Who Pays for a Number That Doesn't Exist?

What CBAM and Turkish Cement Reveal About Collaborative Emissions Reporting



Image Source: United Nations

Responsible Alpha is participating in COP31, which is taking place in Antalya this week. It is a suitable setting for a question closely tied to climate implementation: who is responsible for producing reliable emissions data, and who bears the financial consequences when that data is unavailable?

In 2025, Türkiye accounted for almost 43% of EU imports of cement and clinker, the solid material used in cement production, making it the EU's largest external cement supplier. Since January 1, 2026, these exports have been subject to the last phase of the EU's Carbon Border Adjustment Mechanism.

CBAM charges for the carbon embedded in imported goods. When verified emissions data is available, importers can use the producer's actual emissions figures. Without this data, default values apply, established by country and product under Implementing Regulation (EU) 2025/2621 and deliberately marked up above the country average: 10% in 2026, rising to 30% in 2028.

Why This Matters

- **Missing emissions data creates financial risk:** Without verified emissions data, CBAM default values can exceed actual emissions, potentially increasing costs for EU importers and affecting the competitiveness of exporters.
- **Collaboration is essential for compliance:** Producers, importers, and independent verifiers must work together to establish reliable emissions data, share responsibilities, and reduce unnecessary carbon costs.
- **Reliable data supports long-term decarbonization:** Beyond regulatory compliance, verified emissions data enables informed procurement decisions, supports investment in lower-carbon production, and helps turn climate commitments into measurable action.

Despite being the EU's largest contributor, Türkiye did not receive a country-specific default. Its clinker, which carries a default of 1.410 tCO2e per ton (or 1.551 with the 2026 mark-up), is classified as belonging to "other countries and territories." The Turkish Cement Manufacturers' Association reports that its members' actual emissions for grey clinker are 0.88 tCO2 per tonne: a gap of 0.671 tonnes against the default.

This discrepancy has significant financial implications. According to Argus, under the defaults, the carbon tax increased from about €20 to €80 per ton of clinker, a level that frequently approaches the product's export price.

The legal obligation under CBAM sits with the EU importer, who holds declarant status and surrenders the certificates. The Turkish producer does not. Therefore, neither party can resolve the issue on its own: the buyer bears the expense of missing data, while the supplier is responsible for producing that data. This creates a genuine alignment of interests towards proper emissions measurement and reporting across three parties: producers, importers, and independent emissions verifiers.

The installation-level data is held by producers, but they require a counterparty who intends to use the information as an incentive to invest in standardized monitoring systems. Longer contracts, shared templates, co-funded measurement, and a commitment to use verified emissions data rather than relying on default values are all ways importers can turn the financial risk they bear into support for producers. Independent, accredited verifiers then transform a producer's internal emissions figures into reliable data that can be used for regulatory compliance and trusted by buyers and other stakeholders. Verification capacity, rather than willingness, is frequently the limiting factor.

Beyond reducing unnecessary carbon costs, these partnerships can also support longer-term decarbonization. Reliable emissions data helps producers identify opportunities to

reduce emissions, enables importers to make more informed procurement decisions, and supports investment in lower-carbon production.

With Climate Law No. 7552 and plans for a carbon emissions trading system covering many of the same industries as CBAM, Türkiye has also made progress on climate policy. However, under the proposed system, companies would initially receive free emissions allowances rather than paying for their emissions. Since CBAM only allows deductions for carbon costs actually paid, this would not reduce their CBAM obligations. While these regulatory changes take time, producers, importers, and independent verifiers can already work together to establish reliable emissions data and reduce unnecessary costs.

That is what a working net-zero partnership looks like in practice: not a joint statement, but three parties with different capabilities solving a problem none of them owns entirely. By establishing reliable emissions data, sharing responsibility, and aligning financial incentives, these partnerships can reduce unnecessary costs while supporting longer-term decarbonization. It is this kind of practical collaboration that can turn the climate commitments discussed at COP31 into meaningful action.