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ÜNİVERSİTESİ

## “Europe – Turkey | Integrated Service – Device Technology Roadmapping For Smart Cities” Project Interim Report

TÜSİAD, alongside its Project Partners TÜRKONFED, Institut du Bosphore, Berlin Bosphorus Initiative, Özyeğin University (ÖzÜ) ve ÖzÜ - TÜSİAD Sustainable Development Forum is implementing an interactive dialogue platform entitled “Turkey & Europe: An Integrated Service-Device-Technology Roadmapping for Smart and Green Cities Alliances”.

Project data is qualitatively gathered (starting from June 2020 to March 2021) from three stakeholder meetings (more than 12 hours in total) and 25 interviews with managers and professionals involving smart city projects in six municipalities and ministries. Three stakeholder meetings (four hours of meeting with approximately over 50 participants in each stakeholder meeting) were co-facilitated by professionals and academics. Additionally, documents were analyzed including policy guidelines, strategy and action plans, and PowerPoint presentations of the stakeholders in the meetings. The themes of these meetings were chosen by the academic coordinator (based on the preliminary interviews with the project partners and the desk research) to allow participants to reflect and discuss around them. The themes of the stakeholder meetings were as follows:

1. Data Management
2. Access to Finance
3. Disaster/Risk Management

The stakeholder meetings have assembled evidence and expertise from national authorities, municipalities, private sector representatives, NGOs, consultants, banks and financial institutions and start-ups. The stakeholder meetings’ outcomes, summarised here, challenge the simple portrayal of smart city as an issue of municipality willpower – investing in technology, fostering participation, collaborating with diverse stakeholders. Although, at the heart of the problem, there is an imbalance between smart city projects intake, expenditure and climate financing, the individual and institutional drivers inherent in city’s nature mean that the vast majority of municipalities are predisposed to capacity inadequacy, financial difficulties and coordination problems.

### Limited Internal Implementation Capacity

Our stakeholder meeting showed the lack of systematic project prioritization given the legal, financial, HR and economic infrastructures of municipalities. Municipalities must complete need and risk assessment, infrastructure preparation, developing HR capacity and staff continuity, green legislation, investing in project pools and the required training to work on deficiencies and barriers to access to innovative infrastructure instruments. These challenges may reduce the scope and extensiveness of smartization programs due to the municipalities’ various response strategies. Municipalities may pursue their own political interests, and the selective revision of their programs repeatedly returned them to a new process with a new approval process that causes the loss of time and resources. The five-year programs of the municipalities, which are renewed after each election, may not match the financing project program strategy and the municipality's normal plan strategies. Moreover, projects created in the previous years must be consistent the current strategic framework of municipalities.

## Financial Difficulties

Extensive media coverage has ensured that we're all aware that smart and green city projects are on the increase. But popular views on the issue all too often draw on stereotypes, present simplified descriptions of the problems of cities, and have narrowed assessment of the solutions. These oversimplifications do not reflect the current state of institutional capacity and understanding. Nor do they help municipalities develop and implement a sustained response to a problem that will have profound long-term consequences for climate financing and citizen well-being and major costs to the public budget and the wider economy. The findings based on stakeholder's meeting demonstrated the co-constituted problems of institutions (municipalities, funding institutions, international institutions, governmental bodies) in the access to finance. These problems include long approval processes, bureaucratic obstacles, heavy legislation, the lack of strategic perspective in prioritizing projects, high risk premiums, and the difficulties in accessing to the financing in local currency.

## Limited Cross-departmental and Cross-institutional Coordination

Creating an environment that better suits the integrated process of smartization, the discussions during the stakeholder meeting showed that the smartization instruments are unaware of each other, the data that most of them generate is not robustly analyzed, and no actual interpretation can be drawn from it. Moreover, municipalities try to build a single data platform to avoid the duplication of projects and investments.

## Next steps

The current and likely future scale of the coordination problem is daunting, but the encouraging findings are that there is considerable scope to align policies to tackle climate change and sustainability, for example, with policies for data management, disaster and risk management, and transportation. That's why we will focus to examine the question, 'How can we deliver a sustainable response to data management over the next 10 years?'