

Turkish Competition Board Publishes 2016 M&A Activity Report

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Turkey's Competition Authority ("**Authority**") recently published a report on mergers and acquisitions examined by the Competition Board ("**Board**") during 2016 ("**Report**"). The Report outlines transaction numbers and values, as well as investor countries and industry sectors. The Authority considered 209 transactions in 2016, with 22% involving foreign parties investing approximately TRY 18.9 billion into Turkish companies. The total reported transaction value increased 252% in 2016, relative to 2015. The Report showed electricity as the most active sector for M&A activity in 2016.

Mergers or acquisitions can reduce or restrict competition in a market by creating a dominant position or strengthening an existing dominant position. These transactions are prohibited by Article 7 of the Law on the Protection of Competition No. 4054 ("**Law**"). Transactions which meet certain criteria and thresholds must be notified to the Board to be legally valid.

Notable points in the Report include:

- 209 mergers and acquisitions were reported to the Authority in 2016.
- The total transaction value in 2016 was TRY 1,595,572,480,940. This is a 252% increase from 2015 (TRY 452,560,160,618).
- In 91 transactions, the target companies (including company subject to transfer and joint venture companies) or joint ventures are incorporated in Turkey.
- 47 of the 2016 transactions (22%) involved foreign parties investing in Turkish companies. Most notably, these investments were from:
 - The Netherlands (nine).
 - Germany (six).
 - England (four).
 - Japan (four).
- Foreign parties invested approximately TRY 18.9 billion in takeover transactions of Turkish companies, equating to a 200% increase on 2015 (TRY 6.3 billion).
- Electricity was the largest industry sector for 2016 transactions (except privatizations).
- The highest valued transactions were in the field of monetary intermediary activities (except privatizations).
- Nine privatization processes were evaluated in 2016. Privatizations mostly occurred in the electricity sector.
- It took an average of 15 days after the final notification for the Authority to finalize its consideration of transactions during 2016.

Please see this [link](#) for the full text of the Report, published on the Authority's website on 12 April 2017 (only available in Turkish).

Related Practices

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