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REPUBLIC OF TÜRKİYE
MINISTRY OF ENVIRONMENT,
URBANIZATION AND CLIMATE CHANGE

Promoting Enhanced EU ETS Alignment in Türkiye Emerging ETS

This activity is part of the European Union Climate Dialogues Project (EUCDs)

CBAM Implementation, MRV Systems and Data Quality

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Outline



- **Slides 3–10** → What have we learned from CBAM implementation?
- **Current situation** → Türkiye starts from a position of relative strength
- **Slides 11–16** → How can Türkiye build on this advantage?



What did the Transitional Phase Really Teach us?

Evidence from the Commission

- ✓ Purpose of the transitional phase
- ✓ Continuous guidance updates
- ✓ Progressive reduction of default values
- ✓ Digitalisation of reporting

Evidence from practice

- ✓ Supplier data gaps
- ✓ Manual reporting processes
- ✓ Traceability issues
- ✓ Verification readiness
- ✓ Administrative burden

Although the Commission has not formally ranked implementation challenges, evidence from the transitional phase consistently indicates that producing reliable, auditable and comparable emissions data is becoming the critical success factor for the definitive CBAM phase



Data Quality: the Foundation of Effective CBAM Implementation

- Accuracy
- Completeness
- Consistency
- Traceability

Poor data quality creates regulatory, financial and commercial risks



Building Robust MRV Systems Across International Supply Chains

Supply chain	Typical data	Implementation challenges
Raw materials ↓	Activity, energy, emission data	• upstream supplier engagement
Precursors ↓	Quantities, direct/indirect emissions	• allocation methodologies
Manufacturing ↓	Production volumes, energy and emission data	• indirect emissions
Exporter ↓	Product identification, quantity exported	• data traceability
EU importer	CBAM declaration, embedded emissions, CBAM certificates	• supply-chain data interoperability

Robust MRV systems require supply-chain coordination, not only plant-level monitoring



Verification: From Regulatory Requirement to Strategic Capability

As CBAM moves into its definitive phase, verification capacity may become a more significant bottleneck than monitoring

- methodologies
 - Shortage of accredited verifiers
- Audit costs
- Competence
- International recognition
- Accreditation capacity

Verification capacity is emerging as a strategic national asset in the CBAM transition



How is the Commission Responding?

The Commission is addressing CBAM implementation through three parallel tracks: simplification, digitalisation and capacity building

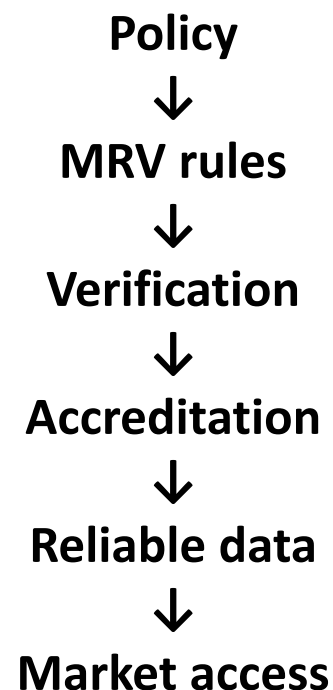
Simplification
• Omnibus package • 50 t threshold • SME relief • Simplified authorization • Updated guidance

Digitalisation
• CBAM Registry • Customs integration • Standard templates • Data interoperability • Auditability

Capacity building
• Training & webinars • Guidance documents • Support to authorities • Outreach to exporters • Verification readiness



Institutional Readiness for the Definitive CBAM Phase



Institutional capacity is becoming as important as industrial capacity for maintaining access to the EU market



The Commission's assessments show that there are sectoral difficulties

The most frequently discussed difficult sectors include:

- iron and steel,
- aluminium,
- fertilizers,
- and hydrogen,

because they involve:

- complex precursors,
- indirect emissions,
- electricity accounting,
- and fragmented supply chains.

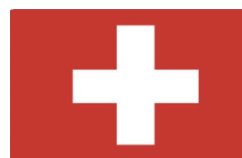
Hydrogen and aluminium appear especially sensitive due to:

- highly variable emissions intensity,
- renewable electricity accounting,
- and indirect-emissions methodologies.

...and there are also country-level differences

Countries frequently viewed as relatively better prepared include:

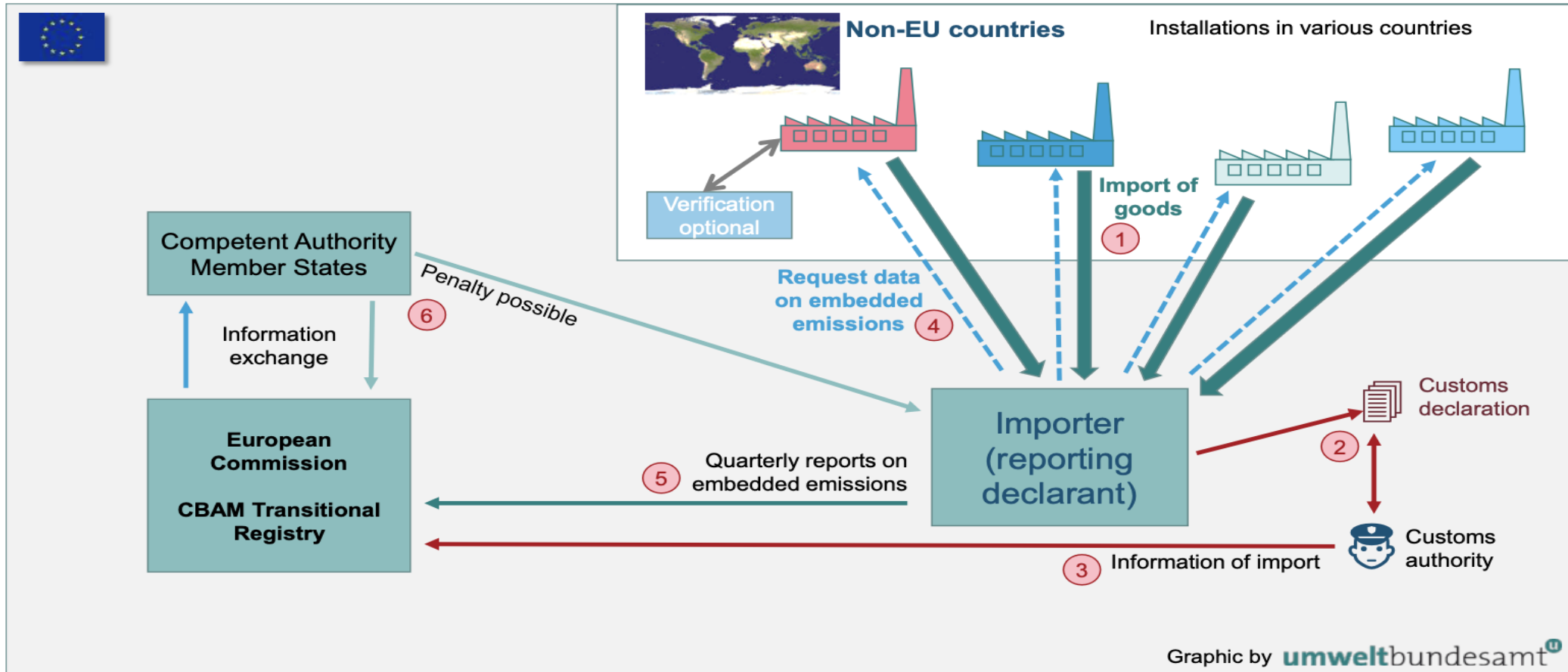
- the UK,
- Switzerland,
- South Korea,
- and increasingly Türkiye due to its ETS preparations and industrial integration with the EU.



Türkiye enters the definitive CBAM phase from a relatively strong starting position compared with many other exporting countries. The challenge is now to consolidate this advantage through stronger verification capacity, institutional coordination and ETS implementation.

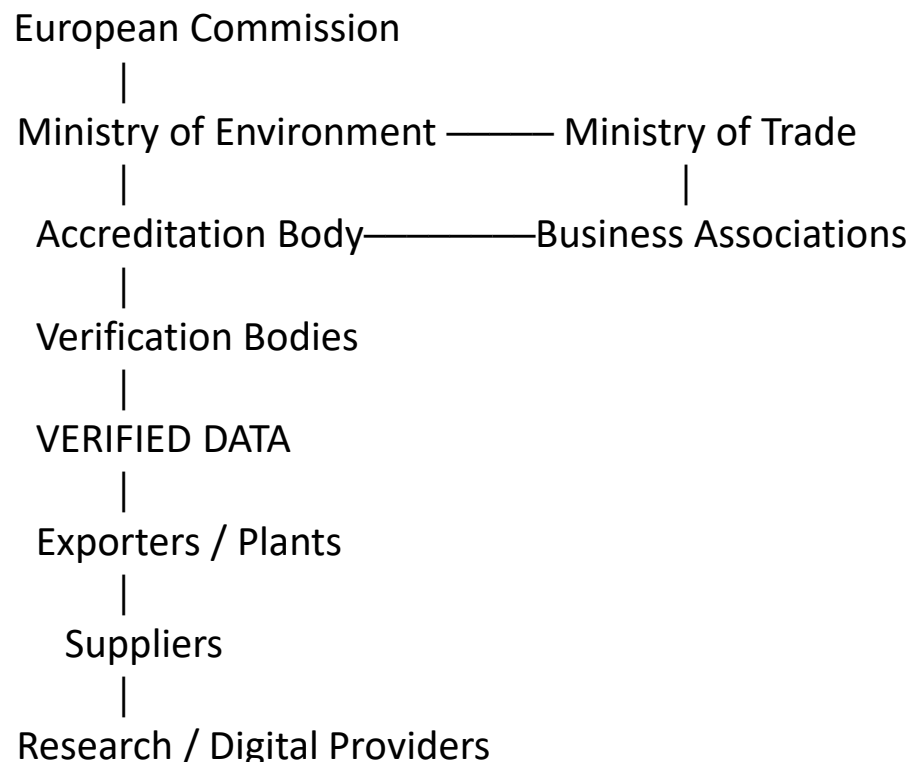


Governance of CBAM





Türkiye: Building a National CBAM Ecosystem



Trusted emissions data are the outcome of a coordinated national ecosystem, not of individual actors working in isolation



Functions within the National CBAM Ecosystem

Stakeholder	Primary role	Main interaction
Ministry of Environment	MRV framework, ETS alignment, technical guidance	Industry, Accreditation Body
Ministry of Trade	CBAM coordination, trade policy, customs	Exporters, European Commission
National Accreditation Body	Accreditation of verifiers, competence, international recognition	Verification Bodies
Verification Bodies	Independent assurance of emissions data	Exporters
Exporters	Monitoring, data collection, reporting	Suppliers, Verifiers, EU Importers
Suppliers	Primary activity and emissions data	Exporters
Business Associations	Training, dissemination, feedback	Industry, Ministries
European Commission	Legislative framework, guidance, Registry	National Authorities, EU Importers



Aligning Türkiye ETS with the EU CBAM Timeline

EU CBAM	Türkiye ETS
2025 – Final preparation for the definitive CBAM phase	2025 – Climate Law enters into force, providing the legal basis for the national ETS and establishing the governance framework. Secondary legislation and implementing regulations are under development.
1 January 2026 – CBAM definitive regime starts. Importers become authorised CBAM declarants and carbon pricing obligations begin.	2026–2027 – Pilot phase of the Turkish ETS for major emitting installations, with free allocation based on benchmarks and continued development of the institutional framework.
30 September 2027 – First annual CBAM declaration and surrender of certificates for 2026 imports.	From 2028 – Transition towards the first full implementation phase of the ETS, with annual compliance obligations and a progressively more mature carbon market.

The Turkish ETS and the EU CBAM should be viewed as complementary components of a single transition pathway, rather than as independent policy initiatives



Strategic Priorities for Building National CBAM Readiness

Strategic pillar	Priority actions
Strengthen the regulatory framework	Finalise secondary ETS legislation, ensure alignment with evolving CBAM implementing rules, maintain regular dialogue with the European Commission.
Build a robust quality infrastructure	Expand accreditation capacity, increase the number of competent verification bodies, promote harmonised verification practices, strengthen international recognition.
Support industrial preparedness	Improve MRV systems, digitalise emissions data management, engage upstream suppliers, promote sector-specific guidance and training.
Promote coordination and continuous learning	Establish permanent coordination between ministries, accreditation body and industry; monitor implementation challenges; update guidance as EU rules evolve.

CBAM readiness is not achieved through a single reform, but through the coordinated development of regulation, institutions, quality infrastructure and industrial capabilities



Next Steps

Türkiye must now consolidate the progress already made on emissions reporting, integrating it organically with the development of its own national ETS — a path that will strengthen both the competitiveness of Turkish supply chains and the robustness of data across the entire value chain, including the third countries from which Türkiye itself imports raw materials and semi-finished goods.



Consolidate results already achieved

Maintain and reinforce the emissions data quality standards already developed for CBAM compliance.



Integrate them with the national ETS

Align the methodologies and verification systems of the future Turkish ETS (pilot phase 2026-2027) with CBAM requirements.



Extend the same rigour to the supply chain

Replicate the same data-quality standard toward the third countries from which Türkiye itself imports.



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Thanks for your Attention!



Advancing ETS Readiness – An “EU Climate Dialogues (EUCD)” Project

