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European Union's Carbon Border Adjustment Mechanism and the Interest-Driven Diffusion of Türkiye's Climate Law[1]

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Abstract

Many countries pass national climate framework legislation that aims to pull their climate efforts together, offering a unified foundation that connects different strands of mitigation and adaptation into a single, coherent approach. In this global context, Türkiye presents an intriguing case. Türkiye has been a laggard in climate policy; its historical policy trajectory has been marked by reluctance and limited engagement. However, Türkiye has recently adopted a national climate law. This paper explores the reasons behind Türkiye's recent climate law in the light of alternative explanations and demonstrates that mainly the EU's CBAM altered the material interest calculations of the Turkish government, thereby triggering a process that resulted in the Climate Law. The paper conceptualises Türkiye's policy shift as a case of interest-driven diffusion driven primarily by external economic pressures emanating from the EU, which interact with domestic authoritarian neoliberal mechanisms. Specifically, this study offers insights into how external pressures and domestic conditions interact to influence policy outcomes. Employing a process-tracing methodology, the study systematically analyses Türkiye's external interactions, local developments, and policy trajectory.

Keywords: climate policy, climate law, European Union, Carbon Border Adjustment Mechanism, Emissions Trading, authoritarian neoliberalism

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Introduction

Climate change is one of the most significant threats for humanity, necessitating collective action within the international system. Multilateral agreements, such as the United Nations Framework Convention on Climate Change (UNFCCC), the Kyoto Protocol (KP), and the Paris Agreement (PA), aim to establish global commitments that are crucial for effective climate action. In this process, many states adopt national-framework climate laws that can provide an overarching legal basis for their climate policies.

In this global context, Türkiye[2] presents an intriguing case. Long considered a climate laggard,[3] Türkiye nevertheless recently adopted a national climate law. Given its status as one of the least likely countries to adopt climate legislation, this unexpected policy shift makes it a crucial subject for examining the drivers behind Türkiye's adoption of a national climate law. This paper explores the reasons behind Türkiye's recent Climate Law in light of these alternative explanations and demonstrates that mainly the European Union's (EU) Carbon Border Adjustment Mechanism (CBAM) altered the material interest calculations of the Turkish government, thereby triggering a process that resulted in the Climate Law. This study highlights how external pressures, particularly CBAM, interact with domestic conditions to shape policy outcomes.

The paper is structured as follows: First, we conceptualise climate laws and review the diffusion literature; second, we outline our methodology; third, we provide a process-tracing analysis of Türkiye's Climate Law. We then assess alternative explanations before concluding that interest-based diffusion of the Climate Law was triggered by the CBAM, yet against the backdrop of an institutional complex that increasingly pushes states to adopt market-based climate mitigation policies and align themselves with the PA.

Climate Laws and Their Diffusion

Zahar defines climate law as any law that obliges entities to take climate action or related procedures, defines penalties for non-compliance, or provides incentives to promote compliance.[4] Scholars commonly distinguish climate laws as sectoral and framework laws.

Sectoral laws address specific areas directly related to climate change, such as water or forest management, environmental impact assessment, and energy regulation, while framework laws provide a common, comprehensive framework for developing climate change policies. The most critical feature of framework laws can be considered the establishment of a systematic legal basis for climate and environmental regulation. Framework laws achieve this by integrating existing relevant legislation, charting a future course for climate policies, and specifying necessary transformations within the existing institutional structure. Framework laws typically include targets, governance arrangements, data systems, advisory bodies, coordination mechanisms, and financing tools.[5] In that regard, framework laws are the main laws that should be studied when it comes to analysing a country's commitment to climate change policies.

According to Fankhauser and others, most countries included in Annex 1 of the KP enacted climate laws between 2007 and 2010 because they had binding targets for greenhouse gas reduction.[6]

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[2] Official name of the country in English was changed from Turkey to Türkiye in 2022 at the United Nations.

[3] Turhan, Ethemcan / Mazlum, Semra Cerit / Şahin, Ümit / Şorman, Alevgül H., and Arif Cem Gündoğan. 2016. Beyond special circumstances: Climate change policy in Turkey 1992–2015. *Wiley Interdisciplinary Reviews: Climate Change* 7(3), 448–460.

[4] Zahar, Alexander. 2021. What is climate law? *SSRN Electronic Journal*, 1.

[5] Sridhar, Anirudh / Dubash, Navroz K. / Averchenkova, Alina / Higham, Catherine / Rumble, Olivia, and Andrew Gilder. 2022. *Climate governance functions: Towards context-specific climate laws*. London: Grantham Research Institute on Climate Change and the Environment.

[6] Fankhauser, Samuel / Gennaioli, Caterina, and Murray Collins. 2016. Do international factors influence the passage of domestic climate change legislation? Climate Policy 16(3), 318–336.

Remarkably, despite the lack of a legal obligation to enact a climate law, since 2009, 33 countries outside Annex 1 have enacted a total of 34 framework climate laws.[7] As a result, a body of literature has emerged examining the underlying reasons for the proliferation of climate laws worldwide. In the next section, we review this body of literature and situate our argument within it.

Analytical Framework and the Literature Review

The literature on climate law adoption highlights two main explanations: constructivist and interest-driven. This paper therefore focuses on these two approaches. Constructivist studies show that governments are more likely to adopt climate laws when they participate more frequently in climate-related multilateral forums and learn from their peers, even in the absence of legally binding agreements.[8] Similarly, countries hosting international climate conferences often enact climate legislation within the following two years to signal environmental leadership and maintain their reputation.[9]

Others emphasise the interest-maximising behaviour of actors to explain the adoption of climate legislation.[10] From this perspective, interests are identified as a key factor of policy diffusion, often referred to as "interest-driven diffusion."[11] This type of diffusion assumes that governments make strategic policy choices based on their domestically or locally derived self-interests. It can be triggered by pressure from the public, business, and external events to avoid the costs of climate impacts. Bromley-Trujillo and Holman argue that climate policies are more likely when the public perceives climate change as a serious issue and environmental concerns receive greater attention.[12] Interest-driven diffusion may also occur as governments react to policies adopted elsewhere.[13] Research further suggests that greater dependence on fossil fuels and mining reduces the likelihood of climate policy adoption.[14] Even in non-exporting countries, reliance on oil, gas, and coal can create significant political and economic barriers due to entrenched energy interests.[15] Electoral considerations also matter: because policies such as carbon taxes can impose costs on producers and consumers, governments may avoid introducing them before elections to maintain voter support.[16]

We argue that Türkiye's Climate Act is best explained by interest-driven diffusion caused by changing interest calculations due to the enactment of the CBAM.[17] Considering the increasingly centralised power of the executive branch, led by President Erdoğan, the influence of bureaucracy and electoral strategy on climate policy appears limited.[18] Given Türkiye's trade dependency on the EU and the emissions-intensive nature of its key export sectors, the Climate Law might be understood as an interest-maximising decision to avoid future material costs and increase material gains. This occurred within a wider institutional environment of overlapping climate, trade, and

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[7] Climate Change Laws of the World. Climate change framework laws (accessed: 16 June 2025).

[8] Fankhauser / Gennaioli, and Collins, *Do international factors influence*.

[9] Neumayer, Eric. 2002. Do democracies exhibit stronger international environmental commitment? A cross-country analysis. *Journal of Peace Research* 39(2), 139–164.

[10] Peters, B. Guy / Jordan, Andrew, and Jale Tosun. 2017. Over-reaction and under-reaction in climate policy: An institutional analysis. *Journal of Environmental Policy & Planning* 19(6), 612–624.

[11] Schoenefeld, Jonas J. / Schulze, Kai, and Nils Bruch. 2022. The diffusion of climate change adaptation policy. *Wiley Interdisciplinary Reviews: Climate Change* 13(3), e775.

[12] Bromley-Trujillo, Rebecca, and Mirya R. Holman. 2020. Climate change policymaking in the states: A view at 2020. *Publius: The Journal of Federalism* 50(3), 446–472.

[13] Jensen, Anne / Nielsen, Helle Ørsted, and Duncan Russel. 2023. Diffusion of climate policy integration in adaptation strategies: Translating the EU mandate into UK and Danish national contexts. *Regional Environmental Change* 23(4), 130.

[14] Fankhauser, Samuel / Gennaioli, Caterina, and Murray Collins. 2015. The political economy of passing climate change legislation: Evidence from a survey. Global Environmental Change 35, 52–61.

[15] Lamb, William F., and Jan C. Minx. 2020. The political economy of national climate policy: Architectures of constraint and a typology of countries. *Energy Research & Social Science* 64, 101429.

[16] Fankhauser / Gennaioli, and Collins, *The political economy of passing climate change legislation*.

[17] cf. Dyrhauge, Helene, and Kristina Kurze (eds.). 2023. *Making the European Green Deal work: EU sustainability policies at home and abroad*. London: Routledge.

[18] Soyaltin-Colella, Digdem. 2023. When does bureaucracy function in autocratizing regimes? The Court of Auditors in Turkey. *Turkish Studies* 24(2), 357–378.

financial regimes that increasingly reward market-based climate policy.[19] Yet, Türkiye's authoritarian-neoliberal domestic structure shaped and shoved this response. While CBAM is treated as the trigger, representing an external economic shock that created the political and economic impetus for the adoption of the 2025 Climate Law, it does not account for the specific form the Act ultimately took.

To explain this dimension, authoritarian neoliberalism is conceptualised as part of the causal mechanism that produced the particular Climate Law of 2025. Authoritarian neoliberalism explains how the legislative process was structured and why the Act was formulated in a manner characterised by limited democratic participation, the marginalisation of climate NGOs, and the privileging of business and coal-related interests. In this sense, authoritarian neoliberalism shaped the mode of enactment and the substantive content of the legislation. The outcome is the 2025 Climate Law itself, particularly its emphasis on an Emissions Trading System (ETS). Accordingly, CBAM explains why the Law emerged as a policy response, whereas authoritarian neoliberalism explains how it was enacted and why its institutional design reflects anti-democratic, ETS-focused and coal-friendly characteristics.

Research Design and Data

The article analyses the reasons for Türkiye's Climate Law step and aims to contribute to the literature on climate law adoption by addressing this issue as a least-likely case, as Türkiye has long been classified as a laggard in climate action, which is not likely to adopt a framework climate law. In this context, the research question is "Why did Türkiye adopt a climate law in 2025?" The country's historical policy course has been characterised by reluctance and minimal participation.[20] Secondary data from official sources, newspapers, and existing literature will be used alongside primary data from the official documents of the Turkish government to triangulate our sources. Using the process-tracing method,[21] the study traces how international and domestic dynamics interacted to produce this policy shift. In the following section, we outline Türkiye's development as a climate laggard in the international climate regime to locate the puzzle of Türkiye's adoption of the Climate Law.

Background: Türkiye's policy towards international climate agreements

The UNFCCC (1992) established a general framework to prevent the dangerous effects of climate change. Although it imposes obligations such as submitting national communications, it does not require states to adopt specific climate legislation.[22] The Kyoto Protocol (KP), adopted in 1997, introduced binding and measurable emission reduction commitments for developed countries listed in Annex B.[23] The Paris Agreement (PA), adopted in 2015, created a new climate governance architecture based on a commitment-and-review system in which parties determine their own Nationally Determined Contributions (NDCs). Under the principle of "common but differentiated responsibilities," both developed and developing countries are expected to undertake climate action according to their national circumstances.[24]

Türkiye's position under the UNFCCC has been shaped by its unique classification. As an OECD member, Türkiye was initially listed in both Annex I and Annex II alongside industrialised countries. While Annex I countries were expected to lead emission reduction efforts, Annex II

[19] Oberthür, Sebastian / Hermwille, Lukas, and Tim Rayner. 2021. A sectoral perspective on global climate governance: Analytical foundation. *Earth System Governance* 8, 100104.
[20] Turhan et al., *Beyond special circumstances*.
[21] Beach, Derek, and Rasmus Brun Pedersen. 2019. *Process-tracing methods: Foundations and guidelines*. 2nd ed. Ann Arbor: University of Michigan Press.
[22] UNFCCC Secretariat. United Nations Framework Convention on Climate Change (accessed: 27 August 2026).
[23] Mazlum, Semra Cerit. 2017. Turkey and post-Paris climate change politics: Still playing alone. *New Perspectives on Turkey* 56, 145–152.
[24] Mazlum, *Turkey and post-Paris climate change politics*, 147–148.

countries were also required to provide financial and technological support to developing countries. Türkiye objected to this classification, arguing that its "special conditions" should be recognised.[25] Consequently, its accession to the UNFCCC and the KP was delayed by 12 years. In 2000, Türkiye proposed to remain in Annex I while being removed from Annex II under its special circumstances. After this request was accepted at COP7, Türkiye acceded to the UNFCCC in 2004 and the KP in 2009 without undertaking any emission reduction commitments.[26]

Türkiye's submission of its Intended NDC in 2015, ratification of the PA in 2021, declaration of a 2053 net-zero target, and subsequent revision of its 2030 emissions-reduction goal to 41 % below the INDC's business-as-usual projection might, taken together, suggest improvement in its climate ambitions. Yet, Türkiye's continued dependence on fossil fuels, and subsidies for especially coal,[27] and the lack of detailed milestones or enforcement mechanisms to reach net-zero in 2053,[28] as well as the inflated business-as-usual scenario it uses to calculate and pledge emission reduction targets[29] raises doubts on whether there is any real change. In the most recent NDC 3.0, Türkiye pledged to limit GHG emissions to 643 Mt CO_2 eq. in 2035, compared to 458.8 Mt CO_2 eq in 2018, which was taken as the reference year in Türkiye's NDC 3.0.[30] However, independent analyses point out that to reach its net-zero target, Türkiye should have peaked its GHG emissions in 2021, and reduction of emissions should have started in 2025 as opposed to the NDC 3.0 pledge by Türkiye to increase rather than decrease GHG emissions until 2035.[31] Altogether, these developments demonstrate that Türkiye is still a reluctant climate actor, which adopts climate policies partially when they serve other strategic interests.[32]

Emissions Trading System (ETS) and Türkiye's Recent Climate Law

Turkish legal framework before the Climate Law was adopted mostly contained sporadic references to climate change and GHG emissions.[33] While different aspects of climate change and climate policy are covered by individual acts and regulations, there was no framework climate law before.[34] Local authorities had duties and powers regarding environmental matters, including climate change, which enabled some municipalities to make progress in preparing climate action plans and creating greenhouse gas inventories, mostly with the support of EU programs.[35] The climate governance architecture of Türkiye has so far been characterised by fragmented responsibilities across multiple administrative bodies, such as different Ministries responsible for the environment, energy, forests, and a lack of civil society participation in decision-making on climate policy. Due to the lack of a framework climate law, national-level efforts often lacked consistent and long-term predictability.[36] For all these reasons, a climate law that included civil society meaningfully in the decision-making process and that would set an absolute emission

[25] Turhan et al., *Beyond special circumstances*.
[26] Türkeş, Murat. 2017. Climate change policy and the cost of inaction: An institutional account from Turkey. *New Perspectives on Turkey* 56, 133–139.
[27] Alparslan, Ufuk. 2025. *Türkiye electricity review 2025*. London: Ember.
[28] Climate Action Tracker. 2024. *Türkiye*. *Climate Action Tracker*, 12 November 2024.
[29] Yeldan, Erinç. 2025. *Towards an integrated green transformation strategy: Report for Türkiye*. (Project Paper No. 14). Geneva: United Nations Conference on Trade and Development.
[30] Republic of Türkiye. 2025. *İklim Kanunu (Kanun No. 7552)*. *Resmî Gazete*, 9 Temmuz 2025, Sayı 32951, Madde 8(1–ç).
[31] Istanbul Policy Center. 2025. *Turkey's decarbonization roadmap: Towards net zero by 2053*. Executive summary. Istanbul: Istanbul Policy Center.
[32] Turhan, Ethemcan, and Arif Cem Gündoğan. 2019. Price and prejudice: The politics of carbon market establishment in Turkey. *Turkish Studies* 20(4), 512–540.
[33] Kocaman, Habip. 2025. *İklim Kanunu'nun yasama macerası*. *İklim Haber*, 9 July 2025.
[34] Such as Disaster Risk Management, Conservation of Biodiversity, Water Safety and Security, Food Safety and Security as well as Energy Efficiency and Renewable Energy. See Climate Change Laws of the World, *Climate change framework laws*.
[35] Guler, Yasemin, and Prashant Kumar. 2022. Climate change policy and performance of Turkiye in the EU harmonization process. *Frontiers in Sustainable Cities* 4, 1070154; Yazar, Mahir / Cetinkaya, Irem Daloglu / Fide, Ece Baykal, and Håvard Haarstad. 2023. Diffusion of global climate policy: National depoliticization, local repoliticization in Turkey. *Global Environmental Change* 81, 102699.
[36] Savaşan, Zerrin. 2019. Climate governance in Turkey: A forward-looking perspective. *Turkish Studies* 20(4), 541–571.

reduction target for Türkiye was needed.[37] However, the Climate Law adopted by Türkiye in 2025—although laying the foundation for an ETS—fell short of core good-governance principles, including transparency, accountability, predictability, and efficiency, as will be examined below.

Turhan and Gündoğan demonstrate the influence of pressure from international financial institutions on Türkiye's efforts to prepare the legal infrastructure to establish an ETS that could be linked to international carbon markets. Particularly for capital flow-starved countries like Türkiye, the pressure from international financial institutions and the private sector is powerful, as it is key to economic growth.[38] ETS creates an artificial scarcity for carbon, which is transformed into a fictional commodity. ETS is a market-based tool to limit GHG emissions, and it is criticized by scholars for being inefficient, open to corruption, and reinforcing neoliberal policy frameworks.[39] Since Türkiye adopted its Climate Act, the ETS policy process has also picked up speed. While the Climate Act heavily focused on establishing the ETS, pursuant to ETS legislation, has been opened for public consultation immediately afterwards.[40]

Türkiye's plans to transition to an ETS after 2011 date back to Türkiye's National Programme of 2008. As a candidate for EU membership, Türkiye had to align itself with the EU acquis on ETS, among others. The EU ETS, in place since 2005, is a carbon pricing mechanism aimed at encouraging companies in the EU to reduce emissions. Under the EU ETS, a cap is set on the total amount of carbon emissions allowed from covered installations. Companies receive emission allowances equivalent to their permitted emissions. These allowances can be traded in a carbon market, thereby giving carbon a price. This system is referred to as "cap-and-trade."

Türkiye's efforts to set up an ETS were supported by the World Bank through the Partnership for Market Readiness (PMR) Programme, which Türkiye joined in 2011. PMR Phases ran between 2013 and 2018 and supported the establishment of a Monitoring, Verification and Reporting (MRV) system and analyses of market-based mechanisms for GHG emissions reduction in Türkiye.[41] The MRV Regulation was developed by the Ministry of Environment and Urbanization as part of the harmonisation process with the EU ETS Directive, and its testing was supported by the PMR.[42] In parallel, successive European Commission reports highlighted the absence of binding emissions reduction targets, the lack of alignment with the EU's climate framework, and the need to provide a stronger legal basis for climate policy in Türkiye.[43] Financing for PMR Phase II was signed for the 2019-2021 period with the objective of establishing the technical and institutional capacity required for an ETS, while drafting a climate law as its legal basis was added to the project.[44] The draft climate law was prepared by 2020. Shortly after the agreement was signed, Ursula von der Leyen announced the European Green Deal in December 2019, signaling the forthcoming CBAM.[45]

[37] Savaşan, *Climate governance in Turkey*; Turhan, Ethemcan. 2017. Climate change policy in Turkey: Current opportunities, persistent problems: Introduction. *New Perspectives on Turkey* 56, 131–133.
[38] Turhan and Gündoğan, *Price and prejudice*.
[39] Lohmann, Larry. 2008. Carbon trading, climate justice and the production of ignorance: Ten examples. *Development* 51, 359–365; Konak, Nahide. 2011. Küresel iklim değişikliği, Kyoto Protokolü esneklik mekanizmaları, gönüllü karbon piyasası ve Türkiye: Eleştirel yaklaşım. *Alternatif Politika* 3(2), 154–178; Turhan and Gündoğan, *Price and prejudice*.
[40] Directorate of Climate Change. 2025. Türkiye Emisyon Ticaret Sistemi Yönetmeliği taslağı yayımlandı. 22 July 2025.
[41] World Bank. 2019. *Implementation Completion and Results Report: PMR Turkey (P126101)* (Report No. ICR00004719). World Bank.
[42] Orucu, Ayse Yasemin. 2021. *Implementation completion and results report: Partnership for Market Readiness 2 Project (P168730).* Report No. ICR00005576. Washington, DC: World Bank.
[43] European Commission. 2014. Turkey progress report 2014. Brussels: European Commission (accessed: 5 November 2025); European Commission. 2015. Turkey 2015 report. Brussels: European Commission (accessed: 5 November 2025); European Commission. 2016. Turkey 2016 report. Brussels: European Commission (accessed: 5 November 2025).
[44] World Bank. *Implementation status and results report.*
[45] European Commission. 2019. The European Green Deal. COM(2019) 640 final. Brussels: European Commission.

The EU's CBAM and Türkiye's Climate Policy Turn

The CBAM is introduced by the EU as part of the Fit for 55 legislative packages, which are designed to bring the EU to reach its 2030 GHG emission reduction target of 55 % reduction. However, rather than reducing emissions in the EU directly, CBAM aimed to maintain European industries under ETS competitiveness by extending the same carbon cost EU producers pay due to the ETS to imported goods, thereby ensuring a level playing field between domestic and foreign producers. Secondly, CBAM aims to minimise the risk of carbon leakage. Carbon leakage refers to the risk of companies relocating their production to countries with weaker climate regulations and lower carbon costs. CBAM seeks to minimise this risk while also encouraging third countries to implement carbon pricing to retain access to the EU market.

CBAM is designed to complement the EU ETS. It requires importers into the EU to purchase CBAM certificates corresponding to the embedded emissions in the imported products. The price of these certificates is based on the prevailing carbon price under the EU ETS. If a carbon price has already been paid in the exporting country, that amount can be deducted from the CBAM payment, preventing double regulation. CBAM's financial obligations will be phased in beginning in 2026. The 2023–2025 period functions as a transition phase focused solely on reporting. Türkiye had already set an ETS as its goal as part of its accession process to the EU and conducted preparation for an ETS with the support of PMR. With the introduction of the CBAM in 2019, the long-delayed ETS objective of Türkiye gained impetus.

In 2021, Türkiye ratified the Paris Agreement (PA) amid continued EU membership conditionality, its efforts to revise its Annex I status, and ongoing World Bank-supported projects preparing the foundations of a national Emissions Trading System (ETS). However, EU conditionality alone cannot explain the timing of ratification, as the European Commission had consistently called on Türkiye to ratify and implement the PA since its 2015 and 2016 Progress Reports.[46] Instead, the availability of international green-transition financing and the approaching implementation of the EU's Carbon Border Adjustment Mechanism (CBAM) provide a more convincing explanation for the policy shift.[47] Following ratification, President Erdoğan announced a net-zero target for 2053, while the Directorate of Climate Change and UNDP began preparing Türkiye's updated NDC and Long-Term Climate Strategy.[48] Supporting this interpretation, Deputy Minister Mehmet Emin Birpınar stated that limiting the effects of CBAM on the Turkish economy was one reason for ratifying the PA and that a climate law was being prepared in response to the European Green Deal.[49]

Despite Türkiye's ratification of the PA in 2021 and its declaration of a net-zero target by 2053, which were developments welcomed by the European Commission in the 2021 Report, Türkiye was found lagging behind in public participation and the right to access environmental information.[50] Subsequent developments further reveal the mechanism linking international economic pressures to domestic climate legislation. In 2022, the Climate Change Council brought together representatives from public institutions, municipalities, academia, civil society, international organisations, and the private sector to discuss climate policy.[51] Although the government

[46] European Commission, *Turkey 2015 report*; European Commission, *Turkey 2016 report*.
[47] Reuters. 2021. Erdogan says Turkey signed $3.2 bln green climate fund deal. *Reuters*, 27 October 2021; Spicer, Jonathan, and John Irish. 2021. Exclusive Turkey set to receive 3.1 bln euro loans to help Paris climate goals—sources. *Reuters*, 14 October 2021.
[48] Net Sıfır Türkiye. n.d. The 2053 net-zero target and Türkiye's long-term climate change strategy (accessed: 16 November 2025).
[49] Euronews. 2021. AB'nin karbon vergisi, Türkiye'nin Paris Sözleşmesi'ni onaylamasında önemli rol oynadı, *Euronews*, 8 November 2021.
[50] European Commission. 2021. *Turkey 2021 report*. SWD(2021) 290 final. Brussels: European Commission.
[51] Directorate of Climate Change. *Türkiye emisyon ticaret sistemi.*

presented the Council as a basis for future climate legislation, civil society participants reported that proposals for a coal phase-out were removed from the final report.[52] This suggests that while consultation occurred, climate policy remained constrained by entrenched coal interests, highlighting a key domestic cleavage rooted in the political-economic dynamics of Türkiye's neoliberal authoritarian regime.[53]

Türkiye's Long-Term Climate Change Strategy states that the results of the Climate Change Council "formed the basis for key policy documents, including the NDC, Climate Change Mitigation and Adaptation Strategy and Action Plans, the Long-Term Climate Strategy, and the *draft climate law*". According to the Long-Term Strategy, the climate law was being drafted to incorporate the PA into domestic law and to create a legal framework for climate change action in Türkiye, without specifically mentioning the ETS or CBAM initially. Later, the Strategy spells out the details of such climate action to include the establishment of an ETS in Türkiye to mitigate the economic effects of the CBAM on the Turkish manufacturing industry.[54] For example, according to a cost and impact analysis study conducted jointly by the Ministry of Environment, Urbanization, and Climate Change and the European Bank for Reconstruction and Development (EBRD), the costs of the CBAM will remain relatively low for 2027. It is predicted that the greatest cost pressure will be on the iron and steel, cement, chemicals, refinery, and electricity sectors once the system is fully implemented. On the other hand, according to the Country Climate and Development Report - CCDR, whose data is used by the Ministry of Trade within the framework of impact analyses, the potential export losses that the CBAM implementation will create for sectors are as follows: The costs were calculated to be between 0 % and 23.1 % for chemicals, between 6.2 % and 23.5 % for cement, between 2.7 % and 8.7 % for iron and steel, and between 2.4 % and 3.5 % for aluminum. According to this analysis, emissions from electricity used in production will have the greatest impact on costs and export losses.[55] However, the CBAM regulation allows for reductions in these costs if the exporting country operates its own transparent carbon pricing system. This means that if Türkiye establishes a national ETS, domestic carbon prices could be deducted from CBAM costs, keeping the revenues within the national economy. In this manner, Türkiye maintains the revenue from carbon pricing nationally even if European importers are still supposed to pay the difference between what Turkish companies pay to the Turkish ETS and the EU's CBAM price.[56] Likewise, in its Medium Term Programme 2023-2025, Türkiye announced its targets of establishing an ETS in response to the CBAM, and adopting a sustainable activities taxonomy.[57] However, these targets had not materialised by the time the European Commission published its 2024 Progress Report, which underscored that Türkiye had still not adopted a climate act or set up the legal provisions for an ETS, noting that these steps are crucial to substantiate its climate-neutrality goal for 2053. The report also emphasised that Türkiye's NDC still lacks an absolute emissions reduction target aligned with science and the EU's Fit for 55 legislative packages.[58]

Türkiye's Climate Law adoption

The Climate Law proposal was finally submitted to the Parliamentary Speaker's Office on February 20, 2025, with the signatures of Justice and Development Party (AKP) members of

[52] Şahin, Ümit. 2022. İklim Şurası politika tavsiye kararlarına şerh: Neden hayır oyu verdim? *Yeşil Gazete*, 28 February 2022.
[53] Adaman, Fikret / Arsel, Murat, and Bengi Akbulut. 2019. Neoliberal developmentalism, authoritarian populism, and extractivism in the countryside: The Soma mining disaster in Turkey. *The Journal of Peasant Studies* 46(3), 514–536.
[54] Republic of Türkiye. 2024. *Türkiye's 2053 long-term climate strategy*. Ankara: Ministry of Environment, Urbanization and Climate Change. (accessed: 18 June 2026).
[55] Republic of Türkiye Ministry of Trade. 2024. *Ticaret Bakanlığı SKDM sunumu*. Presentation, 23 February 2024.
[56] European Parliament and Council. 2023. Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May 2023 establishing a carbon border adjustment mechanism. *Official Journal of the European Union* L 130, 52–104.
[57] Presidency of Strategy and Budget. 2025. *Medium term program (2026–2028)*. Ankara: Presidency of Strategy and Budget.
[58] European Commission. *Türkiye 2024 report*.

parliament. Civil society actors report that the draft climate law that was proposed was not the same as the one drafted as part of the PMR project earlier.[59] While civil society was incorporated in the Climate Council meeting in 2022, which allegedly provided the basis for the draft climate law, civil society's recommendation for a coal exit plan was removed from the final report of the Council, thus removed from the input for the draft climate law as well.[60] In the remaining drafting process, civil society was not consulted either. It was emphasised by the Deputy Minister of Environment, Urbanization, and Climate Change that the main headings of the draft climate law were discussed with members of the Climate Change and Adaptation Coordination Board (İDUKK),[61] in which public institutions and business associations are represented. The composition of İDUKK tilts it naturally towards business and government interests, thereby excluding climate civil society's voice.[62] The presence of TOBB, which directly represents the private sector in the IDUKK, plays a fundamental role in ensuring that the realities of the industrial sector's capacity, financing needs, and competitiveness are constantly on the agenda, thus enabling the state to take more cautious and less burdensome actions in domestic politics, in line with its ambitious net-zero promises made in the international arena.[63]

Such prioritisation of certain business interests at the expense of climate NGOs is a characteristic of Türkiye's authoritarian neoliberal system, in which opposition and independent media have largely been muzzled by lawsuits and arrests,[64] increased control over the courts and the state apparatus, by the governing party, AKP.[65] These changes are made to save the government from political and social challenges[66], and to increase the executive's power to force the implementation of neoliberal policies.[67] Authoritarian neoliberalism manages legitimacy crises through repression[68] and alienates the public from the policy-making process through restrictions and obstruction.[69] Authoritarian neoliberalism favours certain businesses that are loyal to the regime.[70] The AKP government's close political relations with construction and fossil fuel companies are exemplified through ongoing support for coal-fired power plants, investments in fossil fuel infrastructure, and zoning permits for the construction sector.[71] Instead of hindering climate legislation, authoritarian neoliberalism in Türkiye shapes it in line with the structural design between the state and emission-intensive businesses. The state expands its intervention in the economic sphere as an authoritarian fix to support loyal business groups.[72] In the realm of climate policy, this mechanism is manifested through market-based tools such as the Emission Trading System (ETS), instead of a strict coal phase-out plan or promoting widespread use of

[59] Bagatır, Bulut. 2021. Türkiye'nin nasıl bir iklim yasasına ihtiyacı var? *İklim Haber*, 16 July 2021.
[60] Batıhan, Yüsrü. 2025. İklim kanunu teklifi kimlerle hazırlandı: Biz çağrılmadık. *Gazete Duvar*, 11 March 2025.
[61] Anadolu Ajansı. 2025. Türkiye'nin ilk 'İklim Kanunu Teklifi'nin tümü üzerindeki görüşmeler tamamlandı. *Anadolu Ajansı*, 26 February 2025.
[62] İDUKK was established by Presidential Decree No. 85 on 29 October 2021, replacing the previous Coordination Board on Climate Change and Air Management; cf. Savaşan, *Climate governance*.
[63] Union of Chambers and Commodity Exchanges of Türkiye (TOBB). n.d. İklim Değişikliği ve Uyum Koordinasyon Kurulu 2025 yılının ilk toplantısı gerçekleştirildi (accessed: 9 June 2026); Union of Chambers and Commodity Exchanges of Türkiye. n.d. İklim Değişikliği ve Uyum Koordinasyon Kurulu toplandı (accessed: 9 June 2026).
[64] Alemdaroğlu, Ayça / Baykan, Toygar Sinan / Bayurgil, Ladin, and Aytuğ Şaşmaz. 2025. Turkey's hard road to democratic renewal. *Journal of Democracy* 36(3), 121–134; Esen, Berk, and Şebnem Gümüşçü. 2025. How to fight Turkey's authoritarian turn. *Journal of Democracy* 36(3), 106–120.
[65] Altınörs, Görkem, and Ümit Akçay. 2022. Authoritarian neoliberalism, crisis, and consolidation: The political economy of regime change in Turkey. *Globalizations* 19(7), 1029–1053.
[66] Bruff, Ian. 2014. The rise of authoritarian neoliberalism. *Rethinking Marxism* 26(1), 113–129.
[67] Kaygusuz, Özlem. 2018. Authoritarian neoliberalism and regime security in Turkey: Moving to an 'exceptional state' under AKP. *South European Society and Politics* 23(2), 281–302.
[68] Altınörs and Akçay, *Authoritarian neoliberalism, crisis, and consolidation*.
[69] Özkiziltan, Didem. 2019. Authoritarian neoliberalism in the AKP's Turkey: An industrial relations perspective. *Industrial Relations Journal* 50(3), 218–239.
[70] Saad-Filho, Alfredo. 2021. Brazilian democracy facing authoritarian neoliberalism. *Direito Público* 18(97).
[71] Esen, Berk, and Şebnem Gümüşçü. 2021. Why did Turkish democracy collapse? A political economy account of AKP's authoritarianism. *Party Politics* 27(6), 1075–1091; Yeşilbağ, Melih. 2021. Statecraft on cement: The politics of land-based accumulation in Erdoğan's Turkey. *Urban Studies* 59(13), 2679–2694.
[72] Altınörs and Akçay, *Authoritarian neoliberalism, crisis, and consolidation*.

rooftop solar power plants (SPPs).[73] Thus, carbon is transformed into a 'fictional commodity,' reducing ecological necessity to a technocratic process.[74] While oppositional demands are suppressed, new profit and rent opportunities are created for the state and pro-regime companies.[75]

Such state-business relations show that the removal of civil society's recommendation for phasing out coal from the draft of the Climate Act is directly related to the structural resistance of existing energy actors in the business world to the green transition. Unsurprisingly, the Climate Law draft did not include a plan for Türkiye to exit coal, a scientific advisory board on climate change policy, and the date for the net zero target was also not mentioned in the text of the law, which renders the net zero target date non-binding under the Climate Law.[76]

The justification for the law proposal also contained the goal to mitigate the negative impact of the CBAM on Turkish exporters by the establishment of an ETS in Türkiye.[77] The government's step to establish an ETS to protect exporters is actually a direct reflection of the demands of the Turkish Industry and Business Association (TÜSİAD) and the Union of Chambers and Commodity Exchanges of Türkiye (TOBB). Indeed, the most important motivation for the green transition for TOBB members is to avoid being affected by the CBAM of the European Union, Türkiye's largest market. The focus of the meetings is not on absolutely reducing emissions, but on Türkiye's avoidance of the negative effects of CBAM.[78] On the other hand, TÜSİAD views the climate crisis and processes like the European Green Deal as a matter of not losing its share in Europe, Türkiye's largest export market, and argues that changing production and consumption patterns is a necessity. TÜSİAD predicts that early compliance with regulations such as the EU's Clean Energy Transition and Resilience Act will create a competitive advantage rather than a cost for companies.[79] Therefore, they expected a clear Climate Law from the government that will eliminate uncertainty and support modernisation investments.

The Climate Act also suggests the possibility for Türkiye to establish its own national carbon border adjustment mechanism to protect its own industry under the ETS.[80] Consequently, the Turkish government would gain revenues through its ETS and CBAM, while helping its manufacturers to remain relatively competitive in the EU market compared to manufacturers based in countries with no carbon pricing in place. Thus, the CBAM pushed the Turkish government to finalise its long-delayed journey of establishing an ETS since 2011, and to adopt the Climate Law that would be its legal basis.

The Climate Law proposal was submitted to the main committee, the Environment Committee, on 21 February 2025, and to the subordinate committees, namely, the Justice, Planning and Budget, Industry, Trade, Energy, Natural Resources, and Information and Technology Committees.[81] Upon the request by the members of the opposition parties in the Environment Commission, some

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[73] Independent Industrialists and Businessmen Association (MÜSİAD). 2021. *Energy and environment report* (accessed: 8 June 2026).
[74] Turhan and Gündoğan, *Price and prejudice*.
[75] Bryant, Gareth. 2018. Nature as accumulation strategy? Finance, nature, and value in carbon markets. *Annals of the American Association of Geographers* 108(3), 605–619.
[76] Sağlam, Mühdan. 2025. *Türkiye'nin ilk iklim kanunu: Hedefsizlik ve fosil yakıtlardan çıkış sorunu - I*. Ankara: TEPAV.
[77] Grand National Assembly of Türkiye (TBMM). 2025. *İklim Değişikliği Kanunu Teklifi ve genel gerekçesi (2/2927)*. Ankara: TBMM.
[78] *Union of Chambers and Commodity Exchanges of Türkiye (TOBB).* n.d. Yeşil dönüşüm ve sınırda karbon düzenleme mekanizması bilgilendirme ve istişare toplantıları başladı (accessed: 7 June 2026); Union of Chambers and Commodity Exchanges of Türkiye (TOBB). 2025. 2025 yılı yeşil dönüşüm bilgilendirme toplantıları başladı (accessed: 8 June 2026).
[79] Turan, Orhan. 2023. Opening speech of the launch event for the report on 'forest ecosystems and carbon sink area management in combating the climate crisis in Turkey'. Paper presented at the TÜSİAD Launch Event, İstanbul, May 22, 2023; Turan, Orhan. 2024. 2024 global risks report conference speech. Paper presented at the TÜSİAD Conference, İstanbul, 7 May 2024.
[80] Republic of Türkiye. *İklim Kanunu*.
[81] Kocaman, *İklim Kanunu'nun yasama macerası*.

climate NGOs were admitted to the Commission meeting on 26 February to give their opinions on the draft climate law.[82] After being debated at the Turkish Grand National Assembly, the first four articles of the law were adopted, signalling initial progress, but this occurred amidst a strong popular backlash against the Climate Act, underscoring the challenges of enacting comprehensive climate policy in Türkiye. Subsequently, the discussions were postponed. The proposal was kept on the General Assembly agenda for a while and then resumed on 25 June 2025, with no major amendments to the proposal.[83] The proposal, which was also discussed on 25 June and 1 July, became law on 2 July 2025. It was sent to the Presidency on 3 July 2025. Parliamentarians from the ruling AKP- Nationalist Action Party alliance viewed the proposal as accelerating the transition to a green and circular economy and providing Türkiye with an advantage in foreign trade and international financial mechanisms by aligning with global climate policies. The parliamentarians from the opposition, however, criticised the proposal as serving commercial interests.[84]

In October 2025, the Independent Industrialists' and Businessmen's Association (MÜSİAD) published a report expressing its commitment to the net-zero emissions target by 2053, strongly criticising the government's lack of a coal phase-out plan in the 2025 Climate Law and its failure to cut approximately 400 billion TL in fossil fuel subsidies, which is the most concrete evidence of the inconsistency between rhetoric and action. Furthermore, in its 2025 reports, MÜSİAD explicitly criticises the policy inconsistencies between the state's climate documents (NDC, Adaptation Plan) and energy documents (National Energy Plan, etc.).[85]

The Climate Law that was adopted contained references to climate adaptation and just transition, but without details. The majority of the act is devoted to creating the legal framework of ETS; however, without specific emission reduction targets. The fact that the act does not include binding targets such as a coal phase-out and net-zero date justifies MÜSİAD's warnings that industrialists will be crushed under the weight of CBAM costs and investment uncertainty,[86] while demonstrating that the Law responds to the short-term cost concerns of TOBB members rather than ecological transformation.[87]

There is a lack of effective accountability in the Law[88] as the Parliament or an independent scientific board is not designated to monitor climate policies or emission reduction targets. The content and timing of the Climate Law point to the changing incentive structure for Turkish policymakers, leading to their swift adoption of the climate law, mainly due to the CBAM's definitive period, designated to start in 2026, which involves importers paying the CBAM border adjustment prices.

Yet, such shifts emerge from overlapping regulatory, climate, and trade regimes that interact to constrain and incentivise national policy.[89] These overlapping regimes consist of market-based neoliberal climate policy tools such as an ETS. Therefore, from an interest-based diffusion perspective, the fact that nearly half of Türkiye's exports are directed to the EU, particularly in high-carbon sectors such as iron and steel, aluminium, and cement, provides strong motivation to adopt climate legislation.[90] Furthermore, establishing an ETS with a climate act as its legal basis enables the government to raise revenues. As part of the overlapping international regimes that

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[82] Batıhan, *İklim kanunu teklifi kimlerle hazırlandı.*
[83] Kocaman, *İklim Kanunu'nun yasama macerası.*
[84] Kocaman, *İklim Kanunu'nun yasama macerası.*
[85] MÜSİAD, *23 Ekim 2025 çalıştay raporu.*
[86] MÜSİAD, *23 Ekim.*
[87] TOBB, *Yeşil dönüşüm*; TOBB, *2025 yılı.*
[88] Sağlam, *Türkiye'nin ilk iklim kanunu.*
[89] Oberthür / Von Homeyer / Schewe, and Moore. Public participation in EU climate governance.
[90] Korkmaz Tümer, Elif, and Josephine van Zeben. 2025. The Brussels effect in Ankara: The case of climate policy. *New Perspectives on Turkey* 72, 33–50.

incentivise market-based climate policies, International Financial Institutions also adopted Paris-alignment as a criterion for their funding around the same period, and they extended climate finance opportunities to Türkiye. Paris-alignment refers to the criteria that projects must be consistent with a country's NDCs, long-term decarbonization strategies, and national climate plans.[91] Although no Turkish project has been rejected so far for the lack of Paris-alignment,[92] to prevent such rejections in the future, there was a pressing need for the Turkish government to adopt a climate act that would enable the adoption of market-based instruments of climate mitigation, while signalling compliance with the PA. The World Bank continued providing Türkiye with the technical, financial, and policy groundwork for its climate transformation.[93] Likewise, the European Bank for Reconstruction and Development continues to provide credits to finance the green transition in Türkiye.[94]

The EU also serves as a source of climate finance for Türkiye as a candidate country through its Instrument for Pre-Accession (IPA). The IPA provides financial assistance to EU candidate countries based on alignment with accession priorities.[95] While the prospect of EU financial support like IPA may appear to incentivise Türkiye's adoption of a climate act, there is no formal requirement linking IPA funding to the presence of such legislation. IPA III (2021–2027) strongly supports climate objectives, allocating 29 % of its 2024 budget to climate-related spending, with a projected EUR 4 billion contribution by 2027.[96]

Alternative explanations

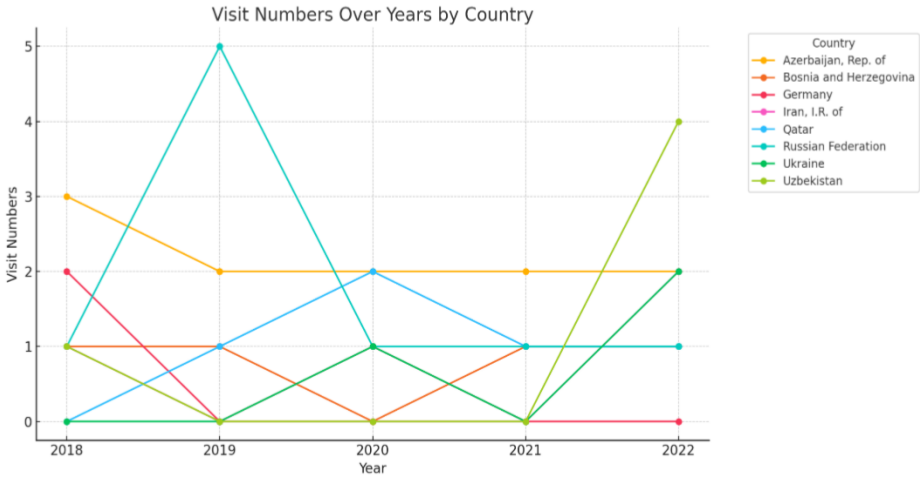
In the literature examining climate law diffusion, studies focus on either interest-based or constructivist explanations. Because this paper examines Türkiye's Climate Act adoption, we wanted to test the constructivist theory explanations as the alternative explanations of this study. From a constructivist perspective, the collaboration with international institutions like the World Bank could be analysed as normative alignment and symbolic legitimacy. However, the lack of elements in the draft climate law, such as an advisory body composed of independent experts and the lack of NGO and other stakeholders' participation in the making and oversight of the act, are not aligned with the best practices identified by the World Bank.[97]

The constructivist explanation that Türkiye may be influenced by policy learning from its peers is refuted using the official visit data of Türkiye between the years 2018 and 2022.[98] To test this argument, we use the official visit data of Türkiye between the years 2018, the year Türkiye turned presidential, and 2022, the most recent year for which data was available. At this point, it is important to distinguish between the interactions of technical bureaucracy and political leadership. At the technical level, experts from institutions such as the Directorate for Climate Change may be in constant contact with Western institutions through various projects. However, following the transition to a highly centralised presidential system in 2018, the executive branch gained decisive, top-down authority over all macro-level policy and legislative changes. Even if the technical bureaucracy advocates for a comprehensive climate law through socialisation with institutions in other countries, such a paradigm shift cannot be implemented under Türkiye's

[91] World Bank. 2023. *World Bank Paris alignment method for investment project financing*. Washington, DC: World Bank.
[92] Yetkin, Murat. 2024. WB on Turkish inflation: Patience is hard but the alternative is worse. *Yetkin Report*, 18 April.
[93] World Bank. 2023. *Charting a course to climate action and green transition in Türkiye* (accessed: 16 June 2025). Washington, DC: World Bank.
[94] GEFF. 2024. Green Economy Financing Facility Türkiye (accessed: 17 June 2026).
[95] Özçelebi, M. 2022. *What awaits civil society in the IPA III era?*. Ankara: STGM.
[96] European Commission. 2025. Overview – Instrument for Pre-accession Assistance (accessed: 5 December 2025).
[97] World Bank, *World Bank Paris alignment method*.
[98] Balcı, Ali, and Abdüssamet Pulat. 2024. Love, money, or fame? Determinants of Türkiye's leader visits. *International Studies Quarterly* 68(1), sqad104.

current presidential system without the explicit approval of the political leadership.[99] Therefore, mapping the official visits provides the most accurate test for the constructivist peer learning assumption. Figure 1 visualises the most frequently visited countries by Türkiye's leadership: Azerbaijan, Russia, Uzbekistan, Germany, Iran, Qatar, Ukraine, and Bosnia and Herzegovina. To further clarify their climate leadership status, Table 1 details the climate legislation status of these countries. As summarised in Table 1, Germany and the Russian Federation have passed comprehensive climate acts during the selected interaction period. Meanwhile, Ukraine adopted a framework climate law in 2024, and Uzbekistan adopted a framework climate law in 2025.[100] This suggests that Türkiye was not primarily embedded in a peer group where governing through a framework climate law is the dominant norm between 2018 and 2022.

Figure 1: The number of official visits by Türkiye in 2018-2022



Source: Authors' own compilation based on Balcı and Pulat. *Love, money, or fame?*

Table 1: Official visits by Türkiye (2018–2022) and Climate Law status of the countries visited

Country	**Total Official Visits (2018-2022)**	**Climate Law Status**
Azerbaijan	11	No Dedicated Framework Climate Law
Russian Federation	9	Dedicated Climate Framework in the Study Time Frame
Uzbekistan	5	Adopted a Framework Climate Law in 2025
Qatar	5	No Dedicated Framework Climate Law
Bosnia and Herzegovina	4	No Dedicated Framework Climate Law
Germany	3	Dedicated Climate Framework in the Study Time Frame
Ukraine	3	Adopted a Framework Climate Law in 2024
Iran	3	No Dedicated Framework Climate Law

Source: Authors' own compilation based on Climate Change Laws of the World. *Climate change framework laws*.

Peer learning can also occur through global forums such as the UNFCCC COP meetings. The Turkish delegation in COP 28 consisted of representatives of fossil and mining companies, which demonstrates the fossil-based priorities of the government, precluding the possibility of peer-learning as a mechanism shaping Türkiye's climate legislation trajectory.[101]

[99] Adar, Sinem, and Günter Seufert. 2021. Turkey's presidential system after two and a half years: An overview of institutions and politics. *SWP Research Paper* 2021/RP 02. Berlin: Stiftung Wissenschaft und Politik.
[100] Climate Change Laws of the World, *Climate change framework laws*.
[101] Acar, Cansu. 2023. [COP28] Türkiye zirveye doğa katili, fosil yakıtçı şirketlerle gidip üç imzayla döndü. *Yeşil Gazete*.

Conclusion

This paper analysed why Türkiye, an authoritarian neoliberal country that has historically been considered a climate laggard, has recently passed a framework climate law. Turkish authorities have mainly focused on emission-intensive economic growth, and climate policies were perceived as an obstacle to development. By 2024, half of the country's energy production still relies on coal and natural gas, indicating a continued high dependency on fossil fuels.[102]

Although it was evident since 2016 that the public opinion in Türkiye has been concerned with climate change; the EU progress reports underlined the need for Türkiye to adopt an ETS since 2008; and the World Bank supported projects have been setting up an infrastructure for policy learning since 2011; the timing and the urgent passing of the Climate Law in 2025 is triggered by the CBAM being effective financially starting in 2026. The findings show a strong case for interest-based explanations, especially driven by the CBAM. The CBAM imposes a carbon cost on imports from countries without similar climate regulations. This policy has serious implications for Türkiye, considering its high volume of trade with the EU, especially in sectors like iron and steel, aluminium, and cement. The CBAM poses a significant economic risk, encouraging the government to develop harmonised climate legislation to protect market access and competitiveness.[103] This study establishes a theoretical bridge between the rationalist assumptions of interest-driven diffusion and the critical framework of authoritarian neoliberalism. Interest-driven diffusion assumes that actors make choices based on their strategic self-interest to maximise their material gains in the policy-making process.[104] On the other hand, the domestic environment in which the government acts in an interest-driven manner is provided by authoritarian neoliberalism.[105] The Turkish government faced the impending financial obligations of the CBAM and an international financial system that is increasingly turning away from PA non-aligned investments. Therefore, instead of allowing carbon revenues to flow to the EU, Türkiye pursued a proactive strategy by enacting a climate act to obtain this revenue domestically. As an authoritarian neoliberal regime, Türkiye does not withdraw from the market; instead, it uses carbon pricing as a mechanism to increase state revenues and regain financial control. As an authoritarian neoliberal state, Türkiye's Climate Law was initially shaped in a way that the state can retain the discretion to allocate free allowances to politically aligned business groups and shield them from the costs associated with effective climate policies, such as a coal exit. Therefore, the 2025 Climate Law can best be understood as a structural product of an authoritarian neoliberal regime acting on interest-driven calculations. It simultaneously generates revenue for the state and serves the interests of itself and its affiliated business groups. Therefore, the Turkish government's interest-maximising calculation took place not in a vacuum, but within a context rich with dominant policy ideas and hegemonic ideologies such as the market-based instruments for fighting climate change.

Building on the present analysis of the reasons for and timing of the Climate Law, future research could expand this study by employing a more detailed process-tracing design focused on the internal bureaucratic mechanisms that shape policy design. While the TÜSİAD and TOBB position papers provide valuable insights into the positions and overt lobbying strategies of key business actors, they offer only a limited perspective on how these demands are evaluated, negotiated, and translated into concrete policies within government institutions. To address this limitation, future

[102] Alparslan, *Türkiye electricity review 2025.*
[103] Tastan, Kadri. 2024. *EU-Türkiye economic relations in the era of geo-economic fragmentation* (SWP Comment No. 40/2024). Berlin: Stiftung Wissenschaft und Politik.
[104] Jensen / Nielsen, and Russel, *Diffusion of climate policy integration*; Schoenefeld / Schulze, and Bruch, *The diffusion of climate change adaptation policy.*
[105] Altınörs and Akçay, *Authoritarian neoliberalism.*

research could examine internal ministerial reports, inter-agency correspondence, meeting records, and bureaucratic cost–benefit assessments. Such evidence would move beyond publicly available position papers and provide a more comprehensive explanation of the decision-making processes that take place behind closed doors.

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