Strategic, Financial and Sustainable Steps in the New Dynamics of Trade

Distinguished Guests, Esteemed Speakers,

I extend my warmest greetings to you all. Welcome to our seminar on **"Strategic, Financial and Sustainable Steps in the New Dynamics of Trade."** First and foremost, we would like to thank all the Chamber personnel and the Istanbul Chamber of Commerce Board of Directors for their contributions to making this event possible.

Before moving on to the presentations, I would like to outline the global context.

Global Outlook & Türkiye

As of 2025, the global picture is quite clear: global trade volume is slowing down, geopolitical risks are on the rise, climate-related shocks are becoming more frequent, and many countries are struggling with high levels of public and private debt. These factors make access to finance increasingly difficult. International reports reveal that uncertainty has practically become a new customs duty, raising the costs of trade.

In particular, climate-related shocks are now at the center of the global agenda. At the COP30 summit to be held in Brazil this November, "climate resilience" will be the key theme. Adaptation is being discussed not only as an environmental necessity but also as an economic, social, and geopolitical imperative. Each year, we are witnessing increasingly devastating climate disasters. **This reality sends us a strong message: we must make people, economies, and ecosystems resilient together.**

The World Bank highlights that the investment gap in developing economies is widening and that mobilizing private investment with the right policies has become a global priority. All of this tells us that for businesses, survival in this era of heightened risks and uncertainties lies in strengthening financial resilience and embracing sustainable investments in advance.

As an indicator of this global awareness, China has, for the first time this year, pledged an absolute reduction in emissions. This step underscores that climate change is not merely a crisis but a direct matter of trade and competition.

For Türkiye, competitiveness is being reshaped under the pressure of financing, energy, and labor costs. While cost fluctuations may provide short-term advantages, they do not create lasting competitive superiority. Therefore, for sustainable competitiveness, it has become not a choice but a necessity for our businesses to boldly embrace productivity, digitalization, innovation, artificial intelligence applications, and green financing instruments. The business world should view the climate crisis not merely as a threat but as a concrete opportunity for innovation and collective transformation. However, this transformation can only be achieved through the collaboration of all stakeholders and through practical implementations that generate visible benefits.

Türkiye's 2053 net zero target serves as the compass of this transformation. Sustainability has moved beyond being an environmental agenda and has become the key to competitiveness, access to finance, entry into new markets, and investor confidence.

Implications for Businesses

At the heart of this transformation lie human capital and skills. Global uncertainty puts pressure not only on financial balances but also on the demand for skilled labor. Today, artificial intelligence is not just software; it is a strategic force reshaping the entire **value chain**, from production to logistics. The timely adoption of this transformation by our businesses is directly linked not only to productivity and competitiveness but also to green transition targets. International studies show that AI-powered Agentic AI – systems capable of autonomous decision-making – deliver significant improvements in quality, speed, and cost, while also creating new revenue streams. **Yet McKinsey's data is striking**: more than half of companies experiment with transformation, but only a quarter achieve full success. **Thus, the key to success does not lie in technology investments alone. It requires drawing up a holistic roadmap, from culture to budget, from leadership to business outcomes.**

Compliance, Market Dynamics & Supply Chain Resilience

Today, compliance with regulations has become not just an environmental obligation but an indispensable condition of commercial activity. Research indicates that a significant portion of corporate buyers plan to drop suppliers who fail to meet sustainability criteria in the coming years and shift toward greener and more transparent alternatives. **Performance, quality, and price are now accompanied by carbon footprint, traceability, and reporting criteria.**

Meanwhile, OECD findings reveal that reshoring supply chains does not only reduce global trade but also increases volatility in many economies, thereby reducing stability. The solution, therefore, is not isolation but managing risks wisely.

The Direction of Transformation and the Financing Dimension

Central banks and regulators around the world are placing climate risks at the core of financial stability. Capital is increasingly flowing toward transparent, low-carbon, and resilient business models. **For this reason, we must consider green, digital, and social transformation together, as climate targets, technological innovations, and societal expectations are emerging simultaneously.**

High borrowing costs make access to finance critical for businesses. The key here is transparent reporting and strong corporate governance. Sound financial data and disciplined cash management not only reduce costs but also increase investor confidence, opening the door to financing. In this framework, green finance stands out as the main driver that determines both the speed of transformation and competitive strength.

Türkiye's Roadmap & Conclusion

Türkiye is not excluded from this global transformation. In line with the 2053 net zero target, the Green Deal Action Plan was put into effect in 2021, and significant progress has been made. Roadmaps for emissions reduction and green transformation have been developed in energy, industry, transport, agriculture, and other sectors and policy areas. The 2024–2030 Climate Change Mitigation and Adaptation Strategy and Action Plans have been published. With the Climate Law adopted in July, these targets gained a legal foundation.

Within this framework, the following draft regulations are under preparation:

- Carbon Credit and Offsetting Regulation Draft
- Türkiye Emissions Trading System Regulation Draft
- Türkiye Green Taxonomy Regulation Draft
- Draft Regulation on Local Climate Change Action Plans (YİDEP)

In addition, the Medium-Term Program for 2026–2028, published in the Official Gazette this month, identifies green and digital transformation among its priority areas, along with growth and employment. Aligning the roadmaps of our businesses with national and international frameworks is of critical importance not only for legal compliance but also for market access and financing advantages.

Furthermore, alongside the regulations of the Banking Regulation and Supervision Agency (BRSA) and the Capital Markets Board (CMB), the Turkish Sustainability Reporting Standards (TSRS 1 and TSRS 2), published by the Public Oversight Authority, require businesses to identify climate and sustainability risks, set targets, and report their progress. In this way, the transformation journey becomes measurable, investor confidence increases, and access to financing is facilitated.

Priorities for SMEs

At this point, the priority for our SMEs is to place transformation at the core of their operations; to make their targets measurable; and to take holistic, sustainability-based steps from strategy to workforce, from supply chain to ecosystem management. Such an approach will enable both effective risk management and swift evaluation of opportunities.

In this context, I would like to share the words of United Nations Secretary-General Antonio Guterres at last week's Climate Summit in New York, as they encapsulate what we wish to convey in a single sentence:

"The science demands action. The law commands it. The economics compel it. And people are calling for it."

These words strongly remind us that transformation is no longer deferrable and that it represents a shared responsibility for all of us.

Connection to Presentations

Today, we will proceed within this framework by focusing on three critical themes:

- **Supply chain resilience:** ensuring uninterrupted production and delivery under the pressure of climate and geopolitical risks.
- **Financial resilience:** cash management, debt discipline, and access to green finance in a volatile market.

- **Sustainability reporting:** providing transparent and reliable information to attract investors, retain customers, and strengthen brands.

These three areas will guide our SMEs in preparing for the future.

Closing

I believe that the insights shared today will not only help us protect against risks but also shed light on new opportunities.

I wish you all a productive seminar and thank you for your participation.