee workers	36.9	34.3	9.9	9.0
Has used any such program, as a share of all firms in the group	10.5	5.8	0.2	0.5
H. Openness to hiring and desired additional support (%)				
Additional support would make it easier to hire Syrian refugee workers	81.3	66.9	8.4	9.2
Among firms reporting that additional support would make hiring easier:				
Stronger financial support, including wage or premium subsidies	93.2	81.5	95.3	93.8
Simplification and acceleration of work permit procedures	85.8	84.2	92.2	90.5
Clear guidance on legal requirements and procedures	78.3	83.6	89.1	85.9
Language and vocational training programs for Syrian refugees	75.1	85.0	88.5	84.8
Job placement activities and employment fairs	70.7	48.8	76.0	73.1
Other desired support	0.1	0.0	0.0	0.0

Notes: The table compares current employers, former employers, never-employers, and all MSMEs across firm characteristics, geography, formal employment knowledge, formal hiring barriers, support program awareness and use, openness to hiring with additional support, and desired support. Estimates use TurkStat-supplied design weights. Employer status columns refer to MSMEs in the 24 module-covered provinces. In the “All MSMEs” column, support program awareness, program use, and openness to hiring with additional support are reported for the full national sample because these questions were administered to all surveyed firms; all other indicators refer to MSMEs in the 24 module-covered provinces. Desired support items in the “All MSMEs” column are reported for the national subsample of firms indicating that additional support would make hiring easier. In Panel C, “other sectors” combines sectors not shown separately. In Panel D, the “top 10 provinces by Syrian refugee employer share” are the 10 module-covered provinces with the highest ever-employer shares; “border provinces” are Hatay, Gaziantep, Kilis, Şanlıurfa, and Mardin; and “other provinces” are provinces in neither group. The top 10 provinces and border provinces may overlap, so the rows in Panel D are not mutually exclusive. The formal employment knowledge score ranges from 0 to 6. In Panel F, firms identify the single biggest barrier to formally hiring Syrian refugee workers. “Other barrier” records a supplementary free-text response and is not mutually exclusive with the first-ranked categories; Panel F percentages may therefore exceed 100 percent when it is included. Desired support items are reported among firms indicating that additional support would make hiring Syrian refugee workers easier and are multiple-response items, so percentages need not sum to 100.

Table C2. Syrian Refugee Employment, Formal Employment Knowledge, and Openness to Hiring with Additional Support, by Firm Conditions

Firm characteristic	Firms meeting the row condition (full sample, n)	Ever hired at least one Syrian refugee worker (%)	Currently employs at least one Syrian refugee worker (%)	Mean formal employment knowledge score, 0–6	Aware of any program supporting employment of Syrian refugee workers (%)	Additional support would make hiring easier (%)
A. Labor demand and operating constraints						
Skilled labor is an obstacle	9,150	5.0	2.8	2.19	9.3	10.1
Skilled labor is not an obstacle	1,609	2.1	1.3	2.15	6.0	5.1
Labor costs are an obstacle	9,613	4.7	2.7	2.17	8.9	9.8
Labor costs are not an obstacle	1,304	3.5	1.9	2.36	9.8	5.1
Insufficient demand is an obstacle	9,390	4.8	2.7	2.15	9.3	10.2
Insufficient demand is not an obstacle	1,427	3.1	1.9	2.49	6.3	3.6
Informality in the sector is an obstacle	8,348	5.2	2.9	2.19	9.7	10.7
Informality in the sector is not an obstacle	2,112	2.6	1.6	2.05	5.7	5.0
B. Finance and economic conditions						
Access to finance is an obstacle	9,622	4.6	2.6	2.17	8.8	9.3
Access to finance is not an obstacle	1,073	4.0	2.3	1.89	3.7	8.8
Firm reports economic difficulties	5,059	5.6	3.1	2.42	8.6	12.2
Firm does not report economic difficulties	6,003	3.6	2.2	2.01	9.3	6.6
Experienced difficulty collecting receivables	4,184	6.2	3.0	2.19	6.7	11.3
Did not experience difficulty collecting receivables	6,878	3.4	2.4	2.20	10.5	7.8
Experienced debt repayment delay	1,601	4.8	3.0	2.62	7.0	5.8
Did not experience debt repayment delay	6,427	4.4	2.6	2.15	8.0	8.4
C. Growth orientation and investment						
Expects number of employees to increase	1,967	4.0	1.6	2.50	12.6	13.7
Does not expect number of employees to increase	9,095	4.6	2.8	2.13	8.2	8.3

Table C2. Syrian Refugee Employment, Formal Employment Knowledge, and Openness to Hiring with Additional Support, by Firm Conditions

Firm characteristic	Firms meeting the row condition (full sample, n)	Ever hired at least one Syrian refugee worker (%)	Currently employs at least one Syrian refugee worker (%)	Mean formal employment knowledge score, 0–6	Aware of any program supporting employment of Syrian refugee workers (%)	Additional support would make hiring easier (%)
Made any investment in the past 12 months	1,633	8.3	5.0	2.64	12.1	13.1
Did not make any investment in the past 12 months	9,429	3.8	2.2	2.11	8.4	8.5
Plans to make investments in the next 12 months	1,470	7.0	4.4	2.82	16.7	21.7
Does not plan to make investments in the next 12 months	9,592	4.1	2.3	2.11	7.9	7.5
D. Public support exposure and firm capacity						
Received any public financial support in the past 12 months	1,623	3.6	2.5	2.78	8.7	8.2
Did not receive any public financial support in the past 12 months	9,439	4.7	2.6	2.08	9.0	9.4
Received KOSGEB support in the past 12 months	924	4.8	3.2	2.88	10.4	9.4
Did not receive KOSGEB support in the past 12 months	10,138	4.5	2.5	2.13	8.8	9.2
Uses advanced digital tools	3,173	4.4	2.2	2.84	15.7	11.1
Does not use advanced digital tools	7,889	4.5	2.8	1.93	6.5	8.5
Owner/manager has university education or above	4,171	3.6	2.3	2.31	9.7	9.4
Owner/manager has less than university education	6,891	4.9	2.7	2.14	8.6	9.1

Notes: The table reports Syrian refugee employment, formal employment knowledge, support program awareness, and openness to hiring with additional support by selected firm constraints, measures of growth orientation, exposure to public support, and proxies for firm capacity. Estimates use TurkStat-supplied design weights. “Firms meeting the row condition” reports the unweighted number of firms satisfying each row definition in the full survey sample and does not necessarily correspond to the analytical denominator for every outcome. Syrian refugee employment and formal employment knowledge indicators are reported among firms in the 24 module-covered provinces with valid responses to the relevant outcome; support program awareness and openness to hiring with additional support are reported using the corresponding nationally administered items. Percentages are reported within each firm group. “Obstacle” indicates that the firm reports the relevant factor as at least a partial obstacle to operations. “Firm reports economic difficulties”

Table C2. Syrian Refugee Employment, Formal Employment Knowledge, and Openness to Hiring with Additional Support, by Firm Conditions

Firm characteristic	Firms meeting the row condition (full sample, n)	Ever hired at least one Syrian refugee worker (%)	Currently employs at least one Syrian refugee worker (%)	Mean formal employment knowledge score, 0–6	Aware of any program supporting employment of Syrian refugee workers (%)	Additional support would make hiring easier (%)
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indicates that the firm agrees or strongly agrees that the business is currently experiencing economic difficulties. “Experienced difficulty collecting receivables” indicates that the firm reports difficulty collecting receivables in the past six months. “Experienced debt repayment delay” indicates that the firm reports a delay in repaying debt to a financial institution in the past six months, among firms with debt to a financial institution. “Expects number of employees to increase” indicates that the firm expects employment to increase or increase significantly over the next six months. “Made any investment” refers to firms reporting at least one investment in the past 12 months. “Plans to make investments” refers to firms reporting that they plan to make investments in the next 12 months. “Received any public financial support” indicates that the firm received support from at least one institution listed in the general support program module. “Received KOSGEB support” indicates that the firm received financial support from KOSGEB in the past 12 months. “Uses advanced digital tools” indicates use of customer relationship management software, enterprise resource planning, data analytics or big data tools, or artificial intelligence tools. The formal employment knowledge score ranges from 0 to 6. KOSGEB = Small and Medium Enterprises Development Organization of Türkiye.

Table C3. Recruitment Channels and Employer-Reported Outcomes among Syrian Refugee Employing MSMEs

Recruitment channel	Observations	Share of ever-employers using channel (%)	Performance similar or better (%)	Positive, mixed, or no firm-level impact (%)	Turnover similar or lower than other employees (%)	Any integration difficulty reported (%)
Online job portals	45	11.8	58.3	66.3	77.7	33.0
Personal networks	266	73.5	70.3	90.2	70.7	31.8
Public employment services / İŞKUR	97	27.5	68.1	98.5	48.4	63.4
Nongovernmental or humanitarian organizations	27	5.9	61.5	87.9	97.8	51.1
Community-based organizations	28	5.7	51.2	67.0	84.5	39.5
Professional and business organizations	32	8.2	57.7	76.1	89.3	37.8
Direct applications	153	50.5	60.4	83.4	54.7	51.8
Other channel	13	1.0	42.1	100.0	80.0	0.0
All ever-employers	361	100.0	70.7	88.4	68.6	35.1

Notes: The table reports recruitment channel use and employer-reported outcomes among MSMEs in the 24 module-covered provinces that have ever hired Syrian refugee workers. Estimates use TurkStat-supplied design weights. Recruitment channels are multiple-response items; firms may report more than one channel. Outcome columns are calculated among ever-employers reporting each recruitment channel. Differences across recruitment channels should not be interpreted as effects of particular channels because firms may use multiple channels and some categories have small cell sizes. “Performance similar or better” combines firms reporting similar or better performance relative to other employees in similar roles. “Positive, mixed, or no firm-level impact” combines positive impact, both positive and negative impact, and no impact; negative impact and “not sure” are excluded. “Turnover similar or lower” combines firms reporting similar or lower turnover relative to other employees in similar roles. Estimates for less commonly used recruitment channels may be imprecise because of small cell sizes. İŞKUR = Turkish Employment Agency.

Table C4. Formal Employment Knowledge by Firm Characteristics and Syrian Refugee Employer Status

Firm group	Observations	Mean formal employment knowledge score, 0–6	Work permit or exemption required (%)	Application via e-Government / ministry platforms (%)	Employer documents required (%)	Aware of permit fees or legal costs (%)	Wage, social security, and occupational health and safety protections apply (%)	Periodic renewal required (%)
A. Syrian refugee employer status								
Current employers	242	4.73	79.0	79.8	77.8	74.9	80.9	80.2
Former employers	119	3.96	84.7	47.5	60.6	68.7	82.6	52.3
Never-employers	8,230	2.09	41.9	30.3	32.5	32.7	38.7	33.1
B. Firm size								
Micro	5,729	2.16	43.0	31.5	33.7	34.0	40.1	34.0
Small	1,665	2.38	47.5	34.0	37.2	36.9	44.0	38.7
Medium	1,197	2.51	48.0	36.9	39.5	40.3	45.9	40.1
C. Program exposure								
Aware of any support program	1,101	4.99	90.2	81.5	83.3	80.6	83.1	80.8
Not aware of any support program	7,490	1.85	37.9	25.7	28.1	28.7	35.4	28.9
Has used a support program	43	5.11	91.5	80.0	86.9	78.7	92.0	82.0
Has not used a support program	8,548	2.18	43.4	31.6	33.9	34.2	40.4	34.4
D. Openness to hiring with additional support								
Additional support would make hiring easier	1,178	3.20	59.8	43.9	48.6	52.4	65.5	50.0

Table C4. Formal Employment Knowledge by Firm Characteristics and Syrian Refugee Employer Status

Firm group	Observations	Mean formal employment knowledge score, 0–6	Work permit or exemption required (%)	Application via e- Government / ministry platforms (%)	Employer documents required (%)	Aware of permit fees or legal costs (%)	Wage, social security, and occupational health and safety protections apply (%)	Periodic renewal required (%)
Additional support would not increase the likelihood of hiring	7,413	2.07	41.6	30.3	32.4	32.1	37.5	32.7

Notes: The table reports the mean formal employment knowledge score and shares of MSMEs aware of each formal employment requirement, by firm group. Estimates use TurkStat-supplied design weights. Percentages are reported within each firm group among MSMEs in the 24 module-covered provinces. The formal employment knowledge score ranges from 0 to 6 and counts affirmative responses to six formal employment knowledge items. Formal employment knowledge reflects the work authorization framework in place during fieldwork, following the October 2024 regulatory amendment.

Table C5. The Single Biggest Barrier to Formally Hiring Syrian Refugee Workers, by Firm Group

Firm group	Observations	Administrative barrier (%)	Cost barrier (%)	Language / communication barrier (%)	Informality barrier (%)	No significant barrier (%)	Other barrier (%)
A. Syrian refugee employer status							
Current employers	242	55.3	13.4	19.2	12.1	0.0	0.0
Former employers	119	55.8	17.1	18.4	8.7	0.0	4.4
Never-employers	8,230	56.6	14.7	15.5	11.9	0.9	1.6
B. Firm size							
Micro	5,729	56.7	14.7	15.7	11.7	0.9	1.6
Small	1,665	55.7	15.3	15.8	12.5	0.6	1.6
Medium	1,197	56.6	14.3	13.2	14.7	0.7	2.3
C. Sector							
Manufacturing	1,112	58.9	15.8	12.6	11.5	1.0	1.8
Wholesale and retail trade	2,333	55.5	13.9	17.5	11.7	1.2	1.7
Construction	554	54.6	15.4	14.6	14.7	0.5	1.0
Accommodation and food service	532	51.1	17.0	15.8	14.8	1.0	1.8
Transportation and storage	900	58.2	15.0	14.8	11.0	0.0	1.0
Administrative and support services	294	63.9	13.1	10.0	11.3	0.9	2.5
Professional, scientific, and technical activities	392	62.3	15.6	13.1	8.2	0.8	2.7
Other sectors	2,474	55.2	14.1	17.9	11.7	0.9	2.1
D. Openness to hiring with additional support							
Additional support would make hiring easier	1,178	57.3	15.1	14.5	12.2	0.6	0.6
Additional support would not increase the likelihood of hiring	7,413	56.5	14.7	15.8	11.8	0.9	1.8

Notes: The table reports grouped categories of the single biggest barrier to formally hiring Syrian refugee workers, by firm group. Estimates use TurkStat-supplied design weights. Percentages are reported within each firm group among MSMEs in the 24 module-covered provinces. The administrative barrier category combines complexity of procedures, length of approval processes, and lack of adequate guidance and information. The cost barrier refers to legal costs, including work permit fees, social security contributions, and

Table C5. The Single Biggest Barrier to Formally Hiring Syrian Refugee Workers, by Firm Group

Firm group	Observations	Administrative barrier (%)	Cost barrier (%)	Language / communication barrier (%)	Informality barrier (%)	No significant barrier (%)	Other barrier (%)
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wages. The language or communication barrier, informality barrier, and no significant barrier correspond to the respective first-ranked response categories. These first-ranked categories are mutually exclusive and should sum to approximately 100 percent, allowing for rounding and item nonresponse. “Other barrier” records a supplementary free-text response and is not mutually exclusive with the first-ranked categories; percentages may therefore exceed 100 percent when it is included. In Panel C, “other sectors” combines sectors not shown separately. Barriers reflect the work authorization framework in place during fieldwork, following the October 2024 regulatory amendment.

Table C6. Adjusted Correlates of Syrian Refugee Employment and Openness to Hiring with Additional Support

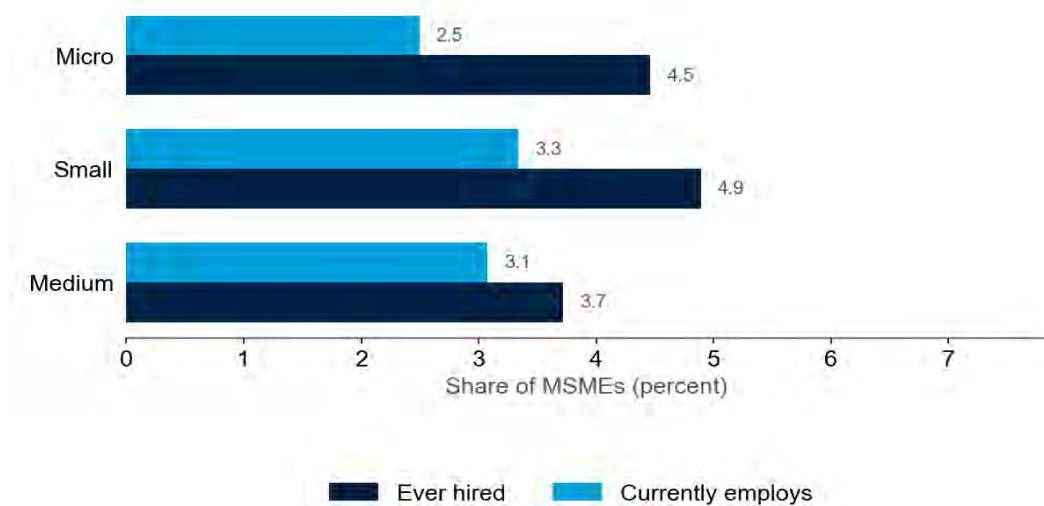
Variable	Ever hired at least one Syrian refugee worker (1)	Currently employs at least one Syrian refugee worker (2)	Additional support would make hiring easier (3)
	(1)	(2)	(3)
Firm size			
Small	−0.403 (1.002)	0.289 (0.969)	−1.345 (1.089)
Medium	−2.650** (1.290)	−0.628 (0.382)	−2.075 (1.883)
Sector			
Manufacturing	4.527*** (0.983)	2.945*** (0.843)	2.373 (2.624)
Construction	4.088*** (1.412)	1.511 (1.214)	5.885 (3.755)
Wholesale and retail trade	2.949*** (0.532)	2.237*** (0.357)	1.393 (1.519)
Accommodation and food service	3.339** (1.317)	1.990* (1.061)	1.055 (2.449)
Transportation and storage	2.251 (1.724)	0.051 (0.926)	−2.679* (1.387)
Administrative and support services	3.698*** (1.413)	2.932*** (0.857)	3.645 (2.434)
Professional, scientific, and technical activities	1.551 (1.124)	−0.123 (0.460)	−0.264 (1.216)
Water, sewerage, waste management, and remediation	5.036* (2.722)	2.423** (0.953)	7.343* (3.792)
Electricity, gas, steam, and air conditioning supply	3.272 (1.992)	2.583* (1.422)	7.010* (3.606)
Mining and quarrying	1.873* (1.008)	−0.256 (0.601)	0.294 (1.864)
Other sectors	Ref.	Ref.	Ref.
Geography			
High Syrian refugee density province	−1.266 (1.585)	−0.585 (1.282)	−4.571** (2.254)
Border province	0.927 (4.178)	2.051 (3.682)	15.012* (7.862)
Metropolitan province	0.956 (2.095)	−0.731 (0.841)	−0.913 (5.007)
Formal employment knowledge			

Table C6. Adjusted Correlates of Syrian Refugee Employment and Openness to Hiring with Additional Support

Variable	Ever hired at least one Syrian refugee worker (1)	Currently employs at least one Syrian refugee worker (2)	Additional support would make hiring easier (3)
	(1)	(2)	(3)
Formal employment knowledge score, 0–6	1.411*** (0.438)	0.980*** (0.251)	1.036* (0.533)
Support program awareness and use			
Aware of any program supporting employment of Syrian refugee workers	3.966* (2.300)	1.381 (2.018)	14.329** (6.058)
Has used any such program	55.106*** (10.343)	41.110*** (6.605)	35.852*** (7.987)
Observations	8,591	8,591	8,591
Mean of dependent variable (%)	4.496	2.603	11.371
R-squared	0.094	0.080	0.083

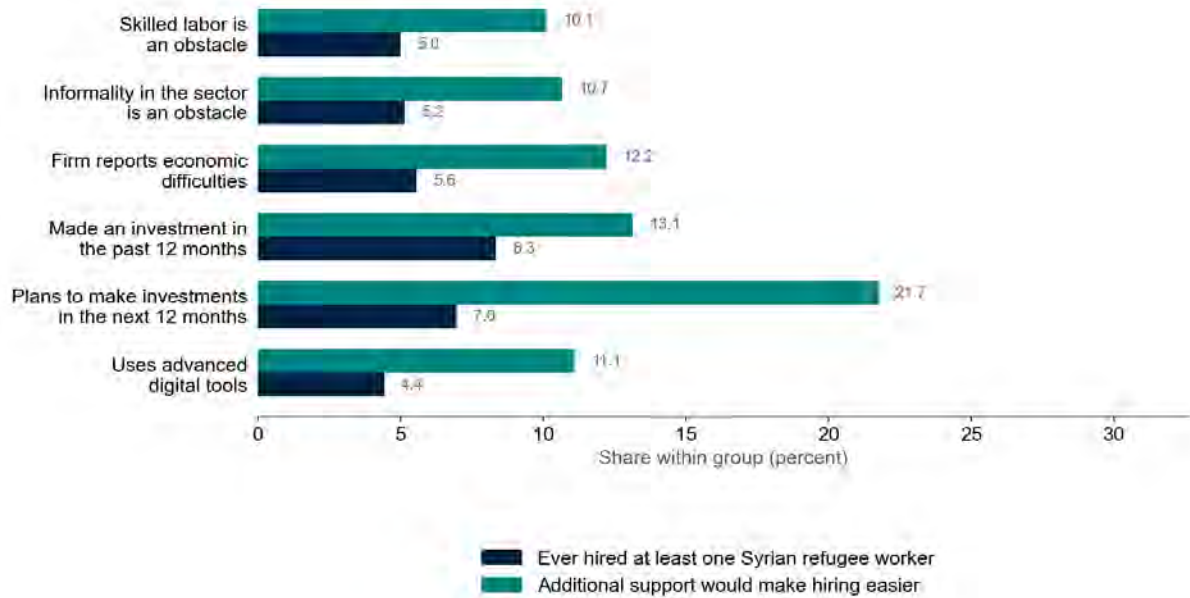
Notes: The table reports percentage-point coefficients from weighted linear probability models estimated on firms in the 24 module-covered provinces with valid responses for all variables included in the models. Standard errors clustered by province are reported in parentheses. Estimates use TurkStat-supplied design weights. The omitted firm size category is micro firms, and the omitted sector category is “other sectors,” which combines sectors not shown separately. High Syrian refugee density provinces are Adana and Mersin; border provinces are Hatay, Gaziantep, Kilis, Şanlıurfa, and Mardin; and metropolitan provinces are İstanbul, Ankara, and İzmir. The geographic categories are mutually exclusive. The formal employment knowledge score ranges from 0 to 6. Program awareness and program use may reflect prior hiring experience, motivation, administrative capacity, institutional connections, or other firm characteristics, so their coefficients should not be interpreted as effects of program exposure. Program use is rare, and program-using firms are highly selected; the corresponding coefficients may therefore be particularly sensitive to selection and small-cell variation. Means of the dependent variables refer to the regression sample. Statistical significance: * denotes $p < 0.10$, ** $p < 0.05$, and *** $p < 0.01$.

Figure C1. Syrian Refugee Employer Incidence among Turkish MSMEs, by Firm Size



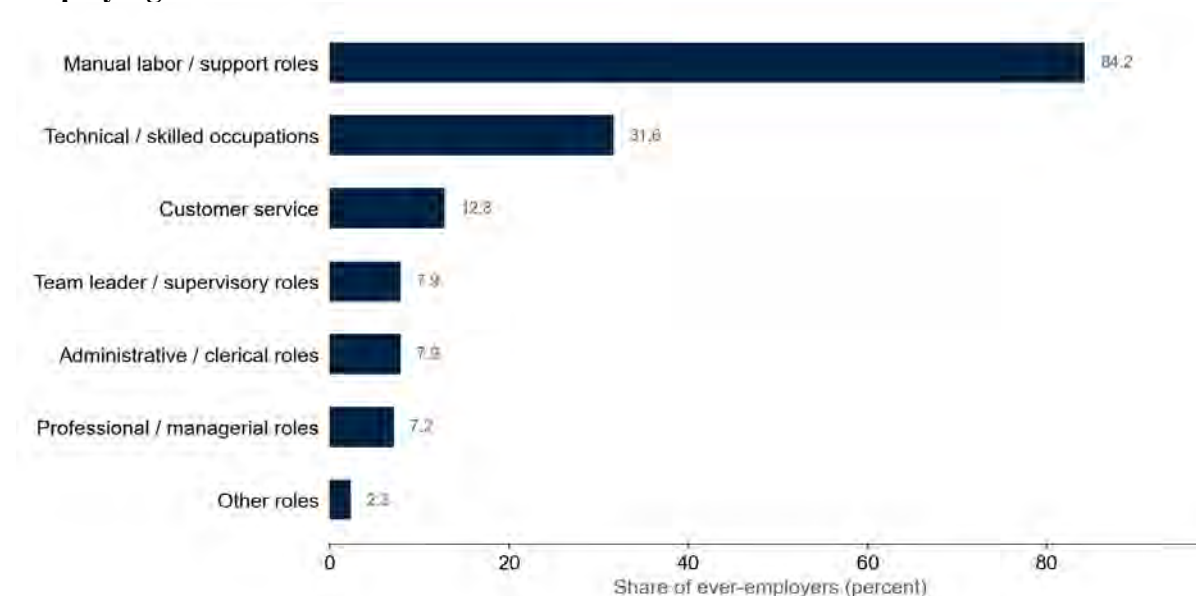
Notes: The figure shows shares of MSMEs that have ever hired and currently employ Syrian refugee workers, by firm size. Percentages are reported within each firm size group among MSMEs in the 24 module-covered provinces. Firm size categories follow the national thresholds for small and medium-sized enterprises used in constructing the survey frame.

Figure C2. Syrian Refugee Hiring and Openness to Hiring with Additional Support among Turkish MSMEs, by Firm Conditions



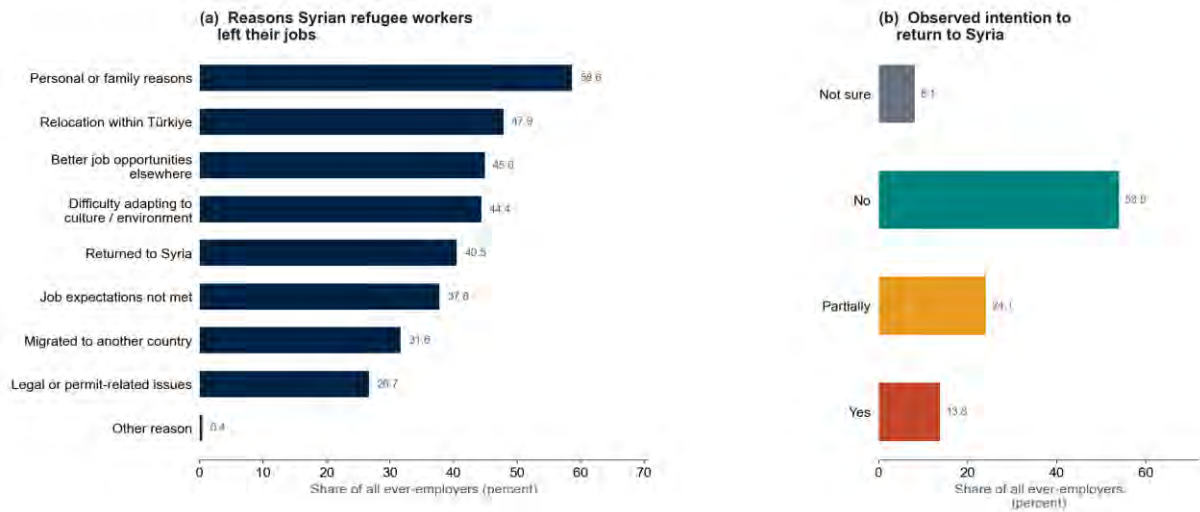
Notes: The figure shows shares of MSMEs that have ever hired at least one Syrian refugee worker and that report that additional support would make hiring easier, by selected firm conditions. Ever-hiring percentages are reported within groups defined by the selected firm conditions among MSMEs in the 24 module-covered provinces; percentages for openness to hiring with additional support are reported within the corresponding groups using the nationally administered item. Obstacle measures exclude “no opinion” and missing responses. Investment measures refer to investment in the past 12 months and planned investment in the next 12 months. Advanced digital tools include customer relationship management (CRM) software, enterprise resource planning (ERP) software, big data analytics tools, or artificial intelligence (AI) applications.

Figure C3. Job Roles Filled by Syrian Refugee Workers among Syrian Refugee Employing MSMEs



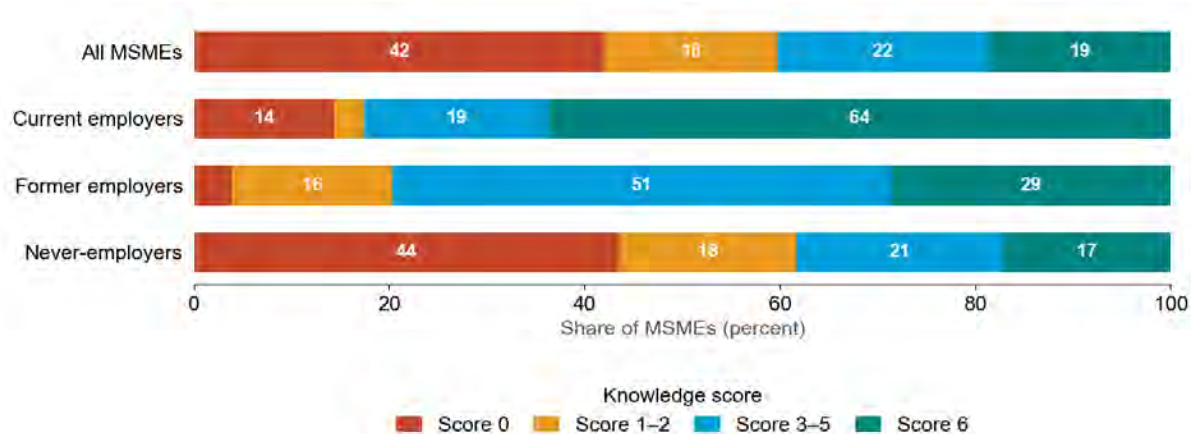
Notes: The figure shows shares of Syrian refugee employing MSMEs reporting each job role filled by Syrian refugee workers. Percentages are reported among MSMEs in the 24 module-covered provinces that have ever hired Syrian refugee workers. The item is multiple response, so percentages need not sum to 100. Refer to Figure 4 for recruitment channels.

Figure C4. Departure Reasons and Return Intentions among Syrian Refugee Employing MSMEs



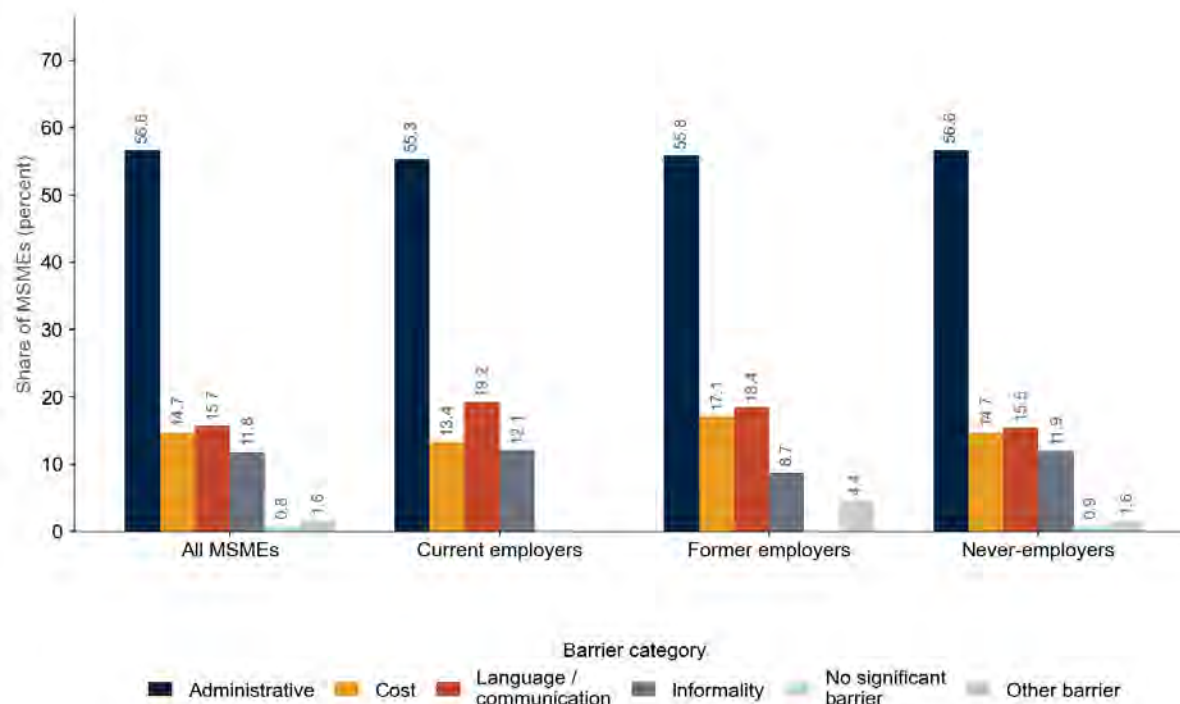
Notes: The figure shows shares of Syrian refugee employing MSMEs reporting reasons Syrian refugee workers left their jobs and observed intentions to return to Syria. Percentages are reported among MSMEs in the 24 module-covered provinces that have ever hired Syrian refugee workers. Departure reasons are multiple response, so percentages need not sum to 100. The question on departure reasons was administered to all 361 ever-employers; 22 reported no departure reason. Return intention is single-response and sums to approximately 100 percent, allowing for rounding.

Figure C5. Formal Employment Knowledge Score among Turkish MSMEs, by Employer Status



Notes: The figure shows the distribution of formal employment knowledge scores among MSMEs, by employer status. Percentages are reported within each employer status group among MSMEs in the 24 module-covered provinces. The score ranges from 0 to 6 and counts affirmative responses to six formal employment knowledge items. Formal employment knowledge reflects the work authorization framework in place during fieldwork, following the October 2024 regulatory amendment.

Figure C6. Grouped Barriers to Formal Hiring among Turkish MSMEs, by Employer Status



Notes: The figure shows grouped categories of the single biggest barrier to formally hiring Syrian refugee workers, by employer status. Percentages are reported within each employer status group among MSMEs in the 24 module-covered provinces. Administrative barriers combine complexity of procedures, length of approval processes, and lack of adequate guidance and information. The cost, language or communication, informality, and “no significant barrier” categories correspond to mutually exclusive first-ranked responses and sum to approximately 100 percent, allowing for rounding. “Other barrier” records a supplementary free-text response and is not mutually exclusive with the first-ranked categories; percentages may therefore exceed 100 percent when it is included. Barriers reflect the work authorization framework in place during fieldwork, following the October 2024 regulatory amendment.