


# Chapter 12

## Leveraging Economic Incentives to Foster Green Entrepreneurship and Sustainability

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### **ABSTRACT**

*Nowadays government of India is making several initiatives for promoting green entrepreneurship and sustainability. In the contemporary global economy, the rise of environmental challenges, such as climate change, resource depletion, and pollution, has highlighted the need for sustainable development. The role of entrepreneurship, particularly green entrepreneurship, in addressing these challenges is pivotal, as it integrates economic viability with environmental responsibility. This chapter explores how economic incentives can be effectively leveraged to promote green entrepreneurship and sustainability, providing a pathway for businesses to not only thrive but also contribute to ecological conservation and social well-being. The study's objective is to analyze the frameworks, policies, and market mechanisms*

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*that drive green entrepreneurship and examine how targeted economic incentives can create a more sustainable future.*

## **INTRODUCTION**

Environment issue has been an important subject for discussion since United Nation Conference in Stockholm in 1972. As per the studies, it is seen that researchers suggest that entrepreneurs can play a significant role in environmental issues prevailing in the world. The growth of societies has been well admired by impact of entrepreneurship (Shumpeter, 1934; Nordin & Hassan, 2019; Mathushan & Pushpanathan, 2020). Even though entrepreneurship has played a magnificent role for growth and development of economy through various various innovative projects, motivating new ideas, opening new markets, providing employment opportunities etc. still it has been seen that entrepreneurship has prearranged certain negative impacts on the economy from its business-related activities (Mrkajic et al., 2019). Hence, it has been observed by many researchers that entrepreneurs have the capability to assist for environmental problems. There are certain objectives of any business such as producing, processing, operating, promoting, selling and distributing goods which are impacting and impacted by green entrepreneurship (Smith and Perks, 2010; Nordin & Hassan, 2019). For the purpose of revitalizing regional distinctiveness, innovating the process dynamically and creating more job opportunities, entrepreneurship has been identified as an assisting hand. Government, researchers, academicians have generated more interest in innovative entrepreneurship leading to contribution for economic development and sustainable growth with the help of productivity and productive interactions (Mathushan & Pushpanathan, 2020).

Social entrepreneurship contains an essential part known as green entrepreneurship in which entrepreneurs are fervent to save environment. Green entrepreneurs try to attempt all activities and operations in their business keeping in mind the motive of environmental safety and consciousness from its inception. Entrepreneurs not only pursue the goal of earning profits and revenue but also try to attain ecological balance through social and environmental oriented activities leading to long term goal of sustainability (Taylor and Wood, 2004; Haldar, 2018; Mathushan & Pushpanathan, 2020). Despite the availability of forests, disinfected land and water availability signal the lively vigor of the nation which ultimately open the gates for growth of green entrepreneurship. Most prominent sectors for contributing in development of green entrepreneurship include eco-friendly dimensions such as agriculture, tourism, education, consultancy, products and services. Innovation along with green entrepreneurship has become vital for corporate sector in order to service and make place in the market (Silajdzia et al., 2015; Chiou et al., 2011; Kengatharan, 2012).

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