

Turkey Updates Rules for Electricity Licenses, Along with Data and Share Transfer Provisions

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Turkey has updated electricity legislation relating to calculation of guarantee amounts, reporting obligations, prohibition of share transfers, as well as notification obligations during share transfers. The requirement to hold data processing centres within Turkey has now also been removed.

The Regulation on Amendment of the Electricity Market Licencing Regulation ("**Amendment Regulation**") was published in Official Gazette number 30271 on 15 December 2017.

Notable changes include:

- The pre-license guarantee amount will no longer be deducted from the guarantee required for electricity production license applications.
- License holders must now take all necessary technical and administrative measures to:
 - Prevent illegal access and processing of data.
 - Ensure data confidentiality, integrity and accessibility at in-house data processing centres and/or centres they receive services from.
- Data processing or storage centres are no longer required to be located in Turkey.
- The prohibition on pre-license holders changing their shareholding structure during the application process, as well as share transfers and equivalent transactions during this time, will no longer applied for:
 - Share transfers between real persons who are:
 - The pre-license holder's direct or indirect shareholders, and
 - Spouses or first-degree blood relatives.
 - Direct or indirect change of shareholding structures in pre-licence holders which the Saving Deposit Insurance Fund has taken control of.
- The licensee must request the license be amended if:
 - 10% or more privately held shares are transferred
 - 5% or more publicly held shares are transferred.
- The Energy Market Regulatory Authority ("Authority") must now be notified within one year about changes to the shareholding structure, changes to control, or equivalent transactions for foreign shareholders. A further request to amend the license should be made within six months of notifying the Authority, if necessary.
- Distribution companies are no longer required to report each year by the end of November. Rather, such companies must now report when the Authority requests.

Please see this [link](#) for full text of the Amendment Regulation (only available in Turkish).

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