

97% of executives expect that electrifying their operations would improve their energy security

Türkiye's reliance on imported fossil fuels exposes the country's economy to the inflationary effects of global energy markets, which have become increasingly volatile in recent times.

What Business Needs

Corporate executives want greater long-term investment in the expansion and digitalisation of the grid, with 88% arguing that such a move would make energy more affordable.

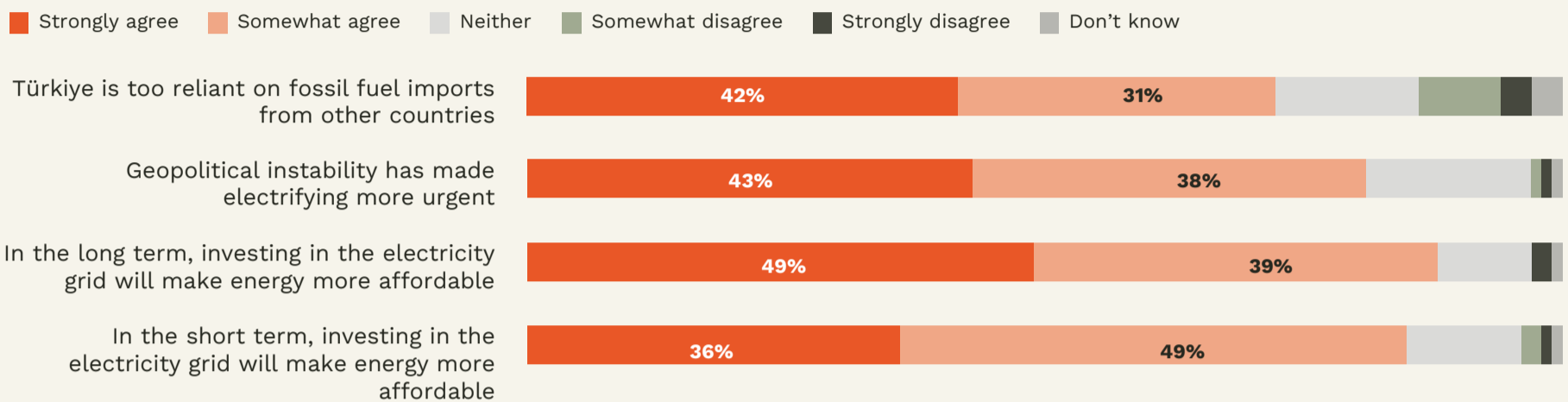
Türkiye's clean industrialisation plans are motivated in part by the pro-transition policies and regulatory direction of the European Union, which is by far the country's largest trading partner.

Policy Context

Türkiye envisions an ambitious near-term expansion of clean electrification, a policy position that the current government is keen to make a central pillar of its presidency of the UN's COP 31 climate summit in late 2026. In addition to helping meet the country's 2053 net-zero emission target, clean electrification is posited as a key contributor to Türkiye's wider development goal of creating a high value-added production ecosystem, centred in particular around a globally competitive green industrial base. Supporting this objective is the government's 'YEKA' model, which mandates developers of renewable-based projects to source a percentage of critical components from domestic manufacturers.

As with the government, business leaders appreciate the economic dividends that electrification can bring. Senior executives overwhelmingly (95%) say that switching their operations to electricity would make their businesses more competitive. In addition to opening up new low-carbon markets and shoring up existing export channels, electrification is seen by a large majority of business leaders as helping to stabilise energy prices (95%) and lower energy bills (90%). This perception is strengthened by recent geopolitical instability, which is having knock-on effects for domestic energy prices and has led to concerns over energy affordability. Oil and gas are responsible for over half (55%-60%) of total energy consumption, with 93% and 99% of each deriving from imports, respectively.

Turkish executives back electrification for secure, affordable energy



To what extent do you agree or disagree with the following statements?

This leads more than seven out of ten (72%) of business leaders to say that Türkiye is now too reliant on fossil fuel imports. Similarly, 81% now believe that the current state of geopolitics makes the task of electrification more urgent.

Business Viewpoints

The appetite for electrification among Turkish companies is clear from their readiness to switch away from fossil-powered equipment, with most senior executives (87%) expecting to have done so by 2030—15 percentage points above the average for the 18 markets polled. That said, the speed of electrification among businesses is outpacing preparations being made by the government, according to most executives (75%). Grid capacity is seen as a particular bottleneck. Of all the potential policy levers presented to those polled,

expanding and digitalising the grid is the most popular among executives (44%). Were the power system to attract more long-term investment, moreover, most senior executives believe it would make energy more affordable. This viewpoint is not lost on the government, which recently secured funding and technical assistance from the World Bank to execute a comprehensive plan for upgrades to the country's transmission infrastructure and for the integration of renewables. First unveiled in 2024, the \$28 billion plan includes a variety of measures to encourage private-sector investment, prominent among which is the most ambitious battery project pipeline in Europe.¹ Even so, business complains about too much policy uncertainty, with two-thirds (67%) of executives saying frequent policy changes makes it difficult to electrify their operations.

¹ <https://www.invest.gov.tr/en/sectors/pages/energy.aspx>