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Is it possible to be a sustainable energy company in Turkey? A case study of OMV's thermal electric power plant in Samsun

Gürol Özcüre[a], Harun Demirkaya[b], Nimet Eryiğit[c], a*

[ac] Ordu University, Ordu, Ünye 52300, Turkey
[b] Kocaeli University, Kocaeli, 41400, Turkey

Abstract

OMV Samsun Electricity Generation Industry and Trade Inc. is constructing a combined-cycle power plant using natural gas of Blue Stream (Mavi Akım) imported from Russia in the Province of Samsun, Terme-Kozluk District of Turkey. Also some other Turkish companies constructed smaller thermal electric power plants in the area. OMV's 870 MW plant planned to commence operations in mid 2013 but production license cancelled by The Council of State (Danıştay) three times due to legal environmental protection constraints which is power plant constructed by the cultivated area. The power plant will cover 3% of Turkey's electricity needs. During ongoing construction process, protests and legal claims of NGOs raised and the company developed defense mechanisms against the claims which is raised. The NGOs applied to the local court and after judgement, The Council of State (Danıştay) has been stopped production license agreement of Natural Gas Combined Power Plant dated 25.08.2008 and No. EÜ/1583-5/1149 issued by Turkish Energy Market Regulatory Authority (EPDK), finally production license for 49 years issued after legislation accepted by the Turkish government. In this research we aimed to analize this legal process and make some suggestions about the CSR activities of a multi-national company (MNC) operating in Turkey about their present claim of being a sustainable energy company.

Keywords: Sustainable company, NGO actions against thermal electric power plants, EWCs and employee participation.

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1. Introduction

The term 'sustainable company' is used to explain the concept of a company in which social, environmental and economic performance is aligned and also the need for formal mechanisms of worker involvement and a binding legal framework for sustainability. Vitols and Kluge described the shareholder concept of the firm as the concept prioritizes the role of shareholders in corporate governance and sees increasing shareholder wealth as the primary function of the company and the stakeholder approach in contrast takes a pluralistic view of the groups 'stakeholders' that the company should have a voice in corporate governance. Since the 1990s initiatives to reform company law and

* Corresponding author. Tel. + 90-452-323-8255 fax. +90-452-323-8256

Email address: gozcure@odu.edu.tr

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corporate governance in Europe have been guided mainly by the shareholder concept of the firm. However, the financial crisis has seriously damaged the reputation of this model (Vitols and Kluge, 2011: 7).

Both theory and empirical evidence back up the idea that worker involvement can help to create a 'win-win' situation in which workers enjoy strong rights and the company operates efficiently and in a sustainable manner. There has always been a tension between the profit-making motives of owners and the interests of stakeholders. As we are currently facing a 'triple crisis' including the economic crisis, climate change and a trend towards greater inequality in income and life chances in many countries of the world including Turkey and some critics insist on that corporate social responsibility (CSR) constituted 'one of the most important failures of the present crisis' (Vitols, 2011:10-11). Jeremy Baskin discovered in his research that there are a high level of comparability between emerging and developed markets, at least for leading companies' CSR applications (Baskin, 2006:45).

Energy is found as the necessary resources for industries and very important for all the consumers in the world. Aspecilly for the fast growing economies like Turkey. Turkey must invest 100-130 billion dolar in energy sector until the year of 2023 which is the 100 anniversary of Turkish Republic (Milliyet, 2013). As, Turkey's electricity demand increased by 70 percent between 2001 and 2010, with connection of the economic growth occurred. Turkey is increasingly dependent on imports of natural gas, as its domestic consumption is rising each year. Turkey imports majority of its oil, natural gas and hard coal supplies and expected to double energy demand over the next decade. Investors have recently begun applying mostly to build coal power plants, including both local and imported coal and the demand in licenses for natural gas-burning power plants is falling. On the other way, protests are rising against these license agreements which Turkey appears set to become far more prevalent as the country turns to smoke-generating, coal-burning plants in an effort to break its large dependency on natural gas. Turkey produces around half of its electricity from natural gas, a source for which it is largely dependent on Russia, Iran and Azerbaijan. The government is also planning Trans-Anatolia Pipeline (TANAP) project, which is aiming to carry large amounts of Azeri gas to western Turkey, from where it will be transported to Europe. Officials says that Turkey cannot allow to have stations and grids used for 30 or 35 years in 2023 and Turkey should be renewed completely in the energy sector in 2023 (Hürriyet Daily News, 2013).

The pipeline of Blue Stream is constructed between Turkey and Russia under the Black Sea with an annual capacity of 16 billion cubic meters. Turkey requested an extra 3 billion cubic meters of natural gas from Gazprom via Blue Stream in 2012 (Hürriyet Daily News, 2012a). Austrian oil and gas giant OMV first came to Turkey in 2007 with the aim of building a power plant in Samsun. OMV, also acquired Turkish oil distributor Petrol Ofisi nearly two years ago by investing 1,3 billion US dollars. OMV has announced that it turned a profit in the first half the year, while many energy giants recorded losses or declines in profits despite challenging political and economic conditions (Hürriyet Daily News, 2012b). The year 2011 was a year of political upheaval and uncertainty for OMV, aspecially, company operations in the energy producing Arab countries like Libya, Yemen and Egypt. Protests and unrest quickly spread to other countries. The security situation worsened and affected OMV employees, production and the Group's facilities in that countries. OMV decided to evacuate all non-local employees from these countries and temporarirly halt production at the sites affected (OMV Resourcefulness, 2012: 10).

OMV Samsun Electricity Generation Industry and Trade Inc. has established for constructing a combined-cycle power plant using natural gas of Blue Stream (Mavi Akım) imported from Rusya in Province of Samsun, Terme-Kozlu District, Turkey. Also some other companies are constructed small 131 MW thermal power plants in the area like Aksa Energy and Cengiz Energy and already operating since 2011. OMV's 870 MW plant will commence operations in mid 2013 and will cover 3% of Turkey's electricity needs. During ongoing construction process, legal claims of NGOs raised and the company developed defense mechanisms against the claims which is raised mostly by The Ünye Clean Environment Platform (Temiz Ünye Çevre Platformu-TÜÇEP) and other NGOs such as Samsun Branch of Turkish Chamber of Electric Engineers, Samsun Branch of Turkish Medical Association and Sivaslılar Village Environment Platform.

These NGOs already protested and criticized to construction of the power plant construction in Kozluk-Samsun by OMV. OMV seeks to minimize the impacts of its activities on the earth's resources and ecosystems through environmental practices include efficient water use, proper waste treatment and disposal, emission reductions and pollution prevention measures with scrupulous care in the Kozluk-Terme area of Samsun which is rich in biodiversity. Briefly, the Turkish supreme court (Danıştay) has ordered three times a temporary ban of the construction of a gas plant of Austrian oil group OMV and license is effectively suspended, and no work can be done until the legal process

is over by the Energy Markets Regulatory Authority (EPDK) of Turkey. OMV's spokesman declared to mass media against that "as an important international investor in Turkey, we rely on Turkish legal certainty" (Reuters, 2013).

Project manager of the OMV in Samsun said that the company decision to construct another power plant is will be cancelled in Turkey due to legal constraints continues. But, finally government accepted a law related to energy market in Turkey on 30 March 2013 to give to OMV production license and official staff of energy authority of Turkey allowed company to operate freely for 49 years to produce electricity using natural gas in Turkey.

2. Literature Review

2.1. OMV As Sustainable Company and Sustainability Reports

Although, OMV's other activities, European Company orientation and declarations are showing clear evidence as being a sustainable company. The NGOs applied to the local court and after judgement, The High Court of Turkey-Council of State (Danıştay) has been stopped third time OMV Samsun Natural gas Combined Power Plant construction license agreement dated 25.08.2008 and No. EÜ/1583-5/1149 issued by Turkish Energy Market Regulatory Authority (EPDK). Environmental Impact Assessment Report (ÇED) (13th Council of State Agency Case No 2011/1756) (Salur, 2013).

The reasons for temporary ban of production license agreement by the Council of State is that construction area is the power plant is an agricultural land.The company claims that Samsun Gas Combined-Cycle Power Plant will be the most environmentally friendly power plant in Turkey, according to project leader which is OMV's Turkey CEO. Finally, Some 900 people are currently working on the construction of the power plant; after it becomes active, the plant should create jobs for 80 people. OMV's sub-contractors in the project are Metka, the main contractor for the construction of the power plant; Güngör Electric, for the construction of the electric lines and substation; and Fernas Construction, for the installation of the gas pipeline. These companies created employment and supported local economy in the area during to construction of thermal electric power plant.

The company will use General Electric's latest technology gas turbines, the 9FB series, which has a very high efficiency and very low carbon emission. During the construction stage, the company took very strict measures to guarantee environmental safety as well as the security of the workers. The carbon emission of the power plant would be only one third of a same megawatt power coal-fired power plant, and in terms of nitrogen dioxide, the emission is even lower than European standards. The power plant in the Black Sea province of Samsun is a 600 million-euro investment and is designed to meet 3 or 4 percent of Turkey's total electricity demand and will be increased to meet 5 percent with additional investment by additional capacity building. OMV also has green energy plans in Turkey. The company had already finished the feasibility research and was now conducting solar measurements in Southeast Anatolia. OMV is also evaluating wind energy projects but waiting the renewable energy law of Turkey. OMV is also a partner in the 623-megawatt Doğanlı-Çukurca hydroelectric power plant project in the eastern province of Hakkari that is still in the license acquisition phase (Hürriyet Daily News, 2010). We learned from project leader of the power plant in Samsun that OMV cancelled this second investment project due to present legal difficulties of Samsun project.

Environmentally, OMV's electricity production activities will generate solid and liquid wastes, including oily sludges, waste chemicals, spent catalysts and construction debris. There is no transport, import, or export of waste deemed hazardous under the regulations of the Basel Convention. Emissions of sulfur dioxide (SO2), nitrogen oxides (NOx) and non-Methane volatile organic carbon compounds (NM-VOCs) will be increased in the area Although, according to scientific researches, natural gas leaves three times a smaller carbon footprint than fuel-oil or coal. The minimization of impacts on water bodies is considered both in the design of facilities, e.g., discharge of cooling water from planned Kozluk-Samsun gas-fired power plant into the Black Sea. We will research OMV's environmental management plans (OMV Sustainability Report 2010:32-35).

OMV employed over 30,000 people worldwide currently. OMV invests EUR 600 mn in constructing its first combined-cycle power plant which is a thermoelectric plants and planning to the low-emission 870 MW plant. Today throughout the European Union more than 850 European Works Council (EWCs) are established and operating in multinational companies and EWCs help to invigorate the democratic infrastructure of European civil society. Moreover, in advanced cases, EWCs encourage and support a collaborative style of company management which presents the institutionalized organization of labour voice at trans-national level. They are recognized as an integral

part of the corporate structure that is essential for the successful and sustainable management of a company and their existence benefits all stake holders. EWCs represent an element of the European Union's social architecture. The strengthening of social dialogue at company level has further promoted the role of EWCs. The contribution of EWCs remarkably combines benefits that are both economic and social. Employees and employers share an interest in promoting an ongoing process of innovation in companies in order to improve their efficiency and competitiveness (Vitols, 2009:5).

OMV creates employment as a sustainable company and employee participation found both as a part of the solution to problems related and occurred about Health, Safety, Security and Environment (HSSE). Our example company OMV Samsun Elektrik as a subsidiary of a European Company operating in Turkey must implement and integrate same management style, culture and legal and another company rules which is OMV applied in Austria, Germany and Romania related to CSR and sustainability issues in Turkey also as an EU candidate country and trying to complete negotiations to be a full member in the near future and The Company's employee participation organ OMV EWC must have representatives from Turkish subsidiary companies to inform and consult Turkish employees for economic, social and environmental issues. OMV all ready declared that using low-emission technologies (e.g. compared to coal-fired power plants) and ensures the impact on the environment is as low as possible while meeting all current and foreseeable regulations of Turkey.

NGO's, universities, academicians and government and local authorities are determined to control OMV activities during production of electricity after the end of 2013. OMV management considers stakeholder engagement an integral part of a responsible business strategy. OMV stakeholders include investors, customers, employees, communities, suppliers, authorities and others. By engaging in dialogue with all interested parties, the company goal is declared as to earn their trust and build lasting relationships. OMV aims to require everyone who acts on behalf to comply with the company values and rules of behavior. These are clearly set out in the OMV Code of Conduct, which acknowledges OMV's social and environmental responsibility. OMV is a signatory of UN Global Compact (UNGC) and by signing up to the, OMV has committed itself to implementing the ten UNGC principles on human rights, labour rights, the environment and anti-corruption.

The OMV Code of Conduct sets forth clear rules of behaviour in accordance with the UNGC. Its principles guide OMV's behavior toward its internal and external stakeholders and serve as the basis for many other of our policies and guidelines, such as our Business Ethics Directive. Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses. Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labor; and Principle 6: the elimination of discrimination in respect of employment and occupation. Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies. Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery. Beyond the OMV Code of Conduct, the Group upholds a series of self-imposed obligations based on both internal and external standards. OMV regulations for the management of sustainability and business ethics across the Group are contained in a series of directives and standards. Some business segments and sites have established their own specific complementary guidelines and procedures in addition (Özcüre *et al*., 2011: 1241-1252).

The OMV Sustainability Report 2010 presents sustainability performance data which contains data from all OMV Group activities with a stake of more than 50% including OMV power plant in Kozluk-Samsun, Turkey. The data is consolidated at Group level and contained environmental and safety key performance indicators. Vision of sustainability management at OMV is to make health, safety, security, environment, community relations, and social affairs natural and integrated parts of OMV Group's activities. The Company aim is to apply industry best practices, act responsibly, and promote sustainable growth for the benefit of all stakeholders. To this end, OMV identifies, risks to people, assets, the environment, company reputation, and local communities. The Sustainability Committee assists the Executive Board for integrating sustainability practices into company management. OMV has drawn up a set of functional strategies that will cover all areas of sustainability management: health, safety, security, environment, community relations, social affairs, and human resources. The overall goals of Sustainability: HSSE Strategy 2015 are: HSSE is a natural and integrated part of the company activities which applies industry best practices, act responsibly, and are accountable for the company actions. Community Relations and Social Affairs: The company

manage business responsibly, live a culture of integrity, and seek to obtain and maintain our license to operate. Human Resources (HR): In all HR activities, the company aim is to position OMV as an employer of choice on a truly international level (OMV Sustainability Report 2010, 2011: 6-7).

Sustainability Focus Areas of OMV activity that have been targeted for the medium term: 1. Diversity and Education: Promote the development of a multicultural and international workforce, while honouring cultural roots; provide equal opportunities for both women and men. 2. Health and Safety: Create occupational health programs to ensure that employees are fit to perform their work safely and effectively; integrate community health projects into the sustainability management of the company operations; strengthen safety performance by training and empowering employees; identify and manage risks; enable organizational learning; improve process safety and technical integrity. 3. CO2 Emissions Reduction: Promote energy efficiency; decrease direct and indirect emissions; build awareness and foster behavioural changes on the part of employees, suppliers, and customers. OMV has included the three sustainability focus areas in the target setting process, at the corporate level through the Balanced Scorecard, and at the individual Management level through the Performance & Development and Management by Objectives (MbO) systems in 2010. From 2010 on, a percentage of the non-result related variable compensation (bonuses) will be awarded for achieving targets in these focus areas. In the first year of implementation, over 3,600 sustainability goals were defined by managers, with 53% thereof related to health and safety, 30% in the area of CO2 emissions reduction, and 17% targeting diversity issues. OMV Annual Sustainability Program 2010-2011 provided a consolidated overview of OMV's performance during the reporting period in eight areas: Leadership, Economy, Human Rights, Employees, Health, Safety and Security, Environment and Community Relations. It also sets out the targets for the next reporting period. The Company commitment by joining the UN Global Compact (UNGC), OMV made a commitment to implement the 10 UNGC principles on human rights, labour standards, the environment, and anticorruption. The OMV Code of Conduct sets forth clear rules of behaviour in accordance with the UNGC. It applies to all OMV employees in all business segments as well as to contractors. "Professionals, Pioneers, Partners" are OMV's corporate values. As an intrinsic part of the 3plus Strategy, they are a key driver of the company sustainable growth, motivating and guiding OMV employees (OMV Sustainability Report 2010, 2011: 8).

OMV convened its Fifth Annual Stakeholder Forum on October 21, 2010 at its Vienna head office to discuss the Group's sustainability performance and enable a better understanding of stakeholder needs and expectations. Some 100 stakeholders attended the event. The topics chosen for discussion at the 2010 OMV Stakeholder Forum were related to OMV's three pillars of sustainability: People, Planet, Profit. Thus, the two pillars People and Planet have now been added at the individual management level to the economic dimension of sustainability (Profit). A total of six round-table discussions were held simultaneously. OMV had defined three focus areas for its sustainability management: being a leader in health and safety issues, managing diversity and education using regionally specific models, and meeting the challenges of climate change by moving initially from oil to natural gas and then to renewables. Participants at this round table described the European Union's plan to cut emissions by 80–95% from 1990 levels by 2050 as a radical challenge. How will OMV deal with it? Is OMV' s commitment to a sustainable future compatible with the products it currently offers, which one participant called "absolutely unsustainable" (OMV Sustainability Report 2010, 2011: 12-16). Environmental protection expenditures, excluding depreciation, integrated pollution prevention to reduce the environmental impact of OMV products, such as desulfurization and the production of hydrogen for the desulfurization process. Environmental investments for assets put into operation. Provisions for environmental costs, decommissioning, and restoration are reviewed in a standardized process twice a year, based on a detailed inventory. The cross-functional process involves line management, HSSE experts, and controlling staff. As energy demand grows, the industry has a primary responsibility to contribute to the security of the energy supply. Yet in order to mitigate climate change, greenhouse gas (GHG) emissions must be reduced in all economic sectors (OMV Sustainability Report 2010, 2011: 28).

High safety and health standards, fair pay, and flexible employment models create a positive work environment, making OMV an employer of choice on a truly international level. Safety awareness has been successfully integrated into the corporate culture and employees share responsibility for ensuring full compliance with the Group's strict safety standards. Gaining and maintaining trust in the communities where the company operate is based on honesty and integrity. OMV employees are required to comply with the company Code of Conduct. Open interaction with stakeholders enhances the company reputation as employer of choice and reliable business partner. Human Rights are subjective rights to which all people are equally entitled. By signing the UN Global Compact, OMV committed itself to protect human rights within its sphere of influence. Over the last few years, the company were able to develop human rights management system and implement a comprehensive matrix covering business processes. Furthermore,

the basic principles of the OMV Code of Conduct, the OMV Business Ethics Directive, as well as the company approach to sustainability were on the agenda of the trainings. OMV has established a grievance mechanism for the power plant project in Kozluk-Samsun, Turkey, and in countries, where this is legally binding (e.g., for the filling stations in SEE). The company will use last technology product equipment of General Electric 9FB for OMV Samsun Elektrik construction of power plant to produce electricity. OMV declared that health, safety, security and environment (HSSE), community relations and social responsibility are seen as integral to business activities. Responsible behaviour and sustainability management are firmly embedded in vision and strategy, and are crucial to surmounting future challenges that the company will face as an integrated energy Group. These include shortages of skilled personnel, as well as work and process safety, and the need to provide energy markets with secure energy supplies whilst simultaneously reducing greenhouse gas emissions. Large companies such as OMV depend on people's trust. For OMV to continue its successful growth, the company needs to gain and retain not only the trust of customers, investors, and employees, but also that of the local communities in which the company operate. OMV take this responsibility very seriously, and build this trust by taking the social impacts and risks that OMV activities can create into consideration. Because it is essential that the company maintain excellent reputation, OMV carefully evaluates potential partners and suppliers as well as NGOs for collaborative efforts (Özcüre *et al.*, 2011: 1241-1252).

2.2. CSR Activities

A sustainable development policy is called 'CSR policy' in business communication and in literature which gives the company responsibility towards the various 'stakeholders' involved or affected by its activities. Through it the firm will minimize any negative impact on the environment and will choose a social policy that is focused on its employees (personal development, skills management), will offer quality goods or services to its customers at reasonable prices and will pay dividends to its shareholders. Other stakeholders are of course involved (unions, suppliers, subcontractors, local residents near the company sites, local authorities and NGOs). Stakeholder view of the firm goes beyond previous work on the triple bottom line and balanced scorecard and to communicate the results achieved mostly through annual reports and other documents (Milne, Ball and Gray, 2010: 1).

CSR has the greatest potential for addressing environmental challenges. Corporate reporting on the environment is improving and new improvements are being made by some companies in Turkey. Environmental initiatives appear to lead to win-win outcomes. Companies could greatly benefit from better community relations and improved governance.With regard to this point, convincing examples are provided by the protesting and boycotting campaigns carried out by NGOs against various companies operating in different industries and countries. Managers of these firms changed their strategic choices under the pressure of some specific stakeholder groups and the lack of an early recognition of their requirements brought in some cases harmful consequences for the company reputation and the business development. If the entire set of stakeholder relationships becomes strategic for the long-term success and survival of a company, the measurement of corporate success cannot be limited to the creation of value for only one stakeholder group, i.e. the shareholders. Major progress has been made in developing such indicators by the Global Reporting Initiative (GRI) and, for a narrower set of issues by Carbon Disclosure Project (CDP) (Vitols, 2009:168-169. The company seeks to minimize the impacts of its activities on the earth's resources and ecosystems through environmental practices include efficient water use, proper waste treatment and disposal, emission reductions and pollution prevention measures with scrupulous care in the Kozluk-Terme area of Samsun which is rich in biodiversity.

OMV is a signatory to the UN Global Compact, and an active supporter to the values enshrined in its Code of Conduct. These include a strong sense of responsibility towards the social and natural environment, especially in economically weak regions. OMV continuously addresses economic, environmental and social issues related to its business in a responsible manner. The Company reports on its activities in a sustainability report in accordance with the Global Reporting Initiative Guidelines.

OMV considers stakeholder engagement an integral part of a responsible business strategy. OMV Stakeholders include investors, customers, employees, communities, suppliers, authorities and others by engaging in dialogue with all interested parties, the company goal is declared as to earn their trust and build lasting relationships. OMV's other activities, European Company orientation and declarations are showing clear evidence as being a sustainable company. The presence of EMAS certificate in OMV Kraftwerk Haiming GmbH and the Turkish plant in Kozluk is a promising declaration to being a sustainable company. These sustainability accounting systems should have the purpose of broadening and integrating the traditional financial approaches to corporate performance measurement, taking stakeholder needs into due account.

2.3. OMV EWC and Employee Participation

OMV creates employment as a sustainable company and employee participation found both as a part of the solution to environmental problems. Corporate sustainability, that is the capacity of a firm to continue operating over a long period of time, depends on the sustainability of its stakeholder relationships and presence of the employee participation system. This new stakeholder view of the firm goes beyond previous work on the triple bottom line and balanced scorecard. Companies need appropriate systems to measure and control their own behaviour in order to assess whether they are responding to stakeholder concerns in an effective way. Martin Rossmann who is the chairperson of the OMV Group Works Council says that "*what most of us associate with sustainability is 'only' conserving our resources and the environment. Here at OMV, we also take it to mean treating our co-workers with respect and showing our appreciation; after all, it is they who guarantee the Group's long-term success*".

OMV as a European company here, the productive role of employee participation at all levels must be acted as like other European companies:'The type of labour needed by European companies – skilled, mobile, committed, responsible, and capable of using technical innovations and of identifying with the objective of increasing competitiveness and quality – cannot be expected simply to obey the employers' instructions. Workers must be closely and permanently involved in decision-making at all levels of the company' (Vitols and Kluge, 2011:10).

3. Methodology

3.1. Research Goal

In this research we will discover OMV's activities as a sustainable company and also OMV EWC's view and activities to prevent environmental pollution and damages of the constructed power plant of OMV in Turkey. CSR is important for energy sector and in this research we aimed to explore how an European energy company like OMV is reporting on CSR during thermal power plant construction. In this survey we aim to identify the conceptual framework and the methodology of the study are first presented. Then, the OMV Samsun CSR case is analysed along the social and environmental policies continually claimed by OMV top management and their consequences on the civil society. Finally, results and conclusions are presented. The case study method, that is an empirical research method, was chosen. It has a 'clear advantage' when 'questions of how and why are asked regarding a set of contemporary events, on which the researcher has little or no control. This empirical research meets the three conditions arguing for the use of this method as a way to 'understand a complex phenomenon'. Our research questions reflect the 'how' and 'why'. How can OMV's claimed and effected policies (environmental and social ones) and strategic choices be characterized? Why is there an apparent incoherence between the claimed policies of sustainable development?

The study was conducted on the basis of documentary sources (academic and expert studies), semi-directive interviews and documents provided by our interviewees (company top management, trade union employee representatives, NGO representatives and government and local authority officials).They will be lasted from 45 minutes to 2 hours. These documents, produced by OMV Group management (reference reports from 2009 to 2013, annual reports from 2009 to 2011, 2012 institutional brochure and Group press releases) also included agendas, lists of the participating members and reports. Using guidelines, the interviews were carried out in 2013.The collected information was transcribed and analized on the basis of the interview guideline structure.

Our research will be deepened through interviews with the company executives and NGOs about OMV's thermoelectric power plant has really severe activities on human, social and nature? The following section of the paper starts with the ultimate goals of The OMV Samsun Elektrik, company and proposes sustainability as a paradigm capable of ensuring the durable survival of firms. This model, which combines economic prosperity, social cohesion and environmental protection, is functional to and in keeping with the corporate objective of long-term value creation. Another aim of this paper to explain that how is sustainable company application in Turkey examining OMV. The analysis is focused on recent facts and thus it is possible to observe and interview key actors (which gives a clear advantage to the case study method compared to an historical approach). Finally, the choice of the OMV case seems discerning in that the company has displayed a proactive sustainable development policy. We investigated the presence or the lack of the development of an adequate sustainability reporting system in the company which is the first step in the establishment of the sustainable company in Turkey. A next crucial step is the adaptation of concrete

sustainability goals and strategy for attaining these goals and we will research the company's sustainability goals and strategy principles. These goals must be related to the reduction of workplace accidents or the reduction of pollution. Employee involvement in company sustainability policies has remained far below its potentials both in Europe and also in Turkey. The main body of the paper will be presented the findings of research, will be conducted between March 2013- September 2013 into the reported corporate responsibility behavior of OMV.

3.2. Research Findings

Currently, the OMV Group has over 30.000 employees, and is located in 30 countries. In 2009, it became the first European group, and one of the first worldwide groups, in the oil and gas business based on the OMV case, the analyses can be generalized as the three discussed processes (restructuring, financialization and sustainable development policy) coexist in most of the major international groups. Data collection was conducted within the framework of the research program 'CSR Regulation Potential'. We analyzed CSR policies of the company during the last 3 years (OMV Resourcefulness, Sustainability Highlights, 2012).

As a European group, OMV declares a commitment to economic values, but also to those of an environmental and social nature. Environmental protection and sustainable economics are equally as important as the safety (plant safety, occupational safety) of their employees, customers, and partners. OMV has already acquired EMAS certification (Eco Management and Audit Scheme). OMV also declares that using low-emission technologies (e.g. compared to coal-fired power plants) and ensures the impact on the environment is as low as possible while meeting all current and foreseeable regulations (Canik, 2010, 3-6). For instance, OMV supports a project for making hand-woven textiles from silk and linen in Unye, Ordu,Turkey. OMV supplies CATOM—the local community center—with looms and yarn. It runs courses where women can learn how to weave, thus improving their opportunities on the employment market. The textiles they make are used in the local clothing and household. OMV held an information day on building the gas power plant with600 attending in Samsun, Turkey and a complaint management system was installed. In Haiming, Germany, 60.9 % of the citizens voted in favor of building the combined cycle gas turbine plant, thanks to our strategy of involving the stakeholders (OMV, 2012).

The following people were interviewed: an HR manager briefly says; " *as a foreign MNC company we are investing with a total 600 million EURO in electric production sector in Turkey and having difficulties and facing too much legal environmental protection constrains and thought cancelling another planned investment project by our company in Turkey*". TÜÇEP and other NGOs representatives says briefly; "*We will protect our nature to live in this area which is not polluted by the industries and agriculture and tourism will be much more important for our life. We applied for that reason to the Court*".

The electric production industry is particularly concerned by environmental sustainability as it only exists due to its environment protection policy which must be accepted by the stakeholders. Social issues (balancing of mass tourism and firms of sustainable tourism and labour issues), economics (issues related to the local economy) and environmental issues (management of environmental impact related to electric producing plants and climate change) render electric producing activity vulnerable both in developing and industrialized countries. Despite the challenges inherent to the industry this sector have delayed getting involved in sustainable development issues.

OMV is planning to construct a teacher high school with 480 student capacity, dormitory, a sports hall and 10 apartment flat for teachers accommodation which is budget estimated 10 milyon Turkish Lira in Kozluk-Terme, Samsun. OMV concentrates its CSR activities now in the Municipality of Kozluk, district of Terme, Samsun. Kozluk OMV Anatolian Teacher High School" will have a capacity of 480 students. OMV has agreed with Samsun Governorship and Mayor of Kozluk to construct the school buildings and to donate them to the Turkish Administration which will then operate the High School. Previously, OMV already realized a lot of CSR and sponsoring projects mainly in the fields of educations and sports. Examples are 'Functional Adult Literacy - Women's Support Program and Reading Days' in Istanbul with AÇEV (The Mother Child Education Foundation), the 'Energy Sciences Competition' in cooperation with Samsun Ondokuz Mayıs University and the renewal projects of sport facilities of the selected schools in Terme and Municipality of Kozluk. "Kozluk OMV Anatolian Teacher High School" project will include: A High school building with a capacity of 16 classrooms for 480 students, 2 different dormitories for 360 students, Sports complex, Refectory, and Lodging building complex for teachers with 10 flats.

OMV recently, announced its new sponsorship project which is aiming to support "energy sciences" research projects. In collaboration with Samsun Ondokuz Mayıs University OMV will be providing EUR 75.000 worth funding to support selected research projects after a jury evaluation which are expected to be submitted to Ondokuz Mayıs University by 31 March 2011 (OMV Turkey, 2011).

OMV all ready declared that using low-emission technologies (e.g. compared to coal-fired power plants) and ensures the impact on the environment is as low as possible while meeting all current and foreseeable regulations of Turkey. NGO, university academicians and government and local authorities are determined to control and criticize OMV's activities during production of electricity after mid-2013. These sustainability accounting systems should have the purpose of broadening and integrating the traditional financial approaches to corporate performance measurement, taking stakeholder needs into due account. During the three year construction period of the power plant protest and legal application for cancellation of the project held and application by The Ünye Clean Environment Platform (Temiz Ünye Çevre Platformu-TÜÇEP)**,** Samsun Branch of Turkish Chamber of Electric Engineers, Samsun Branch of Turkish Medical Association, Sivaslılar Village Environment Platform and Local Fishery Cooperative resulted three times cancellation of the project. Finally, Turkish Government legislated Electric Market Law on 30 March 2013 to allow projects like OMV Samsun elektrik and construction is started which found useful for public interest (Official Journal of Turkish Republic, 2013 No:28603). After production license given to OMV Samsun Elektrik for 49 years, OMV completed construction of thermal electric power plant and started trial production in September 2013.

The debate on energy producing and critics on severe effects of energy production continues to grow as it receives more coverage in the mainstream media in Turkey like other countries in the world. Rio+20 and a call for action: a global framework for CSR and the Zero Draft highlight the role of the private sector in achieving sustainable development and specifically mention the role of corporate social responsibility in delivering sustainable development outcomes. For example the Zero Draft finally agreed in June 2012 has put on the negotiation table a concrete proposal saying: 'We call for a Global Policy framework requiring all listed and large companies to consider sustainability issues and to integrate sustainability information within the reporting cycle.' (Section D, Framework for Action, paragraph 24) (Worldwatch Institute, 2012).

Conclusions

Sustainable development emphasizes a holistic, equitable and far-sighted approach to decision making and rests on integration, a balanced consideration of social, economic and environmental goals in both public and private sectors. Civil society organizations from across the world have been calling on businesses to act accountably and take responsibility for the social, economic and environmental impacts of their activities. Our example company OMV Samsun Elektrik as a subsidiary of a European Company which now held an electric production license by the public authority and after the end of 2013 will be started to operate in Turkey OMV must implement and integrate same management style, culture and legal and other company rules which is applied in the EU member countries such as Austria, Germany and Romania. Company operations related to CSR and sustainability issues must be managed equally by the company management also in Turkey as an EU candidate country which is trying to complete negotiations for being a full member in the near future. Also, OMV's employee participation organ OMV EWC must have representatives from Turkish subsidiary companies such as Petrol Ofisi and OMV Samsun Elektrik Üretim A.Ş. to inform and consult Turkish employees also for economic, social and environmental issues.

OMV Samsun Elektrik must follow the same rules accepted internationally by the central company management and apply green economy in the context of sustainable development in Turkey. As, the company will use last technology product equipment of General Electric 9FB for OMV Samsun Elektrik construction of thermal electric power plant to produce electricity. OMV is all ready declared that health, safety, security and environment (HSSE), community relations and social responsibility are seen as an integral part to business activities in energy sector. Responsible behavior and sustainability management are firmly embedded in vision and strategy, and are crucial to surmounting future challenges that the company will face as an integrated energy Group. These include shortages of skilled personnel, as well as work and process safety, and the need to provide energy markets with secure energy supplies whilst simultaneously reducing greenhouse gas emissions. This strategy will allow to the company to operate successfully and freely in a sustainable manner also in Turkey as a leading energy company. Further research also found necessary at the next stage for the period of thermal electric power plant will be starting to produce electricity after the end of 2013 and OMV's declaration of being a sustainable company will be examined during this production period.

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