

Social Responsible Entrepreneurship for SMEs inTURKEY

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Government Policies

Although there is no specific law on **CORPORATE SOCIAL RESPONSIBILITY (CSR)** in Turkey, there are issues that found a space in two sources.

The first source is the :

national laws that are related to CSR.

- Protection of consumers Law No. 4077
- Labour Law No.4587 forces Government ,and brings state aids to Private sector ; **to employ disabled people that represents the positive discrimination**
- Public Procurement Law No.4734
- Environment Law No.2872
- Union Law No.2821
- Declaration of Wealth, to combat against Bribery and Corruption Law No.3628
- The Banking Law No.5411
- Renewable Energy Law No. 5346

Government Policies

‘Supportive laws for companies’ involvement in CSR.

■ **CSR related tax incentives at Income Tax Law No. 193.**

- According to Article 89 of this law, companies benefit from tax incentives for their charitable contributions and donations on the field of education which in fact triggered the support of corporations to the special campaigns such as “Support to Education” and “Girl’s Let’s go to School” which are organized by Ministry of Education and UNICEF.

■ **Tax exemption can also be granted in Turkey for donations made to organisations whose activities are considered to be benefiting the public.**

- Organisations can be granted such status by the cabinet only, in case they focus on one of the four areas: education, health, scientific research, and arts and culture. About 200 foundations out of approximately 3,500 private foundations have been classified as serving ‘public good’. In this sense, tax exemptions are only for philanthropic donations.

Government Policies

The second source of the legal framework is the international treaties and conventions that Turkey has signed.

- Universal Declaration of Human Rights,
- Convention on the Rights of the Child,
- OECD Guidelines for Multinational enterprises and conventions of International Labour Organization such as;
 - Equal Remuneration Convention (1951),
 - Discrimination (Employment and Occupation) Convention (1958),
 - Worst Forms of Child Labour Convention (1999),
 - Right to Organize and Collective Bargaining Convention, (1949),

As these conventions cover the most fundamental human rights issues especially on working rights and elimination of child labour, they are all important to set up standards for socially responsible behaviours of entrepreneurs. In this sense, following up these human rights issues and ratifying these conventions set up an important scene for Turkey and Turkish companies to build and to implement CSR policies.

Reform Programme for the Improvement of the Investment Climate (YOIKK)

The YOIKK is chaired by the State Minister for Economy and includes the undersecretaries of the ministries of Finance and Industry/Commerce as well as of the Treasury, SPO and Foreign Trade. In addition, it includes the chairmen of the technical committees who represent an additional five ministries and other state institutions (Ministry of Public Works, Ministry of Labour and Social Security, Undersecretariat of Customs, Turkish Patent Institute, Ministry of Culture and Tourism).

From the private sector, the chairmen of the Turkish Union of Chambers and Commodity Exchanges (TOBB), the Turkish Industrialists' and Businessmen's Association (TÜSIAD), the International Investors Association of Turkey (YASED), and the Turkish Exporters Assembly (TIM) are ex officio - members of the YOIKK. Under the YOIKK, initially

9 technical committees were established and chaired by the lead ministry/ undersecretariat of the reform area in question at the level of deputy undersecretary. These technical committees include additional public and private sector organisations. The Treasury (Directorate General for Foreign Investment) serves as secretariat to the YOIKK.

Improvement of the Investment Climate (YOIKK) Committies

- FDI Legislation and Investment Promotion.
- Promotion of Small and Medium-Sized Enterprises.
- Taxation and State Aid.
- Customs and Technical Standards.
- Sector Licences.
- Environmental Protection Law.
- Mining Law.
- Company Registration.
- Land Access and Site Development.
- Employment of Foreign Personnel.
- Intellectual Property Protection

Civil Society Organizations (CSO)

- Turkish legal system defines two kinds of **Civil Society Organizations (CSO)**, Associations and Foundations which are under the authority of two institutional bodies. According to the data of Department of Associations, there are around 75,000 active NGOs in Turkey and foundations are not included in these figures. All CSOs (foundations and associations) have undertaken many initiatives to reinforce their own capacity building on administrative, legal and financial skills.



Corporate Governance Association Of Turkey

TKYD) is a NGO in the field of Corporate Governance. Its mission is to establish, develop and assist the Corporate Governance Best Practices in Turkey, both in private and public institutions. TKYD leads corporate governance initiatives in Turkey through promoting the culture and assisting the implementation of best practices and has 350 members representing the business

Corporate Governance Map of Turkey



Turkey's Ethical Values Centre

TEDMER's mission is to develop projects in institutions and to improve the relationships between institutions, regardless in which sector, to offer support and services to institutions and organizations, to define corporate ethical codes, and to create benchmarks and standards. In line with such works, TEDMER's mission is to contribute to economic, cultural and social life in Turkey, thereby causing the social life quality to rise to the standards of developed countries

Corporate Social Responsibility Association of Turkey

<http://www.csrturkey.org/>

The screenshot shows the CSR Turkey website in a Windows Internet Explorer browser window. The browser title is "CSR TURKEY - Windows Internet Explorer" and the address bar shows "http://www.csrturkey.org/". The website content includes:

- Logos for "THE GLOBAL COMPACT WE SUPPORT" and "CSR EUROPE".
- The Turkish text "kurumsal sosyal sorumluluk derneđi" and the English text "corporate social responsibility association" next to a stylized logo.
- A navigation menu on the left with items: "Who We Are", "What We Do", "Memberships", "Publications", "Useful Links", "Contacts", and "Our Supporters".
- A banner for "Net Impact Europe Conference 2008" with the theme "SUSTAINABLE PROSPERITY: Taking on the Global Challenge".
- A section titled "Turkey Corporate Social Responsibility 'Baseline Report'" with a "report" link and a "more" link.
- A list of supporters including ZED, TEKNO SA, GfK, and abc.
- A banner for "ASIA PACIFIC CORPORATE SOCIAL RESPONSIBILITY CONFERENCE".

The Windows taskbar at the bottom shows the "Başlat" button and several open applications, including "CSR TURKEY - Wi...", "Türkiye'nin Kuru...", "Noterden araç sa...", "moskova", "Microsoft PowerP...", "CSR%20confere...", and "CSR%20confere...". The system clock shows "11:06".



CSR Association in Turkey is an independent NGO formed by the efforts from academics, businesses and other civil society organizations, aiming to promote the ideas of CSR not only in business world but also to other stakeholder groups such as government and non-governmental organizations. We believe CSR and the values behind it, provides an important insight to enrich social development

CSR has the following benefits for Turkish business:

1. Will foster foreign direct investment in Turkey,
2. Will strengthen Turkish corporate world in competitive markets,
3. Will create a better environment for partnerships between business, civil society and government,
4. Will facilitate Turkish business to adopt to EU membership criteria's,

Corporate Social Responsibility Platform

KurumsalSosyal.com

Türkiye'nin kurumsal sosyal sorumluluk platformu

<http://www.kurumsalsosyal.com/>

Established :24 March 2006

Türkiye'nin Kurumsal Sosyal Sorumluluk Projeleri Platformu // www.KurumsalSosyal.com - Windows Internet Explorer

http://www.kurumsalsosyal.com/

Dosya Düzen Görünüm Sık Kullanılanlar Araçlar Yardım

HÜRRİYET - TÜRKİYE'NİN AÇ... Türkiye'nin Kurumsal Sosy... x

KurumsalSosyal.com
Türkiye'nin kurumsal sosyal sorumluluk platformu

Basındaki KSS haberleri her gün KurumsalSosyal.com'da

Anasayfa | Hakkımızda | Basında biz | STK'lar | K.S.S. nedir? | Güncel | S.S.S. | İletişim << E-bülten üyelik >>

Proje arama: Kurum İsmine Göre Proje Türüne Göre Arama: kelime giriniz Ara

Güncel Basında KSS

Parlak Gülüşler Parlak Gelecekler Van'da öğrencilerle buluştu
İki yıldır sürdürülen 'Parlak Gülüşler Parlak Gelecekler' kampanyası Millî Eğitim Bakanı Hüseyin Çelik'in katılımıyla 8 Mayıs'ta Van'lı öğrencilerle buluştu. Millî Eğitim Bakanlığı'nın desteklediği en büyük kampanya olan 'Parlak Gülüşler, Parlak Gelecekler' COLGATE, TOÇEV ve Ağız ve Diş Sağlığı Derneği işbirliğinde yürütülüyor.

» Diğer haberler

BOSCH Yeşil Kutu
Bölgesel Çevre Merkezi (REC), Millî Eğitim Bakanlığı ile Çevre ve Orman Bakanlığı işbirliğinde yürütülen Yeşil Kutu Çevre Eğitimi Projesi, öğretmenleri ve ilköğretim

06 Haziran 2008 , Cuma
Gazete 34 : Aksigorta, YADEM ile Sosyal Sorumlulukta da lider
Diğer: Sosyal Sorumluluk sahibi kişi ve kurumlar ödüllendirildi
Sigorta Dünyası: Aksigorta'ya Kurumsal Sosyal Sorumluluk ödülü
Platin: Kazan-kazanı yaratmak hedefleniyor
Platin: Gücünü evrensel bakış açısından alıyor
Kobi Efor: Tofaş, sosyal sorumluluk alanında örnek çalışmalara imza atıyor

* Arşiv

Her STK'nın bir sıvafası var! Sivil toplum kuruluşları veri tabanı

KSS Kitaplığı KSS konulu kitaplar

Başlat HÜRRİYET - TÜRKİYE... Türkiye'nin Kurumsal ... Internet Explorer we... HÜRRİYET - TÜRKİYE... kurumsal Microsoft PowerPoint ... TR 10:44

Private Sector Corporate Social Responsibility Projects

	Number of Partners	Number of Projects
EDUCATION	110	98
■ Private Companies	77	
■ Banks	29	
■ Universities	2	
■ Teknoparks	1	
■ Associations	1	
HEALTH	17	19
ÇEVRE	22	22
CULTUR & ART	12	14
SPOR	9	14
HİSTORY	11	8
SOCIAL PROJECT	45	41
TOTAL	226	216

Private Sector Social Responsibility Projects

EDUCATION

- **Education of children** is seen as one of the biggest concern of Turkish society. Over the last three years, the Turkish Ministry of Education has built up a good record of launching educational campaigns supported by the private sector and local communities,
 - Turkcell's Kardelenler (Snowdrops) Project ;
scholarships to **12,300** students and put **6,300** Snowdrops through high school of which **950** made it to universities and **67** managed to get a university degree
 - Girls, Let's Go to School
succeeded in reducing the number of out-of-school girls (**273.447**) by approximately **%81** per cent (**50.647**) between 2003 and 2006
 - **Childrens First** : Turkey's priorities for children are to
 - **Educate Every Child** Leave
 - **No Child Out**
 - **Fight Poverty: Invest in Children**
 - Support Computer-Based Education.

OSTİM Middle East Industry Trade Center



OSTİM is a SME city that gathers small giants under a ceiling with approximately 5 thousand enterprises, 50 thousand employees and industrial production at 100 different sectors on five million square meters open space.

Productions on the fields of Machine Manufacturing, Metal Processing, Electric-Electronic, Construction Equipment, Plastic-Rubber, Medical Devices and Defense Industry are operated in Ostim which is one of small and medium size industrial manufacturing area, largest in Turkey and one of the few in the world.

Ten thousands of diversity products are manufactured in a hundred different branches in Ostim, which combines flexibility in production that is the most outstanding feature of small and medium size enterprises together with the advantages of large machine park. Those products are taken place in large range of production from CNC tool bench through stationary goods.

OSTIM

REGIONAL CLUSTER or NETWORK

MADE in OSTIM

INDUSTRIAL STRUCTURE

18 Sectors
125 Subsector
5000 SME
40000 jobs

ENVIRONMENT

Waste Treatment
OSTIM Spor Complex

IMPORT / EXPORT

Export Company

INVESTMENT

OSTIM INVESTMENT

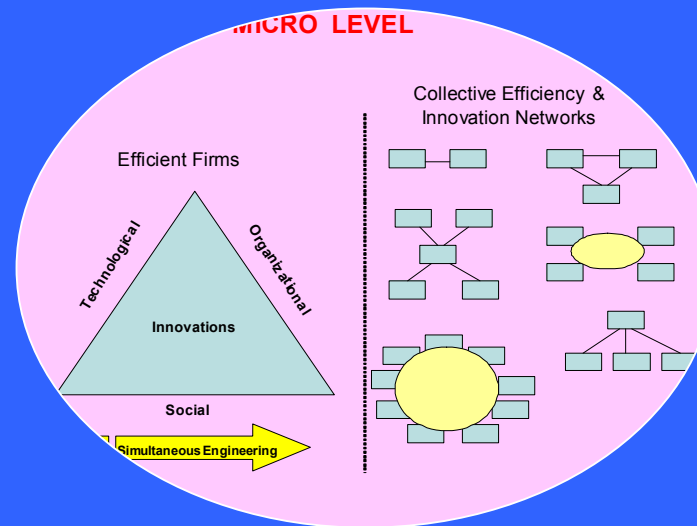
INFRASTRUCTURE

ENERGY
COMMUNICATION
TRANSPORT
SECURITY

ORGANIZATION

OSTIM OIZ
Cooperative
OSIAD

MICRO LEVEL



TECHNOLOGY

ODTU-OSTIM
TECHNOPARK

EDUCATION

Apprenticeship
Schools

LABOR

TRAINING CENTERS

COUNSALTANCY

ODAM
ODAGEM

MEDIA

TV , Radio , Internet Po
Periodic Magazi

HEALT

HOSPITALS



ARGE CONSULTANCY

"Helping you succeed..."



ARGE demonstrate corporate **social responsibility**, by encouraging their consultants to devote a full day of each week for **voluntary work in NGOs** to improve the quality of life in our community in a local, national, and global sense.



Corporate Volunteers Association and Volunteerism in ARGE




GenerationEurope

Shaping the Future Award 2002
on Corporate Social Responsibility

Developing Civil Society – ARGE

ARGE Consulting was elected by the GenerationEurope online community as one of the three most inspiring socially responsible projects run by a private company

GenerationEurope Youth Summit
European Parliament
Brussels, 02.12.2002
www.generation-europe.eu.com

Shaping the Future Award
European Parliament

Responsible entrepreneurship
A collection of good practice cases among small and medium-sized enterprises across Europe

ARGE (TURKEY)

Good practice description
Human Resources, and society development

Description: ARGE encourages all its employees to spend one paid working day a week on NGO activities in order to improve the quality of life in the community at a local, national and global level. The aim is to increase the management quality and effectiveness of civil society organizations. ARGE's objective is to set the example for other companies in Turkey in this area and to contribute to the development of the Turkish civil society.

ARGE also encourages cross-sector partnerships between different organizations. It has initiated and participated in the first national program with this intent. Civil society organizations to encourage individuals' social management experiences to work at an NGO on a half, full time or full time basis. ARGE was also instrumental in setting up the Corporate Volunteers Association to promote volunteerism in the private sector. It contributed to this intent by providing voluntary work in planning, managing and publicizing these efforts as well as developing interest and methodology for assessments. Participating companies voluntarily to enhance their voluntary contribution by their employees in their annual performance review.

ARGE works together with various civil society organizations to promote good governance principles in NGO management. It has established a certificate program for NGO management in collaboration with Business Leaders, The Open Society Foundations providing incentives to individuals who work at NGOs and wish to attend this program.

It has also developed and hosted a two-week TV programme with successful NGO leaders to improve understanding of good governance in NGOs with the leading national TV channel NTV. ARGE has also published a book and issued a radio and PR programme in collaboration with TRT, a leading independent Turkish think-tank to increase the awareness of corporate social responsibility in the community.

Business benefits:

- ARGE was ranked in one of the top three management consulting firms in Turkey (survey published by leading business magazine (2008))
- Participating volunteers also help the education and retention of highly qualified personnel in the firm

Benefits for society/civil society:

- The Corporate Volunteers Association attracts more professionals to voluntary work, helping build more effective civil society institutions
- Over 1000 civil society sector organisations and NGOs have improved their management quality
- Example of participatory democracy have increased

Awards:

Category name	ARGE Consulting A.S.
Shaping the Future Award 2002	Shaping the Future Award 2002
Generation Europe	Generation Europe
Developing Civil Society	Developing Civil Society
European Parliament	European Parliament
Employees 2002	Employees 2002

Responsible Entrepreneurship
European Commission

"European Case Clearing House" Case Study



Participant Organization,
United Nations
Global Compact
<http://www.arge.com>