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Directorate for Financial and Enterprise Affairs  
**COMPETITION COMMITTEE**

## Annual Report on Competition Policy Developments in Turkey

-- 2023 --

This report is submitted by Turkey to the Competition Committee FOR INFORMATION.

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## Türkiye

### 1. Executive Summary

1. Overall examination of the Turkish Competition Authority's (TCA) activities shows that a total of 447 file was finalized in the relevant year. Among these, 145 of them were about competition infringements, 8 were about exemption/negative clearance applications, and 217 were about merger/acquisition/joint venture/privatization transactions.

2. This distribution can be compared to that of 2022, revealing an increase in the number of competition infringement cases from 78 to 145, and a decrease in the number of merger/acquisition/joint venture/exemption files from 245 to 217, negative clearance/exemption files from 19 to 8. In that sense, there is an increase in the number of files concerning competition infringements among the total distribution of files finalized in 2023.

3. In 2023, the number of files finalized as a result of preliminary inquiry and investigations conducted under the provisions of Article 4 (on anticompetitive agreements) and Article 6 (on abuse of dominance) of the Act No 4054 on the Protection of Competition (the Competition Act) was 145. Chemistry and mining, food industry, machine industry, information technologies and platform services have been the sectors with the highest number of investigations.

4. Of the 145 files finalized concerning claims of Article 4 and/or 6 infringements, 70 were examined *ex officio* by the Competition Board (around 48% of the finalized competition infringement cases). Of the competition infringement cases examined *ex officio*, 68 concerned Article 4 of the Competition Act violations. Examining the share of *ex officio* competition infringement cases in 2023 shows that the Board has maintained its proactive approach, similar to the previous year.

5. Examining the competition infringement cases concluded in 2023 it is seen that 127 of them concerned anticompetitive agreements, 18 concerned abuse of dominance, and 6 concerned the claims of both. Of a total of 127 files infringements of anticompetitive agreements, 55 concerned horizontal agreements while 69 concerned vertical agreements. 3 files concerned both vertical and horizontal agreements.

6. An overview of the outcomes of the 145 files concerning competition infringements shows that five out of 28 cases were concluded with commitments and 68 of them were concluded with settlement decisions. Administrative fines were imposed to 10 different sectors.

7. Comparing the total of 8 exemption/negative clearance applications finalized in 2023 with the 19 applications made in 2022 reveals that there was a decrease of 57% in the number of negative clearance/exemption cases finalized. Only 2 of the applications assessed in 2023 were concluded with a negative clearance decision. Automotive industry; banking, capital markets, finance and insurance services; information technologies and platform services; media, advertising and publishing sectors constructed the 100% of these exemption/ negative clearance cases.

8. In 2023, 217 merger and acquisition applications were finalized, which shows a decrease of around 11% compared to 2022. Of the aforementioned 217 applications, around 64% concerned acquisitions, and around 33% concerned the establishment of joint ventures. In addition, 2 mergers and 3 privatization transactions were finalized in 2023. A look at the sectoral distribution of applications reveals that information technologies and platform services, chemistry and mining, healthcare services, automotive industry and food industry sectors saw the largest number of M&A transactions, with these five sectors having a share of around 59% in total applications. 184 transactions were authorized without conditions, and 3 were authorized subject to conditions. 30 transactions were found to be out-of-scope or below the threshold.

9. As of the end of 2023, the ongoing sector inquiries are on “fuel,” “online advertising,” “pharmaceuticals,” “automotive,” “container transportation via liners and container port services market,” “mobile ecosystem” and “red meat” markets. Within the framework of competition advocacy activities, the TCA also rendered a total of 22 opinions to various public agencies and organizations in 2023, 6 of which concerned legislation and 16 of which concerned other matters.

10. “The 2023 Mergers and Acquisitions Overview Report” addresses the merger/acquisition and privatization transactions examined and concluded in 2023 among those notified to the TCA, and aims to summarize the developments with relation to mergers and acquisitions in the relevant year. The Report is intended as one of the significant data sets in terms of the investment climate in Türkiye. The report in question makes the following main observations concerning mergers and acquisitions.

11. As in the previous years, the TCA attached great importance to improving international relations in 2023. In this context, representatives participated in various multilateral meetings, international conferences and international training seminars, including those organized by the European Union, OECD, UNCTAD and the ICN.

## 2. Changes to competition laws and policies, proposed or adopted

12. In 2023, The TCA made some changes within the scope of the Regulation on Active Cooperation for Detecting Cartels. Within this framework, ‘Cartel Facilitator’ and ‘Value-Added Document’ terms have been added to the relevant Regulation. As a result, cartel facilitators (undertakings and associations of undertakings which mediate for organizing and/or maintaining a cartel, facilitate the organization and/or maintaining a cartel with their activities, without carrying out activities at the same level of production or distribution chain as the parties to the cartel) have been included in the scope of the Regulation. With this change, cartel facilitators can benefit from the leniency mechanism if they actively cooperate with the TCA in revealing cartel violations.

13. Additionally, the upper and lower limits for administrative fines specified in the Regulation have been revised. Accordingly, lower limits have generally been reduced, while upper limits have been increased. The elevation of upper limits can be considered a positive development to encourage undertakings.

## 3. Enforcement of competition law and policies

### 3.1. Action against anti-competitive practices, including agreements and abuses of dominant positions.

#### *3.1.1. Summary of significant cases- Examples from the decisions on anti-competitive agreements*

##### *Cosmetics and Personal Care Products Investigation Decision (dated 13.04.2023, no 23-18/343-M)*

14. Within the scope of the investigations conducted according to the Board decisions about the claims that undertakings operating in cosmetics and personal care products sector violated article 4 of the Act no 4054 on the Protection of Competition by means of resale price maintenance, restricting online sales and participating in a hub&spoke cartel, as a result of the commitment texts submitted by the undertakings depending on the interim Board decisions and the settlement texts, where the undertakings clearly accepted the existence and the scope of the violation as well as the rate and amount of the maximum administrative fines, it has been decided that;

15. The investigation conducted pursuant to the Board decision about Ayaz ve Ortakları Ltd. Şirketi concerning the claim that it participated in a hub&spoke cartel shall be terminated with settlement and the undertaking shall be imposed 1.083.338,41-TL administrative fines,

16. The investigation conducted pursuant to the Board decision about SB Grup Kozmetik AŞ concerning the claim that it participated in a hub&spoke cartel shall be terminated with settlement and the undertaking shall be imposed 184.675,76-TL administrative fines,

17. The investigation conducted pursuant to the Board decision about Easyvit Sağlık Ürünleri Sanayi AŞ concerning the claims that it determined resale prices of the resellers and restricted online sales shall be terminated with commitment in terms of restricting online sales and with settlement in terms of resale price maintenance claim and the undertaking shall be imposed 1.217.437,18-TL administrative fines,

18. The investigation conducted pursuant to the Board decision about ELCA Kozmetik Limited Şirketi concerning the claims that it determined resale prices of the resellers and restricted online sales shall be terminated with commitment in terms of restricting online sales and with settlement in terms of resale price maintenance claim and the undertaking shall be imposed 7.909.453,64-TL administrative fines,

19. The investigation conducted pursuant to the Board decision about Farmatek İç ve Dış Tic. concerning the claims that it determined resale prices of the resellers and restricted online sales shall be terminated with commitment in terms of restricting online sales and with settlement in terms of resale price maintenance claim and the undertaking shall be imposed 2.716.256,69-TL administrative fines,

20. The investigation conducted pursuant to the Board decision about Glohe Bitkisel Ürünler San. ve Tic. AŞ concerning the claims that it determined resale prices of the resellers and restricted online sales shall be terminated with commitment in terms of restricting online sales and with settlement in terms of resale price maintenance claim and the undertaking shall be imposed 925.805,74-TL administrative fines,

21. The investigation conducted pursuant to the Board decision about L'Oreal Türkiye Kozmetik San. ve Tic. AŞ concerning the claims that it determined resale prices of the resellers and restricted online sales shall be terminated with commitment in terms of restricting online sales and with settlement in terms of resale price maintenance claim and the undertaking shall be imposed 87.387.007,53-TL administrative fines,

22. The investigation conducted pursuant to the Board decision about Rebul JCR Kozmetik Pazarlama AŞ concerning the claim that it determined the resale prices of resellers shall be terminated with settlement and the undertaking shall be imposed 5.357.950,92-TL administrative fines,

23. The investigation conducted pursuant to the Board decision about Sistem Kozmetik San. ve Tic Ltd. Şti. concerning the claims that it determined resale prices of the resellers and restricted online sales shall be terminated with commitment in terms of restricting online sales and with settlement in terms of resale price maintenance claim and the undertaking shall be imposed 1.784.584,28-TL administrative fines.

*Obilet Investigation Decision (dated 15.06.2023 and no 23-27/521-177)*

24. According to the Board decision dated 16.06.2022 and numbered 22-27/433-M, an investigation was opened with the claim that Obilet Bilişim Sistemleri AŞ (Obilet) violated article 6 of the Act no 4054 by means of determining excessive ticket sale commission rates it applies to bus companies for intermediary services for ticket sales and excluding its competitors in the markets for ticketing software service, sale of bus tickets via platforms and distributing trip data to platforms, and violated article 4 of the Act no 4054 by means of the contracts it signed in the market for the sale of

bus tickets via platforms. Afterwards, new claims that fell under the scope of the file were added to the investigation with the Board decision dated 13.10.2022 and numbered 22-47/683-M.

25. While the investigation process was ongoing, Obilet applied for initiating the commitment procedure related to the competitive concerns in the file. As a result of the discussions made, a commitment package was submitted to eliminate the concerns raised in relation with Obilet's practices that might lead to tying ticketing software service for bus transport with the sale of bus tickets via platforms and in relation with online advertisement bans and communication ban in the contracts made between Obilet and competing platforms. Third party opinions were also received about the said commitment package.

26. At the end of the commitment procedure, a result of the discussion of the file by the Competition Board on 15.06.2023, the decision numbered 23-27/521-177 has been taken that in terms of Obilet's behavior that is considered likely to violate articles 4 and 6 of the Act no 4054, the final commitments which Obilet submitted within the scope of the final commitment text saved in the TCA's registry with the letter dated 30.05.2023 and numbered 39157 shall be accepted as they are able to solve the competition problems detected within the scope of the file and the commitments in the final commitment text shall be made binding for Obilet and Biletal İç ve Dış Ticaret AŞ (Biletal), which is actually under the control of Obilet, and the investigation conducted about Obilet shall be terminated.

27. Obilet's accepted commitments will be included in the reasoned decision in detail. The commitments submitted can be summarized as follows:

1. Obilet has prepared online ticket sale contract text without software service for transportation firms that use different ticketing software and has started to sign those with transportation. In the model implemented according to the said contract, transportation firms will only pay Sale-Distribution-Marketing commission fee to Obilet.
2. In case a transportation firm, which is currently using Obilet's ticketing software, decides to use another software, this will not constitute a reason for closing that transportation firm to sale over Obilet platform and Obilet will not engage in discriminatory or exclusionary behavior against the transportation firm.
3. A transportation firm can only be closed to sale via obilet.com platform in case it violates legislation provisions in effect and principal obligations, irrespective of the ticketing software it uses.
4. Obilet has developed a new business model and prepared an example contract to be signed with companies offering ticketing software services in terms of conveying trip data to Obilet. Ticketing software companies' service for Obilet only consists of conveying trip data. On this occasion, Obilet will pay the relevant companies commission for conveying trip data.
5. Obilet will not impose online advertisement ban in terms of the brands of transportation companies whose trip data are distributed to competing online sale platforms.
6. Obilet will not impose comprehensive online advertisement ban on competing online sale platforms in terms of Obilet /Biletal brands.
7. The contract provisions by means of which Obilet prevents competing online sale platforms from communicating with transportation firms whose trip data are distributed are abolished; online sales platforms will not be prevented from communicating with transportation firms.
8. In relation with the commitment no 7, according to Obilet's new business model, transportation firms can communicate with online ticket sale platforms directly; in this case, Obilet will be responsible for only conveying the trip data of the relevant transportation firm to the platform. In this business model, Obilet will not engage in discriminatory or exclusionary behavior against transportation firms.

9. Concerning ticket sales by online ticket sale platforms that get services from Obilet, Obilet has added a reporting screen to the software, where transportation firms can see the amount of ticket sales made by each platform and Obilet will not charge transportation firms or platforms for this.
10. Obilet will make an announcement and inform the transportation firms which use its ticketing software about the commitments.

*Negative Keywords Agreement Investigation Decision (dated 13.07.2023 and numbered 23-31/589-199; dated 20.07.2023 and numbered 23-32/629-211)*

28. In this case it was examined whether Arabam Com İnternet ve Bilgi Hizmetleri AŞ (Arabam), Vava Cars Turkey Otomotiv AŞ (Vava Cars), Letgo Mobil İnternet Servisleri ve Ticaret AŞ (Letgo) and Araba Sepeti Otomotiv Bilişim Danışmanlık Hizmetleri Sanayi ve Ticaret AŞ (Araba Sepeti) violated Article 4 of the Act no 4054 in the Google search advertising market.

29. Accordingly, it was decided that the undertakings in question violated article 4 of the Act no 4054 by means of negative keywords agreement on Google Ads, which result in the display of the undertakings advertisements on Google search engine queries containing specific keywords and lead to a decrease in the diversity of advertisements in the search-based online advertising market; hinder users from benefiting from price and service differences among competitors by reducing the quality of service offered by the search engine.

30. While the investigation was ongoing, Arabam, Vava Cars, Letgo and Araba Sepeti applied for settlement. According to the final decision taken as a result of the settlement procedure, it was decided that all four undertakings conduct for negative keywords agreement on Google Ads and violated the Article 4 of the Competition Act, 25% reduction was made in the administrative fines to be imposed to the undertakings as a result of the settlement procedure.

*Trendyol Investigation Decision (dated 26.07.2023 and numbered 23-33/633-213)*

31. Following the completion of a sector inquiry on e-marketplaces, the Board initiated a preliminary investigation into Trendyol (which is a multcategory e-marketplace). The documents obtained from the dawn raids indicated that Trendyol was engaging in self-preferencing and discriminatory conducts. In line with the findings of the sector inquiry regarding the concentrated structure of the market and the significant increase in Trendyol's market share in a period as short as one year (2020-2021 period). The Board issued interim measures for Trendyol's conducts since delaying necessary interventions in the digital markets could cause irrevocable harm.

32. At the end of the investigation period, the Board decided that i) Trendyol has favored its retail private label products unfairly by intervening in the algorithm and by using the data of third party sellers making sales on its marketplace; ii) all these practices have restricted its rivals' activities, ii) thus should be imposed administrative fines.

Trendyol was also subjected to an extensive set of obligations, ranging from avoiding any interventions made via algorithms and coding (which would grant advantage to its private label (PL) products), to not using data obtained/produced/derived from the activities on the marketplace for its PL products. In doing so, the Board set out detailed provisions that specifically shed light on how to comply with the given general obligations. For instance, the Board required Trendyol to block the science search team's access to PL category information, or to establish separate teams for managing PL products in Trendyol marketplace. Additional obligations were imposed for ranking products and filtering brands, such as the requirement to store (in an undeniable way) parametric and structural changes to or codes belonging to algorithms.

*Labor Market Investigation Decision (dated 26.07.2023 and no 23-34/649-218)*

33. While TCA was carrying out a dawn raid as part of another investigation, internal documents indicating

34. no-poaching agreements between several platforms in digital market have been found. Subsequently, the Board opened an ex officio preliminary investigation. The investigation was then expanded to 48 undertakings operating in various sectors such as e-commerce, telecommunications, software development, ready-made clothing/textile, food/beverage and logistics.

35. The investigation examined whether parties had engaged in no-poaching agreements designed to prevent hiring of each other's employees or to limit the employee mobility. Such agreements are based on employers' mutual withdrawal from competing for labor, one of the most important inputs. No-poaching agreements may limit labor mobility between undertakings and may artificially suppress wages from receiving their real value. As a result, inefficiencies in the distribution of employees can occur and the competitive structure of labor markets may be distorted. Within the framework of the abovementioned points, the investigation has been terminated with

- A settlement for 11 undertakings, leading to a total fine of 101,039,554.64 TL,
- An infringement decision for 16 undertakings, leading to a total fine of 151,147,901.82 TL.

36. The remaining 21 undertakings were not found to be in violation of Act no 4054, either due to lack of evidence or because the agreements were considered to include legitimate vertical relations and thus as ancillary restraints.

*Sahibinden Investigation Decision (dated 17.08.2023 and numbered 23-39/754-263)*

37. In this case, it was examined the complaint alleging that Sahibinden Bilgi Teknolojileri Pazarlama ve Ticaret AŞ (Sahibinden) had abused its dominant position by refusing to provide an application programming interface and/or interoperability for an integrator to be able to serve as a listing intermediary between the business users and online platforms.

38. The Board found Sahibinden's refusal to access as objectively justifiable and evaluated that under the market conditions at this stage, imposing an obligation of interoperability through such integration would be disproportionate.

39. However, in response to the competitive concerns raised by business users and rival platforms together with contractual clauses containing data transfer restrictions, the Board launched an ex officio investigation to determine whether Sahibinden had abused its dominant position by blocking data transfer of its business users and by other means.

40. At the end of this investigation, the Board decided that Sahibinden (i) made it harder for its business users to use multiple platforms by preventing data portability, (ii) implemented actual/contractual exclusivity by this method and by the non-compete clauses in its contracts, (iii) obstructed the operations of its competitors and thereby had abused its dominant position. As a result, an administrative fine of 40,150,533.15 TL was imposed.

41. In addition to the fine, the Board obliged Sahibinden

- To ensure that business users can efficiently port their ad data on the Sahibinden platform to competing platforms and can keep those data updated, free-of-charge.
- To allow these members to port and update their data within the shortest reasonable time without delay and free-of-charge (In case (i) business users of competing platforms request to port their ad data on competing platforms to the Sahibinden platform and (ii) the competing platforms accept this request).

*Egg Sector Investigation Decision (dated 26.10.2023 and no 23-50/979-349, no 23-50/980-357)*

42. Two separate investigations were initiated by the Competition Board in May 2022 on the egg sector about the allegations of price fixing, sharing regions and restricting the quantity of supply. The allegations about a total of 34 egg producers were comprehensively examined in the first examination whereas the allegations about 13 associations of egg producers and 12 egg producers were examined thoroughly in the second.

43. 14 undertakings party to the investigation requested settlement during the investigation process in the first investigation conducted on egg producers. As a result of the settlement processes, the investigation was terminated with the Competition Board decisions including the establishment of the violation and the administrative fines in terms of the undertakings which accepted the existence and the scope of the violation. Both investigations were concluded by the decisions taken by the Competition Board on 26 October 2023.

44. In the first examination about egg producers, it was found that totally 26 undertakings determined egg prices together and they shared the regions where they sold eggs and it was concluded that these practices had the nature of a cartel, which is regarded as the most serious violation in competition law. In the second investigation, it was found that associations of egg producers party to the investigation fixed the egg prices and they restricted the quantity of egg supply. Such behavior of the undertakings and associations of undertakings party to the investigation are covered by article 4 of the Competition Act, which prohibits the agreements between undertakings and decisions and practices of associations of undertakings which restrict competition.

45. For this reason, as a result of the aforementioned investigations, administrative fines of approximately 98 million TL was imposed totally to the parties which are found to violate article 4 of the Competition Act.

*META Investigation Decision (dated 21.12.2023 and numbered 23-60/1162-417)*

46. Under the scope of the Board decision dated 20.10.2022 and numbered 22-48-706-299, which was taken at the end of the investigation about Meta Platforms Inc., Meta Platforms Ireland Limited and WhatsApp LLC (together META) and Madoka Turkey Bilişim Hizmetleri Ltd. Şti. (MADOKA), it was decided that;

- MADOKA, which is under investigation, does not have any role in the provision of the activities examined, therefore cannot be held responsible for the claims evaluated under the scope of the investigation in question,
- META is dominant in the markets for personal social networking services, consumer communication services, and online display advertising,
- META distorted competition by complicating the activities of its competitors operating in personal social networking services and online display advertising markets and creating barriers to entry to the market by means of combining data collected from Facebook, Instagram and WhatsApp services that are called core services and violated Article 6 of the Act no 4054,
- Therefore, according to article 16(3) of the Act no 4054 and Article 5(1)(b), 5(2) and 5(3)(b) of the “Regulation on Fines to Apply in cases of Agreements, Concerted Practices and Decisions Limiting Competition, and Abuse of Dominant Position”, depending on the annual gross revenues accrued at the end of the fiscal year 2021 and determined by the Board, by discretion, Meta Platforms, Inc., Meta Platforms Ireland Limited, WhatsApp LLC shall be imposed severally 346.717.193,40TL administrative fines,

- META should fulfill the following obligations to terminate the infringement mentioned in subparagraph (c) and to ensure the establishment of effective competition in the market:
- META should submit the necessary measures to the TCA within 1 month as of the notification of the reasoned decision at the latest,
- META should implement the necessary measures within 6 months as of the notification of the reasoned decision,
- META should submit an annual report periodically to the Authority for 5 years following the implementation of the first compliance measure.

47. After META received the relevant reasoned decision on 09.09.2023, the request to extend the one-month period for submitting the necessary measures to the Authority until 09.12.2023 was accepted according to the Board decision dated 05.10.2023 and numbered 23-47/902-M.

48. In the meeting on 21.12.2023, the Board discussed the compliance measures which META submitted to the Authority's registry in time and submitted after revising on 19.12.2023, and took the decision numbered 23-60/1162-417 that the expressions and explanations under the title "Confirming the Choice with the Commencement of the Compliance Remedy" are not adequate to fulfill the obligation, which is laid down in point (a) of subparagraph e) of the decision of the Board dated 20.10.2022 and numbered 2248-706-299, that "META should submit the necessary measures to the Authority within one month as of the notification of the reasoned decision to terminate the infringement and to ensure the establishment of efficient competition in the market" at the latest, since the request to extend the one-month period for submitting the necessary measures to the Authority until 09.12.2023 was accepted according to the Board decision dated 05.10.2023 and numbered 23-47/902-M, considering that within the scope of the obligation stated in subparagraph (a) of the Board decision dated 20.10.2022 and numbered 22-48/706-299, the deadline for META to submit the Final Compliance Remedy to the Authority is 11.12.2023, according to article 17(1)(a) and 17(2) of the Act no 4054, starting from 12.12.2023, on the basis of its annual gross revenues in 2022, META economic unity consisted of Meta Platforms, Inc., Meta Platforms Ireland Limited and WhatsApp LLC, shall be imposed 4.796.152,96 TL administrative fines per day until the Final Compliance Remedy will enter the Authority's registry.

## 3.2. Mergers and Acquisitions

### 3.2.1. Summary of significant cases – Example from the decisions on merger/acquisitions

#### *Acquisition of Twitter (dated 02.03.2023 and numbered 23-12/197-66)*

49. In this case, the acquisition of Twitter by Elon R. MUSK was examined ex officio in accordance with Article 11 of Act no. 4054 on the Protection of Competition. As a result of the evaluations, it was understood that Twitter, which is the subject of the acquisition, is a digital platform within the framework of its activities in the supply of social network, online advertising, and data licensing services, and therefore qualifies as a 'technology enterprise.' Considering the revenue information, it was concluded that the transaction is subject to the approval of the Competition Board in accordance with the second paragraph of Article 7 of Communiqué no. 2010/4 due to Elon Musk's worldwide revenue exceeding three billion TL in the 2021 fiscal year.

50. As a result of examining the business areas of the parties to the transaction, it was evaluated that there is no horizontal or vertical overlap between the activities of the parties on a global scale and in terms of Türkiye. Therefore, permission was granted for the transaction by the Board, as there is no significant reduction in effective competition resulting from the transaction. However, due to the implementation of the transaction subject to the Competition Board's approval without such

approval, an administrative fine has been imposed on Elon Musk, who is the acquiring party, in the amount of one-thousandth of the gross income obtained in Türkiye for the year 2022, in accordance with the first paragraph of Article 16 (b) of Act no. 4054 on the Protection of Competition.

*Acquisition of Activision Blizzard (dated 13.07.2023 and numbered 23-31/592-202)*

51. The subject of this case was the acquisition of sole control of Activision Blizzard, Inc. (Activision) by Microsoft Corporation (Microsoft). Activision publish games for computers, consoles, and mobile devices through its business units Blizzard Entertainment, Inc. (Blizzard) and King Digital Entertainment (King).

52. The horizontal effects of the acquisition have been evaluated in terms of the relevant product markets defined within the scope of the acquisition, including (i) game development and publishing, (ii) game distribution, (iii) licensed product sales, and (iv) online video advertising markets; while the vertical effects of the transaction have been assessed in relation to (i) console hardware and digital distribution of console games, and (ii) cloud gaming services markets.

53. Based on the evaluations conducted, taking into account that the commitments submitted by the parties to the European Commission within the scope of the transaction are valid for Türkiye, permission has been granted for the acquisition by the Board with its decision, as there is no significant reduction in effective competition resulting from the transaction.

*Acquisition of Ekol Logistics (dated 26.07.2023 and numbered 23-34/643-216)*

54. The subject of this case was the acquisition of Ekol Lojistik AŞ (Ekol)'s business line covering international road transportation activities by DFDS A/S (DFDS). DFDS operates in the fields of international maritime transportation, terminal management, ship agency services and land logistics in Europe, while in Türkiye, through its subsidiary, it operates Pendik Ro-Ro Port, in the port services market for Ro-Ro vessels and in the field of Ro-Ro transportation. Ekol is active in the land, air and sea transportation, intermodal transportation, fair and exhibition logistics, and services closely related to these activities. EUTS BV (EUTS), a subsidiary of Ekol, on the other hand, operates in the international transportation sector.

55. For the acquisition of the business line of Ekol by DFDS, the Board identified a vertical overlap between Ekol's international freight transportation activities by road and the operations of DFDS in Ro-Ro transportation market. Accordingly, the transaction was analyzed within the scope of the "Guidelines on Non-Horizontal Mergers and Acquisitions" and evaluated in terms of unilateral effects and coordinated effects.

56. Regarding unilateral effects, the third parties whose opinion was consulted stated a concern that after the transaction, information DFDS held would be shared with Ekol. Also the shipping undertakings were concerned about a potential discrimination against Ekol in the onboarding and booking stages of the DFDS.

57. In response to these concerns, DFDS provided the following commitments:

- A complete and effective information-communication wall (Chinese Wall) will be established to operate as a barrier against the passage of any information, including customer lists, the consignee and consignor of the cargo, the weight of the cargo, the volume of the cargo, the nature of the cargo and the value of the goods, regarding the information obtained from downstream and upstream competitors within the scope of the activities of DFDS and Ekol arising from the vertical merger, and in this way, both Ekol and DFDS will not share with each other the competition-sensitive information obtained within the scope of their ongoing commercial relations.

- DFDS's reservation and embarkation procedures that existed before the transaction will continue after the transaction for all customers without any change, thus preventing any potential discrimination in favor of Ekol.
- The duration of the behavioral commitments will be three years and can be extended for another three years at the end of the period if deemed necessary by the Board. The Board found these behavioural commitments sufficient to address the concerns.

#### 4. The role of competition authorities in the formulation and implementation of other policies

58. TCA provided various opinions to public institutions and organizations. Essentially, these opinions serve to examine a planned legislation or a planned practice by the relevant agency or organization from a competitive perspective and, to the extent possible, to ensure that a competitive perspective is included in the relevant legislation text or practice.

59. In this context, in 2023 the TCA rendered a total of 22 opinions to various public agencies and organizations, 6 of which concerned legislation and 16 of which concerned other matters.

### 5. Resources of the TCA

#### 5.1. Resources overall

##### 5.1.1. Annual budget (in TRY and USD)

60. Revenues of the TCA are determined by the Competition Act as follows in Article 39. According to this article, revenues of the TCA set up the budget of the TCA, and they are made up of the following items of revenues:

- The subsidy to be allocated in the budget of the Ministry of Trade,
- Payments to be made by four per ten thousand of the capitals of all partnerships to be newly established with the status of an incorporated and limited company, and that of the remaining portion in case of capital increase,
- Publication and other revenues.

61. Revenues belonging to the TCA are collected in an account to be opened in the Central Bank of the Republic of Türkiye or a state bank.

62. The spending budget of the TCA is confidential.

63. Moreover, although it is provided for in Article 39 of the Competition Act, there has not been a subsidy in the budget of the Ministry of Trade and the TCA has not taken any aid from the general budget transfer scheme since its establishment in 1997.

##### 5.1.2. Number of employees (as of 31 December 2023)

- Non-administrative competition staff: **281**
- Economist: 46
- Lawyer: 79
- Other: 156
- Support staff: **185**

- All staff combined: 473

## 5.2. Human resources (person-years) applied to: Enforcement against anticompetitive practices, Merger review and enforcement advocacy efforts

64. TCA was not structured as to assign staff with respect to competition enforcement activities. Rather, the staff is divided into six main enforcement departments which are assigned sectoral areas. Any merger filings or antitrust infringement complaints regarding a sector are delivered to the head of the department assigned to that sector. Then the department head distributes cases to competition NAC staff for analysis. NAC Staff is also employed at the Department of External Relations and Competition Advocacy; Economic Analysis and Research Department, the Department of Rulings and Legal Decisions, Information Technologies Department, Strategy Development Department and the Office of the Legal Adviser.

65. Period covered by the above information: 2023

## 6. Summaries of or references to new reports and studies on competition policy issues

### 6.1. 2023 Mergers and Acquisitions Overview Report

66. The 2023 Mergers and Acquisitions Overview Report addresses the merger/acquisition and privatization transactions examined and concluded in 2023 among those notified to the TCA, and aims to summarize the developments with relation to mergers and acquisitions in the relevant year. The Report is intended as one of the significant data sets in terms of the investment climate in Türkiye. The report in question makes the following main observations concerning mergers and acquisitions.

67. In 2023, a total of 217 merger, acquisition and privatization transactions were notified to the TCA. In 94 of these transactions, the target companies were founded in accordance with Turkish laws. The notified transaction value was around 162.5 billion TL for mergers and acquisitions where the target company was based in Türkiye. When privatizations are included, the total transaction value adds up to 162.9 billion TL.

68. The total transaction value of the mergers and acquisitions where all of the parties are companies based in Türkiye was around 81.9 billion TL. Foreign investors made investments in Turkish companies in 35 separate transactions. In 2023, investors based in the Germany and Netherlands were at the top of the rankings in transactions involving target companies based in Türkiye, with 8 and 5 transactions. Total projected foreign investment involving mergers and privatizations where the Turkish companies were being transferred was 68 billion TL. In 2023, the highest number of transactions as well as the highest value transaction in Türkiye in mergers and acquisitions were both in the field of “production, transmission and distribution of electricity”.

69. One transactions were taken under final examination in 2023. Only one of the aforementioned transactions was authorized, and the examination process is currently ongoing for the others. In the same year, the TCA decided on the merger and acquisition transactions notified within an average of 13 days after the date of notification.

Table 1. Sector Inquiries Launched/Ongoing in 2023

Sector	Reason for the Inquiry	Planned Date of Completion
Online Advertising Sector	The Online Advertising Sector Inquiry was launched in order to closely monitor the national and international current developments in the online advertising field, which gathered significant momentum in the recent years as a result of rapid improvements in IT technologies and the widespread use of the internet, so as to determine any behavioral and/or structural competition problems in the sector and develop solutions/policy suggestions aimed at dealing with these problems.	2024
Pharmaceuticals Sector	The pharmaceuticals sector inquiry aims to scrutinize the structure and functioning of the sector in order to identify the factors affecting competition in the sector, and to suggest solutions for dealing with competition problems in the sector.	2024
Container Transportation via Liners and Container Port Services Market	Marine transportation sector can become the subject of competition law due to the relationships between liners, ports and other service providers. Particularly in the recent period, the disarray that emerged in the liner transportation fees and its relation to the problems in the global market brought to the forefront by the Covid-19 pandemic required a detailed examination of the structure and functioning of the sector. Consequently, the sector inquiry aims to provide a better understanding of the dynamics of liner transportation as well as its integrated supplementary market of port services.	September 2024
Automotive Sector	The motor vehicle sector inquiry was launched with an aim to identify the factors affecting competitive market structure in the automotive sector and the structural problems therein, and to provide suggestions for their solution. The inquiry intends to address the the subjects of digitalization and electric vehicles within the framework of the supply and demand problems in the sector, taxation and pricing policies for the vehicles, distribution channels in the sector, after-sales services and technological developments.	December 2024
Mobile Ecosystem Sector	Mobile Ecosystems Sector Inquiry intends to refer to the knowledge of service providers as well as application developers, final consumers and device manufacturers who are the users of services in order to ensure maximum participation and data depth. The goal is to draw a comprehensive picture of the sector with those data by focusing on competitiveness and to identify the necessary steps to be taken in competition law and regulation areas for ensuring efficient and competitive functioning.	2024
Red Meat (Beef) Sector	Red meat sector is one of the main areas which the TCA scrutinizes due to the importance of red meat in nutrition and the structure of the market. A sector inquiry into the red meat sector has been initiated in order to analyze the market dynamics in detail, to detect the structural problems encountered by market players, to suggest solutions for the said problems and to develop competition policy recommendations for improving the competition conditions in the market.	2024

## 7. Annex: Statistical Information for the Year 2023

**Table 2. Files Concluded**

Year	Anti-competitive Agreements (Art.4) and Abuse of Dominance (Art.6)	Exemption/Negative Clearance	Merger/Acquisition/Joint Venture/Privatization	Total
2020	65	34	220	319
2021	74	22	309	405
2022	78	19	245	342
2023	145	8	217	370

**Table 3. Files Concluded Under the Scope of Articles 4 and 6 of the Competition Act**

Year	Article 4	Article 6	Mixed (4 and 6)	Mixed (4,6 and 7)	Total
2020	36	22	7	-	65
2021	40	23	11	-	74
2022	58	14	6	-	78
2023	121	8	6	-	145

**Table 4. Horizontal and Vertical Agreements Examined under the Scope of Article 4 of the Competition Act**

Year	Horizontal	Vertical	Together (H/V)	Total
2020	31	10	2	43
2021	30	19	2	51
2022	38	25	1	64
2023	55	69	3	127

**Table 5. Number of Merger and Acquisition Decisions**

Year	Merger	Acquisition	Joint Venture	Privatization	Total
2020	8	150	62	0	220
2021	5	214	83	7	309
2022	2	160	76	7	245
2023	2	139	73	3	217

**Table 6. Results of Merger and Acquisition Notifications**

Year	Cleared	Cleared with Conditions	Blocked	Out of scope (not satisfying the thresholds)
2020	190	1	1	28
2021	277	3	-	29
2022	209	2	-	34
2023	184	3	-	30

**Table 7. Judicial Review<sup>1</sup> Statistics According to Result**

Year	Number of Court Judgments	Number of Favorable Judgments	Number of Unfavorable Judgments	Other <sup>2</sup>	Unfavorable/Total
2020	155	124	24	7	15%
2021	54	40	8	6	15%
2022	139	111	16	12	11.5%
2023	73	56	10	7	13.6%

<sup>1</sup> According to Article 55 of the Competition Act “Suits shall be filed against administrative sanctions before the competent administrative courts. All types of suits filed against Board decisions shall be deemed a priority matter”. Prior to 2012 the (only) appeal court for Competition Board’s decisions was Court of State, the amendment in 2012 determines administrative courts in Ankara as the first instance court.

<sup>2</sup> The “Other” heading contains the judgments which were accepted as non-filed, dismissals of petitions, dismissals on the ground of competence, partial acceptance and partial dismissal cases, and the cases where the court did not make a ruling due to abandonment of action or other reasons are collected under the “Other” heading.