



NATIONAL
GREEN FINANCE
STRATEGY AND
ACTION PLAN
2026-2029



VISION

To become a pioneering country
that supports sustainable
development by building a fair,
inclusive, and innovative green
finance



MISSION

To establish a financial ecosystem that facilitates
Türkiye's enhanced and more effective access to
international green finance resources in line with the
2053 Net Zero Emission Target, while mobilising and
channeling both international and domestic financial
resources toward sustainable economic activities



CONTENTS

ABBREVIATIONS.....	iv
MINISTER'S FOREWORD.....	vi
DEPUTY MINISTER'S FOREWORD.....	vii
1. INTRODUCTION.....	1
2. OVERALL FRAMEWORK.....	3
2.1. Basis of the Strategy	3
2.1.1. Green Deal Action Plan (2021)	3
2.1.2. Climate Council Final Declaration (2022)	4
2.1.3. Twelfth Development Plan (2024-2028).....	4
2.1.4. Strategic Plan of the Ministry of Treasury and Finance (2024-2028)	5
2.1.5. Medium Term Program (2025-2027)	5
2.1.6. Climate Law (2025)	6
2.1.7. Medium Term Program (2026 – 2028)	6
2.2. Objective of the Strategy	7
2.3. Scope of the Strategy.....	9
2.4. Preparation Process of the Strategy	9
3. HISTORICAL BACKGROUND.....	10
4. THE STRUCTURE OF THE FINANCIAL SECTOR IN TÜRKİYE AND THE OVERALL SUSTAINABILITY OUTLOOK.....	14
4.1. The Role of Turkish Financial Sector in the 2053 Net-Zero Emission Target	14
4.2. The Alignment Process with Global Climate Finance.....	15
5. THE RELATIONSHIP BETWEEN TÜRKİYE'S SUSTAINABILITY POLICIES AND ITS GREEN FINANCE STRATEGY	18
6. NATIONAL GREEN FINANCE STRATEGY AND ACTION PLAN (2026-2029).....	19
GOAL 1: ESTABLISHING THE NECESSARY INFRASTRUCTURE FOR A TRANSPARENT AND MEASURABLE GREEN FINANCE ECOSYSTEM.....	20
GOAL 2: STRENGTHENING INSTITUTIONAL CAPACITY AND HUMAN CAPITAL IN THE FIELD OF GREEN FINANCE.....	20
GOAL 3: ESTABLISHING MARKET MECHANISMS FOR THE DEVELOPMENT OF GREEN FINANCE.....	20



ABBREVIATIONS

AES	Auto Enrollment System
AFAD	Disaster and Emergency Management Authority
BAT	Banks Association of Türkiye
BIST	Borsa İstanbul
BRSA	Banking Regulation and Supervision Agency
CBAM	Carbon Border Adjustment Mechanism
CBRT	Central Bank of the Republic of Türkiye
CBYFO	Presidency of the Republic of Türkiye – Investment and Finance Office
CIF	Climate Investment Funds
CMB	Capital Markets Board of Türkiye
COP	Conference of the Parties
DCC	Directorate of Climate Change
EMRA	Energy Market Regulatory Authority
ESG	Environmental, Social and Governance
EU	European Union
EXIST	Energy Exchange Istanbul
FAQ	Frequently Asked Questions
FinTech	Financial Technologies
FKB	Association of Financial Institutions
FSC	Financial Stability Committee
FSC SFWG	Financial Stability Committee – Sustainable Finance Working Group
FSC SRMAWG	Financial Stability Committee – Systemic Risk Monitoring and Assessment Working Group
GDAP	Green Deal Action Plan of Türkiye
GEF	Global Environment Facility
IFC	Istanbul Financial Center
INDC	Intended Nationally Determined Contribution
IPRSA	Insurance and Private Pension Regulation and Supervision Authority
KOSGEB	Small and Medium Enterprises Development Organization of Türkiye
MDBs	Multilateral Development Banks
MoAF	Ministry of Agriculture and Forestry
MoENR	Ministry of Energy and Natural Resources
MoEUCC	Ministry of Environment, Urbanization and Climate Change
MoIT	Ministry of Industry and Technology
MoT	Ministry of Trade
MoTF	Ministry of Treasury and Finance
MoTI	Ministry of Transport and Infrastructure
MTP	Medium Term Program
NCQG	New Collective Quantified Goal on Climate Finance
NDC	Nationally Determined Contribution
OECD	Organisation for Economic Cooperation and Development
POA	Public Oversight, Accounting and Auditing Standards Authority
PPA	Public Procurement Authority



PSB	Presidency of Strategy and Budget
R&D	Research and Development
SME	Small and Medium-sized Enterprise
SPL	Capital Markets Licensing Registry and Training Agency Co.
TCIP	Natural Disaster Insurance Institution
TCMA	Turkish Capital Markets Association
TKBB	Participation Banks Association of Türkiye
TOBB	Union of Chambers and Commodity Exchanges of Türkiye
TÖDEB	Payment and Electronic Money Institutions Association of Türkiye
TSB	Insurance Association of Türkiye
TSE	Turkish Standards Institute
TSRS	Turkish Sustainability Reporting Standards
TUBITAK	The Scientific and Technological Research Council of Türkiye
TURK PATENT	Turkish Patent and Trademark Office
TURKAK	Turkish Accreditation Agency
TURKSTAT	Turkish Statistical Institute
TWF	Türkiye Wealth Fund
UNFCCC	United Nations Framework Convention on Climate Change



MINISTER'S FOREWORD

Today, climate change has evolved beyond being merely an environmental issue into a global challenge that impacts all dimensions of economic, financial and social development. In this context, the success of adaptation and mitigation policies for climate change requires more efficient use of resources, the transformation of production and consumption patterns, and strengthening of the financial system in line with sustainability principles.



Türkiye, in line with its sustainable development goals and the vision of the 2053 Net Zero Emission Target, is taking decisive steps in the fight against climate change. In this process; the transformation of the financial system, the promotion of green investments and the redirection of resources towards sustainable areas emerge as fundamental elements of an inclusive, resilient, and environmentally conscious growth model.

The National Green Finance Strategy and Action Plan, prepared within this scope, provides a holistic framework for establishing a financial architecture aligned with Türkiye's green transformation objectives. The Strategy prioritizes strengthening the green finance ecosystem, developing an investment environment aligned with the 2053 Net Zero Emission Target and ensuring more effective utilization of international climate finance resources.

This document presents a roadmap that will accelerate the flow of investment toward green and sustainable projects while strengthening the resilience of Türkiye's financial markets against potential financial risks arising during the green transformation process. It also serves as an important guide for establishing an infrastructure that will mobilize public and private sector investments and enhancing the human capital capacity of relevant stakeholders.

The Strategy consists of 11 objectives and 45 actions under three main goals; namely, "Establishing the Necessary Infrastructure for a Transparent and Measurable Green Finance Ecosystem," "Strengthening Institutional Capacity and Human Capital in the Field of Green Finance," and "Establishing Market Mechanisms for the Development of Green Finance." These actions aim to accelerate Türkiye's green transformation process, enhance her economic resilience and permanently strengthen the financial system's capacity to support green investments.

Mehmet ŞİMŞEK
Minister of Treasury and Finance



DEPUTY MINISTER'S FOREWORD

The impacts of climate change on a global scale have ushered in a period in which economic systems are being reshaped and financial decision-making processes are being redefined in line with sustainability principles. The economic, financial, and social implications of climate change make a transformation aligned with Türkiye's sustainable development goals inevitable. Today, climate policies have moved beyond being solely an environmental issue and have become a strategic domain directly linked to macroeconomic stability, public finance, investment planning, and financial markets. In this transformation process, strengthening the resilience of financial systems against climate risks and prioritizing sustainable investments are of critical importance.



Prepared within this framework, the National Green Finance Strategy and Action Plan aims to strengthen financial system's contribution to Türkiye's 2053 Net Zero Emission Target, align public and private investments with the green transformation, and catalyze green growth dynamics.

As the Ministry of Treasury and Finance, while ensuring the effective and efficient use of public resources, we prioritize the development of financial infrastructures that enhance private capital participation in the green transformation process. In this context, strengthening green finance standards, integrating climate risks into the financial system, expanding sustainable public finance practices, enhancing institutional capacity in green finance, and adopting an approach that increases public-private cooperation across all these areas constitute the core priorities of the strategy.

The actions outlined in this Strategy and Action Plan provide a comprehensive framework aimed at enhancing the capacity of Türkiye's financial system to support green investments, facilitating access to international climate finance resources and reinforcing investor confidence. The preparation process of the Strategy was carried out with contributions from public institutions, financial regulatory and supervisory authorities and private sector representatives by taking into account national priorities as well as international best practices.

The development of the green finance ecosystem is of strategic importance not only in terms of achieving climate goals, but also in terms of strengthening Türkiye's investment environment, enhancing economic competitiveness, and fostering the deepening of the financial system. Guided by this understanding, we will continue to engage closely in cooperation with all our stakeholders to ensure the effective and timely implementation of the Strategy.

I am confident that the National Green Finance Strategy and Action Plan will play a pivotal role in achieving Türkiye's sustainable development goals and advancing the transition to a green economy. I would like to extend my gratitude to all institutions and organizations that contributed to the preparation of the National Green Finance Strategy and Action Plan and hope that the Strategy will contribute to making Türkiye's national economy more resilient, inclusive and sustainable.

Osman ÇELİK
Deputy Minister of Treasury and Finance



1. INTRODUCTION

Climate change is one of the most comprehensive and multidimensional threats faced globally today, and its impacts are becoming increasingly evident across the world, including in Türkiye. With the increasing frequency and intensity of droughts, wildfires, floods, and heatwaves; many areas—primarily agriculture, water resources, biodiversity, and public health—are directly affected by the climate crisis. The Mediterranean Basin, where Türkiye is situated, is identified as one of the regions most vulnerable to the adverse impacts of climate change. According to the report of the Mediterranean Experts on Climate and Environmental Change¹, this region is expected to experience a temperature increase of 20 percent above the global average, reaching 2.2°C by 2040. The increase in the frequency of natural disasters, the degradation of ecosystems, and the increasing scarcity of resources pose significant threats not only from an environmental perspective but also in terms of economic growth, social well-being and financial stability. Nevertheless, this crisis also presents an important opportunity for transformation toward sustainable development. The transition to a low-carbon economy offers the potential to develop innovative business models, expand the use of green financial instruments, and gain competitive advantages within global value chains.

The green transition has become one of the fundamental dynamics of today's global economy, and Türkiye positions this process as a strategic lever in the context of combating climate change, ensuring energy supply security, and safeguarding financial stability, carefully evaluating all available options in this regard. According to the World Bank Türkiye Country Climate and Development Report², it is estimated that Türkiye needs approximately \$68 billion additional investment between 2022 and 2030 to implement its “Resilient Net Zero Pathway” scenario, and that roughly half of this investment is expected to be financed by the private sector. The ability to mobilize private capital depends on macroeconomic conditions, sectoral regulations, the depth of the financial sector, and access to long-term capital. In this context, strengthening the sustainable finance ecosystem is critically important not only for achieving climate targets but also for mobilizing private sector investment, ensuring accurate pricing of risks, and enhancing the financial system's resilience to climate-related risks. In an environment where public resources are limited, meeting an investment need of this amount will only be possible through the involvement of the private sector, financial institutions and international investors together. Therefore; building a financial infrastructure that places environmental and social criteria at its core, enhances investor confidence, provides regulatory clarity and guides capital towards sustainable projects, and strengthening the sustainable finance ecosystem stand out as critical components of the green transition process.

On the other hand, global climate governance began with the adoption of the United Nations Framework Convention on Climate Change (UNFCCC) in 1992 and has evolved into a multilateral decision-making process encompassing political, economic and technical dimensions through the annual Conferences of the Parties (COP). The adoption

¹ For access to the report: <https://www.medecc.org/medecc-reports/climate-and-environmental-change-in-the-mediterranean-basin-current-situation-and-risks-for-the-future-1st-mediterranean-assessment-report/>

² For access to the report: <https://openknowledge.worldbank.org/server/api/core/bitstreams/80bdfcf8-73b1-42b3-b107-1629f64a1f0c/content>



of the Paris Agreement at COP21 in 2015 constituted the most critical milestone of this regime, establishing a binding roadmap applicable to all countries through mechanisms such as Nationally Determined Contributions (NDCs), and five-year enhancement cycles, with the objective of keeping the increase in global average temperature well below 2°C above pre-industrial levels and pursuing efforts to limit it to 1.5°C. The post-2015 COP processes represent a period in which negotiations have deepened particularly on climate finance, technology transfer and loss and damage in a manner that supports the implementation of the Agreement.

Within this framework, climate finance has been at the center of the COP agenda as the fundamental determinant of developing countries' adaptation and mitigation efforts. At COP15 in Copenhagen in 2009, developed countries committed to mobilizing \$100 billion annually by 2020 for low- and middle-income nations. However, the failure to meet this commitment on time and at an adequate scale has clearly demonstrated the insufficiency of the current financial architecture, necessitating the definition of a new, more ambitious financing goal. In this context, the New Collective Quantified Goal (NCQG) negotiations, initiated at COP27 in 2022, were concluded at COP29 in Baku in 2024. It was decided that a total of \$1.3 trillion in financing, with at least \$300 billion annually coming from public sources to be mobilized by 2035. 'Baku to Belém Roadmap to 1.3T' document, published at COP30 in Belém, outlined concrete steps for the global financial architecture to achieve this target. Those developments carry both strategic and structural importance for Türkiye, as for the rest of the world, in terms of accelerating green investments and ensuring that national financial systems adapt to this transformation.

In this regard, Türkiye, which has high vulnerability to climate change, is accelerating its efforts to integrate economic growth with environmental, social and governance (ESG) responsibilities in line with sustainable development goals. At the policy level, documents such as the **Green Deal Action Plan (GDAP) (2021)**, the **Climate Council Final Declaration (2022)**, the **Twelfth Development Plan (2024–2028)** and the **Medium-Term Program (MTP) (2026–2028)** serve as roadmaps, while regulations such as the **Capital Markets Board of Türkiye's (CMB) Sustainability Principles Compliance Outline**, the **Banking Regulation and Supervision Agency's (BRSA) Communiqué on Banks' Green Asset Ratio Calculation and Guideline on Effective Management of Climate-Related Financial Risks by Banks**, as well as the **Climate Law (2025)** and the **Draft Regulation on Türkiye Green Taxonomy** which is planned to be published in the near future support the restructuring of the financial system from a sustainability perspective. In addition, many public institutions address the process through a holistic approach by means of legislative work and thematic reports.

Finally, with the National Green Finance Strategy and Action Plan, it is aimed to strengthen Türkiye's green finance ecosystem, enhance the capacity of financial markets to adapt to climate risks, and improve the investment environment in line with sustainable development objectives. Within this context, it is targeted both to increase Türkiye's effective utilization of international climate finance and to reinforce its green growth through domestic dynamics, thereby enhancing its competitiveness within the global value chain.

2. OVERALL FRAMEWORK

2.1. Basis of the Strategy

Climate Council Final Declaration, the Twelfth Development Plan, the Strategic Plan of the Ministry of Treasury and Finance (MoTF), the Green Deal Action Plan and the Climate Law constitute the basis of the National Green Finance Strategy and Action Plan, and detailed information on these documents is provided under the following subheadings. In addition, the timeline presented below summarizes the key milestones over the past four years that have played a critical role in shaping the National Green Finance Strategy and Action Plan.

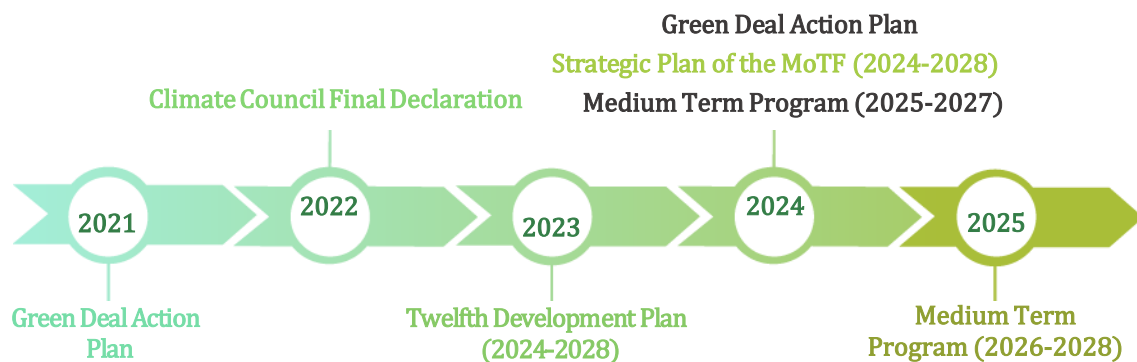


Figure 1. Key Milestones Playing a Critical Role in Shaping the Strategy and Action Plan (2021–2025)

2.1.1. Green Deal Action Plan (2021)

Following the European Union’s (EU) announcement of the European Green Deal on 11 December 2019—declaring its goal of becoming the first climate-neutral continent by 2050 and adopting a new growth strategy that would reshape all policies around climate action—Türkiye published the GDAP. Serving as a roadmap for Türkiye’s adaptation to the Green Deal, the Plan was published on 16 July 2021 under Presidential Circular No. 2021/15.

The GDAP aims to ensure Türkiye’s alignment with the changes envisaged under the European Green Deal and thereby further advance her integration with the EU. In this context, securing access to the financial resources necessary to achieve the targets set out in the GDAP was considered a priority issue. Accordingly, **a total of 11 actions** were included under the heading “**Green Finance**” to enhance the financing of the green transition.

On the other hand, in line with the dynamic and multi-dimensional nature of the green transition, a need for updating the Action Plan has emerged. In this context, the Ministry of Trade has been carrying out the preparations for **a new Green Deal Action Plan for the 2026–2028 period**, setting out the priorities and key principles for Türkiye’s twin transition objective.



2.1.2. Climate Council Final Declaration (2022)

Türkiye's first Climate Council was convened in Konya between **21–25 February 2022** with the aim of reassessing Türkiye's vision for combating climate change within the framework of evolving global conditions and articulating the concept of “green transformation” through a more inclusive approach. The Final Declaration issued following the Council set out short, medium, and long-term strategic objectives formulated with the active participation of all stakeholders in line with **Türkiye's 2053 Net-Zero Emission and Green Development** targets. The Declaration also presented a comprehensive roadmap containing key policy recommendations and priority actions for reducing greenhouse gas emissions and enhancing adaptation to climate change. In this process, a total of **217 recommendations** were adopted, **76 of which were identified as priority actions**. Among the prioritized decisions, the National Green Finance Strategy and Action Plan stands out as a critical step in supporting the green transformation of the financial system in line with sustainable development objectives.

2.1.3. Twelfth Development Plan (2024-2028)

The Twelfth Development Plan, approved by the Grand National Assembly of Türkiye on 31 October 2023 and published in the Official Gazette dated 1 November 2023, has been prepared with the vision of positioning “Türkiye as an environmentally friendly, disaster-resilient, stable, robust and prosperous nation characterized by high value-added production based on advanced technology and fair distribution of income within the framework of the Century of Türkiye vision.” The Plan is structured around **five main pillars**: “stable growth, strong economy”, “competitive production with green and digital transformation”, “qualified people, strong families, healthy society”, “disaster resilient living areas, sustainable environment” and “democratic good governance based on justice”. The Plan emphasizes that Türkiye's potential to emerge as a hub in areas such as manufacturing, specialized services, financial services and logistics will be leveraged to enhance its competitiveness in the context of **green and digital transformation**.

Under the pillar “**Stable Growth, Strong Economy**”, nine measures are included within the framework of the policy stating, “The financial sector sustainability studies will be supported, and new products and services in sustainable finance will be developed by raising awareness on ESG criteria”:

- The presentation of sustainability and emission data will be standardized and the data will be accessible.
- A national taxonomy and related legislation will be prepared to define sustainable economic activities.
- Arrangements will be made in banking sector regarding sustainable banking, management of climate risks and transition plans.
- The institutional capacity of financial authorities on sustainable finance will be enhanced.
- Sustainable financial products will be developed and specialized staff will be trained.

- Efforts will be made to increase the awareness and knowledge level of the real sector on sustainable finance.
- Markets for carbon emission allowances will be developed and their use by firms will be encouraged.
- “Impact investing” instruments such as social impact bonds and blue bonds will be introduced to generate social and environmental benefits in addition to economic benefits.
- A responsible governance framework will be established and put into practice to strengthen institutional investor demand for sustainable finance instruments.

2.1.4. Strategic Plan of the Ministry of Treasury and Finance (2024-2028)

The Ministry of Treasury and Finance operates with the mission of contributing to the development of policies aimed at sustainable development, robust economic growth, stability, equitable income distribution and the enhancement of social welfare; implementing predictable and rules-based policies within the framework of governance principles and monitoring the outcomes of those policies. In this context, the Strategic Plan of the Ministry of Treasury and Finance (2024–2028), which sets out the Ministry’s strategic objectives and targets and has been prepared in line with the policies, goals and priorities defined in higher-level policy documents, was published following the Ministerial Approval dated January 22, 2024. The strategy document includes the objective of formulating a **“Green Finance Strategy Document”** with the aim of strengthening the financial system and the real economy by enhancing the diversity of financial products and services and increasing the depth of the system, while maintaining financial stability.

2.1.5. Medium Term Program (2025-2027)

The Medium-Term Program, published in the Official Gazette on 5 September 2024, aims for sustainable growth through strengthening macroeconomic and financial stability, maintaining fiscal discipline, achieving price stability by reducing inflation to single digits in the medium term, and improving research and development (R&D) and innovation capacity, while ensuring technological transformation with a focus on transition to a green and digital economy. In the MTP, the following tasks have been assigned to the relevant public authorities with a view to accelerating the green transformation:

- A carbon pricing mechanism that aims to reduce greenhouse gas emissions will be established to maintain competitiveness during the green transformation process, minimize the impacts of Carbon Border Adjustment Mechanism (CBAM), and support the transition to a low-carbon economy
- **Green Finance Strategy and Action Plan, which will contribute to green transformation, will be put into practice.**

- Legislative work will be completed for the establishment of a national green taxonomy that considers Türkiye's priorities and aligns with international taxonomy examples, particularly the EU taxonomy.
- In order to ensure a financial market environment that provides accurate and need-based information in the transformation towards a sustainable economy, standards and a pool of experts will be developed to enable businesses to prepare corporate sustainability reports.

In this context, among the actions mentioned above, the Green Finance Strategy and Action Plan has been prepared in line with the duties and responsibilities assigned to the Ministry under the subheading “accelerating the green transformation” of the “Growth” objective within the “Macroeconomic Targets and Policies” section of the Medium-Term Program (2025–2027). The Green Finance Strategy and Action Plan is expected to serve as an important instrument in enabling Türkiye to achieve its sustainable development goals.

2.1.6. Climate Law (2025)

In line with the green growth vision and the net-zero emission target, Climate Law aimed at addressing climate change was adopted by the Grand National Assembly of Türkiye **on 2 July 2025** and entered into force upon its publication in the Official Gazette dated 9 July 2025. The Law establishes the legal framework for climate change mitigation and adaptation activities, institutional coordination, financing mechanisms, the Emissions Trading System, the CBAM, and inspection-sanction processes.

In this regard, public institutions and organizations as well as natural and legal persons are obliged to comply with and implement, the measures and regulations adopted in the public interest pursuant to this Law in a timely manner. In addition, effective implementation of planning instruments in the fight against climate change requires certain financial and technical instruments. In this context, Article 8 of the Law sets out regulations regarding the implementation tools of climate change. These tools as defined in Articles 9, 10 and 11 of the Paris Agreement are climate finance, technology development and transfer, and capacity-building mechanisms. An examination of the financing mechanisms envisioned in the law reveals that they are based on developing and utilizing resources for climate finance and mitigation incentives, expanding insurance instruments, and promoting green and sustainable capital market instruments, bank loans, and other financial instruments. With those envisioned regulations, the implementability of climate policies are strengthened while their integration with the financial system is ensured.

2.1.7. Medium Term Program (2026 – 2028)

The Medium-Term Program (2026–2028) published in the Official Gazette **on 7 September 2025**, in accordance with the objectives of the Twelfth Development Plan (2024–2028), aims for sustainable growth by strengthening macroeconomic and financial stability, maintaining fiscal discipline and achieving price stability by reducing inflation to single digits in the medium term. The Program also aims at improving R&D and innovation capacity, advancing technological transformation with a focus on transition to a green and digital economy and improving the business and investment



environment. In the MTP, the following tasks have been assigned to the relevant public authorities for the development of sustainable finance:

- Efforts will be made to develop a sustainable financial infrastructure by carrying out activities to make greater use of sustainable financial resources and product diversity will be increased.
- **A green finance strategy and action plan that will contribute to the green transformation will be put into practice.**
- Activities will be undertaken to develop green banking practices, and mechanisms will be established to meet the financing needs of investments aimed at supporting the green transformation.
- New products and services will be developed within the scope of sustainable finance.
- The guide on green and sustainable debt instruments will be expanded to include social capital market instruments, and a guide will be prepared for sustainability-linked capital market instruments.

In this context, the Green Finance Strategy and Action Plan among the actions mentioned above has been prepared in line with the duties and responsibilities assigned to the Ministry under the subheading “Development of sustainable finance” within the “Financial Stability” objective under the “Macroeconomic Targets and Policies” heading of the Medium-Term Program (2026–2028) and it is expected to be an important instrument for Türkiye’s achievement of its sustainable development goals.

2.2. Objective of the Strategy

In line with Türkiye’s sustainable development objectives, the need for preparing a National Green Finance Strategy and Action Plan that will provide a holistic framework in the field of green finance has been highlighted in various national-level guiding documents such as the Climate Council Final Declaration and the Medium-Term Program and the preparatory work has been initiated in this direction.

A review of global practices shows that numerous developed and developing countries, as well as international organizations, have issued action plans or roadmaps dedicated to sustainable and/or green finance. Among these are Germany³, Argentina⁴,

³ https://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Press_Room/Publications/Brochures/sustainable-finance-strategy.pdf?__blob=publicationFile&v=8

⁴ <https://www.bcra.gob.ar/Pdfs/SistemasFinancierosYdePagos/Sustainable%20Finance%20National%20Strategy.pdf>



Australia⁵, the EU⁶, Azerbaijan⁷, the United Kingdom⁸, Indonesia⁹, Morocco¹⁰, the Philippines¹¹, Finland¹², France¹³, the G20¹⁴, South Africa¹⁵, Georgia¹⁶, the Netherlands¹⁷, Ireland¹⁸, Sweden¹⁹, Luxembourg²⁰, Malaysia²¹, Mongolia²², Norway²³, Singapore²⁴, Sri Lanka²⁵, Thailand²⁶, Ukraine²⁷, Jordan²⁸, and New Zealand²⁹.

In this context, by establishing a holistic approach for green finance in Türkiye, the following objectives are pursued:

- Clearly defining a roadmap for green finance instruments, mechanisms, and policies, and ensuring systematic monitoring of their implementation
- Enhancing the efficiency of the implementation process through effective resource allocation and policy coherence,
- Strengthening coordination and cooperation among institutions,
- Ensuring predictability in financial markets.

⁵ <https://treasury.gov.au/sites/default/files/2024-06/p2024-536290.pdf>

⁶ https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_18_1404/IP_18_1404_EN.pdf

⁷ https://uploads.cbar.az/assets/Sustainable%20Finance%20Roadmap_230223.pdf

⁸ <https://assets.publishing.service.gov.uk/media/643583fb877741001368d815/mobilising-green-investment-2023-green-finance-strategy.pdf>

⁹ <https://www.ojk.go.id/id/berita-dan-kegiatan/publikasi/Documents/Pages/Roadmap-Keuangan-Berkelanjutan-Tahap-II-%282021->

¹⁰ https://www.bkam.ma/en/content/download/462869/3754811/Feuille+de+route+pour+l%E2%80%99alignement+du+secteur+financier+avec+le+developpement+durable-ANG_finale.pdf

¹¹ <https://www.bsp.gov.ph/Regulations/Issuances/2022/CL-2022-011.pdf>

¹² <https://tem.fi/en/-/finland-s-sustainable-financing-roadmap-offers-guidelines-for-achieving-sustainable-development-goals>

¹³ https://www.economie.gouv.fr/files/files/PDF/2017/executive-summary_green-finance.pdf

¹⁴ https://g20sfwg.org/wp-content/uploads/2022/01/RoadMap_Final14_12.pdf

¹⁵ https://www.treasury.gov.za/comm_media/press/2021/2021101501%20Financing%20a%20Sustainable%20Economy.pdf

¹⁶ <https://nbg.gov.ge/en/page/sustainable-finance-roadmap-1>

¹⁷ https://www.dnb.nl/media/cpgilbtr/76642-dnb-sustainable-fin_en_web.pdf

¹⁸ <https://www.gov.ie/en/departments-of-finance/publications/ireland-for-finance-2024-action-plan/>

¹⁹ <https://www.fi.se/contentassets/5f5f7ebffb7a408996c522b912f921d9/roadmap-sustainable-finance.pdf>

²⁰ <https://lsfi.lu/wp-content/uploads/2025/02/FINAL-EN-LSFI-Luxembourg-SF-Strategy-2030-1.pdf>

²¹ https://ekonomi.gov.my/sites/default/files/2024-09/SDGRoadmapforMalaysia_Phase2%282021-2025%29.pdf

²² <https://www.greenfinanceplatform.org/research/national-sustainable-finance-roadmap-mongolia-unlocking-mongolias-potential-become>

²³ https://www.regjeringen.no/globalassets/upload/fin/berekraftig/nat_action.pdf

²⁴ https://www.mas.gov.sg/-/media/MAS-Media-Library/development/sustainable-finance/without-retail-ESG-funds-GFAP-Infographic_June-2022.pdf?la=en&hash=B49713D36266B8D8EF3CA8EEBD0FEFFD9ACBDAA0

²⁵ https://www.cbsl.gov.lk/sites/default/files/cbslweb_documents/sri_lanka_sustainable_finance_roadmap_2019.pdf

²⁶ <https://www.sec.or.th/TH/Documents/KnowledgeBase/SustainableFinanceInitiativesforThailand.pdf>

²⁷ https://bank.gov.ua/admin/uploads/article/Policy_rozvytok-stalogo-finansuvannja_2025_en.pdf?v=4

²⁸ <https://www.sbfnetwork.org/sites/default/files/wp-content/uploads/2023/12/Central-Bank-of-Jordan-Green-Finance-Strategy-English-Version-10-Nov-2023.pdf>

²⁹ <https://sustainablefinance.nz/wp-content/uploads/2025/04/Sustainable-Finance-Forums-2030-Roadmap-for-Action.pdf>



2.3. Scope of the Strategy

The National Green Finance Strategy and Action Plan has been prepared on the basis of international best practices and includes actions related to the integration of climate-related and ESG factors into the decision-making and risk-management processes of the financial sector, the development of relevant standards, the establishment of a green financial instruments ecosystem, and capacity building in this field in relevant institutions and organizations. Those actions will be implemented in stages in cooperation with the relevant public institutions and within a projected timeframe. Within this framework, a total of 11 objectives and 45 actions have been formulated under three main goals; namely, **Establishing the Necessary Infrastructure for a Transparent and Measurable Green Finance Ecosystem, Strengthening Institutional Capacity and Human Capital in the Field of Green Finance, and Establishing Market Mechanisms for the Development of Green Finance.**

2.4. Preparation Process of the Strategy

Under the coordination of the Ministry of Treasury and Finance, consultations were carried out with relevant public institutions and organizations, regulatory and supervisory authorities, sector representatives and market participants. Based on the insights obtained through those consultations, the Strategy has been formulated to facilitate the financial sector's alignment with sustainability principles. Throughout the preparation of the National Green Finance Strategy and Action Plan, every effort was made to reflect the views, assessments, and recommendations expressed by the relevant institutions.

3. HISTORICAL BACKGROUND

Türkiye takes decisive steps towards transitioning to a carbon-neutral economy by establishing a comprehensive legal and institutional framework over time in line with its climate action and sustainable development objectives. Within this framework, policy documents, action plans, and legislative arrangements have strengthened the green finance ecosystem and promoted the use of innovative financial instruments such as sustainable bonds, green sukuk and social impact bonds. Embracing a low-carbon development pathway, Türkiye has made the transition to a carbon-neutral economy a strategic priority and has progressively implemented the legal, technical, and fiscal measures required to finance this transformation.

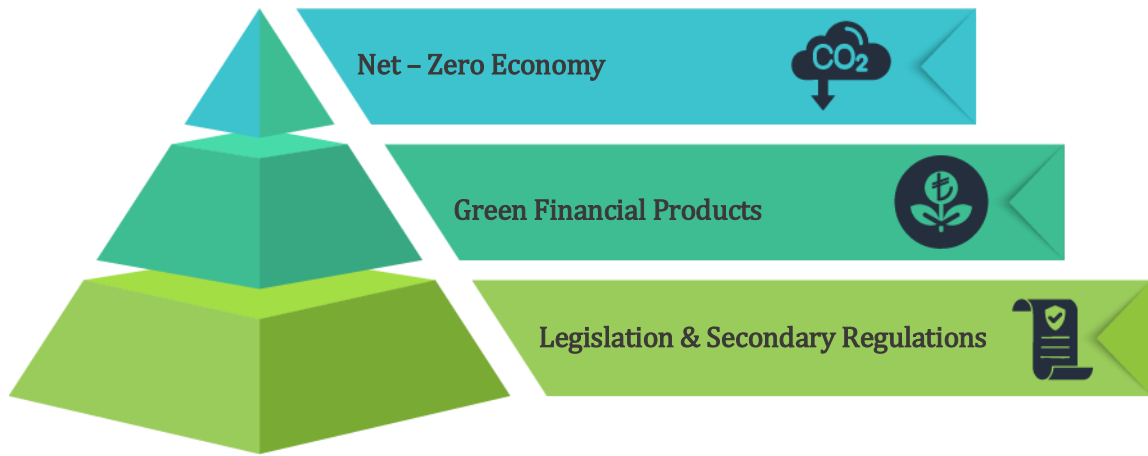


Figure 2. Layered Structure of the Green Finance Ecosystem

The chronology presented below outlines the key milestones in Türkiye's historical process in the fields of environment, climate change and green transition. Progress in regulatory frameworks and technological infrastructure continues to support the expansion of green financial products and ESG reporting. This enables financial markets to become more transparent and environmentally friendly, enabling the effective implementation of strategic objectives such as achieving carbon neutrality and enhancing financial inclusion.

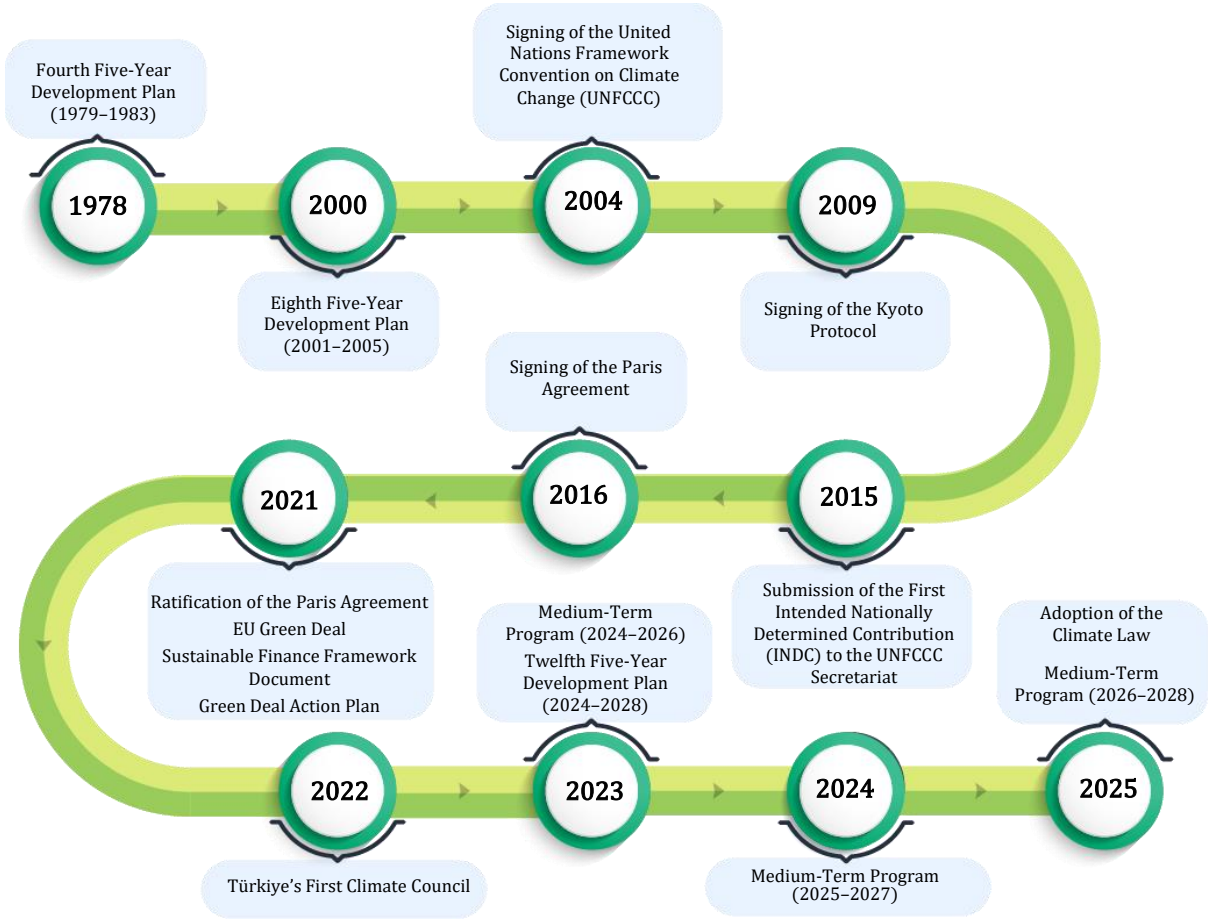


Figure 3. Milestones in the Historical Process of Combating Climate Change in Türkiye (1978–2025)

Türkiye has included environmental issues in its development plans agenda since her **Fourth Five-Year Development Plan (1979–1983)**. Sustainable development has been included in development plans and programs since the **Seventh Development Plan (1996–2000)**, while climate change was first addressed in the **Eighth Five-Year Development Plan (2001–2005)**. Türkiye became a Party to the **UNFCCC**, the first and most significant step taken at the international level, in 2004, following its adoption in 1992. Since Türkiye was considered a developed country and a member of the Organisation for Economic Cooperation and Development (OECD) when the Convention was established in 1992, it was included not only among the first group of countries (Annex I Parties), but also among Annex II Parties, together with the OECD countries bearing the highest level of responsibility. Türkiye objected to this classification during the Convention negotiations and, consequently, did not become a Party to the Convention at that time. At COP7 in 2001, a decision was adopted stipulating that “Türkiye’s name would be removed from Annex II and, taking into account its special circumstances, it would remain in Annex I with a status different from other Annex I Parties.” Following this decision, Türkiye became a Party to the Convention on 24 May 2004.

In this regard, Türkiye holds a unique position under the UNFCCC. It is the only Annex I country that is not an economy in transition and whose “special circumstances” have been formally recognized through decisions of the COP. In 2009, Türkiye also

became a Party to the Kyoto Protocol, adopted in 1997. The Paris Agreement, which constitutes the main framework of the post-2020 global climate regime and was prepared to accelerate efforts to combat climate change, was adopted at the 21st Conference of the Parties to the UNFCCC (COP21), held in Paris in 2015, and entered into force on 4 November 2016. The Paris Agreement is a legally binding international agreement on climate change, with the overarching objective of holding the increase in global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit it to 1.5°C. Based on the principles of “common but differentiated responsibilities and respective capabilities” and equity, Parties are expected to contribute to global climate action to the extent possible through their own efforts. In this context, countries are required to submit their NDCs to the UNFCCC Secretariat every five years, outlining actions undertaken to achieve the Agreement’s core objectives relating to mitigation, adaptation, finance, technology transfer, and capacity building.

In September 2015, Türkiye submitted its “**Intended Nationally Determined Contribution (INDC)**” to the UNFCCC Secretariat, in line with Decisions 1/CP.19³⁰ and 1/CP.20³¹, announcing an emissions reduction of up to 21% from the business-as-usual level projected for 2030. Türkiye signed the Paris Agreement on 22 April 2016 and ratified it in the Grand National Assembly of Türkiye on 7 October 2021. On 11 October 2021, Türkiye deposited its instrument of ratification with the United Nations, accompanied by a national declaration recognizing itself as a “developing country” under the Agreement. Following accession to the Paris Agreement, the INDC became Türkiye’s formal commitment. Thereafter, like all Parties to the Paris Agreement, Türkiye became obligated to submit an NDC to the UNFCCC Secretariat every five years, reflecting increasingly ambitious mitigation targets in line with national circumstances and capacities, as well as the principles of “common but differentiated responsibilities and respective capabilities” and equity.

In this context, in line with the Glasgow Climate Pact adopted at the 26th Conference of the Parties (COP26), Türkiye submitted its Updated First Nationally Determined Contribution to the UNFCCC Secretariat on 13 April 2023, announcing that, compared to the reference (business-as-usual) scenario, it had increased its greenhouse gas emission reduction target for 2030 from 21% to 41% (corresponding to 695 Mt CO₂-eq in 2030). Türkiye’s Updated First Nationally Determined Contribution is economy-wide and includes not only comprehensive mitigation and adaptation actions but also implementation means such as finance, technology, and capacity-building.

Türkiye’s second updated Nationally Determined Contribution was submitted to the UNFCCC Secretariat on 9 November 2025. Within this framework, through economy-wide policies and measures to be implemented by Türkiye, emissions are targeted to be reduced to 643 million tonnes by 2035, corresponding to an emissions reduction of 466 million tonnes.

The Ministry of Trade (MoT) published the **Green Deal Action Plan** in 2021 in response to the need for a comprehensive assessment of the impacts of planned policy changes—particularly those arising from the EU’s net-zero emission target—on Türkiye’s foreign trade, as well as on her industrial, agricultural, energy and

³⁰ 1/CP.19 refers to the 19th session of the Conference of the Parties (COP19, 2013) to the UNFCCC.

³¹ 1/CP.20 refers to the 20th session of the Conference of the Parties (COP20, 2014) to the UNFCCC.

transportation policies, and the need to develop a roadmap to ensure Türkiye's alignment with the EU Customs Union due to her engagement to the EU Customs Union. The Action Plan sets out 81 actions to be implemented in order to achieve the targets defined under the EU's policy priorities, namely: (1) carbon border adjustment, (2) a green and circular economy, (3) **green finance**, (4) clean, affordable and secure energy supply, (5) sustainable agriculture, (6) sustainable smart transportation, (7) combating climate change, (8) diplomacy, and (9) information and awareness-raising activities. Progress under the Action Plan is reported on an annual basis in the "Annual Activity Report," which provides public information in line with the latest developments. Following the announcement of the 2053 Net-Zero Target, Türkiye's first Climate Council was held by the Ministry of Environment, Urbanization and Climate Change (MoEUCC) on 21–25 February 2022 to establish, together with all stakeholders, the foundational elements of the country's long-term climate roadmap. Following the Council, a total of 217 recommendations were adopted, 76 of which were prioritized, thereby defining a roadmap that guides Türkiye's long-term climate policies. This roadmap has formed the basis for the preparation of the Climate Law, the NDC, the Climate Change Mitigation Strategy and Action Plan, and the Long-Term Climate Strategy.

On the other hand, under the section of "**Green Transformation**" in the **Medium-Term Program (2024–2026)**, Türkiye sets out the objective of accelerating its green transformation process with an approach that supports greenhouse gas emission reduction, increases the capacity to adapt to climate change; prioritizes competitiveness, efficiency and just transition, and develops national incentive mechanisms by making maximum use of global financial resources, in line with the 2053 net zero emission target and national development priorities.

In the **Twelfth Development Plan (2024–2028)**, it is underlined that activities aimed at developing sustainable and green-themed financial products have gained prominence in international financial markets. In Türkiye, studies gained pace for financing of green transformation especially in the fields of the legislative infrastructure, taxonomy, measurement, verification and reporting, as well as on risk management and data production. Under the "**Environmental Protection**" heading, the Plan sets out measures to reduce greenhouse gas emissions and strengthen climate change adaptation actions by taking into account national conditions within the framework of international climate change negotiations, the Paris Agreement and Türkiye's NDC.

The **Medium-Term Program (2025–2027)**, in line with the objectives of the Twelfth Development Plan (2024–2028), aims to achieve sustainable growth by strengthening macroeconomic and financial stability, maintaining fiscal discipline, achieving price stability by reducing inflation to single digits in the medium term, improving R&D and innovation capacity, ensuring technological transformation with a focus on the transition to a green and digital economy, strengthening human capital, further activating the labor market, improving the business and investment environment, and reducing informality in the economy.

In the **Medium-Term Program (2026–2028)**, the fundamental objectives, principles, and priorities of the MTP (2025–2027) have been preserved, and the commitment to implementing the relevant goals and policies has been maintained.

4. THE STRUCTURE OF THE FINANCIAL SECTOR IN TÜRKİYE AND THE OVERALL SUSTAINABILITY OUTLOOK

Turkish financial sector operates as one of the fundamental components of economic growth, supported by its strong regulatory framework, rapid digital transformation, and institutional capacity. Comprising numerous sub-sectors—including banking, capital markets, insurance, private pension systems, and financial leasing—the Turkish financial sector holds strategic importance for national financial stability and the efficiency of resource allocation. As of year-end 2025, the banking sector accounts for approximately 70% of the financial system’s total assets, representing a dominant share. Banks operating within the sector stand out with their high capital adequacy ratios, robust liquidity profiles, and structures that are largely aligned with international regulations. Asset quality and risk management capacity have also been significantly strengthened through regular supervision and effective macroprudential policies. The National Green Finance Strategy and Action Plan currently encompasses a comprehensive set of measures designed to address all sub-components of the sector through a holistic approach. Within this framework, capital markets play a critical role in diversifying financing sources and improving firms’ access to alternative funding channels. The insurance and private pension systems, on the other hand, undertake multifaceted functions such as enhancing financial inclusion, promoting long-term savings, and mitigating the adverse impacts of climate-related disasters. In recent years, these areas have experienced rising penetration rates, while the effectiveness of digital distribution channels has steadily increased. Türkiye has also shown notable progress in the field of financial technologies (FinTech) in recent years. Applications such as digital banking, electronic payment systems and open banking have improved the accessibility of financial services while enhancing the overall user experience.

4.1. The Role of Turkish Financial Sector in the 2053 Net-Zero Emission Target

The financial sector, which contributes to the preservation of macroeconomic stability, continues to support the net-zero objective through its technological infrastructure, qualified human capital and growing awareness in the field of sustainable finance. In the period ahead, it is envisaged that the sector will evolve into a more competitive, inclusive and resilient structure, while continuing its development in full alignment with international standards. In this context, in line with Türkiye’s accession to the Paris Agreement and the adoption of a net-zero emissions target for 2053, the Turkish financial sector has been undertaking significant structural steps consistent with those global commitments. Relevant public institutions and regulatory authorities—most notably the Ministry of Environment, Urbanization and Climate Change (MoEUCC), the Ministry of Trade (MoT), the Banking Regulation and Supervision Agency (BRSA), the Capital Markets Board of Türkiye (CMB), the Central Bank of the Republic of Türkiye (CBRT), and the Public Oversight, Accounting and Auditing Standards Authority (POA)—have been carrying out comprehensive regulatory and guidance initiatives aimed at strengthening the green finance framework.

These initiatives include, inter alia:

- Green Deal Action Plan (2021, MoT);
- Climate and Disaster Risk Assessment Project (BRSA–World Bank partnership);
- Sustainable Banking Strategic Plan (2022–2025) (2021, BRSA);
- Guidelines on Green Debt Instruments, Sustainable Debt Instruments, Green Lease Certificates, and Sustainable Lease Certificates (2022, CMB);
- Turkish Sustainability Reporting Standards (TSRS) (2023, POA);
- Findings of the Sustainable Banking Questionnaire of the Turkish Banking Sector (2024, BRSA);
- Guide on the Development of Heat Map Methodologies (2024, Banks Association of Türkiye);
- Guidelines on Principles of Responsible Governance (2024, CMB);
- Communiqué on the Calculation of the Green Asset Ratio of Banks (2025, BRSA);
- Guidelines on the Management of Climate-Related Financial Risks (2025, BRSA); and
- Climate Law (2025).

Those efforts are expected to gain further momentum through the National Green Finance Strategy and Action Plan. With the implementation of the Strategy, the green transformation of the financial sector will have the opportunity to progress along a concrete and clearly defined roadmap.

4.2. The Alignment Process with Global Climate Finance

The Ministry of Treasury and Finance has established long-standing partnerships with Multilateral Development Banks (MDBs), government-backed financial institutions, and international climate funds in the fields of green transition and climate change, and has mobilized substantial external financing for numerous climate-related projects in Türkiye. In this context, a comprehensive and robust climate project portfolio has been developed in cooperation with MDBs—including the World Bank Group, the European Investment Bank, the European Bank for Reconstruction and Development, the Asian Infrastructure Investment Bank, and the Islamic Development Bank—as well as bilateral development partners such as the Japan Bank for International Cooperation, the German Development Bank and the French Development Agency. Under the leadership of the Ministry, new areas of cooperation have begun to be developed with the Asian Development Bank, to which Türkiye has attained “regional member” status. Türkiye ranks among the leading countries in terms of project portfolio size within MDBs and has implemented a number of innovative projects that are widely recognized as best practices. The Ministry’s efforts in this area are also supported by major international climate funds, including the Climate Investment Funds (CIF) and the Global Environment Facility (GEF). In 2024 and 2025, Türkiye achieved a significant success by becoming one



of the few countries to qualify for CIF's leading global programs on Renewable Energy Integration and Industrial Decarbonization.

The Ministry has been intensively continuing its efforts to ensure that Türkiye makes the most effective use of the climate finance opportunities provided by the aforementioned institutions above in order to achieve the Paris Agreement and the 2053 net-zero emissions targets, and to build a greener and more prosperous future. In this context, external financing is being channelized to projects that make significant contributions to greenhouse gas emissions mitigation and climate change adaptation across a wide range of sectors including energy, transport, industry, infrastructure, agriculture, water resources and forestry. Preparatory and planning activities aimed at financing those green and sustainable projects are being carried out in close cooperation with all relevant stakeholders, including both the public and private sector. In this regard, beyond the support provided to public climate projects, the mobilization of private sector finance and innovative mechanisms for addressing climate change constitutes a key component of the strong cooperation maintained with the aforementioned institutions.

Moreover, recognizing the pivotal role of Ministries of Finance/Treasury in the climate change process, Türkiye joined **the Coalition of Finance Ministers for Climate Action** on 16 April 2025, upon the initiative of the Ministry of Treasury and Finance, with the aim of enhancing governments' collective engagement in climate action. The Ministry attaches great importance to articulating Türkiye's views and contributing to the shaping of global efforts and actively contributes to many studies conducted within the framework of this Coalition and increase Türkiye's visibility in the climate field by sharing Türkiye's climate goals and vision with Coalition members.

Türkiye is one of the most active countries in international capital markets as a result of its efforts to secure funding from different markets for budget financing, and she appeals to a broad investor base thanks to the increasing diversification of her debt instruments. In this context, both expanding the investor base and providing financing to help Türkiye achieve her goals in line with the United Nations Sustainable Development Goals have come to the forefront in recent years. Against this background, in addition to traditional debt markets, the **Sustainable Finance Framework**, which constitutes a prerequisite for raising funds from the increasingly important international sustainable bond and sukuk markets, was finalized on 12 November 2021 and published on the website of the Ministry of Treasury and Finance. Within the scope of this Framework, the Ministry of Treasury and Finance successfully carried out **Türkiye's first sovereign green bond issuance** in the international capital markets on 5 April 2023 amounting to \$ 2.5 billion. As stipulated in the Sustainable Finance Framework, the net proceeds from the bond issuance were allocated to eligible projects and expenditures. In this regard, a detailed Green Bond Allocation Report outlining Türkiye's commitments on climate change, recent developments in this area, and comprehensive information on green projects and expenditures was published on the website of the Ministry of Treasury and Finance on 23 September 2024.

In conclusion, taking into account the macroeconomic and sectoral impacts of climate change, Türkiye is pursuing a transformation process aligned with its sustainable development objectives, and continues to take strategic steps in areas such as the mainstreaming of green finance instruments, the analysis of the impacts of climate risks



on the financial system and the promotion of low-carbon investments. In the period ahead, efforts will be pursued with determination to ensure that the financial sector evolves into a structure capable of effectively measuring and managing climate-related financial risks, integrating environmental considerations, and supporting sustainable development.

5. THE RELATIONSHIP BETWEEN TÜRKİYE'S SUSTAINABILITY POLICIES AND ITS GREEN FINANCE STRATEGY

Türkiye's determined steps toward achieving its climate change and sustainable development objectives are being shaped by comprehensive policy documents and strategic plans. While the fundamental frameworks like The Climate Change Mitigation Strategy and Action Plan (2024-2030), the Climate Change Adaptation Strategy and Action Plan (2024-2030), the Green Deal Action Plan, and the Climate Law constitute the backbone of Türkiye's national climate policies; the National Green Finance Strategy and Action Plan stands out as a critical pillar, aiming to equip the financial system with a green-oriented infrastructure capable of mobilizing the national and international financing required for the effective implementation of the policies put forth by those aforementioned framework documents.

While mitigation and adaptation strategies focus on reducing greenhouse gas emissions and increasing resilience against the adverse impacts of climate change, the National Green Finance Strategy and Action Plan aims to provide the tools necessary to mobilize the financial resources required to achieve these objectives, develop investment instruments, and establish green finance criteria in financial markets. In this respect, the National Green Finance Strategy and Action Plan will play a supportive role in the implementation of mitigation and adaptation targets, will accelerate Türkiye's progress toward its climate objectives through strengthened financial risk management and improvements in the sustainable investment environment.

On the other hand, there is a two-way complementarity between the Green Deal Action Plan and the National Green Finance Strategy and Action Plan. While the sector-specific transformation targets set under the Green Deal require the prioritization of sustainable investments in areas such as energy, industry, and transport; the National Green Finance Strategy and Action Plan will strengthen the financial infrastructure underpinning these investments and assume a facilitating role by supporting the wider use of green bond and green loan mechanisms, thereby easing access to finance for the required green investments. In this way, sustainable development financing is secured by building a bridge between the sector-focused transformation objectives of the Green Deal and the relevant financial instruments. In other words, the fundamental difference between the National Green Finance Strategy and Action Plan and other existing sustainability/green-focused policy documents is that the National Green Finance Strategy and Action Plan plays a key role in the implementation of other policy and strategy documents by providing the financial sector with the necessary infrastructure to achieve the aims and objectives set forth in those documents, primarily Türkiye's 2053 Net Zero Emissions Target.

In conclusion, in achieving Türkiye's sustainability objectives, the National Green Finance Strategy and Action Plan is positioned within a framework of close integration and mutual support with other climate policies, serving as a cornerstone for the financial implementation of national and international commitments. This holistic approach will play a key role in Türkiye's transition towards a climate-resilient, sustainable, and inclusive economy.



6. NATIONAL GREEN FINANCE STRATEGY AND ACTION PLAN (2026-2029)

GOALS AND OBJECTIVES

GOAL 1: ESTABLISHING THE NECESSARY INFRASTRUCTURE FOR A TRANSPARENT AND MEASURABLE GREEN FINANCE ECOSYSTEM

Objective 1.1.

Establishing the Necessary Regulatory Frameworks on a Sectoral Basis to Promote Green Finance

Objective 1.2.

Establishing Infrastructure for Areas Supporting the Green Finance Ecosystem (Advisory, Verification, and Assurance Systems, etc.)

Objective 1.3.

Strengthening the Data Collection and Management Infrastructure for Green Finance

Objective 1.4.

Establishing Common Reporting Standards in the Field of Green Finance

Objective 1.5.

Establishing Infrastructure to Prevent the Misuse of Green Finance (Greenwashing)

GOAL 2: STRENGTHENING INSTITUTIONAL CAPACITY AND HUMAN CAPITAL IN THE FIELD OF GREEN FINANCE

Objective 2.1.

Enhancing Human Resource Capacity for the Green Finance Ecosystem

Objective 2.2.

Enhancing Awareness and Institutional Capacity in Sustainability Reporting

Objective 2.3.

Enhancing the Institutional Capacity of Regulatory and Supervisory Authorities and Relevant Sectors in Managing Climate Risks

GOAL 3: ESTABLISHING MARKET MECHANISMS FOR THE DEVELOPMENT OF GREEN FINANCE

Objective 3.1.

Increasing the Share of Green Finance Products and Instruments within Financial Markets

Objective 3.2.

Implementing the Emissions Trading System of Türkiye (TR-ETS)

Objective 3.3.

Strengthening Incentive Mechanisms for the Development of Green Finance Products and Instruments



GOAL 1: ESTABLISHING THE NECESSARY INFRASTRUCTURE FOR A TRANSPARENT AND MEASURABLE GREEN FINANCE

Under Goal 1, it is aimed to establish a transparent, measurable and comparable framework in the field of green finance. In this regard, the establishment of the necessary regulatory framework, the development of common standards and templates for green finance practices, the strengthening of data collection and management related to green finance supporting data-driven decision-making processes and the implementation of measures to prevent greenwashing are envisaged. In this way, it is intended to create a solid and transparent foundation for the green-oriented transformation of the financial system.

Objective 1.1.

Establishing the Necessary Regulatory Frameworks on a Sectoral Basis to Promote Green Finance

Objective 1.2.

Establishing Infrastructure for Areas Supporting the Green Finance Ecosystem (Advisory, Verification, and Assurance Systems, etc.)

Objective 1.3.

Strengthening the Data Collection and Management Infrastructure for Green Finance

Objective 1.4.

Establishing Common Reporting Standards in the Field of Green Finance

Objective 1.5.

Establishing Infrastructure to Prevent the Misuse of Green Finance (Greenwashing)

GOAL 1: ESTABLISHING THE NECESSARY INFRASTRUCTURE FOR A TRANSPARENT AND MEASURABLE GREEN FINANCE ECOSYSTEM

Objective 1.1. Establishing the Necessary Regulatory Frameworks on a Sectoral Basis to Promote Green Finance

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 1.1.1. Completion of the Türkiye's Green Taxonomy studies	2026	Publication of the Türkiye Green Taxonomy Regulation	MoEUCC (DCC)	MoENR, MoTF, MoIT, MoT, PSB, BRSA, IPRSA, CMB, CBRT, TURKSTAT
Action 1.1.2. Expansion of the scope of the Green Asset Ratio implementation	2028	Aligning the criteria set out in the Green Asset Ratio Circular with the criteria to be included in the Turkish Green Taxonomy Regulation	BRSA	CBRT, BAT, TKBB
Action 1.1.3. Implementing the necessary regulatory amendments to encourage insurance companies to invest in green assets	2026	Implementing regulatory amendments	IPRSA	TSB
Action 1.1.4. Completion of the "Sectoral Sustainability Guideline" for the payment institutions sector	2026	Publication of the Sectoral Sustainability Guideline	TÖDEB	CBRT

GOAL 1: ESTABLISHING THE NECESSARY INFRASTRUCTURE FOR A TRANSPARENT AND MEASURABLE GREEN FINANCE ECOSYSTEM

Objective 1.1. Establishing the Necessary Regulatory Frameworks on a Sectoral Basis to Promote Green Finance

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 1.1.5. Completion of the Climate Finance Strategy which will support existing plans and strategies to provide clear and predictable guidance on climate policies, transform this into investment targets, provide clear signals to potential investors, and create an enabling environment for increased sustainable climate investments	2027	Publication of the Climate Finance Strategy	MoEUCC (DCC)	MoTF, PSB

GOAL 1: ESTABLISHING THE NECESSARY INFRASTRUCTURE FOR A TRANSPARENT AND MEASURABLE GREEN FINANCE ECOSYSTEM

Objective 1.1. Establishing the Necessary Regulatory Frameworks on a Sectoral Basis to Promote Green Finance

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 1.1.6. Review of the implementation of the Principles for Responsible Investment Guideline, which aims to ensure that portfolio management companies manage portfolios in a sustainable manner that generates economic, environmental and social benefits	2027	Publication of periodic assessment reports by portfolio management companies demonstrating the level of compliance with and quality of implementation of the Responsible Governance Principles Guide	CMB	
Action 1.1.7. Completion of work on green budgeting	2027	Completion of necessary legislative amendments for green budgeting	PSB	MoTF
Action 1.1.8. Preparation of a guide on Green Budgeting	2027	Preparation of a guideline on Green Budgeting to ensure the integration of climate and environmental perspectives into the preparation and implementation processes of the central government budget	PSB	All Relevant Ministries
Action 1.1.9. Assessing the review of the Public Procurement Law to support practices promoting green transformation and innovation within the scope of public procurement in Türkiye	2027	Publication of a technical working document for determining green public procurement strategies and criteria	MoTF, PPA	All Relevant Institutions

GOAL 1: ESTABLISHING THE NECESSARY INFRASTRUCTURE FOR A TRANSPARENT AND MEASURABLE GREEN FINANCE ECOSYSTEM

Objective 1.2. Establishing Infrastructure for Areas Supporting the Green Finance Ecosystem (Advisory, Verification and Assurance Systems, etc.)

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 1.2.1. Promoting the use of the Turkish Sustainability Reporting Standards	2027	Percentage of businesses implementing the TSRS Defining minimum audit criteria according to ESG data categories	POA	CMB, BIST, TURKAK
Action 1.2.2. Strengthening the implementation of the standards on assurance engagements system	2026	Publication of the Standard on Sustainability Assurance 5000	POA	
Action 1.2.3. Authorisation of audit firms to conduct assurance engagements for entities within the scope of the Turkish Sustainability Reporting Standards and increase in the number of licensed audit firms	2028	Number of licensed firms	POA	CMB
Action 1.2.4. Ensuring that emissions financed by banks are taken into account in risk management processes	2029	Providing guidance to banks through guidelines on calculating credit portfolio emissions and taking them into account in risk management processes Share of banks that calculate emissions financed by credit portfolios and take them into account in their risk management processes in the banking sector in terms of their total assets (percentage)	BRSA	MoEUCC (DCC), MoENR, MoIT, CBRT, TURKSTAT, BAT, TKBB

GOAL 1: ESTABLISHING THE NECESSARY INFRASTRUCTURE FOR A TRANSPARENT AND MEASURABLE GREEN FINANCE ECOSYSTEM

Objective 1.2. Establishing Infrastructure for Areas Supporting the Green Finance Ecosystem (Advisory, Verification, and Assurance Systems, etc.)

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 1.2.5. Regulation of ESG rating activities in capital markets	2028	Number of companies engaged in ESG rating activities	CMB	MoEUCC (DCC), MoIT (TSE), CBRT, BIST
Action 1.2.6. Development of sectoral and thematic sustainability indices in the financial sector, categorised by types of financial assets	2029	Completion of sectoral and thematic sustainability index studies	FSC SFWG	MoTF
Action 1.2.7. Facilitating access to financing for Small and Medium-sized Enterprises (SMEs) and businesses operating in smaller segments such as commercial and retail sectors in their green transformation projects	2027	Supporting SMEs and businesses operating in smaller segments, such as commercial and retail sectors, for them to meet their requirements of national legislation on environmental and social matters Raising awareness of international environmental and social standards (including those of the International Finance Corporation, the Equator Principles, etc.) Informing such businesses about international reporting standards on green finance and the potential obligations arising from CBAM, and encouraging them to undertake the necessary preparatory actions	MoIT	MoEUCC (DCC), MoENR, MoTF, MoT, PSB, KOSGEB

GOAL 1: ESTABLISHING THE NECESSARY INFRASTRUCTURE FOR A TRANSPARENT AND MEASURABLE GREEN FINANCE ECOSYSTEM

Objective 1.3. Strengthening the Data Collection and Management Infrastructure for Green Finance

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 1.3.1. Establishing a mechanism that enables banks and financial institutions to access company-level, facility-based verified emissions data for pricing purposes	2028	Establishing the necessary technical and regulatory infrastructure for data access Ensuring data access for banks and financial institutions	MoEUCC (DCC)	All Relevant Institutions and Organizations
Action 1.3.2. Defining the data access terms and conditions and usage guidelines for Ministries providing green transformation and technology incentives, as part of the data-sharing mechanism to be constructed under Action 1.3.1 above	2028	Identification of the Ministries to be granted data access authorization Completion of the technical and legal infrastructure works required to determine the terms and conditions for data access and usage for the relevant Ministries	MoEUCC (DCC)	All Relevant Ministries

GOAL 1: ESTABLISHING THE NECESSARY INFRASTRUCTURE FOR A TRANSPARENT AND MEASURABLE GREEN FINANCE ECOSYSTEM

Objective 1.4. Establishing Common Reporting Standards in the Field of Green Finance

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 1.4.1. Publication of a common reporting template that will be used by companies and ensure alignment among regulations on sustainability reporting of public authorities	2026	Development of a standardized reporting template that addresses the common needs of all stakeholders	POA	All Relevant Institutions and Organizations
Action 1.4.2. Establishing reporting standards on sustainability for all business sizes and types	2028	Reporting standards for business sizes and types	POA	All Relevant Institutions and Organizations
Action 1.4.3. Providing guidance and technical assistance to enable companies to effectively use the reporting standard	2027	Number of guidance and technical assistance provided (training, webinars, one-on-one support, etc.) Number of companies receiving support Preparation of sample reports (best practice examples) and frequently asked questions (FAQ) documents related to the implementation of the reporting standard	POA	
Action 1.4.4. Periodic revision of the sustainability reporting framework in line with the requirements of international standards	Ongoing	Revising the sustainability reporting framework within the shortest possible time or within a maximum of 6 months/1 year when international standards change	POA	

GOAL 1: ESTABLISHING THE NECESSARY INFRASTRUCTURE FOR A TRANSPARENT AND MEASURABLE GREEN FINANCE ECOSYSTEM

Objective 1.5. Establishing Infrastructure to Prevent the Misuse of Green Finance (Greenwashing)

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 1.5.1. Preparation of guidelines for the financial system covering sector-specific definitions of green products, green practices and approaches to prevent greenwashing	2028	Publication of a guideline containing strategic recommendations aimed at reducing greenwashing risks across sectors	BRSA, IPRSA, CMB	MoEUCC (DCC), MoIT, CBRT



GOAL 2: STRENGTHENING INSTITUTIONAL CAPACITY AND HUMAN CAPITAL IN THE FIELD OF GREEN FINANCE

Under Goal 2, it is aimed to strengthen institutional capacity and develop human capital in the field of green finance. In this context, it is envisioned that increasing awareness of sustainability reporting, enhancing the competencies of regulatory authorities and relevant sectors regarding climate and environmental risks, and supporting activities aimed at strengthening human resources. Accordingly, it is intended to disseminate the level of knowledge, skills, and awareness necessary that will ensure the effective implementation of sustainable finance.

Objective 2.1.

Enhancing Human Resource Capacity for the
Green Finance Ecosystem

Objective 2.2.

Enhancing Awareness and Institutional
Capacity in Sustainability Reporting

Objective 2.3.

Enhancing the Institutional Capacity of
Regulatory and Supervisory Authorities and
Relevant Sectors in Managing Climate Risks

GOAL 2: STRENGTHENING INSTITUTIONAL CAPACITY AND HUMAN CAPITAL IN THE FIELD OF GREEN FINANCE

Objective 2.1. Enhancing Human Resource Capacity for the Green Finance Ecosystem

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 2.1.1. Planning training programs to increase the capacity of qualified human resources that will provide strategic guidance for green finance across sectors of the financial system (banking, insurance and capital markets)	Ongoing	Number of participants attending the trainings Number of training programs organized Increase level of participants' knowledge and competencies following the trainings (measured through tests or surveys) Organizing training programs on energy efficiency for the banking sector to enable the banking sector to evaluate energy efficiency projects within the scope of green transformation and to raise the awareness of the sector in this area	BAT, TKBB, TSB, TCMA	MoEUCC (DCC), MoENR, FKB
Action 2.1.2. Organizing trainings for personnel working in units preparing sustainability reports in the public sector to raise awareness and increase institutional capacity in the public sector regarding sustainability reporting	Ongoing	Issuing participation certificates for the trainings organized through the Presidential Distance Education Portal Number of participants who successfully complete the program, disaggregated by institution and financial sector	POA	Presidency of the Republic – Directorate General of Personnel and Principles, BAT, TKBB, TCMA, TSB, FKB, SPL

GOAL 2: STRENGTHENING INSTITUTIONAL CAPACITY AND HUMAN CAPITAL IN THE FIELD OF GREEN FINANCE

Objective 2.1. Enhancing Human Resource Capacity for the Green Finance Ecosystem

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 2.1.3. Conducting awareness-raising and promotional activities and providing training to raise awareness about access to green financial instruments and green financial markets in the real sector	Ongoing	Number of awareness-raising, promotional, and training activities organized Reporting on the diversity of sectors receiving training Regular updating of training content on access to green financial instruments and green finance markets with reference to international developments and good practice examples	DCC, TOBB	MoENR, MoIT, MoT, BAT, TKBB, TSB, TCMA, FKB, SPL

GOAL 2: STRENGTHENING INSTITUTIONAL CAPACITY AND HUMAN CAPITAL IN THE FIELD OF GREEN FINANCE

Objective 2.2. Enhancing Awareness and Institutional Capacity in Sustainability Reporting

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 2.2.1. Organizing workshops and sector meetings at the national level focusing on best practices	Ongoing	Number of workshops and meetings organized Number of participating institutions and sector representatives Reports compiling best practices	POA	
Action 2.2.2. Preparation of a guideline to address misreporting or classification errors in reporting	2026	Publication of the Guideline on addressing misreporting or classification errors in reporting	POA	

GOAL 2: STRENGTHENING INSTITUTIONAL CAPACITY AND HUMAN CAPITAL IN THE FIELD OF GREEN FINANCE

Objective 2.3. Enhancing the Institutional Capacity of Regulatory and Supervisory Authorities and Relevant Sectors in Managing Climate Risks

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 2.3.1. Analysis of data needs and determination of risk measurement methodologies	2027	Establishment of a Climate and Environmental Risk-Related Stress Testing Infrastructure in the Turkish Banking Sector	BRSA	CBRT
Action 2.3.2. Preparation of a risk management guideline for insurance companies covering climate change and nature-related risks, and ensuring that all licensed insurance companies establish internal procedures in line with this framework	2027	Preparation of a national risk management guideline for the insurance sector	IPRSA	MoEUCC (DCC), AFAD, TSB
Action 2.3.3. Conducting Climate and Nature Risk Stress Testing studies for financial sectors	2029	Completion of stress testing studies, initiation of forecasting based on the results, and submission of semi-annual stress test reports to the MoTF	FSC SRMAWG	CBRT
Action 2.3.4. Raising the level of knowledge and awareness of financial institutions operating in the capital markets regarding climate risk management	2029	Ensuring that the CMB and sector employees receive training on sustainability and climate risks Conducting activities, in cooperation with international financial institutions and organisations, aimed at raising sector-wide awareness and strengthening capacity on sustainability and climate-related risks	CMB	TCMA



GOAL 3: ESTABLISHING MARKET MECHANISMS FOR THE DEVELOPMENT OF GREEN FINANCE

Under Goal 3, it is aimed to develop market mechanisms that support the growth of green finance. In this regard, it is envisaged that the share of green finance products and instruments in financial markets will be increased through diversification, Emissions Trading System of Türkiye (TR-ETS) will be implemented, and regulations that will encourage green finance practices will be developed. Accordingly, it is intended to facilitate access to finance for green investments and promote the widespread use of market-based solutions.

Objective 3.1.

Increasing the Share of Green Finance Products and Instruments within Financial Markets

Objective 3.2.

Implementing the Emissions Trading System of Türkiye (TR-ETS)

Objective 3.3.

Strengthening Incentive Mechanisms for the Development of Green Finance Products and Instruments

GOAL 3: ESTABLISHING MARKET MECHANISMS FOR THE DEVELOPMENT OF GREEN FINANCE

Objective 3.1. Increasing the Share of Green Finance Products and Instruments within Financial Markets

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 3.1.1. Determining and monitoring the share of green financial products and instruments in financial markets	Ongoing from the end of 2028	Determining the size and market share of existing green financial products and instruments by the end of 2028 and monitoring changes in those data in subsequent years	CBRT, BRSA, CMB, IPRSA	MoTF
Action 3.1.2. Establishing a green financing mechanism that will enable achieving the 2053 Net Zero Emissions targets and directing relevant resources through this mechanism	2029	The volume of the capital pool comprising green financial products and instruments Annual reporting of the size and performance of the resources allocated	MoEUCC (DCC), MoTF	All Relevant Ministries
Action 3.1.3. Increasing the share of sustainability-themed funds in the portfolios of state contribution funds and Auto Enrollment System (AES) standard funds	2026	Share of investments in sustainability-themed funds within the total portfolios of state contribution funds and AES standard funds (percentage)	IPRSA	MoTF

GOAL 3: ESTABLISHING MARKET MECHANISMS FOR THE DEVELOPMENT OF GREEN FINANCE

Objective 3.1. Increasing the Share of Green Finance Products and Instruments within Financial Markets

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 3.1.4. Promoting sustainability-themed capital market instruments	2027	Developing policy recommendations on the subject following consultations with sector representatives Organizing investor information meetings on sustainability-themed capital market instruments	CMB, TCMA	
Action 3.1.5. Inclusion of sustainability-themed bond issuances in bond issuances organized by the Ministry of Treasury and Finance	2029	Total amount of sustainability-themed bonds issued	MoTF	
Action 3.1.6. Conducting studies on the diversification of capital market instruments with a social and sustainability theme	2026	Completion of the Guidelines on Green, Sustainable, and Social Capital Market Instruments Completion of the Guidelines on Sustainability-Linked Capital Market Instruments	CMB	

GOAL 3: ESTABLISHING MARKET MECHANISMS FOR THE DEVELOPMENT OF GREEN FINANCE

Objective 3.1. Increasing the Share of Green Finance Products and Instruments within Financial Markets

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 3.1.7. Conducting studies and preparing a roadmap for the Istanbul Financial Center (IFC) to become an international hub in the field of sustainable finance	2027	Completion of studies aimed at preparing the roadmap Share of sustainable financial products (percentage) in financial activities and/or financial services exports within the IFC	CBYFO	TWF
Action 3.1.8. Conducting a feasibility study on the systematic issuance of catastrophe bonds (CAT bonds) for climate-related risks	2029	Publication of the feasibility report on the issuance of CAT bonds	IPRSA (TCIP)	MoTF, CMB

GOAL 3: ESTABLISHING MARKET MECHANISMS FOR THE DEVELOPMENT OF GREEN FINANCE

Objective 3.2. Implementing the Emissions Trading System of Türkiye (TR-ETS)

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 3.2.1. Completing the regulatory framework for the Emissions Trading System of Türkiye and putting it into practice	2026	Completion and enactment of secondary legislation to enable implementation	MoEUCC (DCC)	MoENR, MoTF, PSB, MoIT, MoT, MoAF, MoTI, CMB, EMRA, EXIST

GOAL 3: ESTABLISHING MARKET MECHANISMS FOR THE DEVELOPMENT OF GREEN FINANCE

Objective 3.3. Strengthening Incentive Mechanisms for the Development of Green Finance Products and Instruments

Actions	Target Year	Outputs and Performance Indicators	Responsible	Relevant
Action 3.3.1. Conducting feasibility studies on regulatory arrangements to provide flexibility in the use of foreign currency loans for investment areas identified for the green transition	2026	Preparation of the feasibility report	MoTF	CBRT
Action 3.3.2. Prioritizing and promoting green finance in publicly subsidized loans	Ongoing	Total volume of resources allocated to green finance projects in subsidized loans	MoIT, MoT	MoTF, MoENR, CBRT
Action 3.3.3. Development of an insurance/guarantee mechanism within the scope of insurance companies' emission reduction commitments	2026	Preparation of a roadmap to establish the sectoral infrastructure for insuring emission reduction commitments	IPRSA	TSB
Action 3.3.4. Developing incentive mechanisms in green patent application and evaluation processes to support the green transition	2027	Developing mechanisms to support green patent application fees Providing financial support for R&D projects focused on green transformation Organizing competitions and startup support programs to accelerate the commercialization of innovative green technologies	MoIT	TURKPATENT, TUBITAK



REPUBLIC OF TÜRKİYE
MINISTRY OF TREASURY AND FINANCE