



## A New Era in Environment and Climate Policies: Turkey is Now a Party to the Paris Climate Agreement

The Turkish Government, in its statement at the United Nations General Assembly, had given signals beforehand that it would submit the Paris Climate Agreement [“**Paris Agreement**” or “**Agreement**”], for parliamentary approval which it signed on April 22, 2016. Following his statement, the Agreement entered into force with the Law on Approval of the Paris Agreement and the Presidential Decision, both published on the same day, on 7.10.2021 in the Official Gazette. Please see our previous article about the content and purpose of the Paris Agreement.

### What are Turkey’s Obligations Under the Paris Agreement?

First of all, it should be noted that the Paris Agreement is based completely on a voluntary basis. In other words, the contracting parties set their own contribution goals for the achievement of the contractual objectives. In this regard, no reservations can be made to the Agreement as per Article 27, as the Paris Agreement already contains provisions encouraging parties to set more ambitious goals rather than being coercive.

On the other hand, Turkey ratified the Agreement with the statement of “on the basis of equity, common but differentiated responsibilities and respective capabilities, and recalling the resolutions adopted at the Conference of the Parties to the United Nations Framework Convention on Climate Change, and within the framework of nationally determined contribution statements, provided that the Agreement and its mechanisms do not prejudice the right to economic and social development as a developing country”. The concepts stated in the declaration are basically the repetition of the principles already set forth in the preamble and various articles of the Agreement, and therefore the statement has no practical value. However, the emphasis on the signing of the Agreement as a “developing country” can be interpreted as a message that expectations should not be raised too high in terms of Turkey’s ambition and determination to implement the Paris Agreement.

If an evaluation is to be made within the framework of the general objectives of the Agreement, Turkey must first develop and issue its national contribution goals as per Article 4, and immediately implement intranational measures of reduction in order to achieve the foregoing. These goals need to be revised and re-reported every five years. “Transparency” is one of the most highlighted issues in the Paris Agreement. In this regard, it is critical that the steps taken to achieve the contribution goals, as well as progress reports are presented in an honest, realistic, and timely manner. Because the Agreement’s key goal, namely keeping global average temperature rise below 2°C compared to pre-industrial levels, can only be achieved in this way, and the

fight against climate change, which is a global threat, can only be accomplished with global determination. Establishing mutual trust among all parties is critical for the progress, and transparency plays a key role in the achievement of this, as also stressed in Article 13 of the Agreement.

In order to achieve the national contribution goals within the framework of the Agreement, first and foremost, an energy transformation in the industrial sector, as well as the development of long-term emission reduction measures are required. In this context, after submission of the Paris Agreement to Parliament for approval, the Turkish Industry and Business Association [TUSIAD] stated that the public and private sectors should work together for the transformation introduced by the Paris Agreement. A 'green bulletin' has also been launched on the Istanbul Chamber of Industry's website, where the activities carried out within the scope of green transformation in the industrial sector will be shared with the public on a regular basis [1].

Furthermore, Turkish Ministry of Energy and Natural Resources stated that the ratification of the Paris Agreement brought digital transformation, therefore, the Paris Agreement, the European Green Deal and digital transformation should be carried out simultaneously. In this context, it has been announced that the Digital Transformation Office has been established, with its scope of operation encompassing all sectors of e-Government, artificial intelligence, and cyber security [1].

Following the harmonization policies mandated by the Paris Agreement is also important so as to prevent Turkey's exports to the European Union ["EU"] from being jeopardized. Because production from clean sources is necessary to be able to get a foothold in the new order – also known as the green market –and the transformation initiated by EU.

However, the Agreement's requirements should not be viewed solely from an environmental aspect. According to Article 7 of the Agreement: *"Parties acknowledge that adaptation action should follow a country-driven, gender responsive, participatory and fully transparent approach, taking into consideration vulnerable groups, communities and ecosystems, and should be based on and guided by the best available science and, as appropriate, traditional knowledge, knowledge of indigenous peoples and local knowledge systems, with a view to integrating adaptation into relevant socioeconomic and environmental policies and actions, where appropriate."* In this context, the issue should not be considered independently of social policies.

## **Where Does Turkey Stand in Terms of Compliance with the European Green Deal?**

It can be said that the EU has taken the Paris Climate Agreement objectives one step further and materialized it in terms of method, by addressing the issues of greenhouse gas emissions, global warming and climate change with the European Green Deal published in November 2019. The said deal is important for all countries that have economic and geographical interaction with the EU, since new financial and tax regulations regarding imports are introduced in order to protect the newly established green market. The agreement generally aims to reduce greenhouse gas emissions to net zero by 2050 and to reduce net greenhouse gas emissions by %55 by 2030 compared to 1990 levels.

The Green Deal Action Plan was published by the Turkish Ministry of Commerce earlier this year for harmonization with the European Green Deal. The action plan explains how to achieve the transformation that would enable the transition to a sustainable and green economy under three main headings -scope, goals and calendar- in line with Turkey's development plan.

In the action plan, carbon border adjustment mechanism ["CBAM"], which is an important strategy in achieving the targets set in the Green Deal, is also extensively addressed. In the proposal by the European Commission dated 14 July 2021, which commits EU importers to pay carbon tax for the carbon emissions of their products, CBAM is introduced to ensure environmentally friendly production and to protect the competitiveness of local manufacturers. In this respect, it was pointed out that the Ministry of Commerce will be determining Turkey's position on carbon pricing and the activities to reduce greenhouse emissions.

The statements made by the Ministry of Commerce indicate that the steel industry will be the most affected industrial area within the framework of CBAM and that a change has begun in Europe by producing steel from clean sources. It is suggested that industries such as steel and aluminum would be given precedence in terms of transition to clean energy generation, but green transformation will eventually be mirrored in industries such as automotive, textiles, and ceramics. At the same time, it

was noted that the Ministry of Environment has begun to develop the infrastructure of the emissions trading system [“ETS”] and particularly the land transportation will be based on ETS in the future. The CBAM tax is the most crucial issue on the agenda, since if harmonization is not reached, the tax liability that would take effect in 2026 might have a significant burden for Turkey.

In the meantime, the Banking Regulation and Supervision Agency [“BRSA”], conducts studies for the development of sustainable finance. Among the topics on the agenda are the publication of a “Environmental, Social, and Governance” [ESG] guide for banks, supporting the environmental labeling application for financial products and services, strengthening international cooperation [Membership of the Network for Greening the Financial System], and ensuring active participation in “National Green Taxonomy” studies as part of the transition to a sustainable economy. In this respect, the BRSA is expected to share the Sustainable Banking Strategy Document with public before the end of 2021.

[1] “Yeşil Mutabakat’a Uyum: Dönüşümün Neresindeyiz?”, [“Alignment with the Green Deal: Where Are We at in the Transformation?”]Dünya Gazetesi, Webinar, 07.10.2021.

**For further information please contact:**



**Dr. Zahide Altunbaş Sancak**  
[z.sancak@guleryuz.av.tr](mailto:z.sancak@guleryuz.av.tr)



**M. Tarık Gülerüz**  
[t.guleryuz@guleryuz.av.tr](mailto:t.guleryuz@guleryuz.av.tr)

Bu içerik yalnızca bilgi verme amaçlı olup hiçbir surette hukuki tavsiye niteliği taşımamaktadır. Fikri mülkiyet hakları Gülerüz & Partners Avukatlık Bürosu’na ait olan bu içeriğin yazılı izin alınmaksızın çoğaltılması, kopyalanması ve kullanılması yasaktır.

This content is solely produced for informative reasons and do not constitute legal opinion or advice under any circumstances. Gülerüz & Partners Attorneys at Law is the sole owner of the intellectual property rights of this content and shall not be reproduced, copied, or used without written consent of Gülerüz & Partners Attorneys at Law.