



B4G EXTERNAL MEETING REPORT

(i) **Meeting Title/Name:** Fourth Meeting of GCE-WG (GCE-WG)

(ii) **Meeting Place and Date:** 8 February 2022, 16:00-17:30

AGENDA:

1. Briefing on the establishment of Executive Boards
2. Evaluation of Circular Economy Week to be held in March
3. Briefing on the current situation of the pilot project developed with JPAL
4. Developments in the green finance which we try to develop with banks
5. Other projects and studies to which can be developed in short term
6. Other subjects which participants would like to add

(iii) **Discussion of Agenda Items**

1. Briefing on the establishment of Executive Boards

- Members of recently established Executive Boards of Carbon Border Adjustment (CBA) and Green & Circular Economy (GCE) were introduced to participants.
- Umay Yılmaz, new co-chairman of GCE-WG, from the Turkish Corrugated Cardboard Industrial Association, introduced herself.

2. Evaluation of Circular Economy Week to be held in March

- Information was given by Başak Demir on the Circular Economy Week. It was stated that a content combining the triple pillars of innovation economics, technology and innovation for circular economy for goals and a circular future was designed with a focus on the Sustainable Development Goals for 2022. It was stated that a week was planned, in which technical expertise and global developments would be at the forefront compared to the last year. The participants of WG meeting were requested to provide guidance for both content and expert speakers.
- It was announced that the main supporter of the week would be Business Finland in the event in 2022. Discussions continued with other sectors and private entities. It was stated that as a result of the involvement of Business Finland in this programme, new technologies which were developed in Finland and which support circular economy and new business models which industrialists adapted would be reflected in the content of the programme. It was underlined that focus would be on the global developments that year. It was stated that regional developments would be listened not only from the European Union but also from Americas, Asia and Africa and that contents and examples in which regional cooperation opportunities could be taken would be also

included in the programme. It was stated that the structure of the sessions of that year was slightly different than last year and that the opportunity to listen private sector, public sector and international organisations with different perceptions in the same session would be delivered instead of entities from similar sectors gathering in the sessions and exchanging their views as in the last year. It was stated that a day focused on technology and innovation would be organised and that particularly what technological developments and trends of sustainability are and how the processes of industrial adaptation of recently developed green technologies operates would be discussed. It was stated that another day focused on Just Transition would be organised. It was stated that it would be discussed how industrialists and large enterprises aim to support the transition of labour and how current and new labour transition would be ensured in all optimisation and efficiency processes. It was stated that the findings of the research conducted by BCSD Turkey regarding circular economy potential of Turkey would be reviewed and then discussed how the business community would evaluate the future.

3. Briefing on the current situation of the pilot project developed with JPAL

- Mention was made of the studies, aiming to develop strategies under the theme leadership of CBAM, members of the Executive Board and İşbank, institutional supporter of B4G, to structure different studies to reduce carbon footprint of the Turkish industry and to present models which could be disseminated in the medium to long term with the experience obtained from those studies across Turkey. It was stated that different topics were developed on which the programme can focus and work was started to analyse how large both the priority sectors related to CBAM and the energy- and material-intensive sectors prioritized by the circular economy were in terms of medium- and large-scale businesses in Turkey. It was stated which enterprises might be targeted by the project, which enterprises from which sectors could be included based on the initial pilot experience and then learning experience to undertake full programming. Accordingly, it was stated that meetings were held with a wide range of entities on such matters as which expertise were needed in this regard; with which contents businesses should be strengthened and with which contents their roadmaps should be drawn, on the fact that the products could be presented, which could meet certain conditions to be required by the business to structure the necessary financing required for operational changes and investments, which would be required for advantageous credits and green investments, which can differ from existing financial tools. Briefing was given on some issues developed after the presentation made by Ms. Banu from Bilkent University in the previous meeting of WG. Participants were requested to provide guidance on certain matters in terms of their own entity, member bases and sectors.
- Mention was made of the funding received from JPAL economy research network with the academicians from Bilkent and MIT. Particularly raised was the issue of what kind of policy to benefit CBA should be developed in Turkey. Mention was made of training developed in this regard and a project on delivering technical content. It was stated that it was a programme developed with contents to provide some guidance on the adaptation of circular economy principles by also involving circular economy sectors. It was stated that the sampling target was approximately 400 businesses. The participants were asked

for their opinions on whether 400 businesses could be reached in a year considering the number of medium- and large-scale businesses. In terms of the enterprises to be determined, such criteria were being discussed as geography where an enterprise is actually located; location of headquarters and production area; how many people are employed; in which sector the main sector activity area is; in particular, what are the three main products becoming prominent in sales; what are three main products exported to the European Union, if any, what is their export value; in particular how much the rate of emission were at the beginning of the first programme and how this could be transformed and reduced.

- It was stated that general information would be given to targeted 400 businesses on the European Green Deal (EGD), Circular Economy, CBAM. It was reported that a content on carbon reduction methods and technologies would be presented to first group among three groups to be determined later; and such content would include both theoretical knowledge and case examples and different implementation models. It was stated that another group would be provided with a content support for product changing; particularly enhance their own portfolios particularly with products emitting less carbon. It was expressed that it was planned to provide content to third group for improving the quality of the product.

4. Developments in the green finance which we try to develop with banks

- It was stated that enthusiastic businesses from each of three groups would be provided opportunities to meet one-to-one with bankers to receive financial information on their projects and to receive brief consultancy and coaching support for crediting process methods and tools. Three months after such technical content, discussions would be held for impact analyses to measure behaviour changes of businesses and at least 25 businesses to be determined among those enterprises would be supported to determine roadmaps by providing them one-to-one expertise support and the access of those businesses to green finance opportunities would be supported in terms of business visits and investments they needed in their green transformation processes. At this point, it was stated that whether it was possible to provide advantageous and low-interest loan at the centre of entities met and green financing was included in the agenda. It was shared that creating low-interest loans for the businesses might facilitate the process for the businesses.

5. Other subjects which participants would like to add

- It was stated by Şükrü Ünlütürk that the enterprises classified by TURKSTAT in 2019 were surveyed and that not only the enterprises directly related to carbon footprint and CBAM but also the sectors which were thought to be also interested in circular economy soon were listed in particular. It was stated that the number of enterprises employing more than 100 workers were over 10,000 according to the list. It was stated that the study would be shared with both WGs and participants were asked to review the list and share the things they considered missing and their opinions.
- Information was given by Captanomy on which data that might be important for circular economy would be measured and monitored on the platform. It was stated that it was decided to begin with Scope 1 and Scope 2 regarding carbon emissions. It was said that it might be possible to proceed in the different fields such as Scope 3, sectoral metrics

and water foot print in the future. It was stated that it was envisaged to proceed through the metrics which everybody can access at first such as electricity consumption and natural gas consumption. It was expressed that the work on water footprint was ongoing.

- It was expressed by Başak Demir that the plants of priority sectors subject to CBA had knowledge and experience as they had compulsory carbon measurements; however, it was thought that they might have less experience in priority sectors in terms of circular economy. The participants were asked for their opinions.
- Serkan Türkmen from TÜRKÇİMENTO [Turkish Cement Manufacturers' Association] expressed his opinion in this regard and stated that considering the cement industry, there were 55 integrated plants in Turkey and that all of these 55 plants were entities subject to the regulation on the greenhouse gas monitoring. It was stated that they were obliged to conduct greenhouse gas verification every year and that they were inspected by external organisations between 1 January and 30 April. It was stated that there was only Scope 1 in Turkey at that time. It was expressed that the plants had specified standards on the circular economy and that the material defined in those standards could be used as additives to cement. It was stated that material such as ceramic waste, marble waste and lime waste could be used as raw material mixture before the process. It was expressed that materials such as plastic, household waste were used as alternative fuel. In this respect, it was stated that they were in the circular economy in some way. It was stated that the cement industry was eventually the end user; that at this point it should decide one of the options such as being at the centre of circular economy or firstly recycling or receiving the material and using it internally.
- Can Akıncılar from İşbank brought up whether two different sample groups would be established in both sides for both CBA and circular economy.
- It was expressed by Başak Demir that request was made to discuss the following issues: whether the scope should be extended or sectoral diversity should be extended or the tools should be diversified for different sectors at that point.
- The co-chair of GCE-WG Umay Yılmaz expressed that the circular economy should have its own focus and scope; that the issue of carbon footprint measurement could be considered as addition in the event that it was mainly focused on the project.
- Şükrü Ünlütürk stated that the textile sector was large and widespread in terms of circular economy. It was stated that on one hand it was desired to collect information such as identification of waste and water consumption, related to circular economy in the enterprises where carbon footprint was measured and it was planned to give training on three different subjects with well-trained experts in selected enterprises. It was stated that those experts were expected to conduct one-to-one workplace visit; to interpret all of these measurements and to draw conclusions.
- It was stated by Başak Demir that the new stage reached in the project would be communicated along with the meeting notes.
- It was underlined by Umay Yılmaz that there might be training in line with their outputs of WGs; training content could be created in terms of eco-design; that experts and entities might be gathered. It was expressed that a report could be prepared on what are

the circular economy opportunities of selected sectors in Turkey. It was stated that it could be as a literature review.

- A proposal was made that a mapping system could be developed to mark and display in a geographic clustering system what alternative raw materials and fuel resources existed, what quantity of resources would be obtained per year per source, and how such sources could be accessed.
- Mention was made of WGs of Turkish Corrugated Cardboard Industrial Association in Brussels. Information was given on a federation to which all associations in the countries were affiliated. It was expressed that they started to work together on becoming carbon neutral. It was stated that the federation had a consultancy enterprise which would create a roadmap for the Turkish Corrugated Cardboard Industrial Association on how to become climate neutral and how to become carbon neutral by 2050. It was indicated that the study would be completed within six months.
- It was stated that the support could be provided for both the sectors in geographically different regions to structure different services to their medium-scale enterprises and to share awareness-raising opportunities with smaller scale enterprises.
- It was indicated that all recommendations would be discussed with the Executive Board as to which one(s) could be implemented.

PARTICIPANTS

Merve Birdal Griessl (B4G)

Armağan Vurdu (IMMIB - Istanbul Minerals and Metals Exporters)

Miry Arslan (B4G)

Başak Demir (B4G)

Tuba Seyyah (UNDP)

Aslıhan Arıkan (ASD)

Mukaddes Ersoy Er (TAV)

Gülhan Özdemir (ADASO [Adana Chamber of Industry])

Saygıın Özgen (Turkish Exporters Assembly)

Koray Hatipoglu (TÜDOKSAD [Turkish Foundry Association])

Nezahat Yıldırım (B4G)

Tugba Agacayak (ARÇELİK)

Ali Ertuğrul (USB Certification)

Yılmaz Bayraktar (Turkish Society for Quality [KALDER])

Serkan Türk (TÜRKÇİMENTO [Turkish Cement Manufacturers' Association])

Cem Menase (Captanomy)

Seda Karamanoğlu (Bilkent University)

Altuğ Erbil (Eczacıbaşı Holding)

Şeyda Dağdeviren (BCSD Turkey)

Hilal Kazan (ISO)

Veysel Kalaycıoğlu (AKİB [Mediterranean Exporters' Associations])

Can Akıncılar (İşbank)

Gülberk Ertap (ISO)

Şükrü Ünlütürk (B4G)
Çağrı Köseyener (Eczacıbaşı Holding)
Sinan Tandoğan
Melis Cengizhan (BCSD Turkey)
Oguzhan Akıncı (İnteraktif)
Zeynep Sanığök (TURKONFED)
Sabri Bülbül (Turkish Society for Quality [KALDER])
Umay Yılmaz (OMÜD [Turkish Corrugated Cardboard Industrial Association])
Derya Sargin Malkoç (İşbank)
Nilüfer Aktaş (ImpactMaze)
Aygen Erkal (IMSAD [Association of Turkish Construction Material Producers])
Miray Arslan (B4G)
Hansin Dogan (UNDP)
Arzu B. Yalabık (EBSO)
Çağlayan Karataş
İpek İşbitiren (MEYED [Turkish Fruit Juice Industry Association])
Ali Yoncacılar (Vitra)
Tuba Seyyah (UNDP)
Çiğdem Önsal (EİB [Aegean Exporters' Associations])