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GREEN ECONOMY

POLICIES IMPLEMENTATIONS BY COUNTRIES AROUND THE WORLD. ANALYSIS OF GREEN REFORMS

IMPLEMENTACIÓN DE POLÍTICAS DE ECONOMÍA VERDE EN PAÍSES DE TODO EL MUNDO. ANÁLISIS DE LAS REFORMAS VERDES

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ABSTRACT

Countries around the world implement diverse green economy policies, and over time, these policies have gained prominence as governments and institutions recognize the need for sustainable development. The traditional economy inflicts significant harm on nature, adversely impacting human health, and without a healthy future, sustainable progress becomes unattainable. Alarming global environmental challenges have placed the transformation of the traditional economy into a green one at the forefront of the world agenda. This article summarizes important research conducted by international organizations analyzing different programs that have implemented to address this transition. To accomplish this, it is examined green economy practices in China, Azerbaijan, and Kenya, highlighting key successes, ongoing challenges, and unachieved goals. By comparing these countries' experiences, the article underscores the critical role of green economy policies in promoting sustainable production and encouraging environmentally conscious consumer behavior. It is also emphasized in the importance of several interconnected factors: consumer preferences, corporate decisions to produce green products, state policies, awareness-raising initiatives by international organizations, and financial investments in sustainability projects. Each of these aspects is vital and warrants detailed investigation to ensure the effective and lasting implementation of a green economy. But in general, to achieve green economy objectives, nations must establish concrete goals and adopt more serious approaches than ever before.

Keywords: Azerbaijan, China, Kenya, Green economy, Investments.

RESUMEN

Los países de todo el mundo implementan diversas políticas de economía verde y, con el tiempo, estas políticas han ganado prominencia a medida que los gobiernos e instituciones reconocen la necesidad del desarrollo sostenible. La economía tradicional inflige un daño significativo a la naturaleza, afecta negativamente la salud humana y, sin un futuro saludable, el progreso sostenible se vuelve inalcanzable. Los alarmantes desafíos ambientales globales han colocado la transformación de la economía tradicional en una economía verde en la vanguardia de la agenda mundial. Este

artículo resume importantes investigaciones realizadas por organizaciones internacionales que analizan diferentes programas que se han implementado para abordar esta transición. Para lograrlo, se examinan las prácticas de economía verde en China, Azerbaiyán y Kenia, destacando los éxitos clave, los desafíos actuales y los objetivos no alcanzados. Al comparar las experiencias de estos países, el artículo subraya el papel fundamental de las políticas de economía verde en la promoción de la producción sostenible y el fomento de un comportamiento de los consumidores consciente del medio ambiente. También se enfatiza en la importancia de varios factores interconectados: las preferencias de los consumidores, las decisiones corporativas de producir productos ecológicos, las políticas estatales, las iniciativas de sensibilización de las organizaciones internacionales y las inversiones financieras en proyectos de sostenibilidad. Cada uno de estos aspectos es vital y merece una investigación detallada para garantizar la implementación efectiva y duradera de una economía verde. Pero, en general, para alcanzar los objetivos de la economía verde, las naciones deben establecer metas concretas y adoptar enfoques más serios que nunca.

Palabras clave: Azerbaiyán, China, Kenia, Economía verde, Inversiones.

INTRODUCTION

In the world, economic development causes good living conditions and drives product consumption beyond demand. Businesses grow richer, international sales increase, and marketers encourage buyers to purchase more. It is positive that items that were once difficult to find are now easily available. However, its impact on the environment should always be investigated. Because without a healthy planet, there can be no healthy people. The main goal of a modern, green economy now is not to grow even more, but to develop without harming future generations.

Taking care of the environment along with industrial development is a much-discussed issue among academicians and practitioners. While maintaining the traditional primary motive of industrialization, many strategies are emerging for sustainable development, such as technological development, material research, re-engineering, product design, and so on. These strategies involve initial costs, which make industries more reluctant, especially in emerging economies. (Goyal et al., 2022).

In 1989, a group of prominent environmental economists wrote a groundbreaking report called “Blueprint for a Green Economy” for the UK government. In this report, they first used the phrase “green economy” (Pearce et al., 1989). The UK government requested the study to determine whether the phrase “sustainable development” had a universally accepted meaning and to discuss its implications for policy and project evaluation and the measurement of economic success. The United Nations Environment Programme (UNEP) was one of the key organizations involved. To encourage investment in environmentally friendly industries and help green industries become more eco-friendly, UNEP established the Green Economy Initiative in October 2008. In April 2009, UNEP published a Global Green New Deal (GGND), commissioning one of the original authors of “Blueprint for a Green Economy” to write it as part of this initiative. The report offered various policy measures to promote economic recovery and enhance the sustainability of the global economy. The GGND laid out three primary goals: economic recovery, poverty eradication, and reduced carbon emissions and ecosystem degradation. It also proposed a framework for green stimulus programs and supportive domestic and international policies (European Environment Agency, 2011).

The most prominent researchers in this field include David W. Pearce, Anil Markandya, and Edward B. Barbier, who were the first authors to use the “Green Economy” phrase. Later, Adrian C. Newton and Elena Cantarello co-authored “An Introduction to the Green Economy: Science, Systems and Sustainability”, which provides a solid foundation for understanding the green economy. Michael Jacobs is another well-respected author in this field. During our research, we have benefited from various sources and the insights of these individuals (Jacobs, 2012; Newton & Cantarello, 2014).

Green economy policies have gained significant prominence in recent years as countries around the world strive to address environmental challenges and promote sustainable development. To achieve global green growth, developing nations must take the lead. While emerging nations may not currently account for a significant portion of the world’s greenhouse gas (GHG) emissions, this will change if they pursue the same economic development strategies as industrialized nations. As developing nations drive global economic expansion, they are simultaneously increasing emissions and depleting natural resources at an unprecedented rate.

These developing nations are particularly vulnerable to threats related to energy, food, water, climate change, and extreme weather. Moreover, they rely heavily on natural resources for economic growth, which makes them especially susceptible to the social and economic consequences of environmental degradation. Consequently, they are finding it increasingly difficult to progress due to

these interconnected challenges. Green growth strategies must pay particular attention to the social issues and equitable concerns that can arise directly from greening the economy, both at national and international levels. To accomplish this goal, such strategies ought to be implemented concurrently with programs centered on the broader social pillar of sustainable development.

For many developing economies, the objective is to achieve diversified and sustainable growth over time. This approach will ultimately result in poverty reduction, increased well-being, and significant improvements in the quality of life for people in these economies. This can be accomplished by considering the complete value of natural capital and acknowledging its crucial role in economic expansion. A green growth model encourages a method that is both more cost-effective and resource-efficient when guiding sustainable production and consumption decisions. In simpler terms, green growth will help developing countries achieve sustainable development. Green growth is generating both enthusiastic and cautious political attitudes. Such opinions reflect a lack of clarity and experience, varying prospects for distinct countries, and fears that international green growth policy regimes might disadvantage some nations. The developing world remains ambitious and politically supportive of green growth, provided it can reduce poverty, improve social welfare, and create jobs. However, it must also promote economic restructuring to boost productivity and add value (OECD, 2012).

This article aims to project and examine the political behaviors that lead to the formulation and implementation of green economy policies in China, Kenya, and Azerbaijan. We compare the three countries and ask: What are the political, social, and economic steps behind the formulation and implementation of green economy policies in China, Kenya, and Azerbaijan, and what results have they achieved? The choice of these three countries is motivated by several factors. First, China, Kenya, and Azerbaijan represent three very different types of political economies. We selected those countries because China can be characterized as a state-led market economy, Kenya as a weakly institutionalized open-access order, and Azerbaijan as a centralized market economy with significant petro-resources. Given the scarcity of research on the relationship between green economy policies and the political systems of developing countries, these cases are likely to provide interesting theoretical leverage. Second, all three countries have either undertaken or are considering green economy policies and are significant considerations in the global environmental consuming and producing landscape. Third, we have personal knowledge of these countries and special access to research information and informants. Access is critical in conducting case research, and the choice of these cases is partially based on considerations of limited budget and time.

MATERIALS AND METHODS

The methodology and information base of the article are based on green economy projects implemented by the countries. To achieve this, we investigated the opinions of researchers who have previously conducted studies in this field. Subsequently, a comparative analysis was conducted between official news portals and those expert opinions. The states' reforms for transitioning to a green economy are included in the article, and the results are summarized. Government projects, researchers' opinions, and theoretical-practical approaches are used as the information base. We have also added to our information base the proposed social-ecological and economic projects implemented by international organizations, along with their results.

By identifying these policy lessons and best practices for various types of initiatives, the study aims to provide valuable information to policymakers in countries currently at different stages of development and environmental progress. This will be conducted with the hope of creating a cyclical knowledge transfer process and helping build global momentum for a methodical and sustained effort to protect the earth's natural resources. In an era of interconnected global challenges, there is also potential for this knowledge to be used to aid international cooperation and promote resource management and conflict resolution.

The study takes particular interest in identifying potential points of policy and strategy transfer between nations with varying levels of "greenness," resource availability, and economic development. This approach may benefit nations that may not have the capacity for high-investment green policies comparable to those of developed countries. Learning from the successes and failures of other countries has the potential for significant fiscal conservation and global resource management if well-thought-out policy lessons can be communicated cost-effectively.

The main goal of this research study is to evaluate the implementation of Green Economy initiatives in China, Kenya, and Azerbaijan. The three case studies represent a diverse group of nations and systems. By comparing the environmental policies of each country, the study intends to highlight the ideal components of a successful Green Economy strategy for promoting sustainability. This will be measured by determining each nation's capacity to foster the Sustainable Development initiative of "taking better

care of the environment." By drawing cumulative lessons from the practices and experiences of the three countries, the study seeks to outline the harmonious cycle between policymaking and implementation and the level of success this may achieve in securing the environment. An additional goal of the research is to investigate whether success in green economic policy leads to greater responsibility for environmental sustainability and resource management, effectively unifying environmental protection and economic growth.

RESULTS AND DISCUSSION

Green policy

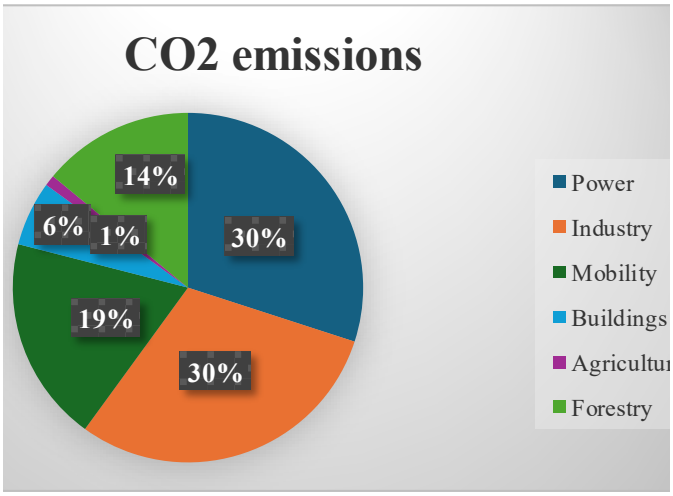
One of the main issues on the world's political agenda is related to green politics. Although countries' references to the green economy are based on the same goal, they are implemented in different ways. Logically, green policy emerges as part of environmental protection policy. Currently, countries are increasingly obliged to strengthen their green policies. Our world is alive, damaged, and in need of restoration and attention, much like people themselves. The main goal is to initiate green economy and green politics to protect living things. The root of the environment's poor condition is the lack of appropriate sustainability policies. According to government policies, settlements can be built to last millennia, but we must also protect cleanliness, soil, and forests. We may not be able to use current planetary resources in 40 years. We have reached a critical point and exceeded sustainable limits. Any effective economic policy must reverse the resource depletion and actively restore damaged and decaying systems — recovery is more plausible than a sustainability algorithm.

A clear and insightful review of green ideals, movement goals, and techniques also defends ecologies as a political theory. If you are a student, professor, or activist seeking an introduction to green political philosophy, you should start with "Green Political Thought" (Dobson, 1995). Porritt, for instance, analyzes capitalism and the role of companies. He discusses the challenges faced by environmentalists and argues that, rather than focusing on the negative outcomes of non-sustainability, they should emphasize positive aspects, such as economic gains. He posits that capitalism provides the best possible choices for people's well-being, economic growth, and ecological preservation. Moreover, he suggests we are left with no alternative (Porritt, 2005).

There are several studies on the increase of carbon emissions worldwide. NASA's research shows that since 1958, as the world's industrial economy has developed, carbon dioxide (CO2), an important heat-trapping gas, has reached its highest level on Earth, causing global warming and air pollution. Human activities have increased atmospheric CO_2 by 50% since the beginning of industrial times in the 18th century, indicating that the current CO_2 amount is fifteen times what it was in 1750. Compared to the natural increase seen after the previous ice age twenty thousand years ago, this human-induced spike is far greater. According to NASA's findings, the planet is once again experiencing global warming similar to the process that ended the ice age and its associated animal life. The crucial difference is that previous global warming was a natural process progressing at a much lower rate. In contrast, the current era of the industrial economy presents an artificial, man-made process that continues to grow at an even more accelerated rate (NASA Global Climate Change, 2024).

McKinsey Global Institute is one of the world's leading researchers on carbon dioxide. Consulting firm McKinsey noted in its "The net-zero transitions" report that, Power and industry are major energy consumers and together generate about 60 percent of CO2 emissions. This is shown in Figure 1.

Fig 1. Percentage of CO2 emissions by sector.



Source: Krishnan et al. (2022).

As can be seen from the chart and tables in Krishnan et al. (2022), the least amount of waste is generated by agriculture and buildings. Mobility and forestry are in an intermediate position. Energy and industry are the largest producers of carbon dioxide in the world, and most green economy analyses should be conducted in these two areas. Recognizing the seriousness of the issue, countries worldwide, including the most industrially developed

nations with the largest number of factories, are taking preventive measures. From these observations, we conclude that it is challenging for developing economies to implement green economic projects. This work requires significant financial resources, including:

- Modern engineering for producing ecologically harmless products.
- Environmental cleaning efforts to reduce damage to nature.
- Use of packaging that can quickly decompose and return to the environment.

Many countries are unable to raise funds to cover additional expenses or do not pay sufficient attention to this issue. Numerous factors must be considered and addressed to realize a sustainable and green economy. As Mathews (2012) notes: Finance, resource circulation, and energy are the three main topics. Any shift toward a green economy must prioritize reshaping the energy, resource throughput, and financial industries. These ideas can be categorized into three main directions:

1. **Energy:** Instead of relying on exhaustible energy sources, the use of renewable energies should increase. Although these ideas are widely accepted, implementing them remains challenging. The political, economic, social, and environmental effects of various energy sources are highly diverse. While maximizing profit is essential for energy sectors, preserving social responsibilities and reducing environmental impacts are equally crucial. As stated earlier, the use of non-renewable energy sources results in pollution and permanent damage.

In recent years, the G20 has launched several programs to achieve this objective and increase the utilization of renewable energy sources. However, the fact remains that G20 nations' total energy consumption still accounts for 85.33 percent of non-renewable sources, contributing to rising emissions and the threat of climate change. (Shah et al., 2024; World Bank, 2022).

2. **Resource Circulation:** Resource circulation is a key component of the circular economy. Recycling plays a small but significant role in this economic model. The emphasis is on product lifespan extension, which has a major decarbonizing impact, as opposed to recycling, which is more relevant to materials. Energy conservation and decarbonization are not synonymous; in fact, they were previously considered interchangeable terms. Achieving decarbonization entails abandoning the use of traditional fossil fuels (Murakami et al., 2022). Resource recycling means more than long-term use of the same resource. It involves boosting the green economy by integrating more renewable energies into the production process. A green economy encompasses more environmentally harmless production using sustainable energy sources.
3. **Finance:** Financial stability stands at the forefront of all considerations. "Decarbonizing the global economy and securing low emissions going forward would require significant capital spending on the formation of new physical assets and the transformation of existing ones" (Krishnan et al., 2022). Certain significant capital expenditures should not be reduced. Based on these insights, the value of a green economy must be carefully evaluated, regardless of its magnitude. The cost of transitioning to a green economy will inevitably be substantial.

For instance, speaking at the 2022 Davos Agenda virtual meeting, World Economic Forum President Børge Brende cautioned against focusing solely on the transition's price, stating: "The cost of inaction far exceeds the cost of action" (World Economic Forum, 2022). From this perspective, we conclude that without serious steps to prevent environmental pollution and without allocating the required financial resources, the future cost of these operations will significantly exceed current necessary funds. In other words, if the green economy is not funded now, it will lead to higher costs in the future and make corrective actions much more difficult. Funds allocated for the transition to a green economy, termed "Green finance," can be invested in various fields, including:

- Environmental restoration.
- Planting greenery.
- Reducing carbon emissions.
- Mitigating global environmental pollution.
- Implementing modern standards.
- Developing green production methods.

Green economy projects in Kenya

The United Nations Environment Programme (UNEP) is working diligently to promote the Green Economy worldwide. Particularly, it aims to allocate more space to the green economy in the politics of less developed countries. A key initiative of their agenda is to focus on green finance, technology, and investment, and to achieve macroeconomic approaches to sustainable economic growth through regional, sub-regional, and national forums. UNEP supports countries in developing and mainstreaming macroeconomic policies to support the transition to a Green Economy. Kenya is one such country (UNRIC, 2022). UNEP has

encouraged Kenya to invest in renewable energy within its economy. For Kenya, UNEP has prepared subsidies and a Medium-Term Development Plan (2013-2017). The green economy strategy is incorporated into this plan, reflecting renewable exploitation, carbon credits, and clean production systems (UNEP, 2017).

However, despite the implementation of these measures, there was no significant improvement in Kenya's economic and environmental development. On the contrary, the COVID-19 pandemic resulted in an economic slowdown both in Kenya and globally. The Kenyan economy faced challenging global financial conditions, including fuel and food price shocks, and a historic drought that particularly impacted the economy in the second half of 2022.

Nowadays, Kenya is recognized as the financial services hub of East and Central Africa. Additionally, the market capitalization of the Nairobi Stock Exchange ranks 4th among African countries (Africa.com, 2022). From the observed trends in Kenya's green economic development, we can conclude that without substantial national resources, foreign funding and development programs cannot fully transform an economy. Consequently, developed countries are better positioned to successfully implement the transition to a green economy.

Green economy projects in Azerbaijan

Numerous measures and projects are being implemented in Azerbaijan in the direction of the green economy. We have conducted our research on Black City, which was the most polluted settlement in Baku during the 1800s. "In 1874, there were 123 oil refineries on the territory of Black City". "The black smoke and soot emitted by factories and oil refineries caused this area to become infamous as 'Black City'. Workers lived here, while wealthy people resided in the city center, where oil extraction and processing were prohibited" (Swietochowski, 2004, p. 121). A Turkish traveler who visited Black City in 1890 described the place vividly: "Everything is black: the walls, the earth, the atmosphere, the sky. One feels the oil, breathes the vapors, the acrid [smoke] seizes you by the throat.... You walk among clouds of smoke that obscure the atmosphere." Indeed, that refining district was known as "The Black City," which he called the "kingdom of oil".

In the following years, extensive work was done in Azerbaijan to eliminate the "Black" status of Black City. As a result of these projects, the areas formerly known as Black are now called White City. The current White City area of Baku was known as Black City for more than 150 years. The black city had become a genuine ecological disaster zone. Even passing by that place terrified people because the air was so toxic. The Baku White City project, implemented within the framework of the "Comprehensive Action Plan for 2006-2010 on the Improvement of the Environmental Situation in the Republic of Azerbaijan" approved by the Azerbaijan President, has already been recognized worldwide as a large-scale ecological urban development project. White City is now one of the most environmentally friendly parts of Baku.

"Green buildings" were constructed here, used for office and business purposes. For example, the Baku White City Office building has begun operating. Models of modern buildings designed by the world's leading architectural companies are presented in the building. During the design of new buildings, the goal is to expand the use of green buildings, energy-saving principles, and international organizational certifications in line with the environmental traditions of White City and modern global environmental requirements. The office building fully complies with environmental protection policies and received a certificate from the international environmental certification organization (BREEAM). "White City 2020 - Business Center" is the second Baku White City office building to receive the BREEAM environmental certificate, confirming compliance with green building standards. Solar panels are planned to be installed on the roof of the building to meet the relevant (CRREM) requirements, considering the forecast of a 1.5-degree increase in global temperatures after 2030. Covering an area of 221 hectares, "Baku White City" is larger than Monaco and 11 times the size of the Old City. It is the largest development project in the Caucasus region, comparable to the population of the "Principality of Andorra". The city can provide 20,000 residential and commercial spaces and 48,000 workplaces. Notable buildings include Nobel Tower, Park Chinar, Sahil Residence, Montparnas Residence, Rich Tower, Hayat Park, Renaissance, Agh Saray, Altem Tower, Versailles Palace, Raffle Tower, Toca Residence, and Baku City Residence.

From the White City project implemented by Azerbaijan, it can be concluded that even the most polluted and ecologically disastrous zones in the world can be restored with good investment and the implementation of an effective project. All that is required is an understanding of the nature and seriousness of the issue. Large factories generate high profits but also pose significant risks to public health. Unfortunately, countries often fail to take serious steps until the environmental situation becomes critical.

Azerbaijan is one of the countries where UNEP conducts research and prepares reports. UNEP developed the National Environmental Action Plan for Azerbaijan, which prioritizes the following environmental actions: 1. Pollution from industrial production, energy production, transport,

and other sources; 2. The Caspian Sea; 3. Forestry, land, and biodiversity; 4. Institutional development; and 5. Policy advice (European Environment Agency, 2011). Azerbaijan has assessed and enhanced the action plan for environmental protection and is striving to implement a green economy within the country. The EU Environment Program integrates various initiatives into a single strategic framework to promote greener decision-making, a sustainable economy, green growth, smart environmental regulations, ecosystem protection, and information sharing (Table 1).

Table 1. About the EU Environment Programmed, implemented in Azerbaijan.

Section of the project	Details
Duration	2019-2022 years
Budget	approximately €20 million for the six CIS countries (EU contribution: €19.5 million)
General direction	European Commission
Executive partners	Organization for Economic Co-operation and Development (OECD), United Nations Economic Commission for Europe (UNECE), United Nations Environment Program (UNEP), United Nations Industrial Development Organization (UNIDO) and the World Bank
Main national partners in Azerbaijan	The Ministry of Environment and Natural Resources; Ministry of Economy

Source. Taken from: https://www.eu4environment.org/app/uploads/2021/06/Azerbaijan-country-profile-2020-21-second-edition-AZE.pdf

Since 2019, the EU-funded EU Environment Program has been supporting Azerbaijan on its green transformation path, along with five other Eastern Partner countries. The program assists in protecting natural resources and enhancing people's environmental well-being by supporting environmental actions, enabling greener development opportunities, and identifying mechanisms for better management of environmental risks and impacts. The COVID-19 pandemic, which broke out in 2020, had a significant impact on the program's work. Despite this unexpected global challenge, the program continued its planned activities and achieved several tangible results on the ground.

Green economy projects in China

China is one of the countries that have taken the most significant steps toward transitioning to a green economy. Decisions and economic reforms implemented in the country have a direct impact on carbon emissions. Appropriately increasing building density helps reduce carbon emissions, and findings indicate that residential buildings' aspect ratios and shape coefficients significantly influence household energy consumption in metropolitan areas. Finally, by using real-life examples from China as a point of comparison, this study emphasizes the importance of carbon reduction as a form of "green finance" and provides a framework for future urban renewal decisions. China plans to reduce coal-fired power plants across the entire country. Additionally, China is striving to develop a green economy, which can contribute to ensuring a healthy future. The main goal is to reduce carbon emission rates. Significant progress has already been made in air quality, with fewer smog days now reported in China's largest cities. One of the measures taken by China to promote green policies is tightening controls. For better regulation, the Chinese government introduced a replacement decision. The Ministry of Ecology and Environment, a newly established organization with broader and more distinct responsibilities, replaced the Ministry of Environmental Protection. For example, the administration of groundwater and ocean resources, previously managed by several departments, now falls under the new ministry's jurisdiction. Climate change policies are also under its authority (Shah et al., 2024).

Chinese consumers are increasingly aware of the seriousness of environmental issues and are opting for environmentally friendly or less harmful products. For instance, sales of hybrid cars are surpassing those of traditional cars. This green consumerism trend in China is also driving production toward supporting a green economy (World Economic Forum, 2019). China's government is among those with green building policies. Since 2004, China's green building policy has achieved various levels of development across its regions. The country has adopted numerous technological innovations in constructing green buildings, which, in turn, fosters technological advancement alongside the green economy. The central government employs several initiatives to encourage green building construction, including the launch of the Green Building Innovation Award and Technology Project to promote progress in this area (Hu et al., 2023).

At the same time, China is leading the world in adopting non-carbon renewable energy sources such as wind, solar, and geothermal biomass, serving as a strong indicator of its commitment to a green economy. For example, in 2018, China's renewable energy consumption was 38% higher than that of the United States and three times higher than Germany's. Although renewables currently account for only 4% of China's total primary energy use, this percentage has been steadily increasing. Forecasts suggest that if this trend continues, renewables could comprise 20% of China's total energy use by 2025. This represents a major step forward toward a cleaner, low-carbon economy. In recent years, China's manufacturing sector has gradually reduced its reliance on heavy carbon-emitting industries, with less carbon-intensive enterprises taking their place (World Economic Forum, 2019).

COVID-19 has weakened green economy transitions in China as well as around the world. But even then, the green economy was on China's agenda. In 2019, prioritizing support for the local job market was a key issue. Because businessmen in China prefer low-risk investments in heavy and polluting industries such as coal-fired power plants. With this, after the pandemic, support for the green economy started again in China as can be seen in Table 2.

Table 2. China's sustainability drive continues even in COVID-19 times.

China's sustainability drive continues even in COVID-19 times		
Examples of green policies issued during the pandemic		
Policy	**Time**	**Policy content/implication**
Law on the Prevention and Control of Environmental Pollution by Solid Waste	2020, April	Stricter regulations on waste control, management, and disposal
Master Plan for Major Projects on National Key Ecosystem Protection and Restoration (2021 - 2035)	2020, April	Major plan for ecosystem protection
Updated Draft of the Green Finance Catalogue	2020, May	Coal investments no longer eligible for green finance
Guidelines on Promoting Climate Change Investment and Financing	2020, October	Guidelines for prioritizing green investments in the financial sector

Source. Taken from: https://merics.org/en/report/greening-china-analysis-beijings-sustainable-development-strategies

As can be seen from the table, China's green economy mostly involves establishing stricter regulations on waste control, management, and disposal, issuing guidelines for prioritizing green investments in the financial sector, and disinvesting in the coal industry. Thus, to implement the green economy in all countries, its existing financial resources should be formed. The main directions are summarized in Table 3.

Table 3. Green economy financing benefits table prepared for China, Azerbaijan, Kenya using various official sources.

Green Finance Sources: A Look at China, Azerbaijan, and Kenya			
Financial source	**China**	**Azerbaijan**	**Kenya**
Government Funds:	Not identified	The government allocates funds for renewable energy projects and environmental protection initiatives.	Not identified
Foreign Direct Investment:	Not identified	Azerbaijan attracts foreign direct investment in renewable energy, particularly in wind and solar power.	Not identified
Public Finance:	China heavily invests in green initiatives through government funds, green bonds issued by state-owned banks, and fiscal subsidies for renewable energy and clean technology.	Not identified	Not identified

Commercial Banks:	Banks are increasingly offering green loans with preferential interest rates and relaxed collateral requirements for green projects.	Not identified	There's a growing trend of green loans offered by commercial banks in Kenya, often with support from international development finance institutions.
Green Bond Market:	China has a well-developed green bond market, attracting domestic and international investors for green projects.	The green bond market in Azerbaijan is limited, but there's potential for future development.	The Kenyan green bond market is still nascent, but there's growing interest in developing it as a financing source.
International Finance Institutions:	The World Bank, Asian Development Bank, and other institutions provide loans and technical assistance for green projects.	The World Bank, European Bank for Reconstruction and Development, and others provide loans and technical assistance for green projects.	Kenya relies heavily on international donors like the World Bank, Climate Investment Funds, and bilateral aid agencies to finance green projects like geothermal energy and climate-smart agriculture.

Sources: China: Green Finance Committee Green Finance; Azerbaijan, The World Bank - Azerbaijan Country Overview: Investments and Policy Reforms Towards Low-Carbon Transition and Resilience are in Azerbaijan's Economic Interest, says WBG Report (this includes a section on green development); Kenya, Central Bank of Kenya - Green Financing Initiative: Kenya: EIB partners with Central Bank of Kenya to unlock climate finance.

The table also shows that the largest source of green economy funding is in China. In China, this initiative is supported by the government, and commercial banks provide concessional loans to support the green economy. The Green Bond market is also well-developed in China, attracting the attention of foreign investors. In Azerbaijan, state support, funding from the state budget, and programs aimed at attracting foreign investors are more prevalent. However, the green equity market has not yet evolved, although it shows potential for growth. In Kenya, the green economy is primarily financed through support from international financial institutions. Overall, a common feature of green financing in the economies of China, Azerbaijan, and Kenya is that all three countries have received financial support from programs implemented by international financial institutions.

CONCLUSIONS

The reason why the green economy has been prominently on the agenda in recent years is not only due to health factors but also because buyers and users increasingly prefer eco-friendly products and desire to live in cleaner environments. The economy has always taken customer requirements into account, and states are now attempting to align their policies with global standards. They aim to create industrially advanced, low-waste nations. Green economy practices in China are highly developed, and other countries could benefit from adopting such practices. The most critical requirement for China's economy is to sustain the environmental and economic reforms it has initiated. As President Xi Jinping emphasized, green policies are essential "to protect the common home we live in".

Transitioning to a green economy is even more challenging for economically weaker nations like Kenya. Environmental and economic projects are significantly hindered by challenges such as the COVID-19 pandemic. For such nations, achieving a stable level of income is crucial. Financial support from international institutions promoting green economies could greatly enhance their efforts. However, research indicates that financial aid, subsidies, and specific programs cannot yield the desired results unless the nation's economy is sufficiently strengthened.

The achievements of countries like Azerbaijan, which are prioritizing private social-environmental projects and striving to develop a green economy, are commendable. For oil and gas-exporting nations, it is particularly vital to ensure environmental cleanliness. Azerbaijan's progress in green economy initiatives serves as an example for other ecological projects. The continued implementation of such efforts positively impacts the country's natural environment and positions it as a key participant in global sustainable energy policies (Mammadov, 2024). Azerbaijan's current achievements reflect the successful outcomes of its regional economic development, highlighting the importance of maintaining energy balance for a prosperous and sustainable future.

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