1. WEEK / 2024 ISSUE 1

WEEKLY NEWSLETTER

Metin & Cicek Attorney Partnership Weekly Legal Newsletter

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Minimum Wage Determination for the Year 2024

The minimum wage for the year 2024 was officially announced on December 27, 2023. As of 2024, the revised minimum wage will be gross 20,002.50 TL and net 17,002.12 TL.

This adjustment signifies a significant increase compared to the previous minimum wage, reflecting a substantial 49% rise. Consequently, the ceiling wage for earnings subject to insurance premiums will be elevated to 150,018.75 TL in 2024.

No interim increases to the minimum wage are anticipated for the year 2024, and the announced minimum wage will remain valid throughout the entire year. Notably, public support for the minimum wage, set at 500 TL, has experienced a 40% increase, reaching 700 TL.

Monetary Limits for Consumer Arbitration Committee Applications in 2024

As of January 1, 2024, the monetary limits applicable to applications submitted to Consumer Arbitration Committees have been adjusted following the revaluation rate. Under the revised regulations, individuals can file applications with Provincial or District Consumer Arbitration Committees for consumer disputes involving amounts below 104,000 Turkish Liras in 2024

Enhanced Criteria for Company Public Offerings

In a decision dated December 29, 2023, the Capital Markets Board (CMB) updated the criteria for public offerings, introducing significant changes:

1. The minimum capital requirement for transitioning to registered capital has been elevated from TL 30,000,000 to TL 100,000,000.
2. Specific regulations have been implemented for institutions facilitating the sale of shares during the initial public offering, based on the market value of the offered company's shares falling within certain ranges.
3. Restrictions on new share purchase rights have been imposed on companies with a market capitalization below TRY 500,000,000.
4. Companies seeking an initial public offering must attain total assets of TL 450,000,000 and net sales of TL 270,000,000 in 2022, followed by TL 1,500,000,000 in total assets and TL 750,000,000 in net sales in 2023."

Central Registry Registration System (MERSIS) Enhancements

The Central Registry Registration System (MERSIS), designed to maintain digital trade registry records for commercial enterprises and companies, has undergone updates and was officially launched on 02/01/2024. Alongside the system update, the MERSIS Mobile Application has also been introduced. Users can now conveniently conduct their transactions through Online MERSIS or the MERSIS Mobile Application.

Minimum Capital Amount of Joint Stock and Limited Liability Companies Increased

Under Presidential Decree No. 7887 published in the Official Gazette on November 25, 2023, effective from January 1, 2024, the minimum capital requirement for joint-stock companies, previously set at 50,000 Turkish Liras, has been raised to 250,000 Turkish Liras. Similarly, the minimum capital requirement for limited liability companies, formerly established at 10,000 Turkish Liras, has been increased to 50,000 Turkish Liras.

Amendment to Price Labeling Regulation

Effective January 1, 2024, a regulation amendment by the Ministry of Trade, as published in the Official Gazette on December 19, 2023, mandates the display of documents, signs, boards, and similar items pertaining to tariffs and price lists. This requirement applies to establishments offering services to consumers, with the display to be placed within the workplace where the service is provided. Additionally, for businesses such as restaurants, cafes, patisseries, and similar food and beverage services, these materials must be prominently hung, attached, or placed in front of the entrance door and on the tables where the service is offered, ensuring easy visibility and readability for consumers.

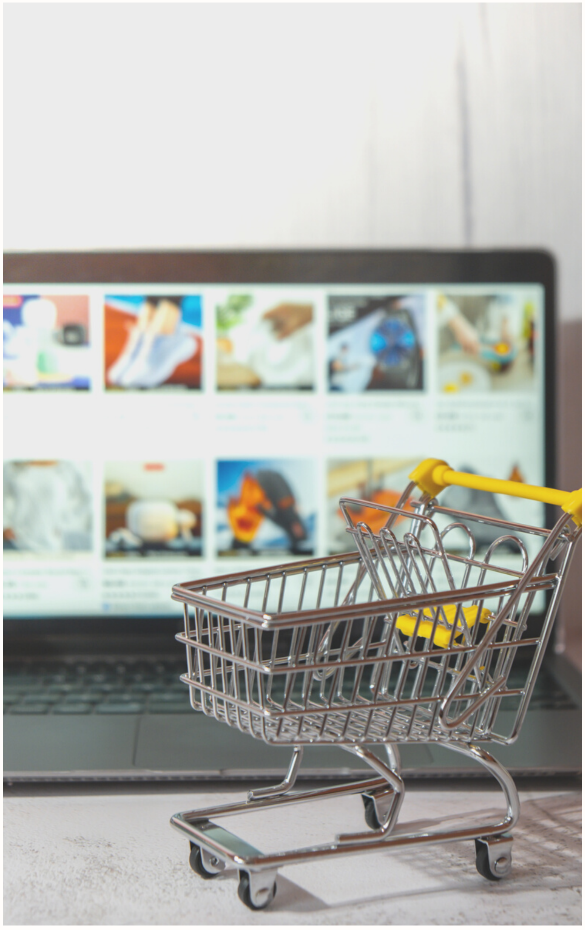
New Regulations in Retail Trade

Effective January 1, 2024, several regulations will come into force, including:

1. Prohibition of Unfair Commercial Practices: Unfair commercial practices among producers, suppliers, and retail businesses are strictly prohibited, and administrative fines have been implemented.
2. Administrative Penalties in Commercial Relations: Imposing administrative and criminal sanctions on the producer or supplier is now prohibited.
3. Payment Terms in the Supply of Agricultural and Food Products: For perishable products, the payment term is set at 45 days within 30 days, while for non-perishable products, it is extended to 60 days within 30 days.
4. Ease of Access to Gluten-Free and Similar Products: Large chain stores are now obligated to offer products designed for medical nutrition therapy for certain health conditions.

Amendment to the Decision on the Implementation of Additional Customs Duty on Imports

On December 31, 2023, a decree was issued amending the decision regarding additional customs duty on imports, which will take effect from January 1, 2024. These amendments are designed to bolster domestic production while ensuring compliance with international obligations. In 2024, changes to customs tariff positions and definitions of goods were applied in accordance with the 'Turkish Customs Tariff Schedule Divided into Statistical Positions



Regulations in Effect for E-Commerce as of 2024

The provisions that became effective in 2024 under the Regulation on Electronic Commerce Intermediary Service Providers and Electronic Commerce Service Providers include the following:

1. Medium, large, and very large-scale Electronic Commerce Service Providers (ETSPs) are restricted to using data solely for intermediation services.
2. In cases of competition, an ETS may not utilize its own data or data acquired from ETSs with which it has economic integrity.
3. The ETSP is obligated to offer technical access to specific data and facilitate its transport without charge. This includes product sales information, buyer profiles, and ETS performance.
4. ETS providing data porting services must furnish an application programming interface.
5. Requests made by ETSPs for data access and migration must be fulfilled within fifteen days, with recipient information anonymized."

Recent Regulations on Savings Finance Companies

The 'Regulation Amending the Regulation on the Establishment and Operating Principles of Savings Finance Companies,' published in the Official Gazette on December 29, 2023, introduces various measures to facilitate the operations of savings finance companies in a more robust and risk-conscious manner. Recent finance regulations: combatting payment delays, one-time customer contract changes, increased financing limits, elevated ratios, bank-like procedures for share transactions in listed companies.