

# Turkish Energy & Infrastructure

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## Recent Changes in Legislation

### Amendments to the Electricity Market Legislation

#### *Amendment to the Electricity Market Law*

The Law No. 7061 on Amending Certain Tax Laws, Laws and Statutory Decrees<sup>1</sup> (“**Omnibus Bill**”) brought certain amendments regarding the Electricity Market Law No. 6446<sup>2</sup> (“**Electricity Market Law**”) that came into force via its publication on 5 December 2017. The amendments can be summarized as follows:

- Pursuant to the new paragraph added to Article 16 of the Electricity Market Law, the Energy Market Regulatory Board (“**Board**”) may impose an administrative fine amounting to TL 500 on distribution companies due to deficiencies in

general lighting (such as missing armatures) that are identified during the general control of the electricity distribution companies and that are not remedied within a certain granted time period. The principles regarding the identification of the deficiencies and the remedy periods will be determined under a regulation. Currently, no information is available regarding such regulation.

- An amendment to Provisional Article 6 of the Electricity Market Law granted the Council of Ministers the authority to extend the period in which general lighting costs are covered by the fund to be included in the budget of the Ministry of Energy and Natural Resources (“**MENR**”) and by general budget tax incomes of the relevant municipalities and special provincial administrations from 31 December 2017 until 31 December 2020. With this authority, the

<sup>1</sup> Published in the Official Gazette No. 30261, dated 5 December 2017.

<sup>2</sup> Published in the Official Gazette No. 28603, dated 30 March 2013.

Council of Ministers issued the Decree No. 2017/11162 that came into force via its publication on 30 December 2017 and extended this period to 31 December 2020 as envisaged.

### *Regulation Amending the Electricity Market Licensing Regulation*

The Regulation Amending the Electricity Market Licensing Regulation ("**Amending Electricity Regulation**") was published in the Official Gazette on 15 December 2017 and came into force upon its publication.

The main novelties introduced in the Amending Electricity Regulation are as follows:

- Security amounts that are collected at the preliminary license application stage will no longer be deducted from the security amounts to be collected for the generation license application stage. Security amounts to be collected for the generation license application stage will be calculated based on the ratios determined by a Board decision based on the type of the generation resource and the capacity under the license.
- The requirement to establish data storage/processing centres only in Turkey or procure those services from third-party centres located only in Turkey has been eliminated while the scope of the license holders' data processing and storage liability has been expanded. Regardless of whom provides those services, license holders are obliged to (i) prevent any unauthorized access or unlawful processing of data regarding the actions and transactions that are carried out within the scope of licensing activities by third parties and (ii) take all necessary technical and administrative measures to ensure the appropriate level of security for the confidentiality, integrity and accessibility of such data.
- For the generation facilities in partial operation, license amendment fees applicable in case of time extensions for facility completion dates shall be calculated based on only the installed capacity amounts that are not in operation yet (subject to the time extension).
- From now on, electricity distribution and supply companies are required to provide information and documents related to legal unbundling only upon EMRA's request.
- Additional exceptions to the share transfer approval requirement are introduced. Now direct or indirect changes in the partnership structure of the pre-license holder companies (i) as a result of

share transfers between real persons who already have direct or indirect shares in the pre-license holder company, spouses and first-degree relatives and (ii) whose management is seized by the Savings Deposit Insurance Fund are excluded from this requirement.

- License holders are required to apply to EMRA for the amendment of their licenses following the finalization of the share transfers within three months for transfers subject to Board approval and within six months for other transfers.
- Except for the license holder companies carrying out activities subject to regulated tariffs, the prior approval mechanism for indirect shareholding or control changes that occur at the level of a license holder's parent company that is located abroad has been eliminated. These license holders can now inform EMRA within one year following the relevant transaction and apply for a license amendment within six months thereafter.

### *Regulation on Electricity Market Capacity Mechanism*

The Regulation on Electricity Market Capacity Mechanism ("**Regulation**") was published in the Official Gazette on 20 January 2018. The Regulation introduces a capacity mechanism to be operated by TEİAŞ ("**System Operator**") to maintain a reliable installed capacity in the electricity market.

The significant provisions of the Regulation are as follows:

- The System Operator will make capacity payments to eligible generation license holders to ensure adequate installed capacity. The payments will be based on the fixed and variable costs of the plants and spot market prices. EMRA will decide on the fixed and variable costs for each resource type.
- Generation license holders who want to benefit from the capacity mechanism in the following year shall apply to the System Operator no later than October 15<sup>th</sup> for each power plant. By the end of October, the System Operator will announce the plants that are going to benefit from the capacity mechanism in the following year in its website and notify EMRA.
- The following power plants cannot qualify for the capacity mechanism:
  - power plants in which the public share exceeds 50%,

- power plants that currently have or had BOT and BO contracts,
  - renewable and domestic coal fired power plants that will be constructed in accordance with Article 18/5 of the Electricity Market Law<sup>3</sup>,
  - nuclear power plants constructed through international agreements,
  - power plants that benefited or are entitled to benefit from Renewable Energy Resources Support,
  - power plants to be privatized after the effective date of the Regulation,
  - power plants with an installed capacity below 50 MW for those using domestic resources and below 100 MW for others,
  - power plants that are not using domestic resources and are older than 10 years calculated from the provisional acceptance date,
  - power plants that are not using domestic resources and with a productivity rate below 50% at the time of provisional acceptance (the calculation is based on the upper limit of the heating value for natural gas power plants), and
  - wind and solar power plants that cannot produce continuously and hydroelectric power plants.
- The System Operator will propose the annual budget for capacity payments for the following year by the end of September and submit it to EMRA, and EMRA will approve the budget by the end of November.
  - If the allocated budget is not sufficient to make all capacity payments, the power plants that use domestic resources will be paid first, then the rest of the budget will be paid on a pro rata basis to the others. If the allocated budget is not sufficient to pay even the power plants that use domestic resources, then no payment will be made to power plants that do not use domestic resources and the budget will be distributed among power plants that use domestic resources.

The applications for the capacity mechanism in 2018 should have been made by 31 January 2018 to the System Operator. The System Operator should announce the power plants that will benefit from the capacity mechanism by 15 February 2018 on its website and should notify EMRA. The selected power plants will be included in the capacity mechanism beginning on 1 January 2018.

### Stamp Tax and Duties Exemption for PPPs

The Omnibus Bill introduced new exemptions for public private partnership (“PPP”) projects when it came into force upon its publication on 5 December 2017. The Stamp Tax Law No. 488<sup>4</sup> (“Stamp Tax Law”) and the Duties Law No. 492<sup>5</sup> (“Duties Law”) already provide an exemption from stamp tax and duties for documents (and annotations to these documents) drawn up during the receipt, securitization and repayment of loans provided by banks, international institutions and foreign credit institutions. The Omnibus Bill introduced a stamp tax and duty exemption specific for loans provided to contractors undertaking PPP projects by institutions that are established to provide funds against capital market instruments issued abroad. In other words, when a special purpose company established abroad issues capital market instruments based on the incomes of a PPP contractor undertaking a PPP project, the funding obtained through such securitization will be retransferred to the PPP contractor without the application of any stamp tax or duty. This new exemption may be viewed as a sign of the State’s continuing support for PPP projects.

### Amendments to the Decree No. 32 on the Protection of the Value of Turkish Currency

The Council of Ministers introduced amendments to the Decree No. 32 on the Protection of the Value of Turkish Currency (“Decree”) with the amending decree published in the Official Gazette on 25 January 2018 (“Amendment”). The Amendment will be effective as of 2 May 2018.

The most important changes under the Amendment are related to the restrictions on the utilization of foreign currency loans by legal entities. These can be summarized as follows:

- The Amendment introduces the “foreign currency income” test to facilitate the restrictions. Foreign Currency income is comprised of the following: (i) export transactions; (ii) transit trade; (iii) sales and deliveries that are qualified as export

<sup>3</sup> Published in the Official Gazette No. 28603, dated 30 March 2013.

<sup>4</sup> Published in the Official Gazette No. 11751, dated 11 July 1964.

<sup>5</sup> Published in the Official Gazette No. 11756, dated 17 July 1964.

activities; and (iv) foreign currency generating services and activities.

- Turkish residents without foreign currency income cannot utilize foreign currency loans abroad or in Turkey. There are several exceptions to this, such as:
  - public institutions, banks, financial leasing, factoring companies, and financing institutions;
  - utilization of a loan more than USD 15 million;
  - loans for the PPP projects; and
  - loans to be utilized for certain defence industry projects.
- Turkish residents that generate foreign currency income can utilize foreign currency loans abroad or in Turkey if the loan amount is more than USD 15 million. However, if it is less than this, the loan amount cannot exceed the foreign currency revenues of the three preceding financial years.
- Turkish residents can no longer utilize foreign currency indexed Turkish lira loans in Turkey.

## Amendments to the Mining Legislation

### *Amendment to the Mining Law*

The Omnibus Bill introduced certain amendments to the Mining Law No. 3213<sup>6</sup> (“**Mining Law**”) and came into force upon its publication. The highlights of these amendments are as follows:

- The Omnibus Bill introduces a new mining incentive that exempts certain mine sites from forestry permit fees (except planting costs) pursuant to the Forestry Law No. 6831<sup>7</sup> (“**Forestry Law**”), for the first 10 years starting from the date of the operation licenses for: (i) Group II(c) and Group IV mine sites to be tendered with by-product or end-product requirements, (ii) mine sites transferred to specialized government institutions and their affiliates, and (iii) mine sites to be tendered by the Privatization Administration. Concerning operation licenses obtained for Group IV mine sites to be tendered with by-product or end-product requirements, the Council of Ministers is authorized to determine whether forestry permit fees under the Forestry Law (except planting costs) are to be collected for the first 10 years beginning from the date of the operation license based on certain parameters such as the type, reserve, or area of the mining zone. Finally, the Omnibus Bill provides a

50% discount for the land permit price determined under the Forestry Law for all other zones (except those mentioned above) for the first 10 years starting from the date of the operation license.

- The general exploration report that contains information on the mineral resources and investment expenditures made for the exploration activities must be submitted to the General Directorate of Mining Affairs (“**GDMA**”) for approval within the general exploration period. If this submission is not made, the exploration license of the relevant license holder will be cancelled. In cases where the reports are submitted but not approved, the license holder will be given a TL 20,000 administrative fine and one month to remedy the deficiencies. Failure to remedy the deficiencies will result in the cancellation of the exploration license.
- Further to a new provision introduced by the Omnibus Bill, it is not necessary to obtain an EIA decision for superficial preparation proceedings such as geological mapping, seismic and borehole sampling.
- The Omnibus Bill reformulates the minimum production requirement under Article 24(11) of the Mining Law. Accordingly, license holders whose total production amount in any three years within the past five-year period with the least amount of production falls below the 30% of the annual production declared to the Mining Department, will be imposed an administrative fine of TL 50.000. Subsequently, if the total production amount in the previous three-year periods falls below 30% of the annual declared production amount, the license holder will be imposed another administrative fine of TL 50.000. The operation license will be cancelled if the license holder is fined twice pursuant to Article 24 of the Mining Law, in five years. In calculation of these time periods, the year in which the operation license is granted and the year in which the determination of the production amount is made will not be taken into consideration. The administrative fine and cancellation provisions will not apply if such failure in production is due to a force majeure or unexpected gallery, pit or stripping works are duly continued by event or if it is determined by the GDMA that the
- the relevant license holder as declared within the scope of the operation project, pro rata to the annual production amount declared in the operation project. Finally, MENR will be authorized to increase, decrease or change the said administrative fine for the different license types.

<sup>6</sup> Published in the Official Gazette No. 18785, dated 15 June 1985.

<sup>7</sup> Published in the Official Gazette No. 9402, dated 8 September 2015.

## Amendment to the Mining Regulation

The new Mining Regulation was published in the Official Gazette No. 30187 dated 21 September 2017 (“**New Regulation**”) and came into force upon its publication, abolishing the former Mining Activities Implementation Regulation (“**Former Regulation**”). The New Regulation was expected to be published following the recent amendments made to the Mining Law in 2015<sup>8</sup> (“**2015 Amendments**”), in order to harmonize the two material instruments of the mining legislation.

Some of the harmonizing provisions are as follows:

- **Feasibility Period:** The New Regulation recognizes and defines a feasibility period as part of the exploration activities, subsequent to the detailed exploration period. The feasibility period was initially introduced to the Mining Law with the 2015 Amendments.
- **License Period:** While the Former Regulation provided a 60-year license period, the New Regulation provides that Group I licenses cannot exceed 30 years, Group II licenses cannot exceed 40 years, and all other group licenses cannot exceed 50 years – in line with the 2015 Amendments made to the Mining Law.
- **License Fee:** The 2015 Amendments abolished the security requirement for licensing and introduced instead a single license fee in the Mining Law. In line with this change, the New Regulation also abolishes the implementation of security for licensing and provides a single license fee.
- **Application Proceedings:** While the overall application and tender proceedings are already regulated in the Mining Law, the New Regulation provides further details on their implementation. Pursuant to Article 8 of the New Regulation, (i) operation licenses for Group I(ii), Group II(a) and (c) mines, (ii) exploration licenses for Group III mines, and (iii) exploration certificates for Group V mines, will be tendered. Exploration licenses for Group II(b) mines and Group IV mines will be granted on a first come, first served basis.
- **Royalty Agreements:** A significant change introduced by the 2015 Amendments was the prohibition of operating underground coal mines by royalty agreements. The Mining Law made it mandatory to obtain MENR’s permission for royalty agreements executed between license holders and third parties for the operation of mines. In addition to these provisions, the New

Regulation prohibits the execution of multiple royalty agreements in the same mining zone and sets forth further details on the newly introduced prohibitions on royalty agreements.

- **Build Operate Transfer model:** The New Regulation also contains provisions to allow for the production of raw materials for building and construction works conducted by companies authorized by state institutions or establishments, or public investments made with the build-operate-transfer model, which was introduced to the Mining Law by virtue of the 2015 Amendments.

In addition to the provisions introduced for the harmonization of the regulations with the Mining Law, the New Regulation further provides the following:

- **Mine Group Classifications:** The New Regulation removed Group VI and included the mines within its scope, such as uranium and radium, under a new subgroup titled “radioactive materials”.
- **Indigenous Coal:** For the first time, indigenous coal has been defined in the mining legislation. Under Article 4/III of the New Regulation, indigenous coal is defined as peat, leonardite, lignite, anthracite, bituminous schist and bituminous shale produced from local resources.
- **Information Obligation to the GDMA:** The New Regulation introduces an additional information obligation for license holders within the scope of their requirement to act in accordance with their submitted projects. In this sense, where a change in the production method occurs or the opening of another underground mine pit becomes necessary, the respective license holder must submit a revised operation plan to the GDMA including such change. Similarly, where the infrastructure, facility, technology or other equipment proves technically insufficient to handle the annual production amount, then the operation plan must be revised accordingly and submitted to the GDMA by the license holder. If a license holder fails to submit revised plans to the GDMA, its activities will be suspended.
- **Tender Proceedings:** Unlike the Former Regulation, the New Regulation no longer contains explanatory provisions concerning the tender procedures. Instead, a standalone Mining Zones Tender Regulation setting out the principles and procedures concerning tender proceedings was published on 21 September 2017.

<sup>8</sup> Please see our Spring 2015 Issue for further detail on this matter.

## Amendment to the Regulation on the Implementation of Turkish Petroleum Law

The Regulation Amending the Implementation Regulation Concerning Turkish Petroleum Law was published in the Official Gazette on 22 September 2017 (“**Amending Petroleum Regulation**”) and entered into force on the same date.

Key changes introduced by the Amending Petroleum Regulation are as follows:

- Regulation of coal gas operation: The production of coal gas (*metan gazı*) during the operation of Group IV(b) mines was already regulated by the Turkish Petroleum Law No. 6491<sup>9</sup> (“**Petroleum Law**”), along with the amendments introduced in June 2016. However, the Implementation Regulation Concerning Turkish Petroleum Law<sup>10</sup> (“**Petroleum Regulation**”) was silent about the production of standalone coal gas. The Amending Petroleum Regulation not only fills this gap, but it also sets out the details for obtaining coal gas operation licenses. Accordingly, the estimated amount of coal gas to be produced shall be submitted to the General Directorate of Petroleum Affairs (“**GDPA**”) together with a production and investment program. A coal gas operation license allows the license-holder to operate only in the area determined in the mining operation license, and its term is limited to the term of the mining operation license.
- Return of the guarantees: Article 28 of the Petroleum Regulation already provides the conditions for the return of guarantees submitted by the license-holders depending on the realization of their investment program. The Amending Petroleum Regulation introduces a new provision to this Article, stating that the realization of the activities that are not undertaken in the investment program will not be considered when determining the amount of guarantee to be returned. The Amending Petroleum Regulation also allows the license-holders to request the return of their guarantees before the end of the annual investment program, provided that they have completed all their investment activities undertaken for the relevant year.

- Calculation of capital: The Amending Petroleum Regulation allows the inclusion of certain income and assets (e.g., interest accrued on the cash brought, income arising out of the sale of equipment, services provided to third parties as well as costs and income arising out of currency exchange) in the capital of the company even if they stem from out-of-market activities, provided that the income and assets are, at some point, utilized in the license holder’s petroleum activities.
- Importation of equipment: The Amending Petroleum Regulation introduces the details of the application procedure for the importation of equipment to be used in petroleum activities. Accordingly, license-holders submit their applications to the GDPA through the “Single Window System” (*Tek Pencere Sistemi*)<sup>11</sup> and the GDPA gives its approval online.
- Neighbouring licenses: The Amending Petroleum Regulation requires the execution of a consent letter between the right-holders for the drilling activities to be conducted in neighbouring licenses. This letter of consent shall be notified to the GDPA by the relevant parties. If the parties cannot reach an agreement in the execution of such consent letter, the GDPA can decide on the matter based on technical requirements.
- Employment of foreigners: The Amending Petroleum Regulation repeats the principle set out in the Petroleum Law that foreigners can be employed for a maximum term of six months for petroleum activities and a permit must be obtained in accordance with the International Labour Force Law<sup>12</sup> for the terms exceeding six months. The Amending Petroleum Regulation lists the documents to be submitted to the GDPA with respect to foreign employment.

## The Law on Labour Courts

The Law on Labour Courts No. 7036 (“**New Labour Law**”), which repeals and replaces the former Labour Courts Law No. 5521<sup>13</sup>, came into force following its publication in the Official Gazette on 25 October 2017. The major novelties introduced by the New Labour Law are as follows:

<sup>9</sup> Published in the Official Gazette No. 28674, dated 11 June 2013.

<sup>10</sup> Published in the Official Gazette No. 28890, dated 22 January 2014.

<sup>11</sup> The Single Window System is an online portal established by the Ministry of Customs and Trade to facilitate the control of customs documents. The GDPA has access to the system.

<sup>12</sup> Published in the Official Gazette No. 29800, dated 13 August 2016.

<sup>13</sup> Published in the Official Gazette No. 7424, dated 4 February 1950.

- **Compulsory Mediation:** Seeking mediation is now a precondition for filing a lawsuit concerning labour related disputes arising out of (i) the applicable law, or individual and collective labour contracts concerning receivables or compensations and (ii) reemployment lawsuits. The provision regarding the compulsory mediation process became enforceable as of 1 January 2018.
- **Legal Remedies:** The application period for legal remedies against a court decision will begin with the written notification of such decision to the parties; this effectively ends the discussion about whether the time limits would begin to run following verbal notification of the decision during the hearing or following a written notification.
- **Statute of Limitations:** A five-year statute of limitations, which has been applicable to the employee-wage related claims including monetary claims related to unused annual paid leaves under the Labour Law No. 4857<sup>14</sup>, shall also be applicable to disputes concerning: (i) severance pay; (ii) notice pay; (iii) malicious intent compensation; and (iv) compensations due to non-compliance with the equal treatment principle in labour contracts.

## Draft Legislation

### Draft Amendments to the Natural Gas Market Licensing Regulation

On 19 January 2018, EMRA published the Draft Regulation Amending the Natural Gas Licensing Regulation ("**Draft Natural Gas Regulation**"), which was open to public view until 6 February 2018.

The changes foreseen by the Draft Natural Gas Regulation focus mainly on (i) the allocation of the duty to review the license applications between the Board and EMRA, depending on the type of the license, and (ii) the introduction of certain fee exemptions concerning some of the license amendments (such as the amendments due to the transfer of the distribution company shares to municipalities).

### Draft Amendments to the Certification and Support of Renewable Energy Resources Regulation

On 22 January 2018, EMRA published the Draft Regulation Amending the Certification and Support of Renewable Energy Resources Regulation, which was open to public view until 6 February 2018 ("**Draft Certification Regulation**").

The main changes proposed by the Draft Certification Regulation concern the application process for participation in the Renewable Energy Resources Support Mechanism ("**YEKDEM**"). In this respect, the Draft Certification Regulation briefly addresses the required documentation and provides for an online application to be made by the applicant legal entity's authorized representatives. The Draft Certification Regulation provides an additional requirement for legal entities that wish to benefit from YEKDEM during the following year to submit notarized authorization documents certifying the signatories' representation power by 31 October of the respective year.

### Draft Regulation on Electricity Market Consumer Services

On 7 November 2017, EMRA published a draft regulation on electricity market consumer services ("**Draft Consumer Services Regulation**"), which aims to repeal the current Electricity Market Consumer Services Regulation ("**Consumer Services Regulation**"), on its website to receive comments by 22 November 2017. According to EMRA's announcement, the Draft Consumer Services Regulation was prepared based on the comments received on the draft regulation amending the Electricity Market Consumer Services Regulation that was published by EMRA on 13 April 2017. This initial draft amendment did not enter into force. Instead, the Draft Consumer Services Regulation has been prepared and made available for public review.

The amendments provided by the Draft Consumer Services Regulation can be summarized as follows:

- The Consumer Services Regulation categorizes eligible consumers based on their consumption amounts as either: (i) eligible consumers with high consumption amounts or (ii) eligible consumers with low consumption amount and it introduces a new customer category. Under Article 4 of the Draft Consumer Services Regulation, eligible consumers with less than 100,000 kWh of annual electricity consumption are defined as "eligible consumers with low consumption amount" and they are categorized as consumers who enjoy protective provisions related to bilateral agreements under the Draft Consumer Services Regulation. Hence, with this new categorization, the only type of consumers with whom supplier companies can freely make bilateral agreements stands as the eligible consumers with more than 100,000 kWh of annual electricity consumption. The Draft Consumer Services Regulation expands the "purpose" provision of the Consumer Services Regulation to

<sup>14</sup> Published in the Official Gazette No. 25134, dated 10 June 2003.

include not only the retail sale and bilateral sale agreements, but also the framework principles applicable to the transactions between the consumers and the supply or distribution companies for electrical energy and/or capacity sale. Accordingly, the following are new proposals to regulate within the scope of the Draft Consumer Services Regulation: (i) bilateral agreements to be executed between suppliers and eligible consumers having low electricity consumption amount, (ii) retail electricity sale agreements to be executed between the authorized supply companies and non-eligible consumers or last resort consumers, and (iii) meter reading.

- The Draft Consumer Services Regulation introduces detailed provisions concerning the form, content, termination, and variation of bilateral agreements to be executed with eligible consumers with low consumption amount, as well as provisions regarding the guarantee fees and liabilities of the parties. The provisions of the Draft Consumer Services Regulation regarding bilateral agreements and the proposed amendments to the current provisions on retail sale agreements are in fact in line with the relevant provisions of the Subscription Agreements Regulation<sup>15</sup> and Article 52 of the Consumer Protection Law No. 6502<sup>16</sup>, both of which are parts of consumer protection legislation. The following are the examples of provisions of the Draft Consumer Services Regulation that comply with consumer protection legislation: (i) required content of bilateral agreements; (ii) contract term and prohibition of automatic renewal clause in bilateral agreements; (iii) consumers' right to terminate the bilateral agreement; (iv) terms for the return of guarantee fees under retail sale agreements; and (v) delay penalty amount to be calculated and applicable in case of a consumer's default in payment of the invoice. Also, the Draft Consumer Services Regulation proposes some further consumer-friendly provisions by reducing or extending certain periods to the benefit of the consumers (e.g., the Draft Consumer Services Regulation states that the payment period given to consumers should be at least 10 days whereas the Subscription Agreements Regulation provides only a minimum of seven days).
- Provisions of the Consumer Services Regulation regulating the retail sale agreements, guarantee fee modalities, consumer claims, loss/leakage of

electricity, and consumer protection provisions, on the other hand, have been preserved in the Draft Consumer Services Regulation with minor changes.

The Draft Consumer Services Regulation proposes significant changes to transactions between consumers and supply or distribution companies. These changes have already been subject to lengthy discussions among the market players and EMRA. It seems very likely, therefore, that the Draft Consumer Services Regulation itself may be subject to considerable amendments.

Please also note that like the Draft Consumer Services Regulation, the Communiqué on Last Resort Electricity Supply Tariffs ("**Last Resort Tariffs Communiqué**")<sup>17</sup> includes the same two consumer categories, depending on the consumption amounts of the eligible consumers that are determined by EMRA. The Last Resort Tariffs Communiqué provides the possibility for application of higher tariffs, compared to the retail sale tariffs, to the last resort sales to customers with high consumption amounts and empowers EMRA to determine such tariffs to encourage the transition to a competitive market structure.

## Other Recent Developments

### Market Operation Principles and Procedures for Natural Gas Organized Wholesale Market

As envisaged under the Natural Gas Organized Wholesale Market Regulation<sup>18</sup> ("**Natural Gas Regulation**"), which established a regulated spot market for natural gas trading ("**Market**"), EMRA published on 23 September 2017 the Market Operation Principles and Procedures for Natural Gas Organized Wholesale Market<sup>19</sup> ("**Principles**"). The Principles elaborate on the rules related to the operation of the Market.

Currently, the market players trade pipeline gas by way of long-term supply agreements or spot trading under the "Transmission Network Operation Principles" of BOTAŞ, the state-owned natural gas utility ("**Network Code**"). The spot trade, however, is not conducted through a formal market but rather an over-the-counter market where the parties conclude agreements by way of e-mails, or even by telephone. The Market aims to complement the bilateral agreements between market participants. The Principles also enables the market participants to remedy their imbalances.

<sup>15</sup> Published in the Official Gazette No. 29246, dated 24 January 2015.

<sup>16</sup> Published in the Official Gazette No. 28835 dated 7 November 2013.

<sup>17</sup> Published in the Official Gazette No. 30307, dated 20 January 2018.

<sup>18</sup> Published in the Official Gazette No. 30024, dated 31 March 2017.

<sup>19</sup> EMRA's decision No. 7293-7 dated 21 September 2017 (published in the Official Gazette No. 30189, dated 23 September 2017).

The Market is planned to be operational by 1 April 2018. There will be a trial period for the first four months of its operations during which market participants will transact virtually without being subject to any liabilities in respect of these transactions.

The key aspects of the Market are as follows:

- The Market will be operated by Enerji Piyasaları İşletme Anonim Şirketi (“EPIAŞ”) through an electronic platform called the “continuous trading platform” (“CTP”). EPIAŞ will also be responsible for financial settlement activities.
- Wholesale, import, and export license holders will be able to transact in the CTP as market participants. Although eligible consumers and local distribution companies do not have direct access to the spot market, they will be able to access it through wholesalers. In addition to the additional instruments it holds under the Network Code, BOTAŞ can also transact in the CTP as the “additional balancing unit”.
- The main contractual framework for the market participants will be as follows: (i) transportation agreement with BOTAŞ; (ii) participation agreement with EPIAŞ; and (iii) participation agreement with Takasbank, the central settlement bank.
- EPIAŞ will carry out settlement activities through Takasbank. Takasbank will also undertake tasks related to the management of securities posted by the market participants.
- EPIAŞ and BOTAŞ will sign a market delivery agreement. EPIAŞ will communicate the trading orders to BOTAŞ, and BOTAŞ will transport the deliveries pursuant to the Network Code through either physical or virtual delivery points on the basis of its standard transportation and delivery agreements with the market participants.
- The natural gas will be priced, and third-party access will be facilitated on an objective, transparent, and non-discriminatory basis. EPIAŞ will publish reference prices daily that will be calculated on the basis of the weighted average of transaction values in the relevant day.
- The Principles provide that the offers will be multiples of TL 0.25 and authorize EMRA to determine the minimum and maximum offers that can be placed in the CTP.

In anticipation of the Trans Anatolian Natural Gas Pipeline Project’s (TANAP) expected entry into operation as of 2018, the market participant definition under the Principles also includes transit gas transportation. Similar references regarding transit pipelines were included into the Network Code.<sup>20</sup>

## Medium Term Programme

The noteworthy provisions in the Medium-Term Programme (2018-2020) are as follows:

### I. PUBLIC FINANCE

Privatizations will be continued during this period.

### II. PUBLIC INVESTMENTS

Public investments will focus on transportation and infrastructure projects

- In this context, divided roads, harbour and railway investments that serve the cargo traffic, and rail junction line investments to major cargo centres will be prioritized. In the financing of public investments, the PPP model will be promoted by considering the existing experience.
- Alternative models other than BOT (Build-Operate-Transfer) will be taken into account.
- All measures to reduce the costs in the pre-tender and tender stages will be taken accordingly.
- The implementation standards will be reorganized in accordance with the global standards.
- Educational programmes will be organized to expand the capacity of the public institutions in the planning, financing, procuring, and contracting of PPP projects.

### III. FINANCIAL SYSTEM

The Istanbul Financial Centre (IFC) Law will be enacted to ensure the acceleration of efforts to make İstanbul a global finance centre.

### IV. ENERGY

To reduce the dependence on imported energy:

- The share of renewable energy resources in energy generation will be increased.

<sup>20</sup> EMRA’s decision No. 7231, dated 10 August 2017 (published in the Official Gazette No. 30155, dated 15 August 2017).

- The application of the Renewable Energy Resource Areas system will be continued to reduce the dependence on foreign equipment in renewable energy investments.
- The exploration of oil, natural gas, shale gas, and coal will be continued to increase domestic reserves.
- The use of domestic lignite will be continued in an environment-friendly manner.
- A programme regarding the efficient use of energy in the transportation, industry, and construction sectors will be initiated.
- Measures will be taken in public electricity generation facilities and electricity transmission and distribution networks to increase efficiency.

In terms of financing:

Eximbank's organizational capacity will be enlarged.

In terms of transportation:

- To accelerate trade, logistic centres will be managed by private operators, instead of public organizations, with modern operational standards.
- The studies for enacting a secondary legislation regarding railway transport will be completed and implemented, with the participation of the private sector, to establish an efficient competition environment and reduce costs to a sustainable level.
- The railway investments in the East-West direction will be accelerated and the bottlenecks on the North-South direction will be eliminated.

## V. PRODUCTION

Prototype developing processes, investments in technological products, and clustering activities will be supported in the energy, health, automotive, rail systems, information, and defence sectors.

## VI. MINING

Exploration investments in the mining sector will be increased. In the context of utilizing domestic mineral resources, the transfers of R&D (Research and Development) and technology for the exploration and generation technologies, as well as gem processing/enrichment investments, will be considered.

<sup>21</sup> Published in the Official Gazette No. 25606, dated 7 October 2004.

<sup>22</sup> Published in the Official Gazette No. 29044, dated 28 June 2014.

## VII. BUSINESS AND INVESTMENT CLIMATE

The period for granting construction permits will be shortened, and construction permits will be granted with a single signature. EIA decisions will be finalized in two months following the investor's complete delivery of the EIA Report to the Ministry.

### Court Decisions

#### Turkish Court of Cassation Decision Regarding the Authorized Court to Decide on Annulment of Arbitral Awards

The Turkish Court of Cassation (*Yargıtay*) ruled with its decision no. 2017/1666E. 2017/2907K. dated 18 July 2017 ("**Decision**") that the commercial courts of first instance are authorized to decide on the annulment of arbitral awards.

The arguments arose with the amendment made to Article 5 of the Law on Establishment, Power and Authority of Judicial Courts of First Instance and Regional Judicial Courts No. 5235<sup>21</sup> ("**Law on Establishment of Judicial Courts**") via the Law No. 6545<sup>22</sup> in 2014. The amended Article 5 provided that commercial courts of first instance (*asliye ticaret mahkemesi*) would be authorized to act on certain arbitration-related matters including the annulment of arbitral awards both within the scope of the International Arbitration Law No. 4686<sup>23</sup> and the Civil Procedure Law No. 6100<sup>24</sup> ("**Civil Procedure Law**"). These matters include (i) objections to the arbitration clause, (ii) annulment of arbitral awards; (iii) selection of arbitrators; and (iv) recognition and enforcement of foreign arbitral awards. This amendment seemingly contradicted Article 3 of the International Arbitration Law that designates civil courts of first instance (*asliye hukuk mahkemesi*) and Article 410 of the Civil Procedure Law, governing domestic arbitration, which provided that the works that would be performed by the courts relating to arbitral proceedings, would be performed by regional judicial courts (*bölge adliye mahkemesi*). Therefore, an uncertainty existed about whether commercial courts of first instance (or civil courts of first instance in the case of arbitrations under International Arbitration Law) or regional judicial courts would be authorized to decide on certain arbitration-related matters, including the annulment of arbitral awards.

It is important to note that the Decision is, so far, the first decision clearly indicating the authorized court to render a decision concerning the annulment of arbitral awards after the enactment of the Civil Procedure Law. The

<sup>23</sup> Published in the Official Gazette No. 24453, dated 5 July 2001.

<sup>24</sup> Published in the Official Gazette No. 27836, dated 7 October 2004.

reasoning of the Court of Cassation is somewhat vague to make a clear determination on whether the commercial court of first instance will still be authorized in other issues that require court aid in arbitral proceedings (e.g., injunctions, evidence gathering). Therefore, the approach of the Turkish Court of Cassation and practice with respect to the authorized state courts in arbitration-related proceedings may need to be followed further.

## International Agreements

### Ratification of the Financial Agreement of the Multi-Annual Action Programme for Turkey on Transport

The Financial Agreement, annexed to the Multi-Annual Action Programme for Turkey on Transport No. 2014/031-877 (“**Action Plan**”) was ratified through the Council of Ministers Decree no. 2017/10760 dated 15 August 2017 and published in the Official Gazette dated 2 October 2017 (first repetition). The Action Plan aims to achieve a shift towards a safer, environmentally friendly transport system reflecting a more balanced modal split in Turkey, which is referred to as an “excellent gateway to growing markets in the Middle East and the Caucasus”. The Financial Agreement, executed between the European Union Ministry representing the Turkish Government and the European Commission representing the European Union, is an annex to this Action Plan, and provides details on the funding of realizing the objectives of the Action Plan.

As a requirement of the Action Plan, the Trans-European Transit Network (TEN-T) railroad connections between Turkey and the European Union will be modernized. The Financial Agreement stipulates the execution of a loan agreement between the World Bank and the winning bidder to realize certain projects, including the TEN-T. The construction of Halkalı-Kapıkule Railroad line constitutes the backbone of the program. Should funding of this line becomes difficult, there are two backup projects: the Alayunt-Afyon-Konya and Malatya-Narlı Railroad Modernization projects.

The Financial Agreement further aims to fund the development of intermodal transportation by supporting sea transport and sea-railroad activities, developing the legal ground, creating incentives for combined transportation, creating an action plan for the development of improvements on custom procedures and enhancement of the System of Turkish Harbour Community.

The Financial Agreement also provides the planning and execution of financial policies on climate change. The

studies in this regard will include legal, administrative, technical, corporate and operational analysis. In this context the aim is to prepare a Sustainable Low-Carbon Transportation and Development Strategy and Action Plan for Turkey.

The tender proceedings are not explicitly explained in the Financial Agreement. There are only generic statements indicating that the selection will be made based on the financial and operational capacity of the bidders with a view to achieve financial sustainability and effectiveness in the provision of services. The tender methods will most likely be determined on a case-by-case basis, depending on the type and size of the project.

## Articles

### PUBLIC PRIVATE PARTNERSHIPS FOR MOTORWAYS - TURKEY

#### I. BACKGROUND

PPP in the transportation sector became popular in the last decade all around the world. Turkey is among the countries using the PPP model in the transportation sector and has a large PPP project portfolio.

In 1988, with the Law No. 3465 on Authorization of Enterprises other than the General Directorate of Highways for Construction, Management and Operation of Access Controlled Highways<sup>25</sup> (“**Law No. 3465**”), the private sector in Turkey was provided for the first time with the opportunity to develop, construct, and operate motorways. Following the Law No. 3465, the Law No. 3996 on Provision of Certain Investments and Services pursuant to the Build-Operate-Transfer Model<sup>26</sup> (“**BOT Law**”) enacted in 1994 allowed the utilization of the Build-Operate-Transfer (“**BOT**”) model in the transportation sector.

#### II. TENDER MECHANISM

The bidding mechanism is composed of two stages: (i) pre-qualification and (ii) the submission of bids. Following the completion of the pre-qualification stage, the bidders are invited by the administration to submit their bids. The bidding procedure regarding the preparation and submission of bids, opening the sealed tender, evaluation of the bids, and the finalization of the commission would be designated by the administration under the tender specifications and then the tender would be completed accordingly.

Pursuant to the BOT Law, foreign companies can also bid for the Motorway PPP Projects.

<sup>25</sup> Published in the Official Gazette No. 19830, dated 2 June 1988.

<sup>26</sup> Published in the Official Gazette No. 21959, dated 13 June 1994.

### III. KEY FEATURES OF THE AGREEMENTS

#### 1) Legal Nature of the Agreements

Pursuant to Article 5 of the BOT Law, the agreements executed in accordance with the BOT Law ("**Project Agreement**") are accepted as private law agreements. The Council of State also confirmed this understanding<sup>27</sup>. As a consequence, such agreements are not required to be reviewed by the Council of State before execution (unlike concession agreements), and they cannot be subject to a cancellation lawsuit before administrative courts. Moreover, the relevant governmental authority does not normally have superior rights and privileges that it would have under a concession agreement (which is governed by administrative law) or under agreements executed in accordance with the Public Tender Law and the Public Tender Contracts Law.

#### 2) Term

The term of the Project Agreements would be designated with regard to the payback period of the investment amount (including the profit that would be gained) and the loans provided for the investment, the nature of the project, the capital amount, and operating rules. Pursuant to the BOT Law, the term of the Project Agreements shall not exceed 49 years.

#### 3) Dispute Resolution

Disputes arising out of or in connection with the Project Agreements are generally settled under Turkish law and Turkish courts have jurisdiction over such disputes. However, the Project Agreements can provide that disputes shall be settled by arbitration. In this case, Turkish law shall be the governing law.

#### 4) Toll Collection

##### i. *Nature of the tolls*

Pursuant to the Law No. 6001 Concerning Structure and Duties of General Directorate of Highways<sup>28</sup>, the tolls shall be collected directly by the transferee company ("**Project Company**"). In cases where they are not duly paid, a fine amounting to 10 times the relevant toll amount shall also be collected. The collection by the Project Company is subject to the general collection and execution provisions under Turkish law, which are regulated under the Law No. 2004 on Enforcement and Bankruptcy ("**Law No. 2004**").

After collecting the unpaid toll together with the fine, 60% of the fine amount shall be paid to the relevant tax office, which the Project Company is registered to, as a Treasury share until the 7<sup>th</sup> day of the month following the month in which the collection is actually made. In the event that such Treasury share is not paid in due time, such share together with the default interest shall be collected from the Project Company in accordance with the Law No. 6183 on Collection Procedures of the Public Receivables<sup>29</sup> ("**Law No. 6183**"). It should be noted that the Law No. 6183 provides an expedited collection procedure compared to the Law No. 2004.

##### ii. *Toll guarantee*

A toll guarantee is a payment guarantee mechanism that may be provided under the Project Agreement specifically for each project. The key factors in determining the revenue potential of a road would be: traffic volumes, traffic composition, growth potential, the maximum permitted toll rates, and travel times on other roads. If a demand guarantee is granted under the Project Agreement and the demand exceeds the amount of the guaranteed services or goods, the Project Agreement also designates how will the revenue will be shared. The government generally prefers to provide a toll guarantee for PPP projects to make the projects more attractive for investors.

#### 5) Step-in Rights

The BOT Law does not restrict the step-in rights of the lenders and in practice, most of the Project Agreements provide the lenders with step-in rights. The step-in rights permit the lenders to take control of the management of the project by taking measures for the Project Company. In cases where such measures are inadequate to improve the situation, the substitution mechanism, composed of the transfer of shares of the Project Company or the project agreement to another investor, may also be introduced.

Moreover, governmental authorities may also have step-in rights in case the Project Company breaches the Project Agreement, laws or regulations and the breach results in the non-performance of the public services. The step-in right of governmental authorities is principally composed of the assumption of the Project Company's duties and it is generally managed in relation with the funders.

<sup>27</sup> Decision of the 1<sup>st</sup> Chamber of the Council of State numbered E. 2003/108 and K. 2003/110.

<sup>28</sup> Published in the Official Gazette No. 27640, dated 13 July 2010.

<sup>29</sup> Published in the Official Gazette No. 8469, dated 28 July 1953.

## IV. INCENTIVES

### 1) State Guarantees

Pursuant to the Law No. 4749 on the Regulation of Public Financing and Debt Management<sup>30</sup>, the Council of Ministers has the authority to grant a Treasury guarantee for the repayment of debt to the lenders for Motorways PPP Projects. In practice, Treasury guarantees have not been granted since 1999; instead, the Treasury prefers to provide debt assumption for PPP projects. The debt assumption mechanism, unlike Treasury guarantees, will be triggered only when the Project Agreement is terminated.

### 2) Tax advantages

Under the BOT Law, most of the PPP projects subject thereto are exempt from stamp-tax and legal fees for certain transactions during their investment periods. Note that these incentives are usually not provided for the operation term. In addition, the Stamp Tax Law and the Duties Law No. 492<sup>31</sup> provide certain exemptions for the finance documents and securities regarding the loans provided by the banks or financial institutions.

### 3) Expropriation

The Turkish Constitution provides that expropriation of private properties is possible if there is a public interest and the expropriation should be carried out on the basis of the real value of the relevant property. The BOT Law also makes it clear that expropriation may be conducted for PPP projects subject to the rules provided by the Expropriation Law No. 2942<sup>32</sup>.

Recently, the Prime Ministry Circular (*Başbakanlık Genelgesi*) No. 2017/20<sup>33</sup> regarding the Ankara-Niğde Highway project was issued in order for the project to be completed in accordance with the time schedule; also providing several ways to enable expropriation. The Prime Ministry also issued another circular, Circular No. 2016/20<sup>34</sup> with regard to the North Marmara (including the 3<sup>rd</sup> Bosphorus Bridge) Highway Project, in order for the project to be completed within the time schedule designated; within this context, this circular enables expropriation.

<sup>30</sup> Published in the Official Gazette No. 24721, dated 9 April 2002.

<sup>31</sup> Published in the Official Gazette No. 11756, dated 17 July 1964.

<sup>32</sup> Published in the Official Gazette No. 18215, dated 8 November 1983.

<sup>33</sup> Published in the Official Gazette No. 30208, dated 12 October 2017.

## V. EXISTING AND UPCOMING PROJECTS

### 1) Existing Projects

Turkey plans to invest in 5,800 km of new motorways by 2023 with the BOT model and to reach 7,900 km of motorways in total, including the Çanakkale (Dardanelles) Strait Bridge, which was tendered in 2017, and the Istanbul Big Tunnel Project. The key projects are listed below<sup>35</sup>:

Project	Sector	Capacity	Investment Size (USD bn)
Gebze - İzmir Motorway	Transportation/Roads	433 km	6.3
NMM – Third Bridge	Transportation/Roads	114 km	3.4
Eurasia Tunnel	Transportation/Roads	15 km	1.2
NMM – European Sections	Transportation/Roads	95 km	1.0
NMM – Asian Sections	Transportation/Roads	178 km	1.7
İstanbul Big Tunnel	Transportation/Roads	7 km	3.5
Ankara - Niğde Motorway	Transportation/Roads	330 km	1.5
Dardanelles Bridge & Kınalı - Balıkesir Motorway	Transportation/Roads	385 km	6.0
Ankara - İstanbul HSL	Transportation/Roads	533 km	3.0
Ankara - Sivas – Erzincan HSL	Transportation/Roads	467 km	1.2
Third İstanbul Airport	Transportation/Airports	150 m	6.9

### 2) Upcoming Projects

Pursuant to the Medium Term Financial Plan (2018-2020), the Government states that projects related to transportation will have priority over other

<sup>34</sup> Published in the Official Gazette No. 29811, dated 24 August 2016.

<sup>35</sup> Capital Projects and Infrastructure Spending in Turkey, Outlook to 2023, PwC, January 2017.

investments, and public investments will be conducted through PPP models. Moreover, the Middle Term Program<sup>36</sup> states that PPP models will be implemented more widely for the financing of public investments. The scope of the sectors that are developed through the PPP model will be enlarged<sup>37</sup>.

Within this context, the anticipated projects to be realized with the BOT model in motorway construction sector are listed below:

Project	Sector	Capacity
Aydın-Denizli-Burdur Motorway <sup>38</sup> (Denizli-Burdur section)	Transportation/ Roads	130 km
Delice-Samsun Motorway	Transportation/ Roads	303 km
Şanlıurfa-Harbur Motorway (Including Diyarbakır intersection way)	Transportation/ Roads	454 km
Afyon-Antalya-Alanya Motorway (Afyon-Antalya section)	Transportation/ Roads	350 km
Antalya-Alanya section	Transportation/ Roads	187 km
Sivrihisar-Bursa Motorway	Transportation/ Roads	231 km
Rize-Erzurum-Diyarbakır-Habur Motorway	Transportation/ Roads	460 km
Gerede-Merzifon-Gürbulak Motorway <sup>39</sup> (Gerede-Merzifon section)	Transportation/ Roads	336 km
Merzifon Gürbulak section	Transportation/ Roads	950 km
İzmir Çeşme-Şifne Yacht Port	Transportation/ Ports	364 Yachts capacity

## VI. STATISTICS

According to the World Bank PPI Database, the transportation sector (highways in particular) represents the sector with the biggest investment amount in Turkey between 1990 and 2017, and the Third İstanbul Airport

has the largest investment amount in the world with 35.587 million USD<sup>40</sup>.

## Recent and Upcoming Conferences & Events

### The 6<sup>th</sup> PPP Conference

The 6<sup>th</sup> PPP in Turkey Forum took place in Ankara, on 29 and 30 November 2017. Representatives from different sectors participated in the forum with presentations and taking part in discussion sessions. The general outcome of the speeches was that the PPP model will continue to be supported by the Government and the private sector in the upcoming years. It has been highlighted that motorway and power investments will take the lead in PPP projects to be developed during 2018-2020. The environment (waste water and solid waste management) and education sectors will be the new sectors to which the PPP model will be applied. Participants from the public sector announced that relevant legislative preparations are ongoing and a draft framework PPP law is prepared within the scope the PPP Capacity Development Project conducted by the cooperation between the World Bank and the Ministry of Development. Alternative financing models have also been discussed in the forum and it has been emphasized that bond financing will be of greater importance in the financing of upcoming projects.

### The 6<sup>th</sup> Turkish Wind Energy Congress

The 6<sup>th</sup> Turkish Wind Energy Congress (“**Congress**”), which is hosted by the Turkish Wind Energy Association (TWEA), was held in Ankara on 1-2 November 2017. The main focus of the Congress was the Renewable Energy Resources Area (“**YEKA**”) model in relation to wind energy, in addition to the evaluation of YEKDEM. It was emphasized that YEKA has become a successful model that has satisfied investors, consumers and the industry equally. With regards to YEKDEM, Albayrak highlighted that having satisfied the needs of its time, this mechanism will be terminated in 2020 and a more competitive process with YEKA will start. This new competitive era is intended to be supported by new models for solar and wind power concerning, especially, technology transfer and domestic production.

<sup>36</sup> Council of Minister’s Decree No. 2017/10803, published in the Official Gazette No. 30193, dated 27 September 2017.

<sup>37</sup> Orta Vadeli Program (2018-2020), p.26.

<sup>38</sup> YPK approval was issued and investment approval on 12 September 2017 for the Aydın Denizli section and a “Positive Environmental Impact Assessment” decision was issued on

9 February 2017. A tender issued by KGM through the BOT model is anticipated.

<sup>39</sup> The investment cost was designated as 8.5 billion TL for the Project realized through the BOT model. A Positive Environmental Impact Assessment decision was issued on 3 January 2017.

<sup>40</sup> The World Bank Private Participation in Infrastructure Database, <https://ppi.worldbank.org/snapshots/sector/airports>.

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## Projects in the Pipeline

- The Denizli-Aydın Highway Project, Mersin-Silifke-Taşucu Highway Project, Bayburt-Gümüşhane Airport Project, Çeşme Alaçatı Airport Project, which will be tendered out through the Build-Operate-Transfer Model, have received High Planning Council approvals. The relevant tender processes are expected to start in 2018.
- In the health sector, the pre-qualification stages have been completed for the PPP projects of Aydın City Hospital (800 bed capacity), Antalya City Hospital (1,000 bed capacity) and Diyarbakır Kayapınar Hospital (750 bed capacity). Tender dates are expected to be specified in 2018.
- The Denizli City Hospital Project (1,000 bed capacity) and Samsun City Hospital Project (900 bed capacity) are both in the final bidding stage.
- The Privatization Authority has decided to privatize the Eskişehir Alpu Coal Mine Reserve, Gönen Hydroelectric Power Plant, Sütçüler Hydroelectric Power Plant, Çine Hydroelectric Power Plant and Fenerbahçe-Kalamış Marina.

The deadlines for bid submissions are

- Eskişehir Alpu Coal Mine Reserve: 7 March 2018
  - Gönen Hydroelectric Power Plant: 19 March 2018
  - Sütçüler Hydroelectric Power Plant: 21 March 2018
  - Çine Hydroelectric Power Plant: 16 April 2018
  - Fenerbahçe-Kalamış Marina: 27 April 2018
- The Antalya Yacht and Cruise Port Project has received an Environment Impact Assessment “positive” decision and the tender for the construction thereof through the BOT model is anticipated to be announced after the preparation of the tender specification is completed.

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# Çakmak Avukatlık Ortaklığı

Piyade Sokak, No. 18  
C Blok Kat:3, 06550  
Çankaya, Ankara – Turkey  
T +90 312 442 46 80  
F +90 312 442 46 90  
**cakmak.av.tr**

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