



TÜRKİYE CUMHURİYETİ
TİCARET BAKANLIĞI

Green Deal Action Plan of Turkey

6 October 2021



Four Main Pillars of Turkey-EU Association Relations

- Ankara Agreement (1963)
- Additional Protocol (1970)
- Customs Union (1995)
- Accession Negotiations (2005)





CUSTOMS UNION DECISION (NO.1/95)

FREE MOVEMENT OF GOODS (TR&EU)

- ABOLITION OF CUSTOMS & OTHER DUTIES
- ELIMINATION OF QUANTITATIVE RESTRICTIONS

COMMON COMMERCIAL POLICY

- COMMON CUSTOMS TARIFF
- COMMON RULES FOR IMPORTS
- COMMON RULES FOR EXPORTS
- EU'S PREFERENTIAL REGIMES
- RULES OF ORIGIN

APPROXIMATION OF LEGISLATION

- COMPETITION RULES (Competition, State Monopolies)
- INDUSTRIAL & INTELLECTUAL PROPERTY RIGHTS
- TAXATION

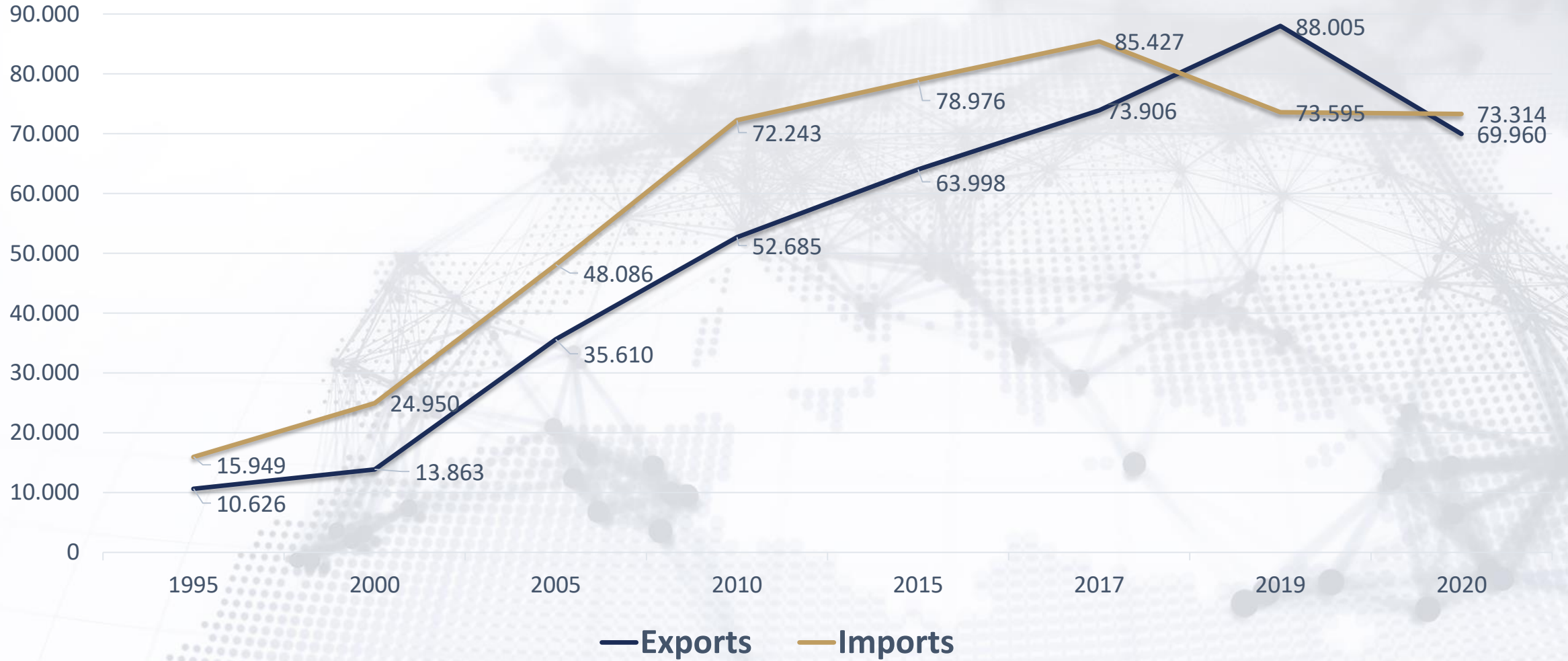
TECHNICAL REGULATIONS

- HARMONISATION OF STANDARDS AND TECHNICAL LEGISLATION (Standardization, metrology and calibration, quality, accreditation, testing and certification)

OTHER PROVISIONS: Institutional Provisions, Consultation and Decision Mechanisms, Settlement of Disputes



Turkey's Trade with the EU (Million \$)





Turkey-EU Customs Union

Turkey's
41,3% of Exports and
33,4 % of Imports
is with the EU (in 2020)

Increasing share of sectors
having middle/high technology
in exports to the EU (1995-2020)
(Automotive: %2,5 -> %20,8
Machinery: %2,7 -> %10,9)

CUSTOMS UNION

**Increasing Foreign Direct
Investments from the EU**
*(Almost 72% of FDI inflow to Turkey
came from the EU between 2002-
2020)*

**Improvement in
Competitiveness,
Productivity,
Quality Infrastructure,
Integration with the EU Value
Chains**



European Green Deal

**First Carbon
Neutral
Continent
2050**

**2030 Emission
Reduction
Target
(%55)**

**Revision of
all policy
instruments**

- With the European Green Deal, EU set a new growth strategy, reconciling the economy with sustainability.
- Comprehensive changes to be implemented pursuant the European Green Deal will transform the EU's Single Market and will have direct implications on the trade and economic integration achieved under the Turkey-EU Customs Union.



Work of the Green Deal Working Group

Technical meetings

Consultations
w/
private sector
representatives

Sector-based
consultations

Meetings at the
level of Deputy
Ministers

GREEN DEAL WORKING GROUP

(under the coordination of
the Ministry of Trade)

- Presidency of Strategy and Budget
- Ministry of Environment and Urbanization
- Ministry of Foreign Affairs
- Ministry of Energy and Natural Resources
- Ministry of Treasury and Finance
- Ministry of Industry and Technology
- Ministry of Agriculture and Forestry
- Ministry of Transport and Infrastructure
- Ministry of National Education
- Ministry of Labour & Social Security

Green Deal Action Plan
(16 July 2021)



Green Deal Action Plan of Turkey



❖ Action Plan includes a total of 32 objectives and 81 actions under 9 main headings.



Carbon Border Adjustments



STEEL

Sectors
exposed to
high risk of
carbon
leakage



CEMENT



ALUMINIUM



ELECTRICITY



FERTILIZERS

EU's list of sectors
and sub-sectors to be
at significant risk of
carbon leakage
covers 63 sectors and
sub-sectors

- The Commission released its proposal for a carbon border adjustment mechanism under the Fit for 55 package proposal on July 14, 2021.



Main Actions Under «Carbon Border Adjustments»

- Enabling the recognition of the monitoring system of greenhouse gas emissions in Turkey and certification according to the EU methodology in Turkey
- Evaluating the impact of CBAM on Turkish sectors and determining the roadmaps/activities to support and incentivise the reduction of greenhouse gas emissions in sectors of priority that may be subject to a CBAM
- Determining Turkey's position for an appropriate carbon pricing mechanism and evaluating support mechanisms for increasing costs on sectors
- Other actions under the headings on green and circular economy, sustainable finance and diplomacy also aim to support action under this heading

Priorities and Actions that will support actions under the CBA heading

**Green
Finance**

- Initiatives for the improvement of access to international and EU financing facilities for Turkey's green transformation
- Reviewing the National Incentive System
- Strengthening the green finance ecosystem in Turkey (taxonomy legislation, sustainable finance framework, Green Bond Guide and Green Sukuk, sustainable banking)
- Carrying out information and promotion activities for more effective use of existing financing opportunities
- Technological infrastructure needed for green transformation will be strengthened and sectoral R&D studies will be supported within the scope of the technology roadmap to be determined together with all stakeholders.

**Green and
Circular
Economy**



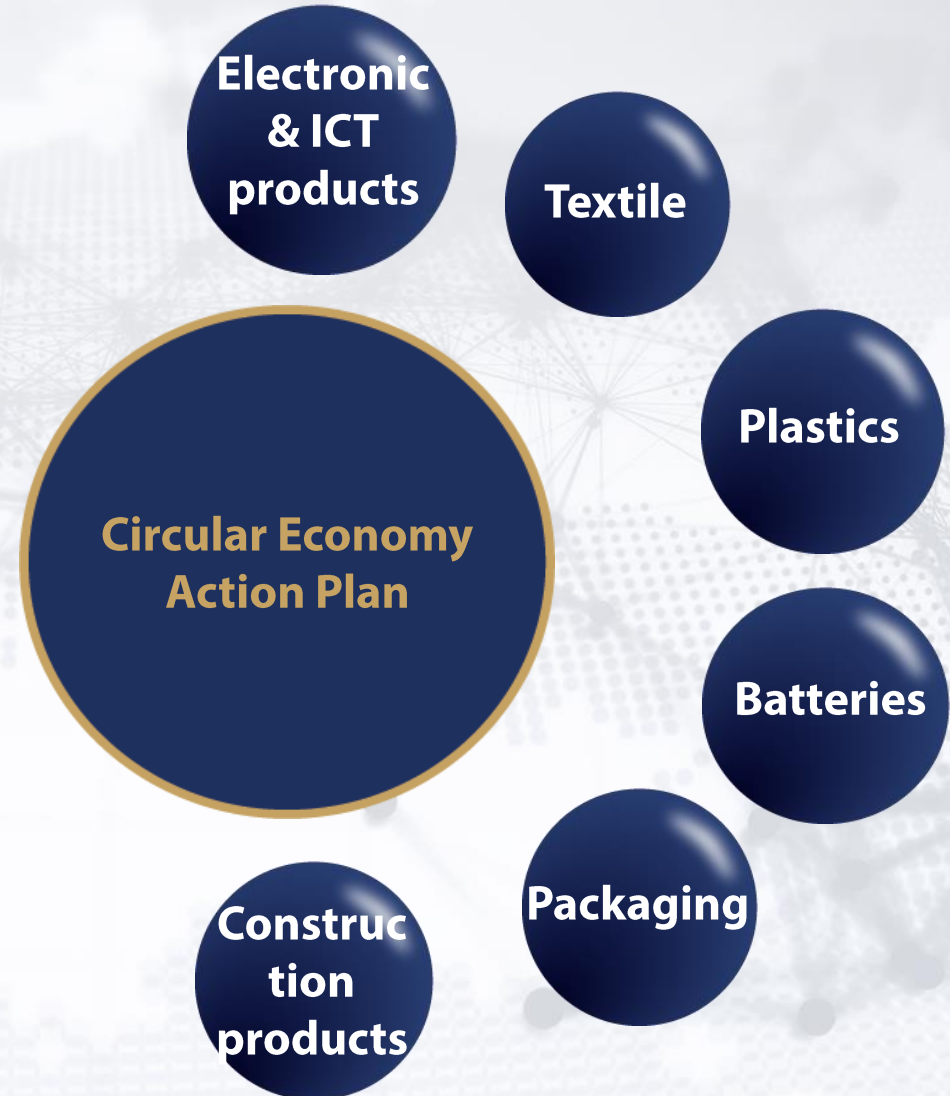
Priorities and Actions that will support actions under the CBA heading

- Exploring the possibilities of cooperation with the EU and EU member states
- Continuing efforts to protect Turkey's rights arising from international agreements
- ❖ **Technical work should be started immediately** in order to ensure that the CBAM is implemented in a way that does not hamper the free movement of goods between the EU and Turkey.
- ❖ **Turkey's access to Green Deal financing resources is necessary as a candidate country and Customs Union partner.**
- ❖ **Turkey would like to focus on building partnerships and further development of our commercial and economic integration that would also contribute to EU's green deal agenda.**



EU Circular Economy Action Plan and Sustainable Product Initiative

- make sustainable products the norm in the EU
- empower consumers and public buyers
- focus on the sectors that use most resources and where the potential for circularity
- ensure less waste



Main Actions Under «Green and Circular Economy» (23 Actions)

Green and
Circular
Economy

- Impact and needs analysis studies for priority sectors regarding circular economy
- Turkey's Circular Economy Action Plan & National Sustainable Consumption and Production Action Plans
- National action plan and implementation timeline for the implementation of EU Integrated Pollution Prevention and Control (IPPC) legislation.
- Development of the National Life Cycle Assessment (LCA) Database and the establishment of a National LCA Platform
- Green Organised Industrial Zone and Green Industrial Park
- Support R&D studies to strengthen the technological infrastructure
- Strengthening the regulatory framework in Turkey (EU Sustainable Product Initiative, chemicals legislation, cleaner production legislation in the textile sector and creating cleaner production legislation for the leather sector)
- Dissemination of Turkey's Environmental Label System
- Sustainable use of water in production and consumption and the reuse of waste water
- Resource efficiency activities carried out by Development Agencies

Main Actions under «Combating Climate Change» (11 Actions)

- Preparation of Turkey's Report on Combating Climate Change
- Preparation of the 2023-2030 Climate Change Action Plan and the 2050 Climate Change Strategy
- Ratification of the Paris Agreement
- Research on the effects of climate change on biological diversity, ecosystems desertification and land degradation and implementing adaptation and mitigation measures

**Combating
Climate
Change**



Concluding Remarks

- Effective Implementation of the Action Plan with the participation of all stakeholders
- Updating medium and long-term objectives
- Preparation of comprehensive action plans for achieving a carbon-neutral future
- Increased cooperation and intensified dialogue with the EU at every level
- Ensuring compliance with bilateral arrangements & maintaining the free movement of goods
- Access to finance remains key



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THANK YOU