



Green Entrepreneurship and Socio-Economic Development: A Theoretical Perspective

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Abstract- The increasing environmental issues like global warming, degradation of biodiversity, and the excessive depletion of natural resources have essentially changed the nature of the operation of the economies and businesses. To address these calls, an observable change has occurred between conventional forms of growth and an inclination towards sustainable and inclusive modes of growth. In the changing environment, entrepreneurship has ceased to be considered only as a way of making profits, but rather means of solving environmental and social issues as a strategic instrument. This paper looks at how green entrepreneurship serves as an interface between environmental sustainability and economic development. Taking a theoretical gain, the paper combines the most important views regarding the Resource-Based View, Institutional Theory, Stakeholder Theory, and Sustainable Development Theory to present a combined framework of how the activities of green entrepreneurship leads to socio-economic development. The discussion shows that green entrepreneurship fosters eco-innovation, helps to shift to low-carbon economies, and makes firms more competitive by reducing the consumption of non-sustainable resources. Simultaneously, it leads to more extensive social benefits such as job creation, reduction of poverty, environmental protection, and inclusion to society. The paper goes further to suggest that the effects of green entrepreneurship are not only limited to the results of the firm-level but also to the macroeconomic change especially in the developing and emerging economies where environment and socio-economic issues are closely intertwined. Green entrepreneurs, by incorporating sustainability in business strategies, help in fulfilling the global development agenda like Sustainable Development Goals. Generally, this research offers a deep theoretical background explaining the multifaceted interdependence between green entrepreneurship and socio-economic development. It can benefit researchers, policymakers, and practitioners as it evidences that sustainable entrepreneurship practices are critical in realizing the enjoyment of long-term economic resilience, environmental sustainability, and inclusive growth.

Keywords- Green entrepreneurship; socio-economic development; sustainability; eco-innovation; inclusive growth.

I. Introduction

The unified enhanced environmental issues that the world faces, especially climate change, biodiversity deterioration, and depletion of resources have made the economic and entrepreneurial activities take a different turn. Traditional approaches to economic development that traditionally were promoted by the industrial development, massive extraction of natural resources are nowadays getting to be criticized due to their unsustainable results and the ecological consequences of the situation in the long term.



Consequently, there has been a slow yet radical change towards development paradigms that are more sustainability oriented and focused on environmental conservation in addition to economic development. In this emerging discussion, the concepts of entrepreneurship have been redefined in terms of being a strategic resource which not only creates wealth but also solves urgent environmental and societal problems.

It is against this backdrop that green entrepreneurship has become an imperative tool to harmonize the economic operations and the environment. Green entrepreneurship can be defined as the act of discovering and using business opportunities that result in the creation of economic gains and at the same time minimise environmental degradation and encourage the ecological equilibrium. It has a broad spectrum of operations, in terms of renewable energy projects, sustainable farming, waste disposal, and environmentally friendly product development.

In contrast to traditional entrepreneurship where profit is mainly advanced, green entrepreneurship incorporates the foundations of sustainability as key components of business strategies, thus focusing on long-term value generation, environmental management and social responsibility. Empirical and theoretical research has shown that these entrepreneurial practices can lead to sustainable innovation and aid a shift to low-carbon economy (Kuckertz, Berger, and Brändle, 2022).

Moreover, the increasing popularity of green entrepreneurship is well interconnected with the global development systems, especially the Sustainable Development Goals (SDGs) developed by the United Nations. Such objectives promote a balanced sustainable development that does not put economic growth on the one hand and environmental protection and social inclusion on the other. Particularly, the objective concerning climate action, responsible production and consumption, and decent work and economic growth can serve as an indication of the necessity to contribute to the introduction of sustainability into the activities of the entrepreneurship (United Nations, 2023). As a result, green entrepreneurship is emerging as one of the key tools of accomplishing these global goals, especially in the developing and emerging economies, where environmental and socio-economic issues are closely interlinked.

In line with this change, the socio-economic development concept has developed greatly. Confusingly, the traditional approaches to development evaluation relied on various economic measures like gross domestic product (GDP) and income level. Nevertheless, recent thinking stresses on a broader concept that includes social fairness, environmental sustainability, and enhancement of the overall standards of living. This is a multidimensional strategy that posits that sustainable development is not possible without considering poverty, unemployment, and inequality and environmental degradation all at the same time. The world bank (2024) laments that to achieve sustainable socio-economic development, the economy has to be inclusive, environmentally responsible, and socially beneficial in a comprehensive framework.

The interplay of green entrepreneurship and socio-economic development has thus emerged as a new area of scholarship and policy concern. Green entrepreneurial practices can create jobs, encourage innovation, increase resource use and increase



environmental sustainability, which are crucial aspects of socio-economic development. Additionally, such projects are usually running in the local communities, thus, creating grassroots economic empowerment and social inclusion. Although these linkages hold promise, an obvious gap in the literature exists as to the overall theoretical incorporation of green entrepreneurship into the larger socio-economic development picture.

Despite the existing literature has provided multiple views of the issue of green entrepreneurship and sustainability, a single theoretical approach that determines how green entrepreneurial practices can impact on socio-economic performance remains pending. Numerous researches are inclined to plate on either environmental effects or economic performance, failing to consider the complex relationship between these two aspects. This incompatibility prevents one comprehensively to appreciate transformative potential of green entrepreneurship in the process of creating sustainable development.

To address this gap, the current paper aims at offering a general theoretical explanation of the connection between green entrepreneurship and socio-economic development. It is possible that by synthesizing the existing literature and relying on the available theoretical frameworks, such as the Resource-Based View, Institutional Theory, Stakeholder Theory and Sustainable Development Theory, the research will help design a strong conceptual framework that will reveal how green entrepreneurship brings sustainable socio-economic change. By doing this the paper will contribute to the theoretical knowledge as well as offering significant insights to policy makers, practitioners and future researchers who seek to encourage sustainable development by means of entrepreneurial innovation.

II. Literature Review

The notion of Green Entrepreneurship.

Green entrepreneurship is an effort to employ entrepreneurship that is deliberate in minimizing environmental degradation and at the same time create economic value. It involves transitioning of traditional business to more sustainable business practices that encompass ecological concerns in the mainstream of business activities. This type of entrepreneurship has a broad spectrum of data including eco-innovation, sustainable production methods, renewable energy, waste minimization plans, and environmentally friendly business mechanisms, where resource efficiency and lower carbon footprints are on the radar. As Gast, Gundolf, and Cesinger (2023) point out, green entrepreneurship is not all about meeting environmental standards but in addition, actively developing innovative methods of solving environmental issues and remaining competitive.

The concept has acquired much academic interest over the last number of years because it can help achieve sustainable development and environmental conservation. Contrary to conventional entrepreneurs who are mainly interested in profit maximization, green entrepreneurs tend to lead with dual-purpose orientation of integrating both economy and environmental values as well as social values. It can be seen that this dual-motive is indicative of a wider trend in the entrepreneurial thinking business success as one



should not only be judged on the basis of financial performance but also one can also be judged on the basis of environmental impact and social contribution. Hadad (2023) states that the desire to be environmentally responsible and aim at long-term sustainability are the key sources of motivation of green entrepreneurs, and it brings them into the decision-making processes and strategic decisions.

In addition, green entrepreneurship is strictly interconnected with another notion eco-innovation that implies the creation and implementation of new technologies, processes, and products that have less negative impact on the environment. By facilitating efficient use of resources, minimizing wastage, cutting down emissions, and other sustainable eco-innovative practices do not only help in acting in a manner that is environmentally sufficient but also economically competitive. To this effect, green entrepreneurship can be used to drive sustainable industrial change, especially where energy, agriculture, manufacturing and transportation industries are concerned. Incidentally, environmental view incorporated in entrepreneurship operations also improves organizational image, attracts green consumers and creates new market opportunities in the emerging green economy.

Socio-Economic Development

Socio-economic development can be described as a multi-dimensional and total approach that takes into account the improvement of economic performance and social welfare and the general quality of life. The most common economic indicators traditionally used to measure the development included gross domestic product (GDP), levels of income, and industrial output. This has, however, been broadened by the current thinking to encompass more aspects like income distribution, creation of employment opportunities, access to education and health care, social equity and environmental sustainability. This change is based on the increasing awareness that economic growth is not enough to guarantee that development is lasting and that the society is well off.

Contemporary socio-economic development strategies have made the significance of sustainability and inclusiveness as the main pillars of development strategies evident. The Organisation for Economic Co-operation and Development (OECD, 2023) argues that the balanced combination of economic growth, social inclusion, and environmental protection are the keys to ensuring sustainable socio-economic development. This means that the development policies and practices should not only facilitate economic growth but also tackle other problems like poverty, inequality and environmental degradation.

Secondly, socio-economic development is becoming closely associated with the notion of human development that is oriented on the strengthening of the potentials and chances of people in leading productive and prosperous lives. This thinking underlines the need to design the inclusive economic models that will offer equal opportunities to all societal members, especially the marginalized and vulnerable groups. Development is therefore considered to be a comprehensive move in which there is structural change, institutional building up and advancing the view of having sustainable living.



The changing aspects of socio-economic development trigger the necessity of new strategies that will be able to respond to the economic, social, and environmental issues at the same time. It is in this respect that green entrepreneurship is born as an interesting avenue towards such an outcome of sustainable development that the same is experienced mostly in developing and emerging economies where these problems are most eminent.

Green Nexus of Entrepreneurship and Development.

A coexistence with green entrepreneurship and socio-economic development is premised on the fact that sustainable business operations can produce a multiplier and intersectoral benefits when it comes to the economic, social and environmental realms. Green entrepreneurship also plays a role in the development of an economy by promoting innovation, the development of new markets and making entrepreneurship more competitive by use of sustainable technologies and practices. These innovations not only enhance efficiency of production, but also lower cost of the environment thus, contributing to economic growth in the long run.

Creating jobs is one of the greatest impacts of green entrepreneurship to socio-economic development. Green jobs like renewable energy, sustainable agriculture, waste control, and eco-tourism are normally labor intensive and can take on a huge workforce. The International Labour Organization (ILO, 2023) explains that migration to a green economy is likely to generate millions of employment opportunities around the world, which in turn would help in reducing poverty and enhancing livelihood.

Furthermore, green entrepreneurship is vital towards the mitigation of environmental issues currently being noted as a major obstacle towards sustainable development. Green entrepreneurs promote sustainability of the environment by ensuring that their economic activities do not harm the environment by encouraging sustainable resource use, minimizing emissions, and promoting sustainable consumption, and production trends. This twin effect is especially crucial in third world countries, where ecological destruction can massively compound social-economic factors of poverty and inequality.

Besides economic and environmental gains, green entrepreneurship contributes to social inclusion in that it contributes equitable access to resources and opportunities. Several green businesses have zero-based business strategies that include the local communities, assist small producers, and empower the disadvantages. These programs help in community building, increase social cohesion and thereby, increase general living standards.

Additionally, green entrepreneurship will enable the shift to a green economy, which is one with low carbon emissions, efficient resource usage, social inclusiveness. Green economy model stresses on sustainable development that does not affect the environmental integrity and social equity. According to the International Labour Organization (ILO, 2023), green economic practices are critical in the realization of long-term socio-economic stability and resilience.



All in all, the nexus between green entrepreneurship and socio-economic development illustrates the transformative nature of sustainable business model when it comes to solving world problems. Green entrepreneurship gives a comprehensive look at development, a combination of economic, social, and environmental goals, which is in line with current sustainability goals and policy priorities.

III. Theoretical Framework

Resource-Based View (RBV)

Resource-Based View (RBV) is a theoretical perspective that offers theoretical grounds on how competitive advantage is gained and maintained by the efficient use of internal resources and capabilities by firms. Based on such a view, organizations have heterogeneous resources which when valuable, rare, inimitable and non-substitutable (VRIN) capacity can result in high performance and long-term competitiveness. The RBV can be commercialized within the green entrepreneurship landscape, particularly since it highlights on the strategic importance of environment-related resources and capabilities in building a sustainable business.

Environmental knowledge, eco-innovative abilities and firm cultures founded on sustainability are the intangible nature of the assets that are significant in the green entrepreneurial firms. With this kind of resources, the firms can develop environmental friendly processes and products that do not just help firms reduce ecological effects but also enhance competitiveness in the market. According to Barney (2022), those companies that are able to develop such a special resources successfully can develop sustainable competitive advantages particularly in industries that are increasingly prioritising environmental performance as a factor of production and control by consumers and regulators.

Moreover, another vital characteristic of green entrepreneurship is eco-innovation that includes the creation of new technologies and processes that reduce the adverse effect on the environment. It would allow the firms to be more resource efficient and the reduction of waste and the cost of production would be lower in the generation of environmental and economic value. Moreover, sustainability allows improving the reputation of the corporation and customer loyalty increases, which adds to competitive positions. The RBV, therefore, offers a solid framework of the ways that green entrepreneurs can use the internal resources to attain economic and environmental goals.

Institutional Theory

The Institutional Theory provides some useful information on how the external environmental forces such as regulatory environment, cultural expectations and norms, and collective anticipations impact entrepreneurial behavior and corporate practices. This theory suggests that organizations operate in institutional contexts that shape organizational structures, strategies and decision-making processes due to the impact of formal and informal pressure. In green entrepreneurship, a very important factor is the institutional forces that encourage or inhibit the implementation of sustainable practice.



The institutional systems such as governmental systems, environmental, and the legal system, have immense influence on development and growth of green entrepreneurship. The enabling environment consists of enabling policies like tax breaks, subsidies and environmental regulations, which lure business men to venture in sustainable businesses. Alternatively, weak regulatory frameworks may serve as a hindrance towards such green practices because it may reduce the incentive to be compliant with the environment. Peng, Zhang, and Li (2023) argue that there is the need to support the entrepreneurial activities that can be sustained with the advantage of the strong institutional support in order to support the sustainability efforts.

Besides these formal institutions, there exist other informal institutions such as the cultural values, societal norms and the knowledge of the people which are highly instrumental in promoting the behaviours of the green entrepreneurial behaviour. The rising consumer pressure on the products that are eco-friendly and the increasing concern of the society on eco-related issues have resulted to market opportunities to green entrepreneurs. With such normative drives, firms are practicing sustainable measures in order to be socially approved and to be able to legitimize themselves.

Besides, the institutional theory also focuses on the defining feature of being isomorphic i.e. institutions compel institutions to practice in the same way. With green entrepreneurship in mind, it can lead to the proliferation of greener practices through lots of industries. Generally, the Institutional Theory is a good theory of explaining how the external environmental factors influence the birth and development of the green entrepreneurship.

Stakeholder Theory

Stakeholder Theory lays stress on the need to put into consideration the interests and expectations of all the stakeholders in the decision-making process of an organization. The stakeholder Theory is a more flexible model compared with the conventional use of shareholder based models that focus more on maximization of profits, but more on the interaction of the business and its stakeholders in the business, like customers, employees, suppliers, communities, governments and the natural environment.

In green entrepreneurship, the Stakeholder Theory comes in especially hot since it stresses the necessity of businesses striking a balance between economic motives and social and environmental responsibilities. Green entrepreneurs must operate in an environment where there is a network of stakeholders that are insisting of them to be more sustainable, ethically minded and principled on the care of the environment. Freeman, Phillips and Sisodia (2023) state that organizations that are attentive to the needs of their stakeholders would most likely achieve long term success and legitimacy.

Business models of Green entrepreneurial enterprises are more likely to combine the interest of the stakeholders into the business initiatives. They can, e.g., practice fair trade, take care of the local communities, and apply environmentally-friendly production processes. This way, not only do they augment their impact on social and environmental matters, they also strengthen their bond with stakeholders and build stronger relationships.



Interestingly, stakeholder engagement plays a big role in fostering innovation, as well as organizational performance. The cooperation with the stakeholders also allows green entrepreneurs to gain good knowledge, locate new resources as well as get to learn about new opportunities in the green economy. This participatory method increases the capacity of companies to come up with sustainable solutions that will tackle intricate environmental and societal issues. The Stakeholder Theory is therefore a useful theory to understand how green entrepreneurship contributes to the creation of values of sustainability and socio-economic growth.

IV. Discussion

The Economy and Innovation.

Green entrepreneurship has a disruptive role in driving economic growth by introducing environmental friendly markets and spreading eco-innovations. Green entrepreneurship promotes long-term creation of value unlike traditional entrepreneur models where profit maximization is done through short term approaches by taking environmental sustainability into business strategy and business operations. This orientation helps to support the creation of new industries, especially in the fields of renewable energy, circular economies, and sustainable agriculture, increasing the productive potential of economies (Organisation for Economic Co-operation and Development [OECD], 2023).

In addition, green entrepreneurial activities play an important role in the innovation systems, promoting more efficient systems of production and consumption of resources, more environmentally friendly technologies and sustainable designs of products. Empirical and theoretical research shows that eco-innovation not only increases the competitiveness of firms but macroeconomic productivity is realized through the process of decreasing input inefficiencies and environmental externalities (Kuckertz, Berger, Brändle, and Herberger, 2022). The green innovation also encourages knowledge spillovers across industries thus leading to rapid economic growth in technologies and industrialization.

Structurally, economies whose policies facilitate the development of green businesses are likely to undergo a shift in the low-carbon lines of development. This shift goes hand in hand with upgrades in sustainable infrastructure and research and development, which enhance resilience and adaptability in the economy against environmental and economic shocks even further (World Bank, 2024). The importance of green entrepreneurship therefore can be theorized as a force behind the sustainable economic change as well as an outcome of it.

Employment Generation

Among the most important socio-economic offerings of a green entrepreneurship is its ability to create job opportunities in various industries. The green sectors such as renewable energy, waste management, sustainable construction and environmental services have shown a lot of potential on the number of jobs that can be generated. They are also typically labor-intensive industries, especially in the developing economies, hence offering chances to both skilled and unskilled labour (International Labour Organization [ILO], 2023).



Notably, green jobs are not exclusive to the environmental sectors but to more traditional sectors that are in the process of sustainable transition. As an example, manufacturing companies that employ cleaner production technologies will need a human resource that possesses new technical expertise and in this way, human capital will be developed. This transition is part of an economy with a green skill, where education and training systems are oriented to sustainability goals (OECD, 2023).

Additionally, green entrepreneurship improves the quality of employment by offering safer working conditions, reasonable wages, and long-term employment. The focus on sustainability tends to follow the general social standards, and hence it enhances the working welfare. Growing green businesses are a potential solution to inclusive labor and economic empowerment in developing nations where high unemployment and under-employment are also concerns (United Nations Development Programme [UNDP], 2023).

Poverty Reduction

Green entrepreneurship would assist in reducing poverty by providing inclusive economic opportunities to populations and by being able to access the needed resources and access services. Sustainable businesses also mingle in an underserved and marginalized community, thus taking into consideration significant problems like access to energy, water shortage, and consumption. In doing so, they create income opportunities and, at the same time, enhance the living conditions (World Bank, 2024).

The green entrepreneurship projects are also often based on the community-driven models of business that enable the local communities. These models are supportive of a value chain participation, local ownership, and equitable economic benefits distribution. Indicatively, decentralized renewable energy initiatives offer rural households the opportunity to pursue productive practices, enhancing income and decreasing susceptibility to economic disturbances.

Green entrepreneurship and poverty reduction are also strongly supported by the fact that it is in line with the theme of inclusive growth. Sustainable ventures are concerned with social equity and taking care of the environment such that economic growth does not increase inequality and environmental degradation. In this regard, green entrepreneurship can be viewed as a framework of balance in developmental growth that incorporates the economic wellbeing with societal equity (United Nations, 2023).

Environmental Sustainability

Green entrepreneurship comprises environmental sustainability as its fundamental basis. Green enterprises actively work toward degrading the environment, and through the implementation of dependable and eco-friendly practices and technologies, nature can be preserved. These measures are: energy efficiency, waste reduction, sustainable sourcing, and implementing circular economy, which reduces the adverse environmental effects of economic operations (Kuckertz, Berger, Brändle, and Herberger, 2022).

In addition, green entrepreneurship can help shift to low-carbon economies by enhancing the use of renewable energy sources and minimizing the use of fossil fuels.



This change is essential in dealing with the worldwide issues like climate change, loss of biodiversity and pollution. The approach of embedding the environmental considerations within the business models in place sees to it that the economic growth is not coupled with environmental degradation and hence long term sustainability is assured.

In the systemic view, the aggregate effect of green entrepreneurial activities leads to the environmental resilience and ecological equilibrium. Green entrepreneurship affects both supply-side and demand-side effects, promoting more sustainable lifestyles in societies by promoting sustainable consumption and production models (OECD, 2023). It, therefore, means that environmental sustainability is not an outcome but a part of green entrepreneurial practice.

Social Inclusion

Green entrepreneurship is also vital in enhancing social inclusion as it strives to eliminate inequalities and increase access to opportunities. Green entrepreneurs use inclusive business models, which focus on including marginalized communities, such as women, youth, and rural population. These models enable market, finance and technology access, hence minimizing barriers to economic participation (OECD, 2023).

Moreover, green businesses usually take part in community development projects that enhance the social infrastructure and quality of life of the community. To use a case study, sustainable agricultural practices increase food security, and clean energy solutions raise the electricity supply in far-flung regions. Such interventions lead to the bigger social implications, such as healthy, educated, and well populations (United Nations Development Programme [UNDP], 2023).

In addition, ethical behavior and corporate social responsibility in green entrepreneurship give rise to trust and cooperation among the stakeholders. This participative strategy enhances social unity and encourages mass mobilization in respect to achievement of sustainable development targets. Green entrepreneurship can therefore be considered as an agent to develop inclusive and resilient societies.

V. Implications

Theoretical Implications

The theoretical discussion would find the research paper useful because it suggests an in-depth framework to explain the complex relation between green entrepreneurship and socio-economic development. Combining the valuable perceptions of the Resource-Based View, the Institutional Theory, the Stakeholder Theory and Sustainable Development Theory, the study provides a comprehensive account of how the internal company assets, the external institutional conditions and stakeholder pressures all work towards the attainment of sustainable entrepreneurship. The recent literature emphasizes that the combination of the two theoretical lenses is paramount to comprehend how businesses can develop sustainable competitive advantage and address environmental and social challenges (Barney, 2022; Freeman, Phillips, and Sisodia, 2023).



Additionally, this work is the answer to a growing need to ensure that the theories in sustainability studies can be integrated, where the inability to integrate has limited the ability to bring about the multidimensionality of green entrepreneurship.

To illustrate this point, the institutional force, such as environmental regulations and cultural norms, is essential in shaping the entrepreneurial practices, with the degree of sustainability initiatives implementation being reliant on firm-specific resources and capabilities (Peng, Wang, and Jiang, 2023). At the same time, the stakeholder approach approaches will ensure that the entrepreneurial activities are aligned with those of the rest of the societal expectations and this increases the legitimacy and value creation in the long-run (Freeman, Phillips, and Sisodia, 2023).

This paper by reconciling the two theoretical perspectives, has served to add to the existing literature by providing a broad model that will not only explain the motivation of green entrepreneurship, but the implication of this trend to the rest of the socio-economic landscape. This synthesised model is a good foundation to consider in the future empirical studies to examine the dynamic interdependence between the output of environmental sustainability, economic performance, and social development (United Nations, 2023).

Practical Implications

In practice, the results introduce an accent of the strategic importance of the introduction of sustainability into the activity of entrepreneurs. Among entrepreneurs the implementation of business models that are environmentally responsible and orient at eco-innovation, resource optimization, and sustainable creation of values is promoted. Facilitating the evidence, by integrating sustainability into the strategic groups, the companies would be more likely to be competitive and sustainable in quite dynamic markets (Kuckertz, Berger, Brändle, and Herberger, 2022).

Additionally, the system of green technologies and eco-friendly production processes might be established to make the work process more efficient and decrease its impact on the environment. Such a dual benefit helps prove an economic validity of green entrepreneurship and eliminate a widespread perception that sustainability and profitability do not go hand in hand. Moreover, entrepreneurs need to invest in lifelong learning and capacity-building to acquire technical and managerial skills, in order to implement sustainable innovations (Organisation for Economic Co-operation and Development [OECD], 2023).

Collaboration is also another key success factor in green entrepreneurship. Knowledge, technology, and financial resources can be attained with the assistance of partnerships with governments, research institutions and non-governmental organizations. These cooperative networks empower subsequent expansion in extent and efficacy of green business operations and significantly in developing economies where resources can be constrained by individual effort (United Nations Development Programme [UNDP], 2023). In this way, practitioners should adopt a multi-stakeholder perspective in order to be well equipped to deal with issues associated with complex sustainability.



Policy Implications

This paper has demonstrated through its outcomes the vital role of government and policy regimes in enabling green entrepreneurship and sustainable development. It is also suggested to the policymakers to establish the enabling environment which can be used to grow environmental friendly businesses by adopting some regulations, financial incentives and infrastructures. As an example, in the context of green ventures, where renewable energy sources and circular economy and effective utilization of resources are encouraged, the policies might significantly enhance their competitiveness and sustainability (World Bank, 2024).

On top of this, inaccessibility of finance continues to present a major challenge to green entrepreneurs particularly in the developing economies. As a tool to facilitate sustainable ventures, governments and financial institutions must consider how to generate new financing vehicles, e.g. green bonds, climate funds and impact investment platforms, to guarantee adequate capital flooding to them. Empirical evidence shows that financial support is very essential to assist one to adopt advanced technologies and grow a company (OECD, 2023).

In addition, education and awareness do have to be carried out as a way of advancing the culture of sustainability and encouraging entrepreneurship within the green industries. People can be equipped with knowledge and skills required to work in the green economy by including concepts of sustainability in education and vocational training initiatives. This is because the public awareness and arousing interest in buying sustainable products and services can further promote the environmentally responsible behavior (United Nations, 2023).

Lastly, the shift to green economy can be realized swiftly with the well formulated policy interventions that would enable the balancing of economic interests with the environment and social objectives. Such alignment has ensured that the processes of development are inclusive, resilient as well as sustainable to the environment thus contributing to the achievement of the global sustainability goals.

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