

## Recent Regulatory Developments Effecting E-Scooter Businesses In Turkey

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We have previously discussed in our article titled "[Turkey Moves To Regulate Electric Scooters](#)" the trends and developments in micro-mobility market and the legislative landscape and efforts in Turkey in respect of regulation of e-scooter businesses. This time, we would like to outline the most recent regulatory developments effecting the operations of e-scooter businesses and the licensing requirements attributed to those.

Turkey introduced the Regulation on Electronic Scooters (the "**Regulation**") which has been published in the Official Gazette on 14 April 2021. The Regulation is the result of the joint efforts of the Ministry of Environment and Urbanization, Ministry of Interior and Ministry of Transport and Infrastructure. There has been approximately one year of legislative preparation process, including amendment of certain laws (such as the Traffic Law) to establish the underlying principles and gain legal definition for e-scooters.

With the Regulation bringing forth authorization certificate and shared e-scooter permit requirements, local administrations have started to take steps to implement their own conditions regarding e-scooter permit applications. Even though the Regulation has granted a 60-day period starting from 14 April 2021 for local administrations to adopt relevant resolutions, in many provinces, details of the application conditions are yet to be revealed.

Although the Regulation has entered into force on its publication date, 14 April 2021, there are certain exceptions: E-scooter businesses which are already in operation are exempted from the Regulation until 31 July 2021 except for areas protected under special laws. Provided however that, if e-scooter permits are issued for the relevant region as per the Regulation, the exemptions will be cancelled. In addition, the requirement for the businesses to have at least 30% of their e-scooters TSE (Turkish Standards Institution) certified for conformity with locality standards will not apply until 31 December 2024.

In virtue of these developments, we will provide below insight into the authorization and permit procedures for shared e-scooter businesses by also taking into account the recent course of requirements established by local municipalities, and further explore other obligations imposed for shared e-scooter services.

## Starting Up: Obtaining Authorization Certificate for E-Scooter Sharing Services

Shared e-scooter businesses will need to obtain an authorization certificate by applying to the Ministry of Transport and Infrastructure (the "**Ministry**") to provide their services under the Regulation, which will be valid for 5 years.

Certain criterion is sought for the businesses to be eligible to receive, and as applicable, renew such certificate, including:

- Having Turkish citizenship, for real persons, having been duly incorporated and registered in Turkey, for legal entities;
- Having a minimum share / business capital of TRY 500,000 (which is not applicable for public authorities and institutions);
- Having minimum 250 e-scooters;

- Having a website and mobile application(s) eligible for the provision of services;
- Having servers localized in Turkey, and accessible to the Turkish authorities for audits;
- Having the most recent versions of TS EN ISO 9001, TS EN ISO 14001, TS ISO/IEC 27001, ISO 45001 quality certificates;
- Having registered to the electronic notification system for the receipt of administrative fines.

In regard to minimum e-scooter requirement, it should be noted that, starting from 31 December 2024, the Regulation will require all authorized service providers to have 30% of their e-scooters TSE (Turkish Standards Institution) certified for conformity with locality standards to be determined by the Ministry of Industry and Technology.

## Next Step: Receiving Shared E-Scooter Permits

E-scooter businesses further need to obtain shared e-scooter permits in the region of their operation, that will determine the number of e-scooters they will dedicate for their services in the relevant region.

The applications will be filed with the transportation coordination centers of metropolitan municipalities ("**UKOME**") in metropolitan areas, provincial traffic commissions in other provinces, and competent administrations for special areas that do not fall within the jurisdiction of the foregoing.

Relevant authorities will conclude the applications within 60 days. Upon receiving a permit, service providers must commence their operations within 45 days at latest. The permits will be valid for 2 years. In the event no new application is filed after the expiry of this 2-year period, the permits can be renewed for an additional 1 year on condition that the relevant fees are paid without need of any further action.

The Regulation lays responsibilities to local administrations to resolve on the application process for e-scooter permits including the number of e-scooters allowed in the region, maximum number of e-scooters that may be allocated per service provider and prohibited areas to e-scooters. These resolutions are required to be published in the websites of the relevant administrations, at least 10 days prior to the deadline of the applications. It is further stipulated that the number of e-scooters permitted in regions will be re-evaluated in 6-month intervals.

The Regulation has granted the local administrations a 60-day period starting from 14 April 2021 to adopt these resolutions. However, only a number of local administrations has made announcements for the application procedures.

Currently, among metropolitan municipalities, Eskişehir has published its UKOME resolution dated 26 May 2021, which stipulates that a total of 4.497 number of e-scooters will be allowed. It includes allocation on district basis according to their respective population, among which Odunpazarı has the highest number with 2.076 e-scooters followed by Tepebaşı with 1.857 e-scooters. The applications will be open between 3 June 2021 to 15 July 2021<sup>[1]</sup>.

Even though Istanbul has announced unanimous approval of its UKOME resolution, the full text has not been yet made public. However, it is released that approximately 75.000 e-scooters will be allowed in the province, and each applicant will be granted permits for maximum one-fifth of the total number of e-scooters allowed. The press release also signals that there will be further conditions during the application process<sup>[2]</sup>. On the basis of the information obtained from the news outlets, the applications will be between 15 June 2021 to 15 July 2021. However, no further detail is revealed in the official website of the Istanbul Metropolitan Municipality.

Regardless of the individual resolutions of the local authorities, the Regulation itself restricts the maximum number of e-scooters allowed within regions:

- The number of e-scooters cannot exceed 1/200 of each district's population in the metropolitan areas and 1/200 of the municipality population in other areas. However, there are also exceptions to this rule. The numbers can be increased by 50% depending on the increased demand due to seasonal or periodic changes in the population, use of capacity and other reasons - or increased by three-fold in municipalities

with less than 20,000 population.

- Each business can be granted up to one-fifth of the maximum number of e-scooters allowed within such region. If the number of e-scooters requested by the businesses exceed the allowed number of e-scooters, then the authorities are to make an allocation within the allowed limits pro rata to the number of e-scooters requested by each business. If it is the opposite, in other words, if there are non-allocated slots remaining for e-scooters; then the authorities will provide opportunity for new applications. If there are no new applicants, then the open slots will be allocated to the existing license owners irrespective of their number of e-scooters in the region.
- After receiving e-scooter permits, the businesses must maintain a number of e-scooters no less than 70% (which shall apply as 40% for the period between November to February) or more than 130% of the total number of their permitted e-scooters in the province.

It should be noted that, the above restrictions regarding the number of e-scooters do not apply for regions protected under special laws or controlled by public authorities (such as, airports, hospitals, national parks, university campuses, etc.).

## U-Net and Data Sharing Obligations

According to the Regulation, the Transportation Automation System of the Ministry ("**U-Net**") will be engaged for e-scooter activities, which will hold a shared database accessible by relevant public authorities and institutions.

E-scooters will be registered to U-Net with their serial numbers, plates, identification numbers and location data. The service providers will apply geographic markers for restricted areas and speed limits and share that information with the Ministry via U-Net.

In addition, service providers are obliged to conclude service agreements, either printed or electronically, with their users and process the mandatory information via U-Net ( According to services As expressly set forth under article 15/3 of Regulation, the service agreement must contain at least name, last name, sex, Turkish ID number, nationality and ID number, or the passport number in case the user is not a Turkish citizen.

It is important to note that, the service providers must always observe the Law on Protection of Personal Data No. 6698 ("**DP Law**") for the lawful possession of the personal data processed during their activities. The processing of the above-mentioned data will be considered an exception under DP Law. For any excess processing of the personal data beyond those required by the Regulation, the e-scooter companies must identify the legal basis. [Please see our previous article](#) regarding our detailed analysis regarding data privacy concerns with respect to e-scooter services.

## E-Scooter Users and Traffic Safety

E-scooter users need to be at least 16 years of age, and are required to use designated routes similar to the rules applicable for bicycles. For example, it is mandatory to use e-scooters on bicycle lanes if available, and even in their absence, users are not allowed on roads with a maximum speed limit above 50 km/hours and intercity roads, pedestrian ways and other areas restricted by the local authorities.

In all cases, e-scooters must be used within the area permitted to the relevant service provider. The service providers are obliged to bring back any e-scooters that trespassed the permitted territory within 48 hours. In addition, the service providers must collect e-scooters that are parked in a way disturbing public order, violating private properties, or preventing the safe and free movement of pedestrians, people with disabilities or the traffic within 2 hours.

E-scooters must have maximum speed limit of 25 km/hours, have a brake mechanism and carry the necessary equipment (such as, lights, reflectors, horn, etc.). The service providers are obliged to inform their users to use protective gears. The users will also be informed that they will be subjected to proceedings as per the Traffic Law for their violation of traffic rules.

# Service Standards

The Regulation emphasizes that the authorized e-scooter businesses must provide "perfect" service to their users. Some requirements for the conduct of service are already imposed in the Regulation, which includes maintaining a call center or a mobile application serving the same purpose that will be available for the users on 24/7 basis. Further, e-scooter businesses need to provide online trainings, either on their mobile applications or their websites, and ensure these are completed by the service users.

The Regulation authorizes the Ministry to issue tariffs that will stipulate minimum and maximum service fees applicable for using shared e-scooters.

## Sanctions under the Regulation

Regulation stipulates administrative fines ranging from TRY 1,000 to TRY 50,000 per violation. In case the violation is related to e-scooters, the administrative fines apply separately for each e-scooter.

In addition, in the event the e-scooter businesses do not have required number of e-scooters available, after the third violation, their operations may be suspended for 6 months.

[1] [https://www.eskisehir.bel.tr/icerik\\_dvm.php?icerik\\_id=6668&cat\\_icerik=2&menu\\_id=25](https://www.eskisehir.bel.tr/icerik_dvm.php?icerik_id=6668&cat_icerik=2&menu_id=25)

[2] <https://www.ibb.istanbul/News/Detail/37888>

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