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**SME Policy Index**

**Western Balkans and Turkey 2022**

**ASSESSING THE IMPLEMENTATION OF THE SMALL BUSINESS ACT FOR EUROPE**

**DIMENSION 9 - SMEs in a green economy**

**Qualitative indicators government questionnaire**

**SMEs in a green economy assessment framework**

**SMEs in a green economy** dimension assesses the provision of policies that promote green behaviour among small and medium-sized enterprises (SMEs) in the Western Balkans and Turkey.

This dimension is structured around two sub-dimensions:

* Sub-dimension 1: **Framework for environmental policies targeting SMEs**, which considers the greening aspects in national SME, sectoral and innovation policy frameworks,
* Sub-dimension 2: **Incentives and instruments for SME greening**, which looks at the various tools and instruments in place – such as regulatory and information-based instruments, financial incentives and green public procurement – to support SMEs in their greening efforts.

Figure 1. SMEs in a green economy assessment framework

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| **Outcome indicators**  Share of SMEs that adopted/use environmental management system (ISO 14001; local ones)  Share of SMEs with green certificates  Share of SMEs that have taken resource-efficiency measures  Share of SMEs with a turnover share more than 50% generated by green products or services  Share of SMEs that offer green products or services | | | | | |
| **Sub-dimension 9.1:**  Framework for environmental policies targeting SMEs | | | **Sub-dimension 9.2 :**  Incentives and instruments for SME greening | | |
| **Thematic block 1:**  Planning and design | **Thematic block 2:**  Implementation | **Thematic block 3:**  Monitoring and evaluation | **Thematic block 1:**  Planning and design | **Thematic block 2:**  Implementation | **Thematic block 3:**  Monitoring and evaluation |
| **Quantitative indicators:**  Share of SMEs that have benefitted from public support measures for their green production methods  Share of SMEs that have benefitted from public support measures for their resource efficiency actions  Number of implemented environment-related actions that are specifically targeting SMEs | | | | | |

## Sub-dimension 1: Framework for environmental policies targeting SMEs

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| **Question** | | | | | **Response *[expand box as necessary]*** | | **Source/evidence/links** | |
| **Thematic block 1. Planning and design** | | | | | | | | |
| 1.1.1. | | **If any, please state which government strategies include environmental policies/measures for SMEs[[1]](#footnote-2) (e.g. as part of the SME development strategy or the environmental protection strategy).** | | |  | | 11.th Development Plan: <https://www.sbb.gov.tr/wp-content/uploads/2020/06/Eleventh_Development_Plan-2019-2023.pdf> and  <https://www.sbb.gov.tr/wp-content/uploads/2020/04/GirisimcilikKOB%C4%B0lerEsnaf_ve_SanatkarlarOzelIhtisasKomisyonuRaporu.pdf>  Industry Strategy Paper 2023: <https://www.sanayi.gov.tr/assets/pdf/SanayiStratejiBelgesi2023.pdf>  <http://gokce.av.tr/wp-content/uploads/2019/10/The-Fine-Print_Ekim_2019_Ing.pdf>  Medium Term Program 2022-2024:  <https://www.sbb.gov.tr/wp-content/uploads/2021/09/Orta-Vadeli-Program-2022-2024.pdf>  Strategic Plan of the Ministry of Agriculture and Forestry 2019-2023:  <http://extwprlegs1.fao.org/docs/pdf/tur193517.pdf>  Strategic Plan 2018 – 2022 of the Ministry of Food, Agriculture and Livestock: <http://extwprlegs1.fao.org/docs/pdf/tur180257.pdf>  National Water Plan 2019-2023: <http://extwprlegs1.fao.org/docs/pdf/tur202337.pdf>  Zero Waste Regulation: <http://extwprlegs1.fao.org/docs/pdf/tur187824.pdf>  Regulation on environmental management services: <http://extwprlegs1.fao.org/docs/pdf/tur193937.pdf>  KOSGEB Strategic Plan 2019-2023: <https://webdosya.kosgeb.gov.tr/Content/Upload/Dosya/Mevzuat/2020/KOSGEB_Stratejik_Plan%C4%B1_(2019-2023).pdf>  Ministry of Interior Disaster and Emergency Management Presidency (AFAD) Strategic Plan 2019-2023: <https://www.afad.gov.tr/kurumlar/afad.gov.tr/e_Kutuphane/Planlar/AFAD_19_23-StrategicPlan_Eng.pdf>  Ministry of Industry and Technology Strategic Plan 2020-2024: <https://www.sanayi.gov.tr/plan-program-raporlar-ve-yayinlar/stratejik-planlar/mu2112012102>  Ministry of Industry and Technology Strategic Plan 2019-2023: <https://www.sanayi.gov.tr/plan-program-raporlar-ve-yayinlar/stratejik-planlar/mu1303012101>  Ministry of Science, Industry and Technology Strategic Plan 2018-2022: <https://www.sanayi.gov.tr/plan-program-raporlar-ve-yayinlar/stratejik-planlar/mu1303012102>  Climate Change Strategy 2010-2023: <https://webdosya.csb.gov.tr/db/iklim/editordosya/iklim_degisikligi_stratejisi_EN(2).pdf>  National Water Plan 2019-2023: <https://www.tarimorman.gov.tr/SYGM/Belgeler/NHYP%20DEN%C4%B0Z/ULUSAL%20SU%20PLANI.pdf>  EU Integrated Environmental Adaption Strategy 2007-2023:  [https://webdosya.csb.gov.tr/db/cygm/icerikler//uces-belges--20180125144313.pdf](https://webdosya.csb.gov.tr/db/cygm/icerikler/uces-belges--20180125144313.pdf)  National Basin Management Strategy 2014-2023: <http://www.sp.gov.tr/tr/temel-belge/s/177/Ulusal+Havza+Yonetim+Stratejisi+_2014-2023>  National waste Management and Action Plan 2023: <https://webdosya.csb.gov.tr/db/cygm/haberler/ulusal_at-k_yonet-m--eylem_plan--20180328154824.pdf>  Turkey's Climate Change  Adaptation Strategy and Action Plan: <https://webdosya.csb.gov.tr/db/iklim/editordosya/uyum_stratejisi_eylem_plani_TR.pdf>  Green Deal Action Plan 2021: <https://ticaret.gov.tr/data/60f1200013b876eb28421b23/MUTABAKAT%20YE%C5%9E%C4%B0L.pdf>  Green Deal 2020: <https://yesildusunce.org/dl/uploads/yesilavrupamutabakati.pdf> | |
|  | | In particular, does any of the government strategies containing environmental policies/measures for SMEs promote: | a) eco-efficient[[2]](#footnote-3) products, services and processes? | | Yes [\* ]  The 11th Development Plan of Turkey emphasizes Turkey’s overview on Green Growth and importance of SMEs in overall economy.  Medium Term Programme also stresses that zero-waste applications, increasing digital transformation capacities of SMEs, green economy and novel business models.  Green Deal Action Plan specifically declares some missions in order to create awareness among SMEs in making them more adaptive to the new green economy. The plan includes an action about information activities on eco-labels and waste management to be carried out for companies, especially SMEs.  National Energy Efficiency Action Plan declares to allocate funds to buildings of SME category for energy efficiency  audit programmes and audits.  Climate Change Strategy 2010-2023 includes and objective as an action area (Actiona Area-S1.2.2. Increasing energy efficiency in SMEs)  No [ ] | | -Green Deal Action  Plan (https://ticaret.gov.tr/data/60f1200013b876eb28421b23/MUTABAKAT%20YE%C5%9E%C4%B0L.pdf)  -11th Development Plan of Turkey (Article 157, <https://www.sbb.gov.tr/wp-content/uploads/2020/06/Eleventh_Development_Plan-2019-2023.pdf>)  -New Economy Programme (2021-2023, <https://ms.hmb.gov.tr/uploads/2020/09/YEN%C4%B0-EKONOM%C4%B0-PROGRAMI-K%C4%B0TAP%C3%87IK.pdf>)  Medium Term Programme (2021-2023) (<https://www.sbb.gov.tr/wp-content/uploads/2021/08/YeniEkonomiProgrami_OVP_2021-2023.pdf>)  -Green Deal Action  Plan (<https://ticaret.gov.tr/data/60f1200013b876eb28421b23/MUTABAKAT%20YE%C5%9E%C4%B0L.pdf>)  National Energy Efficiency Action Plan (<https://enerji.enerji.gov.tr//Media/Dizin/EVCED/tr/EnerjiVerimlili%C4%9Fi/UlusalEnerjiVerimlili%C4%9FiEylemPlan%C4%B1/Belgeler/NEEAP.pdf>)  Industry Strategy Paper 2023 <https://www.sanayi.gov.tr/assets/pdf/SanayiStratejiBelgesi2023.pdf>  Regulation on environmental management services  <https://www.resmigazete.gov.tr/eskiler/2019/07/20190730-1.htm>  Climate Change Strategy 2010-2023: <https://webdosya.csb.gov.tr/db/iklim/editordosya/iklim_degisikligi_stratejisi_EN(2).pdf> | |
| b) eco-innovation[[3]](#footnote-4)? | | Yes [ \*]  The "Digital Transformation and Industry Move" component of the 2023 Industry and Technology Strategy implemented by the Ministry of Industry and Technology states that; the determining role of green production approach in our industrial policies and practices will be strengthened; technology-intensive modernization of infrastructure and enterprises and new investments based on cleaner production will continue to be supported, especially in OIZs in which SMEs are mainly hosted, in order to reduce the environmental impacts of industrial production; Industry Registry Information System will be developed to establish an "Economically Valuable Waste Monitoring System" within the scope of the circular economy; recognizing that industrial symbiosis emerges as an approach supporting entrepreneurship and regional development with its potential to create new business areas, as well as innovation activities, within the framework of the "Development of the Green OIZ Framework for Turkey Project", work to expand industrial symbiosis areas in Turkey will continue to be carried out in cooperation with relevant stakeholders  No [ ] | | -Green Deal Action  Plan (https://ticaret.gov.tr/data/60f1200013b876eb28421b23/MUTABAKAT%20YE%C5%9E%C4%B0L.pdf)  -11th Development Plan of Turkey (Article 157, <https://www.sbb.gov.tr/wp-content/uploads/2020/06/Eleventh_Development_Plan-2019-2023.pdf>)  -New Economy Programme (2021-2023, <https://ms.hmb.gov.tr/uploads/2020/09/YEN%C4%B0-EKONOM%C4%B0-PROGRAMI-K%C4%B0TAP%C3%87IK.pdf>)  the 2023 Industry and Technology Strategy (<https://www.sanayi.gov.tr/2023-sanayi-ve-teknoloji-stratejisi>) | |
| c) Circular economy[[4]](#footnote-5) , more broadly – such as creation of innovative, circular economy-related business models (not just eco-innovation and eco-efficiency)? If so, please specify. | | Yes [\* ]  The 11th Development Plan of Turkey emphasizes Turkey’s overview on Green Growth and importance of SMEs in overall economy.  Medium Term Programme also stresses zero-waste applications, increasing digital transformation capacities of SMEs, green economy and novel business models.  Green Deal Action Plan specifically declares some missions in order to create awareness among SMEs in making them more adaptive to the new green economy.  No [ ] | | -Green Deal Action  Plan (https://ticaret.gov.tr/data/60f1200013b876eb28421b23/MUTABAKAT%20YE%C5%9E%C4%B0L.pdf)  -11th Development Plan of Turkey (Article 157, <https://www.sbb.gov.tr/wp-content/uploads/2020/06/Eleventh_Development_Plan-2019-2023.pdf>)  -New Economy Programme (2021-2023, <https://ms.hmb.gov.tr/uploads/2020/09/YEN%C4%B0-EKONOM%C4%B0-PROGRAMI-K%C4%B0TAP%C3%87IK.pdf>) | |
| 1.1.2. | | **Since the last assessment (January 2019) and specifically in the context of the new EC’s** [**Green Deal**](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en)**, have there been any changes in environmental policies/measures/strategic documents that are specifically targeting SMEs?** | | | Yes [\*]  No [ ]  n/a [ ] | |  | |
|  | | If yes | Please specify: title, status (adopted, process of adoption, drafting, no activity), timeline, main objectives, measurable targets, expected impact, if these are sector specific and whether a corresponding budget exists. | | In 2021, under the chair of Presidency of the Republic, a Working Group (WG) has been set up in order to harmonize with EC’s Green Deal. The WG including public and private representatives and secretariat by Ministry of Trade, deals with Turkey’s adaptation in Green Growth issues. Its activities are; -  -Planning certain investments for waste management and recycling projects,  -Setting up a working group on SMEs,  -Making arrangements to structure consumer habits.  Specific targets are as follows;  -Carbon regulation on borders,  -A Green and circular economy,  -Clean, economic, and safe energy supply,  -Sustainable agriculture,  Smart Transport,  -Combat with climate change,  -Diplomacy and informative and awareness activities.  With the participation of the public and private sector (TOBB, TUSIAD and the textile, plastics, chemistry, materials, automotive and white goods construction), the WG met several times.  As a result; A Green Deal Action Plan is drafted and soon will be operational for 2021 (last quarter)-2024 period.  The National Energy Efficiency Action Plan Monitoring and Guidance Board was established with the Presidential Circular No. 2019/27 dated 7 December 2019.  Board consists of Presidency Strategy and Budget Department, Presidential Economic Policy Board, Ministry of Environment and Urbanization, Ministry of Energy and Natural Resources, Ministry of Treasury and Finance, Interior, Ministry of National Education, Ministry of Health, Ministry of Industry and Technology, Ministry of Agriculture and Forestry, Ministry of Transport and Infrastructure Ministries, Energy Market Regulatory Authority.  The tasks of the Board are as follows; to carry out energy efficiency studies, which require the public sector, private sector and non-governmental organizations to act with a participatory approach and within the framework of cooperation, effectively by all responsible and relevant institutions and organizations throughout the country, to determine energy efficiency strategies at the national level, to prepare action plans and programs, Monitoring the realization levels, including the National Energy Efficiency Action Plan, ensuring coordination for effective implementation, monitoring the results, changing and updating when necessary. | | -Green Deal Action Plan (https://ticaret.gov.tr/data/60f1200013b876eb28421b23/MUTABAKAT%20YE%C5%9E%C4%B0L.pdf)  -11th Development Plan of Turkey (Article 157, <https://www.sbb.gov.tr/wp-content/uploads/2020/06/Eleventh_Development_Plan-2019-2023.pdf>)  -New Economy Programme (2021-2023, <https://ms.hmb.gov.tr/uploads/2020/09/YEN%C4%B0-EKONOM%C4%B0-PROGRAMI-K%C4%B0TAP%C3%87IK.pdf>)  Medium Term Programme (2021-2023) (<https://www.sbb.gov.tr/wp-content/uploads/2021/08/YeniEkonomiProgrami_OVP_2021-2023.pdf>)  National Energy Productivity Action Plan, <https://enerji.gov.tr/bilgi-merkezi-enerji-verimliligi-ulusal-enerji-verimliligi-eylem-plani> | |
| 1.1.3. | | **Is there a government body responsible for co-ordinating SME greening policies (e.g. body that is in charge for SME policy implementation or other)?** | | | Yes [x ]  No [ ] | | Ministry of Commerce | |
|  | | If yes | Please specify which government body/agency is responsible for greening policy for SMEs. | |  | | <https://www.mevzuat.gov.tr/MevzuatMetin/CumhurbaskanligiGenelgeleri/20210716-15.pdf>  According to official gazette; Under the presidency of the relevant deputy minister of the Ministry of Commerce, in order to follow the implementation of the action plan, to direct the work in line with global policy developments and to ensure the necessary coordination, the Deputy Head of Strategy and Budget and the Labour and Social Security, Environment and Urbanization, Foreign Affairs, Energy and Natural Resources, Treasury and Finance, The “Green Reconciliation Working Group” was established with the participation of the deputy ministers of the Ministries of National Education, Industry and Technology, Agriculture and Forestry, Transport and Infrastructure. | |
| How is the co-ordination of the various authorities involved in planning and implementation of SME greening policies and measures ensured? Please elaborate. | |  | | Currently, KOSGEB made several attempts to lead the players in 2021. The SME Development Organization of Turkey, has actively participated in Green Deal Action Plan preparation studies. Internally it constituted a working group to define the next and critical steps need to be taken to move forward. This group will built a base to form awareness, educational activities, and draft support models in favour of Turkish SMEs. KOSGEB also organized a training session to its personnel regarding Green Growth. | |
| 1.1.4 | | **Was the private sector consulted in developing environmental policies for SMEs? If yes, please specify at what stages and through what means.** | | | Yes [ \*]  Private sector and its representatives involved in Green Deal Working Group. TOBB, TESK, TIM (Turkish Exporters Assembly) and many other sectoral actors of chemicals, vehicles, textile, and plastic industries have actively participated in studies to form an Action Plan and its operational framework.  No [ ] | |  | |
| 1.1.5. | | **In the context of SME greening, which private sector or local organisations is the government co-ordinating with and in what way?** | | | TOBB, TESK, EBRD Turkey, TIM and representatives of plastic, chemicals, automotive, construction materials sectors are included in SME greening activities.  EBRD has worked together with Ministry of Environment and Urbanisation, Ministry of Energy and Natural Resources, Ministry of Industry and Technology, especially on decarbonisation, circular economy, carbon taxation issues in specific sectors.  Business Council for Sustainable Development Turkey (SKD Türkiye, BCSD Turkey) was founded under the leadership of 13 private sector entities. The Council accepts only corporate membership.  Its missions are; sharing the knowledge and experience of the business world in the field of climate change, policies and regulations, taking part in discussions in this field and contributing constructively. Council has established an Energy Working Group, which works under the heading of Transition to a Low Carbon Economy and Efficiency, which is one of the four focus areas of SKD Turkey.  TIM has run “Zero Waste Project”. Project targets firms including SMEs in any sector, to lead the way in creating a waste inventory of enterprises, combining them on a common platform, evaluating capacities, and providing technical inventory to companies. TIM, via the Project, supplies mentorship on the minimization of waste, the acquisition of energy from waste, and the development of a waste management business model for exporters. | | -Green Deal Action Plan (https://ticaret.gov.tr/data/60f1200013b876eb28421b23/MUTABAKAT%20YE%C5%9E%C4%B0L.pdf)  <https://www.ebrd.com/news/2018/ebrd-welcomes-turkeys-national-energy-efficiency-action-plan.html>  <https://www.ebrd.com/news/2018/ebrd-welcomes-turkeys-national-energy-efficiency-action-plan.html>  <http://www.skdturkiye.org/en> | |
| 1.1.6. | | **Which business associations (or other channels, such as research institutes, consultants) have been active in providing support to SMEs for greening?** | | | TOBB, TESK, representatives of plastic, chemicals, automotive, construction materials sectors. | | -Green Deal Action Plan (https://ticaret.gov.tr/data/60f1200013b876eb28421b23/MUTABAKAT%20YE%C5%9E%C4%B0L.pdf) | |
| 1.1.7. | | **Do the private sector representatives (business associations, chambers of commerce, etc.) have their own SME greening policies? If yes, please elaborate which ones and provide more details on these policies.** | | | Yes [ \*]]  TIM has some action lines on greening companies and circular economy in the same regard.  They aim at creating a sustainability ecosystem with Digital Mentoring and Training programs. In this regard, TIM planned many pieces of training and projects under the umbrella of the ecological export academy.  TIM also goals to open a new chapter in corporate carbon footprint studies. In this context, they first encourage companies to measure their corporate carbon footprint through scientific methods. Another action of TIM is to add value to economy with circularity and advanced gains in the industry. In this topic, they will carry out training and awareness studies on the reuse of materials, recovery of in-production waste, and all materials that have reached the end of their life. Lastly TIM widens its action by focusing on Marmara sea, as it is the one affected by most of the Turkish industry due to its location. TIM stated the area of Marmara Sea the field of "advanced treatment technologies", which has been even more prominent in the agenda with the recent picture. In this respect, they will carry out studies on improving existing infrastructure and evaluating wastewater in industrial facilities with advanced treatment technologies. TIM additionally to focus on renewable energy sources in all areas by operating certification processes for the Renewable Energy Resource Guarantee System to have international validity. It will contribute to the greater benefit of our exporters from EU funds focused on the Circular Economy Action Plan and the European Green Deal.  No [ ] | | They are contributing the SME greening policies. | |
| **Thematic block 2. Implementation** | | | | | | | | |
| 1.2.1. | | **Has a budget been mobilised[[5]](#footnote-6) for the action plan related to SME-specific environmental strategies/measures?** | | | Yes [\* ]  No [ ] | | KOSGEB, Ministry of Energy and Natural Resources, Ministry of Environment and Urbanisation (Although the latter ones did not dedicate a specific budget, any action targeting companies would cover SMEs as they have been 99% of Turkish enterprises, and unless stated a classification condition) | |
|  | | If yes | How much is the budget dedicated to environmental strategies/measures targeting SMEs? | |  | |  | |
| 1.2.2. | | **Which environmental policies/measures/strategic documents that are specifically targeting SMEs have been implemented?**  **Please share the relevant, most recent report on the implementation in the “Source/evidence/links” column.** | | |  | | -Green Deal Action Plan (<https://ticaret.gov.tr/data/60f1200013b876eb28421b23/MUTABAKAT%20YE%C5%9E%C4%B0L.pdf>)  -11th Development Plan of Turkey (Article 157, <https://www.sbb.gov.tr/wp-content/uploads/2020/06/Eleventh_Development_Plan-2019-2023.pdf>)  -New Economy Programme (2021-2023, <https://ms.hmb.gov.tr/uploads/2020/09/YEN%C4%B0-EKONOM%C4%B0-PROGRAMI-K%C4%B0TAP%C3%87IK.pdf>)  Medium Term Programme (2021-2023) <https://www.sbb.gov.tr/wp-content/uploads/2021/09/Orta-Vadeli-Program-2022-2024.pdf>  National Energy Productivity Action Plan, <https://enerji.gov.tr/bilgi-merkezi-enerji-verimliligi-ulusal-enerji-verimliligi-eylem-plani> | |
| 1.2.3. | | **What targets of the abovementioned strategic documents have been achieved?** | | | **-Green Deal Action Plan**  Informing companies, especially SMEs, on eco-labeling and waste management (ongoing, 2021)  - Calculating sectoral water footprint on a basin basis in the context of carrying out studies on Turkey's “Water Footprint” assessment (2023)  **-New Economy Programme (2021-2023)**  Zero waste practices green economy and sustainable environment perspective will continue to be expanded (ongoing).  **-National Energy Productivity Action Plan**,  As part of the IPA Project titled Technical Assistance for Enhancement of  Institutional Capacity in Energy Efficiency, 17 trainings were held with the  participation of 205 representatives from 37 institutions and organizations  responsible for the implementation of the National Energy Efficiency Action Plan  in 2019 and 2020  Efforts were made in relation to such areas as process efficiency, energy  management, industrial symbiosis, and the establishment of green Organized  Industrial Zones (OIZs) through national and international collaborations.  Within the scope of the Efficiency Improvement Project Support Program, TRY 36 million of support was provided for 308 projects in the 2009-2020 period,  achieving financial savings of TRY 120 million and energy savings of 72 thousand toe.  Activities for the establishment of Capability and Digital Transformation Centers (Model Factory) and Innovation Centers are ongoing. Model Factories in Ankara, Bursa, Konya, Kayseri, Mersin, Gaziantep, and İzmir provinces continue their activities within the framework of their respective programs. Works for the  establishment of İzmir, Mersin, and Adana Innovation Centers are continuing to start their operations in 2021.  Projects for Developing National Lifecycle Assessment Database and Promoting Energy Efficient Engines in Small and Medium Scale Enterprises in Turkey were carried out.    <https://enerji.gov.tr//Media/Dizin/EVCED/tr/EnerjiVerimlili%C4%9Fi/UlusalEnerjiVerimlili%C4%9FiEylemPlan%C4%B1/Belgeler/UEVEP2020gelisimraporenv2.pdf> | |  | |
| 1.2.4. | | **Is there a specific allocation of funding for the promotion of SMEs going green[[6]](#footnote-7)?** | | | Yes [ \*]  No [ ] | | -KOSGEB General Support Regulation (https://www.kosgeb.gov.tr/site/tr/genel/destekdetay/1230/genel-destek-programi)  -Energy Efficiency Law numbered 5627 dated 18/04/2007 (https://www.resmigazete.gov.tr/eskiler/2007/05/20070502-2.htm) | |
|  | | If yes | Please specify the amount and its source (national budget, donor funds, other). | | Under KOSGEB General Support Scheme, a specific support on Energy Efficiency is provided to SMEs. General frame of this support item is in line with Energy Efficiency Law numbered 5627. The support covers up to %70 of consultancy, analysis, and training costs. Upper limit is nearly EURO 7500. The source is National Budget. | |  | |
| 1.2.5. | | **Are there any operational sector-specific environmental policies targeting SMEs**? | | | Yes [x]  No [ ] | |  | |
|  | | If yes | Please specify which ones and their status of implementation (on track, delayed due to the lack of fund/other reasons, other). | | There is a specific section within the said Program named Green Transformation which includes policy and measures that is to be implemented in favour of industry regardless of a scale phrase, by which it may be considered the inclusion of SMEs naturally. | | Medium Term Program 2022-2024:  <https://www.sbb.gov.tr/wp-content/uploads/2021/09/Orta-Vadeli-Program-2022-2024.pdf> | |
| 1.2.6. | | **Is the government body responsible for providing environmental guidance for SMEs fully operational[[7]](#footnote-8)?** | | | Yes []  No [ \*] | |  | |
|  | | If yes | How do you ensure the responsible body has the adequate capacity to perform its role (capacity building, trainings)? List key opportunities available for capacity building/training of the local government staff and whether and how often they have been taken in the last three years. | |  | |  | |
| 1.2.7. | | **Is the government co-ordinating with business associations and local councils for the delivery of environmental guidance to SMEs?** | | | Yes [ \*]  No [ ] | |  | |
|  | | If yes | Please specify in what way, i.e. through which mechanisms? How successful have these mechanisms been so far? Please share the relevant reports. | | TOBB, TESK, EBRD Turkey, and representatives of plastic, chemicals, automotive, construction materials sectors are included in SME greening activities.  EBRD Turkey has worked together with Ministry of Environment and Urbanisation, Ministry of Energy and Natural Resources, Ministry of Industry and Technology, especially on decarbonisation, circular economy, carbon taxation issues in specific sectors. | |  | |
| **Thematic block 3. Monitoring and evaluation** | | | | | | | | |
| 1.3.1. | | **Are environmental policies/measures targeted towards SMEs being regularly monitored?** | | | Yes [ x]  No [ ] | | Environmental impact assessment,  strategic environmental assessment, permitting, licensing, monitoring and auditing  mechanisms and capacities will be developed, and regarding these issues, legislation  will be strengthened and the need for required software, machinery and equipment will be fulfilled.  Environmental data will be improved in terms of collection, monitoring and  evaluation processes and quality and capacity for data usage will be increase:  <https://www.sbb.gov.tr/wp-content/uploads/2020/06/Eleventh_Development_Plan-2019-2023.pdf> | |
| 1.3.2. | | **Is their evaluation conducted and if so, how is it carried out and at what frequency?** | | | Every six months | | KOSGEB Strategical Plan  <https://webdosya.kosgeb.gov.tr/Content/Upload/Dosya/Mevzuat/2020/KOSGEB_Stratejik_Plan%C4%B1_(2019-2023).pdf> | |
| 1.3.3. | | **Are the policies revised based on evaluation activities? If so, how?** | | | Yes, every action plan has a strategic target for evaluation. Policies are revised according to the evaluation results. | |  | |
| 1.3.4. | | **Are the stakeholders involved in feedback and evaluation and if yes, how?** | | | Yes, via working group meetings | |  | |
| 1.3.5. | | **Has the impact assessment of the environmental policies targeted towards SMEs been undertaken? If so, by who and have any adjustments been made based on the received feedback?** | | | Presidency, Strategy and Budget Department, General Directorate of Economic Modelling and Conjuncture Evaluation | | Target H4.2:  <https://www.sbb.gov.tr/wp-content/uploads/2019/11/Stratejik-Plan-2019-2023.pdf> | |
| 1.3.6. | | **Have there been any analyses of costs and benefits of greening SMEs? If yes, please specify and share the report (if any) in the “Source/evidence/links” column.** | | | Yes [x ]  No [ ] | |  | |
| 1.3.7. | | **Does the government body in charge of providing environmental guidance monitor its effectiveness[[8]](#footnote-9)? If so, please specify how regularly this is done and share the latest report on this (if any).** | | |  | |  | |
| *Optional - Please provide any further information on the* ***environmental policies targeting SMEs*** *in your economy that you deem relevant for the assessment* | | | | |  | |  | |

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| --- | --- |
| **Question** | **Response** |
| Self-assessed level  (1 through 5, whole and half numbers) | 5 |
| Brief justification | There are some documents covering green growth topics with digital transformation. The 11th Development Plan of Turkey, Medium Term Programme also stresses that zero-waste applications, increasing digital transformation capacities of SMEs, green economy and novel business models. The "Digital Transformation and Industry Move" component of the 2023 Industry and Technology Strategy implemented by the Ministry of Industry and Technology states that; the determining role of green production approach in our industrial policies and practices will be strengthened; technology-intensive modernization of infrastructure and enterprises and new investments based on cleaner production will continue.  There is a coordination between the government and private sector in creating policies, and implementing policy actions. TOBB, TESK, EBRD Turkey are consulted in such processes.  Additionally, as the Green Economy has been an arising area for the recent years, Turkey also has attempted to follow developments. In this context, Green Deal Action Plan, drafted and very soon published in 2021, specifically declares some missions in order to create awareness among SMEs in making them more adaptive to the new green economy. The plan includes a road of information activities on eco-labels and waste management to be carried out for companies, especially SMEs.  On the other hand, since the efforts has been newly started, there is a clear further institutional need to run, coordinate, and follow the policies, and organizations. Most probably, in the light of the studies carried out in 2021, the organizational framework, and many operational sector-specific environmental policies targeting SMEs will be expected to be drawn, and built in the coming year. |
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## Sub-dimension 2: Incentives and instruments for SME greening

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| --- | --- | --- | --- | --- | --- |
| **Question** | | | | **Response *[expand box as necessary]*** | **Source/evidence/links** |
| **Thematic block 1. Planning and design** | | | | | |
| 2.1.1. | **Since the last assessment (January 2019), have there been any changes in the government provision of regulatory instruments[[9]](#footnote-10) for SME greening?** | | | Yes [\* ] In 2021, under the chair of Presidency of the Republic, a Working Group (WG) has been set up in order to harmonize with EC’s Green Deal. The WG including public and private representatives and secretariat by Ministry of Trade, deals with Turkey’s adaptation in Green Growth issues.  KOSGEB has built a working group to form a roadmap to raise awareness, educate, and support SMEs in green growth field.  No [ ] | -Green Deal Action Plan (https://ticaret.gov.tr/data/60f1200013b876eb28421b23/MUTABAKAT%20YE%C5%9E%C4%B0L.pdf)  KOSGEB EU Directorate |
|  | If yes | Please specify what regulatory instruments are used. | | Action Plan, Internal working groups that will produce legislation and concrete steps in favour of SMEs. | Here, legislation suggests KOSGEB’s secondary legislation that will enable the organization to create and offer new models to support SMEs in the field of green deal.  Working Group works on finding new models and tools in;  Informing, developing and supporting SMEs for the necessary transformation in this important issue that will closely affect our competitiveness in the European Union market, |
| 2.1.2. | **Is the environmental permitting differentiated based on the level of environmental risk?** | | | Yes [ ]  No [ ] |  |
| 2.1.3. | **Does the government provide financial incentives[[10]](#footnote-11) for the greening of SMEs?** | | | Yes [X]  No [ ] | <https://enerji.gov.tr/bilgi-merkezi-enerji-verimliligi-destekleri>  --KOSGEB General Support Regulation (https://www.kosgeb.gov.tr/site/tr/genel/destekdetay/1230/genel-destek-programi)  -Energy Efficiency Law numbered 5627 dated 18/04/2007 (<https://www.resmigazete.gov.tr/eskiler/2007/05/20070502-2.htm>)  -KOSGEB R&D, Innovation Themed Supports (<https://en.kosgeb.gov.tr/site/tr/genel/destekler/6309/rd-technological-production-and-domestication-supports>)  -Decision numbered 2012/3305 on State Aids on the Investments, Official Gazette dated 19/06/2012. |
|  | If yes | Please specify what financial incentives are offered. | | -Establishments that consume more than 500 TOE/year are eligible to apply energy efficiency grant program. The program offers %30 grant up to 1,5 million Turkish Lira per project.  -Under KOSGEB General Support Scheme, a specific support on Energy Efficiency is provided to SMEs. General frame of this support item is in line with Energy Efficiency Law numbered 5627. The support covers up to %70 of consultancy, analysis, and training costs. Upper limit is approximately $9000. The source is National Budget.  -Additionally KOSGEB R&D, Innovation Supports are open to green growth topics as they are naturally laid in such areas.  -The government provide financial incentives to green investments of companies. These incentives are not specifically designed for SMEs, but also covers SMEs besides bigger companies. Within the scope of the Investment Incentive System, green investments are supported under priority investment incentive scheme. The government provides VAT Exemption, Customs Duty Exemption, Tax Deduction and Interest Support. For investment loans, up to 1.4 M TL interest share is covered by the Ministry of Industry and Technology. |  |
| 2.1.4. | **Are SMEs subject to other types of incentive-based government instruments? (e.g. environmental taxes and charges, etc…) If so, please specify which ones.** | | | As per Decree 2002/3305 of 19 June 2012, four schemes are available: General Investment Incentive Scheme, Regional Investment Incentive Scheme, Large Scale Investment Incentive Scheme, and Strategic Investment Incentive Scheme.  Investments for energy efficiency projects designed to save energy by at least 20% on the baseline, with a simple payback period of 5 years or shorter in manufacturing industry plants with minimum 500 toe of annual energy consumption are allowed to benefit incentives accorded to investments made in the fifth region. Fifth region incentives offers some advantageous situations such as: VAT exemption, customs duty exemption, land allocation, loan interest rate support up to 5%. |  |
| 2.1.5. | **Are there green public procurement policies[[11]](#footnote-12)?** | | | Yes [ ]  No [ ] |  |
| 2.1.6. | **Has the private sector been consulted in the development of:** | | |  |  |
|  | **a)** | **Regulatory instruments? If yes, please specify how, i.e. at what stages, through what means.** | | Private sector and its representatives involved in Green Deal Working Group. EBRD Turkey, TOBB, TESK, and many other sectoral actors of chemicals, vehicles, textile, and plastic industries have actively participated in studies to form an Action Plan and its operational framework. |  |
|  | **b)** | **Financial incentives? If yes, please specify how, i.e. at what stages, through what means.** | |  |  |
|  | **c)** | **Green public procurement policies? If yes, please specify how, i.e. at what stages, through what means.** | |  |  |
| 2.1.7. | **Are the public support programmes to support SMEs in COVID-19 context tied to increased environmental performance, e.g. eligibility for grants, subsidies and soft loans conditioned on the higher environmental performance or the introduction of green business models? If yes, please specify.** | | | Yes [ ]  No [ ] |  |
| **Thematic block 2. Implementation** | | | | | |
| 2.2.1. | **Do national or local government authorities implement any programmes to raise SMEs' awareness and secure their initial engagement in green practices? If yes, please specify them.** | | | Yes [X]  No [ ] | The energy efficiency forum and fair is held every year by the MENR and public service announcements and short clips are prepared and broadcast in order to raise awareness and awareness throughout the country. Posters, booklets and other awareness raising publishes are distributing to establishments. |
| 2.2.2. | **Is there evidence of SMEs benefiting from financial incentives for green practices? If so, please elaborate and provide any evidence in the “Source/evidence/links” column.** | | | Yes [ \*]  No [ ] | Within the Investment Incentive Program, investments are monitored throughout the investment period of the project. At the end of the investment period, completion visa procedures are carried out and the benefited amount of the support is finalized at the end of the process. |
| 2.2.3. | **Are sectoral approaches used in environmental permitting and compliance assurance activities[[12]](#footnote-13)? If yes, please specify.** | | | Yes [ ]  No [ ] |  |
| 2.2.4. | **Do national or local government authorities promote the use of environmental management systems[[13]](#footnote-14) (EMS) among SMEs?** | | | Yes [ ]  No [ ] |  |
|  | If yes | | How many SMEs used EMS in the last calendar year? |  |  |
| 2.2.5. | **Do government authorities offer SMEs guidance on how to comply with environmental regulations and implement green practices[[14]](#footnote-15)? If yes, please specify.** | | | Yes [ \*]  According to the drafted Green Deal Action Plan, SMEs will be trained on Green Growth issues. The trainings will be on waste management, eco-tag, energy efficiency. All these awareness raising duties are assigned to related institutions such as line Ministries and KOSGEB.  No [ ] | -Green Deal Action  Plan (https://ticaret.gov.tr/data/60f1200013b876eb28421b23/MUTABAKAT%20YE%C5%9E%C4%B0L.pdf) |
| 2.2.6. | **Do environmental authorities collaborate with business associations in developing sectoral green certification programmes? If yes, please specify how this collaboration is conducted and share more information on these programmes.** | | | Yes [ ]  No [ ] |  |
| 2.2.7. | **Do environmental authorities collaborate with business associations to adapt EMS to SME needs?** | | | Yes [ ]  No [ ] |  |
|  | If yes | | Please specify what business associations are involved and in what way this collaboration is conducted. |  |  |
| 2.2.8. | **Are there "awards" or other forms of recognition of performance for green SMEs? If so, please specify them.** | | | Yes [ ]  No [ ] |  |
| 2.2.9. | **Are there any funds involved into providing financial means that would facilitate SME transition to green economy? If so, which ones? Are they managed by the government?** | | | Yes [\*]  -Establishments that consume more than 500 TOE/year are eligible to apply energy efficiency grant program. The program offers %30 grant up to 1,5 million Turkish Lira per project.  -Under KOSGEB General Support Scheme, a specific support on Energy Efficiency is provided to SMEs. General frame of this support item is in line with Energy Efficiency Law numbered 5627. The support covers up to %70 of consultancy, analysis, and training costs. Upper limit is approximately $9000. The source is National Budget.  -Additionally KOSGEB R&D, Innovation Supports are open to green growth topics as they are naturally laid in such areas.  The EBRD Green Economy Financing Facility (GEFF) combines technical knowledge with finance to help clients invest in high-performing technologies. The Bank also provides credit lines, such as the Residential Energy Efficiency Financing Facility (TuREEF), the Mid-Size Sustainable Energy Financing Facility (MidSEFF) and the Sustainable Energy Financing Facility (TurSEFF).  No [ ] | <https://enerji.gov.tr/bilgi-merkezi-enerji-verimliligi-destekleri>  --KOSGEB General Support Regulation (https://www.kosgeb.gov.tr/site/tr/genel/destekdetay/1230/genel-destek-programi)  -Energy Efficiency Law numbered 5627 dated 18/04/2007 (<https://www.resmigazete.gov.tr/eskiler/2007/05/20070502-2.htm>)  -KOSGEB R&D, Innovation Themed Supports (<https://en.kosgeb.gov.tr/site/tr/genel/destekler/6309/rd-technological-production-and-domestication-supports>)  file:///C:/Users/E0540/Downloads/ebrd-turkey-results-snapshot-2021-get.pdf |
| **Thematic block 3. Monitoring and evaluation** | | | | | |
| 2.3.1. | **Is there regular monitoring of regulatory instruments? If yes, please explain how this is done, what is the responsible body for this task and share the relevant reports if any.** | | | Yes [ ]  No [ ] |  |
| 2.3.2. | **Is there regular monitoring of financial incentives? If yes, please explain how this is done, what is the responsible body for this task and share the relevant reports if any.** | | | Yes [X]  No [ ] | -For the energy efficiency grants Ministry of Energy and Natural Resources of Turkey monitor projects via on-site measurements and by evaluating project dossier in both stage of before and after the implementation.  - Within the Investment Incentive Program of MoIT, investments are monitored throughout the investment period of the project. At the end of the investment period, completion visa procedures are carried out by the Ministry of Industry and Technology.  Regarding to EE grants of the MoENR;  on-site inspections are made before and after the implementation and reported by the appointed official. The relevant documents are archived in the MoENR and are not open to the public. |
| 2.3.3. | **Is there independent review[[15]](#footnote-16) of regulatory instruments and financial incentives? If yes, please explain who is in charge of this independent review.** | | | Yes [ ]  No [X] |  |
| 2.3.4. | **Does the government use any mechanism to receive feedback from SMEs on incentives? If so, please explain which one and provide more details on what type of incentives appear most effective.** | | | Yes [ ]  No [X] |  |
| 2.3.5. | **If there is evidence of SMEs benefiting from financial incentives for green practices, please specify. How many SMEs benefited from the incentives?** | | |  | |  | | --- | | As for incentives of MoIT, there is substantial amount of companies which benefit from financial incentives. However, the database does not identify companies as SME or not.  As for KOSGEB, since the organisation only supports SMEs, any firm benefiting from relevant KOSGEB support is an SME. | |
| *Optional - Please provide any further information on the* ***Incentives and instruments for SME greening*** *in your economy that you deem relevant for the assessment* | | | |  |  |

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| --- | --- |
| **Question** | **Response** |
| Self-assessed level  (1 through 5, whole and half numbers) | 5 |
| Brief justification | The government provide financial incentives to green investments of companies. These incentives are not specifically designed for SMEs, but also covers SMEs besides bigger companies. Within the scope of the Investment Incentive System, green investments are supported under priority investment incentive scheme. The government provides VAT Exemption, Customs Duty Exemption, Tax Deduction and Interest Support. Within the Investment Incentive Program, investments are monitored throughout the investment period of the project. For the energy efficiency grants Ministry of Energy and Natural Resources of Turkey monitor projects via on-site measurements and by evaluating project dossier in both stage of before and after the implementation.  KOSGEB, for many years, has provided with financial support for the training, analysis requirements of SMEs.  According to the drafted Green Deal Action Plan, SMEs will be trained on Green Growth issues. The trainings will be on waste management, eco-tag, energy efficiency.  No feedbacks are taken from the SMEs in the field of energy efficiency programs. |
| Assessor name and institution | N. Pınar Işın  Director of EU Coordination Unit  KOSGEB  Beyza Kuriş  SME Expert  EU Corodination Directorate  KOSGEB  Abdullah Aktepe  SME Expert  EU Corodination Directorate  KOSGEB |

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| **Self-assessed level (1 through 5, whole and half numbers) for the overall dimension - SMEs in a green economy:** | **5** |

1. Environmental policies could include SME-specific targets and/or national SME strategies could focus on environmental issues. For instance, these can refer to the promotion of eco-efficient processes and products or services, or to the activities geared towards promoting eco-innovation. [↑](#footnote-ref-2)
2. Eco-efficiency is based on the withstanding principles of the use of high efficiency production technology and methods, the use of less natural resources and energy for the same amount of production and the production of less waste. With this property, eco-efficiency does not just address environmental concerns, instead it also addresses “preservation of natural resources”, “industrial efficiency” and “economic development”. [↑](#footnote-ref-3)
3. Eco-innovation can be generally defined as innovation that results in a reduction of environmental impact, no matter whether or not that effect is intended. [↑](#footnote-ref-4)
4. Policies with the objective of increasing resource efficiency can create a variety of benefits – such as lower production costs, increased competitiveness, jobs, decreased dependency on commodity imports and fewer negative environmental impacts. A circular economy maximises the time products, materials and resources are of value in an economy and minimises waste generation. The basic concept of a circular economy depicts a production and consumption system that relies on the recycling, re-use, repair, remanufacturing, sharing of products, changing the consumption patterns and new business models and systems ([EC, 2020](https://ec.europa.eu/environment/ecoap/indicators/circular-economy-indicators_en)). Policy mixes should address each of the main stages of the product lifecycle: material extraction, transport, production, consumption, recycling and final disposal. [↑](#footnote-ref-5)
5. Refers to the allocation of funds according to the approved budget. [↑](#footnote-ref-6)
6. SMEs going green comprise different activities the SMEs can undertake or go for: eco-efficient products, eco-innovation, more energy efficient or less material intensive production, etc. [↑](#footnote-ref-7)
7. Activities and measures are taking place, and are receiving funding. [↑](#footnote-ref-8)
8. Effectiveness of the environmental guidance refers to how effectively government bodies are reaching SMEs as well as if SMEs are receiving the appropriate guidance on how to adopt environmental practices. [↑](#footnote-ref-9)
9. Regulatory instruments include simplified permitting procedures and rules, inspections frequency for low-risk facilities, as well as technology standards (e.g. best-available technology, BAT or BATNEEC) and performance standards (limits on air emissions, water effluents or noise levels, requirements for material recycling and solid waste management regulations, energy efficiency or fuel economy standards, etc). [↑](#footnote-ref-10)
10. Financial incentives include tax incentives, loan guarantee schemes, reduced interest rates for loans used for environmental investments or grants. [↑](#footnote-ref-11)
11. Green public procurement policies refer to a direct supply chain pressure imposed by the government, i.e. using its purchasing power to choose environmentally friendly goods, services and works. [↑](#footnote-ref-12)
12. This involves replacing of customised permits with rules ("technical regulations") specific to a particular sector (e.g. manufacturing, agriculture, mining etc.) in the case of SMEs, for the purposes of regulatory simplification. [↑](#footnote-ref-13)
13. Environmental management systems include EMAS, ISO 14001 and local systems. Government may promote these through certain privileges in the permitting process or reduced inspection frequency. [↑](#footnote-ref-14)
14. These could include web-based guidance tools or industry magazines, newsletters, business or community events, workshops and training seminars. [↑](#footnote-ref-15)
15. Evaluation or review conducted by a separate agency/body/department than that responsible for implementation. [↑](#footnote-ref-16)