

Turkey Introduces Procedures and Principles Regarding Support of R&D and Innovation Activities of Electricity and Natural Gas Distribution Companies

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Procedures and Principles Regarding Support of Research, Development and Innovation Activities of Electricity and Natural Gas Distribution Companies ("**Principles**") set forth by the Energy Market Regulatory Authority ("**EMRA**") have entered into force as of 4 April 2020.

The Principles are concerning the support and promotion of research, development, and innovation activities of legal persons that hold electricity and natural gas distribution licenses.

The Principles aim to support research, development, and innovation activities of legal persons holding electricity and natural gas distribution licenses. These activities promote Turkey's electricity and natural gas distribution systems to reach the international quality standards and technical level as well as supporting innovations, increasing rate of domestic goods and services, efficiency and service quality, reducing service costs and losses.

Regulations brought by the Principles can be summarized as follows:

- The R&D budget will be created for R&D and innovation activities of electricity and natural gas distribution companies ("**Distribution Companies**") under the Principles. This budget will be determined within the scope of the relevant legislation and approved by EMRA.
- A commission will be created to receive, examine, and approve R&D project applications, and to monitor the implementation process of approved projects as well as use of R&D budgets.
- Distribution companies can make R&D project applications only in certain periods of a year, and the commission will make the final decisions on these applications.
- An R&D project application can be made by solely a distribution company, or jointly by more companies gathering around the same project.
- In case any intellectual property right arises during implementation process or at the end of an R&D project such as an invention, patent, utility model, industrial design, copyright, integrated circuit topography, technical information or software, these rights will be at the disposal of the operator or partner distribution companies of the relevant project.
- Final reports of the finalized projects will be submitted to EMRA within 30 (thirty) days following the finalization date of a project via EBİS (EMRA Notification System). Certain periodic information will also be submitted to EMRA during the implementation process.

The full text of the Principles published in the Official Gazette dated and 4 April 2020 numbered 31089 is available at this [link](#) (only available in Turkish).

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