

Turkey Updates Public Tender Regime, Includes Insurance Surety Bonds as Collateral

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Turkey has updated aspects of the public tender regime outlined in Public Tender Law number 4734. Most notably, surety bonds issued by insurance companies will now qualify as collateral during public tenders.

Surety bonds now qualify as collateral in public tenders

Surety bonds issued by insurance companies located in Turkey within the scope of surety insurance will now be accepted as collateral during public tenders.

Pre-approval system for upper limit of payments made for outsource services to be taken by public authorities

The Treasury Secretariat or Directorate of Privatization Administration will now determine the upper limit of salary and similar payments in advance, which will be made by public authorities for outsource services which require employing personnel (except consultancy services) before relevant public authorities go out to tender.

Restricted tender procedures for education tenders

Restricted tender procedure will apply until 31 December 2019 for the following public tenders, without these being subject to the Public Tender Law number 4734's provisions (except those related to penalty and prohibition from tender):

- Course books distributed for free to students studying in public and private schools, dependent to Ministry of National Education.
- Guideline books distributed for free to teachers.

These developments were made by the Law Regarding Amendment on Certain Tax Laws and Other Laws number 7061, published in Official Gazette number 30261 on 5 December 2017. Please see this [link](#) for the full text (only available in Turkish).

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