

# Green Economy: Conceptual Framework and Policies in Turkey

Gözde ERSÖZ<sup>1</sup>

## 1. What is Green Economy?

The link between economic growth and the environment has been explored within the purview of economic development theories since the 1970s, and comprehending sustainable development and green economic growth has become a significant problem. The pollution generated by industrialisation, the rapid rise of the population, and the consumption of natural resources necessary for food production have all demonstrated that global economic development has reached its limitations (Koyuncu & Karabulut, 2021).

In order to fulfill the demands of future generations as well as present ones, sustainable development necessitates the efficient use of resources, the decrease of poverty and inequality, and the supply of conditions such as health, energy, and clean drinking water. Green economic growth emerges as a method used for sustainable development. The term "green economic growth" refers to the efficient use of existing resources as well as the waste generated by those resources (Yiğit & Canöz, 2021).

Green economy is described by the United Nations Environment Program (UNEP) as policies that aim to reduce environmental hazards and ecological shortages while also promoting human wellbeing and social equity. Green economy; Its key goals include revitalizing the global economy, ensuring sustainable and inclusive economic growth, reducing employment losses by creating new ones, and assisting in the protection of vulnerable elements of society (UNEP, 2011).

## 2. Green Economy in Turkey

Dual Citizen has been calculating countries' green economic results since 2010. According to Dual Citizen's calculations, Turkey was featured in the green economy list with a score of 0.4870, ranking sixth (Dual Citizen LLC, 2018). This performance of Turkey reveals that the green economy idea has not yet settled in the nation, although it is recognized that the notion of green economy is gaining relevance in the country. It is vital to adopt sustainable policies, particularly

---

<sup>1</sup> Associate Professor, Fenerbahçe University, Turkey; [gozde.ersoz@fbu.edu.tr](mailto:gozde.ersoz@fbu.edu.tr), [gozde0007@gmail.com](mailto:gozde0007@gmail.com)

in Turkey, which not only employs a tiny portion of its outstanding renewable energy potential, but also imports a substantial portion of fossil fuels such as natural gas and coal, which are heavily utilized. On the other hand, given that Turkey's working-age population will continue to grow by more than 800,000 per year until 2020, it is critical to create new and high-quality jobs in a country with a high unemployment rate.

Two groups in Turkey are working to accelerate the advancement of green economy research. These include the Circular Economy Platform of Turkey (2021) and the DCUBE Circular Economy Cooperative (d-cube, 2021). Turkey Circular Economy Platform; provides training, funding possibilities, and consultancy services to businesses who are serious about accelerating their transition to a green economy. One of the sub-groups of the Business World and Sustainable Development Association (SKD Turkey), the Sustainable Industry and Circular Economy group, supports this platform by meeting the need for information/resources, providing measurement mechanisms, providing technical grants, and creating opportunities for cooperation (SKD Turkey, 2021). DCUBE Circular Economy Cooperative; It works to ensure that efficient and sustainable development policies are implemented throughout the world, particularly in Turkey, as a result of the implementation of the Circular Economy Model, particularly in the fields of "agriculture, food, energy, textile, and water." Most Turkish enterprises exporting to Europe have begun to prefer obtaining green economy-friendly raw materials and commodities from their suppliers. As a result, under the guise of sustainability, several of Turkey's largest textile enterprises have deployed the green economy application system.

Along with textile firms, Akkim, one of Turkey's largest chemical industries, concentrated on sustainable development research. Akkim aspires to be a model business in Turkey and in the industry in which it works in terms of sustainability management (Sustainability Policy, 2021). Furthermore, in the "Sustainability Evaluation" done by EcoVadis, Akkim climbed from 22% to 3% in the ranking of suppliers in 2020 based on the environmental, social, ethical, and sustainable buying performance categories (Sustainability is in Our Chemistry, 2021). Turkey, which is classified as a developing country by the World Bank, should establish policies based on green economic growth within this framework in order to maintain its economic growth objective at a sustainable level.

### **3. Green Economy Policies in Turkey**

It would be appropriate to review Turkey's five year development plans to observe how Turkey's environmental concerns were represented on the policy plane throughout history. During the Third Five-Year Development Plan (DPT, 1973), Turkey's usage of fossil fuels surged quickly as the globe entered the industrialization race. As a result, the concept of a sustainable environment arose in Turkey during this time period. The environment's sustainability, which has been touched on with slight adjustments in ongoing development plans, was expanded across a broad scope in the 6th Five-Year Plan, which was implemented in 1990; it has arisen as a problem that should be examined at every step of economic policies (DPT, 1990). The interaction between the economy and the environment, which was heavily emphasized in the 7th and 8th Development Plans (DPT, 1995, 2000), took on new dimensions with the 9th Plan and began to be regulated concurrently with the European Union (DPT, 2006). Another change occurred in the 10th Development Plan, with the notion of green growth being acknowledged for the first time (Ministry of Development, 2013).

In the 2000s, the green economy became increasingly frequently debated in Turkey. As a result, it has been a useful approach for examining the economic policies generated and executed by economic decision makers in the twenty-first century and determining if the applied economic policies are consistent with the green economy thinking. Examining the causes of economic development, which is the ultimate objective of economic administrations, can tell academics if the relevant country's priority is "growth despite everything" or "sustainable growth." When the sectoral performance of the Turkish economy between 2004 and 2018 is examined, it is found that the agriculture sector expanded four times faster, the manufacturing industry 7.2 times faster, the construction industry 8.6 times faster, and the service sector 6.2 times faster in 2018. From greatest to smallest in terms of sectoral size, they are service, manufacturing industry, construction, and agriculture. This composition demonstrates that the construction, manufacturing, and service sectors were the main sectors of Turkey's growth over the analyzed period.

The development in the construction industry, which is one of these sectors, is significant in terms of demonstrating the domestic market's increased demand for this sector. By definition, the construction industry lacks opportunity for creativity and innovation, has poor added value, and produces numerous environmental concerns if not executed within a suitable urban planning plan,

making it impossible to achieve sustainable growth through this sector. When we look at the growth of the construction industry in Turkey, we can say with certainty that this type of development is taking place. It has been noticed that unrestrained urbanization on agricultural lands, woods, plateaus, coasts, natural cultural assets, and so on does not allow for sustainable economic growth in Turkey and causes significant environmental harm. Another disadvantage of the construction-based growth model is that it prevents optimal resource allocation (Yıldız, 2021).

The building sector has drawn many investors due to its quick cash flow and high profit rate, prompting them to engage in the construction industry. As a result, it motivates entrepreneurs to create and participate in creative activities inside the country. Finally, it is feasible to claim that the components of Turkey's present economic plan are far from green growth. Turkey's representation at international meetings, as well as its involvement in climate change accords, appear to be crucial parameters in guaranteeing environmental sustainability. It may be argued that the international community's efforts to conserve the environment are typically accepted and supported by Turkey. The United Nations Framework Convention on Climate Change, which arose as a result of the 1992 Rio Conference, was the most important initial move made by the worldwide community in the battle against climate change. The Convention is a treaty that imposes various degrees of duties on nations who sign up to it. Turkey signed this treaty with a different status in 2004. The Kyoto Protocol, which is connected to the UNFCCC and attempts to reduce countries' greenhouse gas emissions, is another international accord. Turkey was included in the Kyoto Protocol in the framework of calculating the national contribution to climate change with the decision made at the Peru summit, and it indicated that it would decrease greenhouse gas emissions by up to 21 percent in the 2020-2030 period.

The Paris Agreement, reached in 2015, is another example of a global endeavour. Turkey joined the Paris Agreement by signing it in 2016. Turkey has implemented several legislative provisions in order to build a sustainable social, economic, and environmental environment that is consistent with the environment. Environmental Law, Cultural and Natural Heritage Protection Law, Bosphorus Law, National Parks Law, Zoning Law, Coastal Law, Wetlands and Land Hunting Law, Agriculture, Forestry and Rural Services Laws, Forest Law, Tourism Encouragement Law, General Health Protection Law are examples of these legal regulations (Ministry of Foreign Affairs, 2021; Yıldız, 2021).

#### **4. Conclusion and Future Expectations**

It is widely acknowledged that the green economy, which is a precondition for green development and transformation in other sectors in order to achieve sustainable development goals, has grown significantly in global economies, particularly in developed nations. Green and social bonds, in particular, have gotten a lot of attention recently and are considered as financial vehicles that pique interest and provide new options for both issuers and investors in established and emerging economies. On the one hand, the green economy should be progressively prioritized by both regulatory and implementing institutions in order to fulfill our environmental consciousness towards the world we live in, and on the other hand, to be able to access these funds, which have reached a major magnitude. Directing a set amount of the banking sector's loans to green projects, as well as the numerous benefits of green project funding, would stimulate interest in the green economy. As the regulations regarding green economy tools should be completed quickly, it is also very important to provide some incentives for these tools to be in demand. Standardization studies, which will be carried out by establishing the attributes that green economy instruments should have, would clear up the industry and make it easier for investors to make decisions. In this respect, regulations and standards should be created, tax incentives should be provided, risk perception in the market should be lowered, and costs should be decreased in order to build the green bond market. Financing renewable energy resources will be easier for investors who want to buy green bonds or entrepreneurs who want to construct green projects once the right legislation and incentives are put in place. National economies will benefit from environmentally friendly and low-carbon development potential in this way.

#### **References**

- Balbay, Ş., SARIHAN, A., & Avşar, E. (2021). Dünyada ve Türkiye’de “Döngüsel Ekonomi/Endüstriyel Sürdürülebilirlik” Yaklaşımı. *Avrupa Bilim ve Teknoloji Dergisi*, (27), 557-569.
- Devlet Planlama Teşkilatı. (1973). Üçüncü beş yıllık kalkınma planı 1973-1977.
- Devlet Planlama Teşkilatı. (1990). Altıncı beş yıllık kalkınma planı 1990-1994.
- Devlet Planlama Teşkilatı. (1995). Yedinci beş yıllık kalkınma planı 1996-2000.
- Devlet Planlama Teşkilatı. (2000). Sekizinci beş yıllık kalkınma planı 2001-2005.

- Devlet Planlama Teşkilatı. (2006). Dokuzuncu kalkınma planı 2007-2013.
- Döngüsel ekonomi kooperatifi (2021). 1, from <https://www.dcube.org/>
- Dual Citizen LLC. (2018). Global green economy index (GGEI). Erişim adresi <https://dualcitizeninc.com/global-green-economy-index/>
- Koyuncu, T., & Karabulut, T. (2021). Türkiye’de Sürdürülebilir Kalkınma Ve Yeşil Ekonomi Açısından Yenilenebilir Enerji: Ampirik Bir Çalışma. Uluslararası Yönetim İktisat ve İşletme Dergisi, 17(2), 466-482.
- Ministry of Development (2013). Onuncu kalkınma planı 2014-2018.
- Ministry of Foreign Affairs. (2021). Paris anlaşması. Erişim adresi <http://www.mfa.gov.tr/paris-anlasmasi.tr.mfa>
- Sürdürülebilir Kalkınma Derneği (SKD-2021), <http://www.skdturkiye.org/>
- Sürdürülebilirlik Kimyamızda Var. (2021). <https://www.akkim.com.tr/tr/basin/bizden-haberler/i-3259>
- Türkiye Döngüsel Ekonomi Platformu. (2021). <https://donguselekonmiplatformu.com/>
- UNEP (2011). Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication <https://sustainabledevelopment.un.org/index.php?page=view&type=400&nr=126&menu=35> Access date: 20 February 2022
- Yıldız, F. (2021). Türkiye ve Yeşil Ekonomi. İlke Politika Notu 23 | Nisan 2021 İlke Yayın No: 93
- Yiğit, F., & Canöz, İ. (2021). Sürdürülebilir Kalkınma ve Yeşil Finansman Çalışmalarının Gelişimi. Reforma, 4(92), 37-41.