



## **Turkish companies grappling with KKDIK**

Article by Vanessa Alberti, Senior Regulatory Affairs Consultant at KAHLBERG Consulting

Countries bordering with the EU Today look towards Europe as a role model for environmental sustainability, forward-looking industrial policies and strict health and safety regulations for people and planet. Turkey is one of these countries. An indispensable condition for its admission to the block is, among other things, alignment with regulations in the chemical sector.

Turkey has implemented its own regulation, named KKDIK or Turkish REACH, to identify substances within its market, analysing their chemical, physical, toxicological and ecotoxicological properties in order to define safe uses.

For Turkish companies it represents a historic change, requiring businesses to deal with new skills, roles and obligations that until now did not exist.

### **The KKDIK regulation involves both Turkish and European companies**

On the one hand, EU companies conducting business in Turkey must now grapple with a new regulation which, albeit similar to REACH, requires specific investments in terms of resources. On the other hand, Turkish companies operating in Turkey must now revolutionise their work flows, with a consequent increase in costs. The whole situation is framed by a backdrop of general confusion, similar to when REACH was launched in Europe more than ten years ago.

A number of aspects complicate matters further: for example only companies based in Turkey with staff comprising Turkish nationals can access the online system to register substances. All other companies can request their importers to comply with the obligations, or they can appoint a Turkish Only Representative that manages pre-registrations and future registrations, thus maintaining full control of the market: strategic decisions to be made quickly and competently in uncharted territory.

Unlike EU REACH and UK REACH, there are no intermediary deadlines for registrations: all dossiers, regardless of their tonnage and classification, must be submitted by 31 December 2023. Businesses must either be ready at this date, or exit the market.

Finally, language problems constitute another hurdle: for example, dossiers must be submitted on the online system in Turkish.

Lurking behind what appears to be mere bureaucratic obligations lie important business implications, which companies often overlook and which an attentive consultant must duly underline.

Firstly, one variable is time. As illustrated above, the single deadline for submitting registrations, regardless of tonnage, is only seemingly so far off. In reality, work should begin now, considering the complexity of the topic. For this reason, it is necessary to start as soon as possible, to expose any problems early in the process and to be ready when the final deadline arrives, in order to continue business without being barred by forced bans and suffering relevant economic losses.

A second implication is that some companies may opt to bypass compliance regulations and not adhere to KKDIK, because they are engaged in other activities or because they received poor advice. The consequences in this case would be negative from all perspectives. In terms of business, customers themselves will begin asking for information on the KKDIK compliance of the products they buy. How can you compete on the market with other suppliers who can guarantee compliance?

In terms of audits, the authorities will check dossiers and if faults are found, new tests must be carried out, with more costs. Lastly in terms of fines, i.e. financial penalties: the Turkish legislation on penalties has still not been published, but it could be similar to the EU framework, that is to say very costly. But above all, being compliant allows companies to showcase their seriousness to the market, with benefits in terms of image and reputation.

#### **Can companies attempt a “DIY” approach to KKDIK compliance?**

The answer is no, for the most part. Understanding chemicals regulations requires specific skills and knowledge that companies may not have. Tackling a KKDIK registration is a complex process involving a wide range of know-how, from chemistry to toxicology, to software and data skills in order to submit compliant dossiers, and even then it would still be necessary to implement a cost-reduction strategy. This is why a consultant is essential. Only a consultant, adopting a structured approach, can navigate through the legislation and complete the dossiers, identifying the most suitable strategy for each client.