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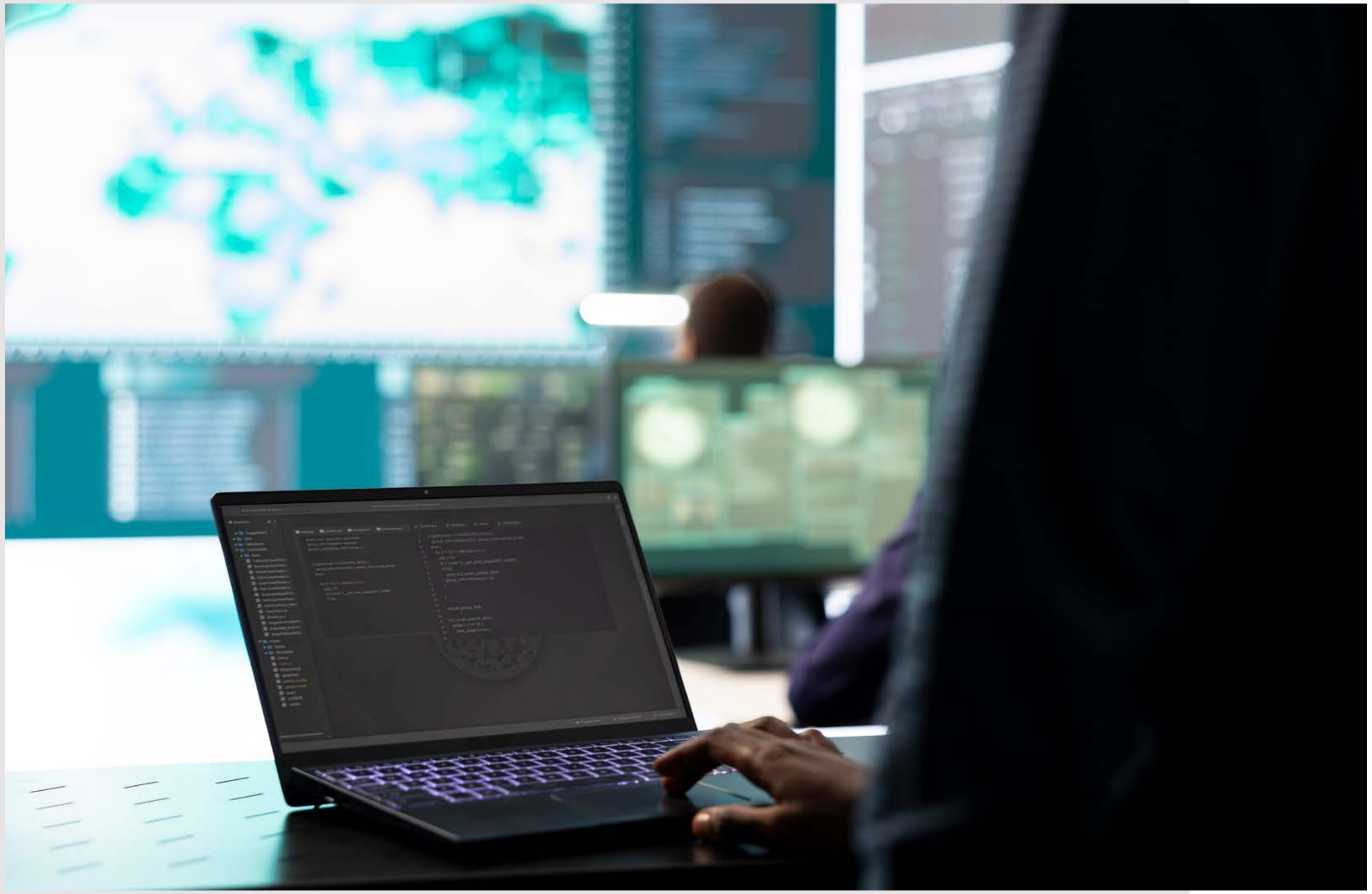


Second Quarter 2026

Legality / Index

LEGALITY

INDEX

Legality
Editor's Note

Dear Readers,

Şengün Group is pleased to share the latest issue of its newsletter that covers recent local and global developments.

Our articles include "Artificial Intelligence and Copyright Issues in Art and the Creative Industries", "The Use of Real Estate Investment Funds in Urban Transformation Projects", "Obligations of Critical Infrastructure Operators Following the Enactment of the Cybersecurity Law", and "A New Era for Companies: The Draft Law on the Protection of Trade Secrets".

This month's guest sector examines culture, art, and the creative industries through the lens of creative production, intellectual property, and legal protection, while also introducing Şengün Art Atelier, an initiative launched to bring art and law together on a common platform.

Our content prepared for World Environment Day on 5 June highlights the importance of sustainability.

In our "News to the World" section, we compile the latest regulations, decisions, communiqués, laws, arrangements and amendments regarding national and international relations.

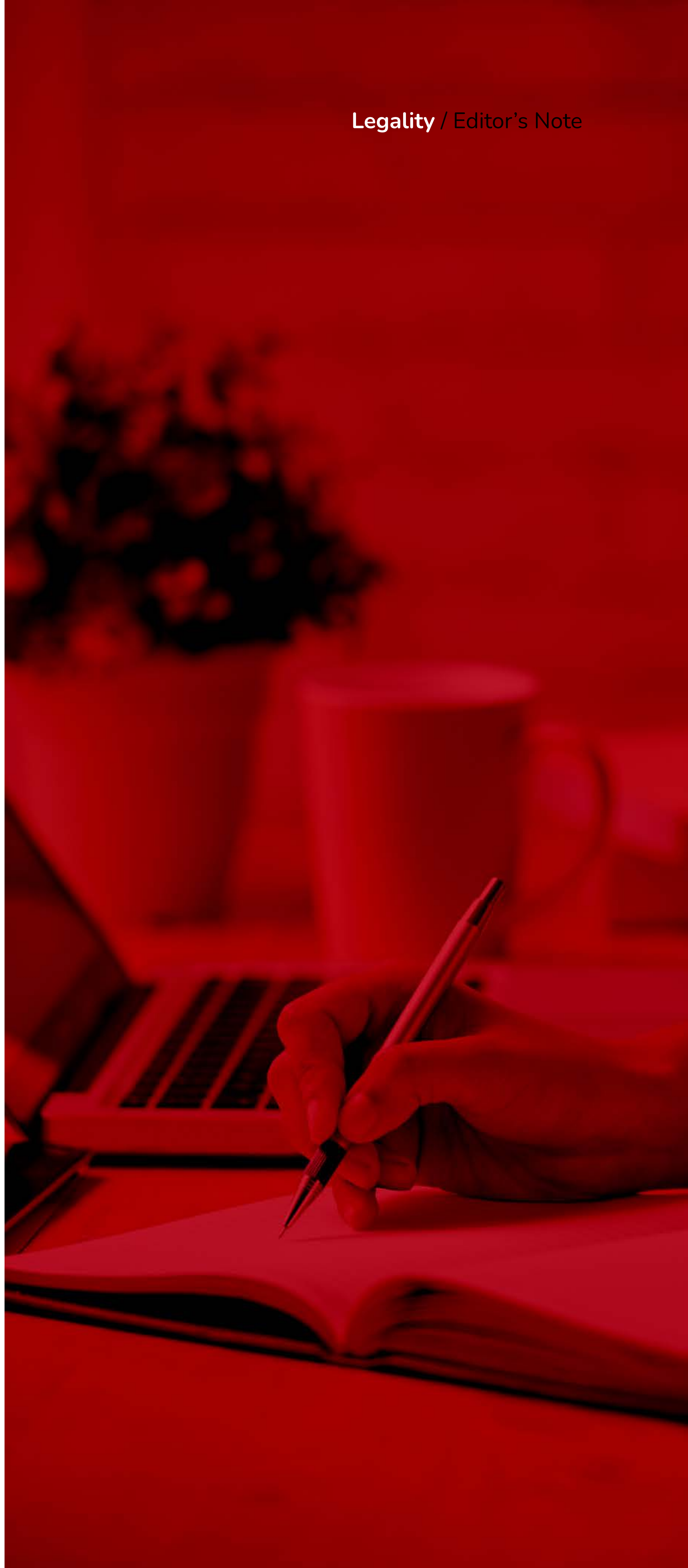
In "World News", we present global events with transparency as our guiding principle.

"News from Şengün" reveals the latest developments, events and announcements involving our team.

Finally, "Şengün Academy Highlights" and "Şengün Competition Law Institute Highlights" offer insights into the ongoing work and focus areas of Şengün Academy and Şengün Competition Law Institute.

Enjoy reading!

Istanbul, Second Quarter 2026
Şengün Group



Articles

Legality / Articles

Article

Artificial Intelligence and Copyright Issues in Art and the Creative Industries

This article examines the impact of artificial intelligence on the creative industries, the principal copyright issues that have emerged in this context, and the international approaches developed to address them.

The rapid development of artificial intelligence technologies in recent years has brought about profound transformations in the arts and creative industries. Generative artificial intelligence systems capable of producing text, images, music, video, and software are reshaping the way artists, designers, writers, and content creators work, while simultaneously reopening debates surrounding the fundamental concepts of intellectual property law. In particular, the legal status of AI-generated works, ownership of rights in such works, the copyright implications of the data used to train AI systems, and the identification of infringements have become some of the most widely discussed legal issues of our time.

I. Artificial Intelligence and the Transformation of the Creative Industries

The creative industries encompass sectors that rely primarily on intellectual and creative labor, including literature, music, cinema, visual arts, advertising, design, game development, and digital content creation. Traditionally built upon human creativity, these sectors have entered a new era with the widespread adoption of generative artificial intelligence tools.

Today, AI systems are capable of:

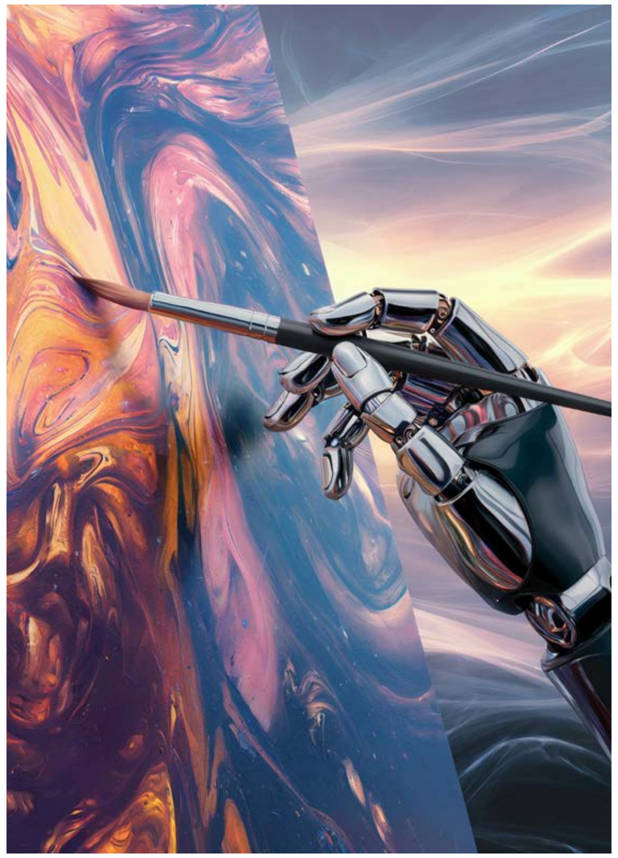
- writing novels and screenplays;
- generating visual artworks;
- composing musical works;
- synthesizing voices and images; and
- preparing advertising and marketing content.

While these developments reduce production costs and support creativity, they also give rise to significant legal debates concerning authorship and copyright protection.

II. The Question of Ownership in AI-Generated Works

One of the fundamental assumptions of copyright law is that the author of a work is a natural person. Under the Turkish Law on Intellectual and Artistic Works (FSEK) No. 5846, the author is defined as the person who creates the work. Similarly, in European Union law and the laws of many other jurisdictions, copyright protection is fundamentally rooted in human creativity.

Accordingly, it remains controversial whether content created entirely autonomously by an artificial intelligence system can benefit from copyright protection.



Three principal approaches have emerged in this regard.

1. The No-Copyright-Protection Approach

According to this view, artificial intelligence lacks legal personality and cannot engage in creative activity. Therefore, content generated without human contribution should not qualify for copyright protection.

Recent decisions of the U.S. Copyright Office have largely embraced this approach. AI-generated outputs that do not involve human creativity are excluded from the scope of copyright protection.

2. The User-as-Author Approach

According to this approach, authorship should belong to the user who directs the AI system, determines the prompts, shapes the production process, and selects the final output. Particularly in works generated through prompt engineering, the user's creative contribution is often considered sufficient to support a claim of authorship.

3. The Developer-as-Author Approach

Some commentators argue that ownership should belong to the owner or developer of the artificial intelligence system that enabled the creation of the work. However, this approach raises the question of whether the relevant creative contribution occurs during the development of the software itself or during the creation of the final output.

The prevailing international trend today is that entirely autonomous AI-generated outputs should not benefit from copyright protection, whereas situations involving meaningful human intervention should be assessed on a case-by-case basis.

Legality / Articles

III. AI Training Data and Copyright Infringements

Generative AI systems are trained on massive datasets. These datasets may contain millions of books, articles, photographs, sound recordings, and other materials protected by copyright.

This gives rise to two fundamental questions:

a. Does the Use of Works for Training Purposes Constitute Copyright Infringement?

The training of AI models may involve the copying and processing of copyrighted works. Rights holders argue that the inclusion of their works in training datasets without authorization infringes their reproduction rights. Technology companies, on the other hand, contend that the training process does not amount to making the work available to consumers and that, in many cases, it should fall within exceptions applicable to data analysis.

b. Do AI Outputs Constitute Derivative Works?

Where an image or text generated by artificial intelligence substantially imitates works contained in the training data, it becomes controversial whether the resulting output should be regarded as a derivative work.

This issue is particularly evident in relation to images that imitate the artistic style of specific artists or texts that mimic the writing style of particular authors.

IV. Issues Emerging in the Music Industry

The music industry is among the sectors most profoundly affected by artificial intelligence. AI systems are now capable of imitating the voices of famous artists, creating new songs, and reinterpreting existing works.

This development gives rise to several legal concerns, including:

- infringement of performers' rights;
- protection of a person's voice under personality rights;
- infringements of related rights;
- violations of trademark and reputation rights; and
- claims of unfair competition.

In particular, the emergence of "deepfake music" applications has highlighted the need for new legal protection mechanisms addressing the unauthorized use of artists' voices.

Legality / Articles

V. Copyright Debates in the Visual Arts and Digital Content Creation

AI-assisted image-generation tools are capable of producing new images by referencing existing artistic works. In certain cases, however, the resulting outputs display a high degree of similarity to particular works, leading to allegations of copyright infringement.

Moreover, the lack of transparency regarding the use of artists' works as training data has become a significant source of criticism.

For this reason, many jurisdictions are currently considering new regulatory approaches, including:

- opt-out mechanisms;
- licensing models;
- collective rights management systems; and
- transparency obligations.

VI. European Union and International Regulatory Trends

The European Union has been actively pursuing regulatory initiatives in areas where artificial intelligence and copyright law intersect. In particular, the Copyright in the Digital Single Market Directive introduced exceptions for text and data mining, while the Artificial Intelligence Act imposes certain transparency obligations on general-purpose AI models.

Under this framework, model providers are expected to:

- provide information regarding the use of training data;
- publish sufficiently detailed summaries concerning the use of copyrighted content; and
- respond to requests made by rights holders.

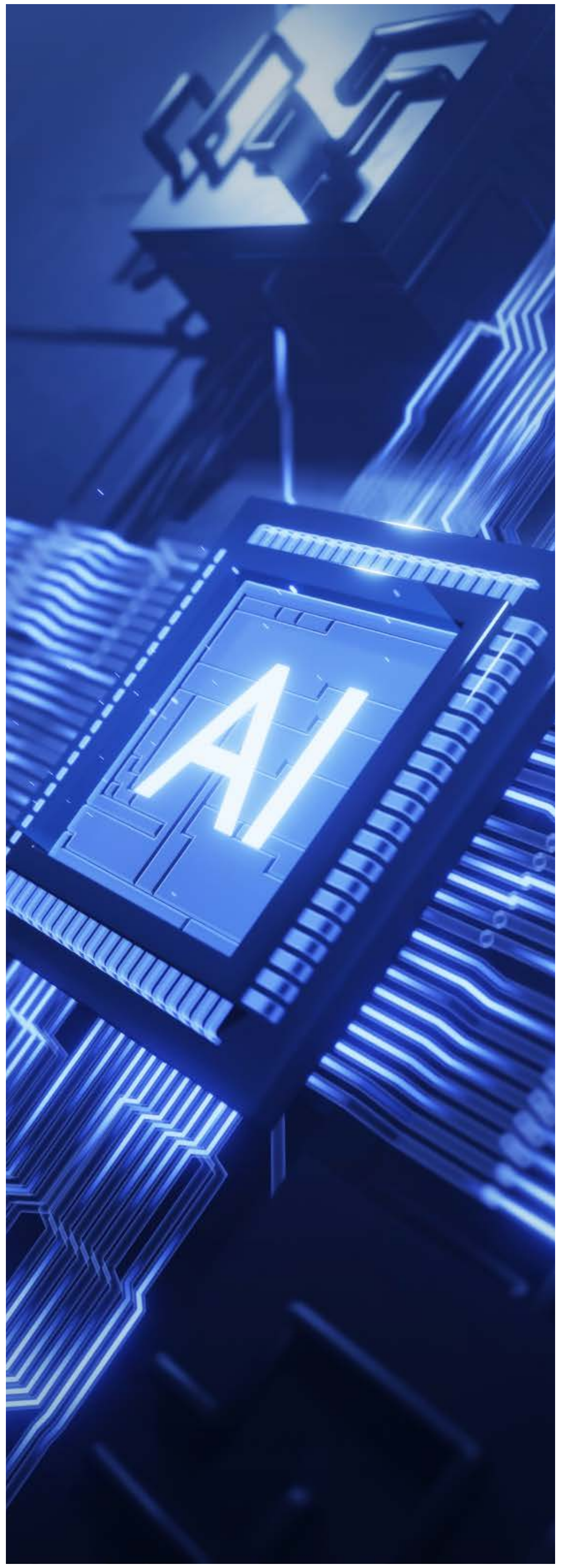
Similar debates are also taking place in the United States, the United Kingdom, Japan, and many other jurisdictions.

Conclusion

While artificial intelligence technologies present significant opportunities for the creative industries, they also challenge the fundamental concepts of copyright law. Existing legislation appears insufficient in many respects, particularly regarding authorship, the use of training data, derivative works, and personality rights.

In the near future, the primary objective of regulations concerning artificial intelligence and copyright law will be to establish a balanced framework that promotes technological innovation while simultaneously protecting the economic and moral interests of artists and rights holders. Achieving this balance will require comprehensive national and international regulation, enhanced transparency mechanisms, and new licensing models.

Öykü Gülsen, Executive Associate



Legality / Articles

Article

The Use of Real Estate Investment Funds in Urban Transformation Projects

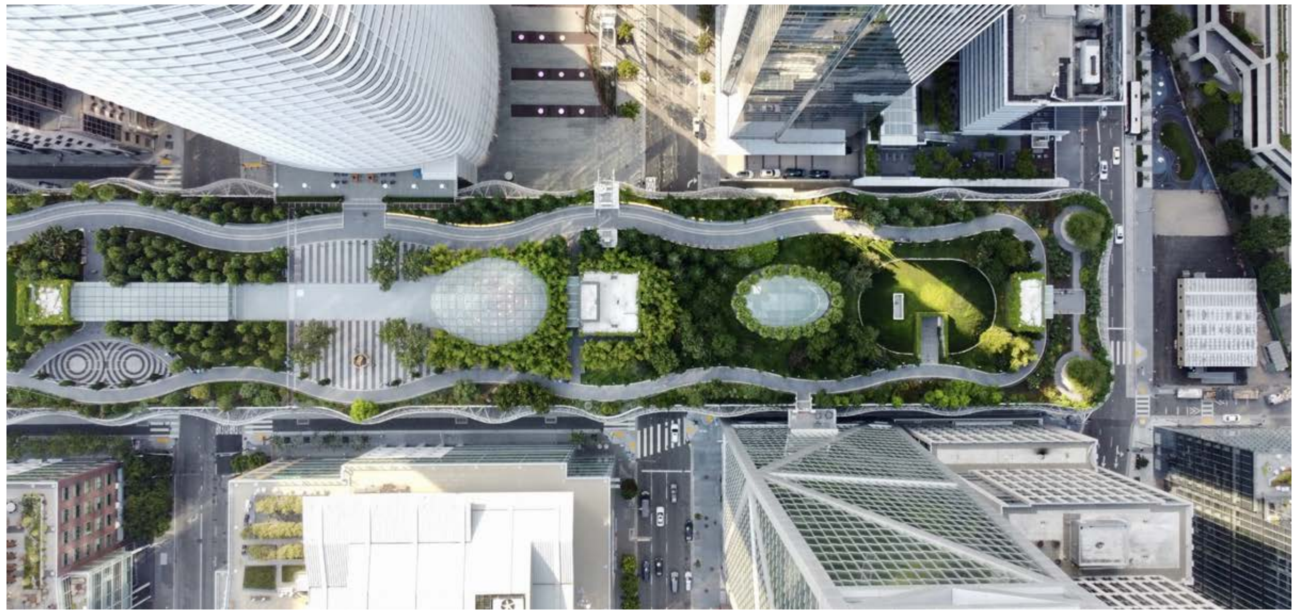
Urban transformation in Türkiye has long been regarded not only as a matter of technical and administrative renewal, but also as a large-scale financing challenge. The renewal of the existing stock of risky buildings, the enhancement of earthquake resilience, the restructuring of land and ownership arrangements, the management of negotiations with property owners, and the mitigation of project completion risks all create financing needs that traditional contractor financing and bank lending models often struggle to meet on their own. In this context, real estate investment funds have become an increasingly important financing and corporate governance instrument for urban transformation projects, particularly following the amendments introduced to the capital markets legislation after 2024.

A real estate investment fund (**GYF**) is an investment vehicle established by portfolio management companies under the regulations of the Capital Markets Board of Türkiye (SPK), which pools capital from qualified investors and invests it in real estate, real estate-based rights, and, subject to certain conditions, real estate projects. The principal function of a GYF is to enable individual investors to participate in the real estate market through a professionally managed structure operating under the supervision of the Capital Markets Board, rather than through direct ownership of real property. In the context of urban transformation, the importance of GYFs stems from their ability to connect fragmented projects with substantial financing needs to institutional capital.

A. The Financing Gap in Urban Transformation and the Importance of the Fund Model

Urban transformation projects are more complex than conventional real estate development projects. Such projects involve not only land development or housing construction, but also multilayered legal and administrative processes, including the identification of risky buildings, obtaining the required majority among property owners, managing evacuation and demolition procedures, zoning and permitting processes, balancing the rights of beneficiaries, and providing temporary accommodation or rental assistance. Even before a project commences, significant costs arise in connection with valuation, negotiations, technical assessments, legal assistance, and permit preparations.

Under the traditional model, financing is largely dependent on the contractor's equity, pre-sales revenues, or bank financing. However, high interest rates, fluctuations in construction costs, delays in permitting and negotiation processes, and uncertainties regarding the pace of sales have made the contractor-driven model increasingly fragile. The GYF model, by contrast, provides projects with access to an institutional investor base, professional portfolio management, independent valuation, portfolio custody, disclosures through the Public Disclosure Platform (KAP), and internal fund supervision mechanisms, rather than relying solely on the balance sheet of a single contractor. When properly structured, this model can both increase the depth of available capital and enhance transparency in project management.



B. The 2024 Reform: Project Real Estate Investment Funds

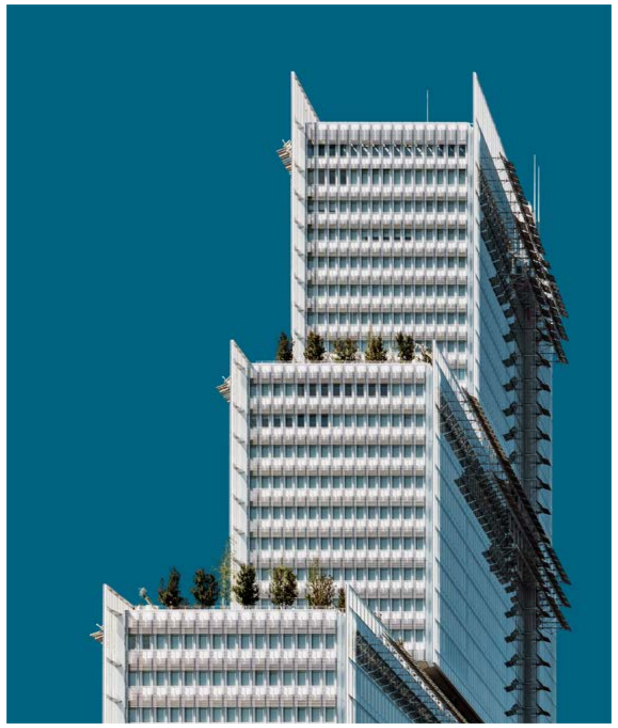
Until recently, direct investment by GYFs in real estate projects was significantly restricted. Funds primarily invested in completed income-generating properties or real estate capable of generating trading gains and were not permitted to undertake project development and construction activities directly. This approach made it difficult to utilize GYFs during the early stages of urban transformation projects.

The regulation dated 17 July 2024 introduced one of the most significant innovations in this area by incorporating the concept of the "Project Real Estate Investment Fund" (Project GYF) into the legislation. Project GYFs may be established to invest in projects where more than half of the aggregate gross area of the independent sections is allocated to residential use. This amendment transformed GYFs from passive portfolio vehicles investing solely in completed real estate assets into capital market instruments that may, within certain limits, participate more directly in housing development and, consequently, in urban transformation projects.

The significance of Project GYFs for urban transformation may be summarized under several headings: first, a fund may facilitate the development of projects on land owned by the fund itself; second, it may invest in projects developed on land owned by third parties or public entities through revenue-sharing agreements or land share construction agreements; and third, it may participate in projects through the establishment of usufruct rights or through the acquisition of residential independent sections in ongoing projects. This structure offers a flexible model, particularly for transformation projects in which property owners do not wish to sell their land outright but seek institutional financing and enhanced safeguards.

However, it should not be overlooked that a Project GYF is not an unrestricted project development company. The fund itself cannot directly undertake construction activities. Construction works must be carried out by contractors pursuant to agreements executed between the founder of the fund, acting on behalf of the fund, and the relevant contractors. Furthermore, independent valuation institutions must determine that the necessary permits have been obtained, that the relevant project documentation has been prepared and approved, and that all documents required for the commencement of construction are in place.

Legality / Articles



C. Inclusion of Risky Structures and Transformation Land in Fund Portfolios

One of the most critical issues in urban transformation concerns how properties containing old, derelict, economically obsolete, or otherwise risky structures should be treated within the financial system. Under the traditional GYF approach, conditions such as occupancy permits and condominium ownership status were of particular importance for buildings and similar structures to be included in a fund portfolio. By their very nature, however, a substantial portion of properties subject to urban transformation projects consists of structures that fail to satisfy these requirements or that are required to be demolished.

A principle decision adopted by the Capital Markets Board in 2025 opened an important avenue for transformation projects in this regard. Under this decision, where real estate owned by a GYF contains derelict structures, structures that have reached the end of their economic life, non-income-generating structures, or structures designated as risky structures in the annotations section of the land registry, or where structures continue to appear in the land registry despite having been demolished in practice, such real estate may, subject to certain conditions, be included in the fund portfolio as land. To this end, the relevant circumstances must be established by a real estate valuation report, and the Board must be notified that the existing structures will be demolished and, where necessary, that the nature of the property recorded in the land registry will be amended.

This development is of considerable importance for urban transformation projects because it facilitates funds' access to properties that possess redevelopment potential but that, in their current condition, generate no income or are subject to legal or technical deficiencies. As a result, GYFs are no longer confined to acquiring completed projects but may become involved in the land acquisition and project development chain at much earlier stages of the transformation process.

Legality / Articles

D. Inclusion of Preliminary Sales Agreements in Fund Portfolios

Another important development that emerged in 2026 concerns the possibility of including in the portfolios of GYFs and Project GYFs certain preliminary sales agreements that satisfy specified conditions. This decision is particularly significant for projects undertaken by the Housing Development Administration of Türkiye (TOKİ), İller Bankası A.Ş., municipalities, and their subsidiaries or affiliates, provided that construction permits have already been obtained. In projects that have not yet been divided into independent sections because no construction servitudes have been established, the inclusion in fund portfolios, subject to certain conditions, of preliminary sales agreements for the purchase of such sections may allow capital market funds to participate at an earlier stage in urban transformation projects carried out by public authorities or with public participation.

This flexibility may accelerate cash flows, particularly in large-scale transformation areas. A fund may contractually acquire rights that will subsequently be converted into independent sections and, upon completion of the project, generate returns through strategies involving sale, leasing, or retention within the portfolio. From the perspective of public authorities, this model may help mobilize institutional investor demand for project financing.

E. 6306 Sayılı Kanun Çerçevesi ve Fon Modelinin Dönüşüm Sürecine Eklemlenmesi

The principal legal basis for urban transformation projects is Law No. 6306 on the Transformation of Areas Under Disaster Risk. The establishment of the Urban Transformation Directorate in 2023 and the amendments introduced by Law No. 7471 were intended to enhance administrative capacity and accelerate decision-making mechanisms within transformation processes. One of the most significant measures aimed at preventing

projects from becoming stalled was the reduction of the decision-making threshold for risky structures from a two-thirds majority to a simple majority based on ownership shares.

When considered together with the GYF model, this amendment has critical implications for rendering transformation projects investable. From the perspective of fund investors, one of the principal risks lies in the inability to secure the consent of property owners or the prolongation of the process due to objections raised by minority owners. When properly implemented, the simple majority system facilitates project decision-making. However, it remains essential to safeguard property rights, to ensure strict compliance with meeting and notification procedures, and to maintain transparent communication.

The 2026 amendment to the regulation, which clarified matters such as the holding of meetings, the proper issuance of meeting notices, and the verification by the relevant authorities of the simple majority requirement at the construction permit stage, may strengthen legal certainty for funds investing in such projects. Institutional investors consider not only the economic feasibility of a project but also the risk that ownership and decision-making processes may subsequently be challenged or invalidated.

F. Risks to Be Considered in Practice

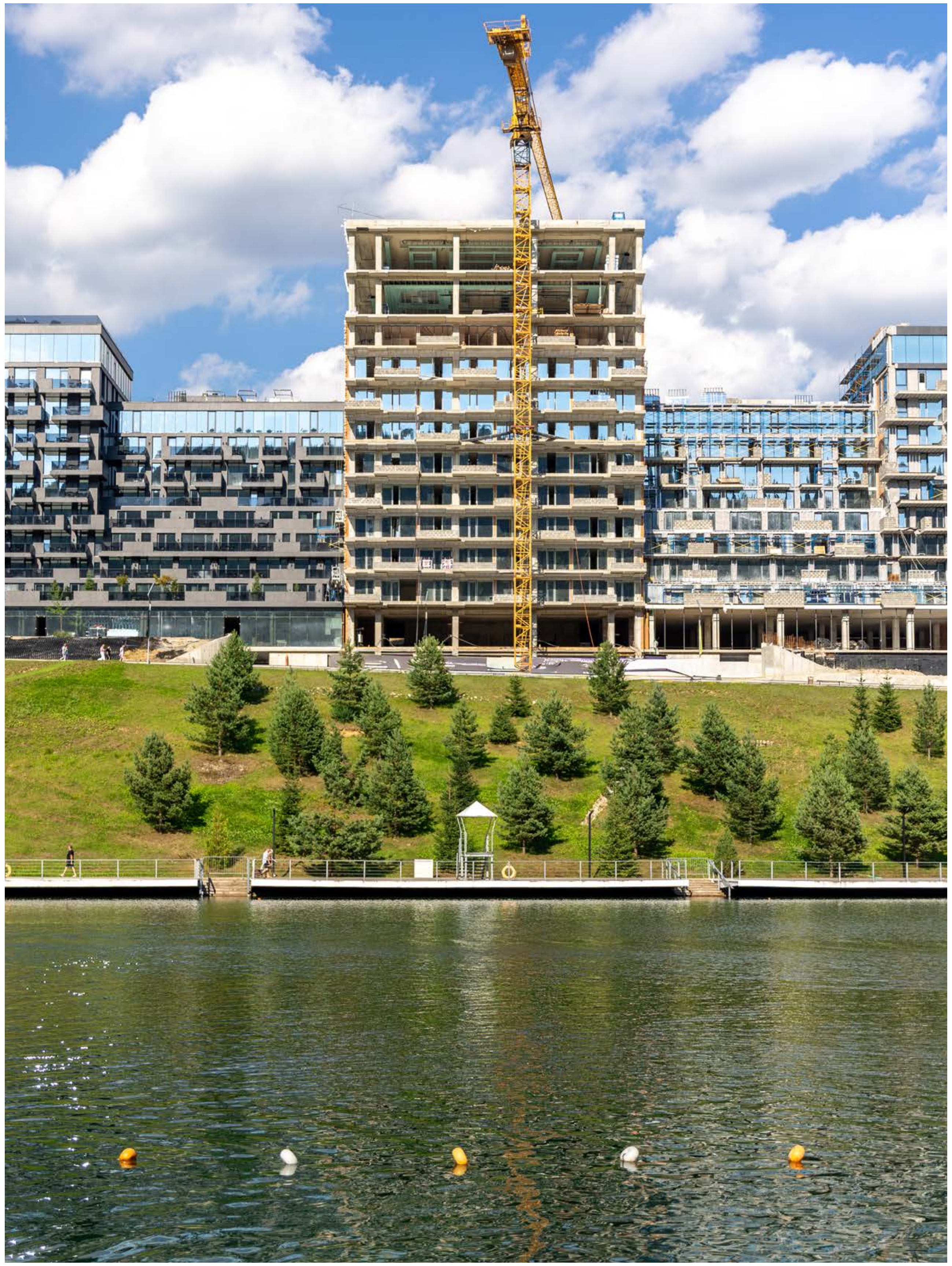
Although the GYF model is a powerful instrument for urban transformation, it does not provide an automatic solution for every project. The first risk relates to the ownership structure of the property. In the case of properties with multiple owners, incomplete inheritance transfers, encumbrances, or ongoing disputes, a detailed legal review is required before a fund can make an investment decision. The second risk concerns zoning and permitting matters. Prior to any investment by the fund, issues such as the zoning status of the project, floor area ratios, land-use designations, land dedications, planning notes, the feasibility of obtaining permits, and potential litigation risks should be thoroughly clarified. The third risk is construction completion risk. Since the fund cannot undertake construction activities directly, the selection of the contractor, the contractor's financial capacity, authorization certificates, security arrangements, progress payment mechanisms, and contractual provisions are of critical importance. The fourth risk is valuation risk. In urban transformation projects, the value of the existing property, the value of the newly constructed independent sections, the shares to be allocated to rights holders, and the returns expected by fund investors must all be balanced within the same financial model. The fifth risk is liquidity risk. GYF participation units are offered exclusively to qualified investors and may not always be readily convertible into cash. Accordingly, the maturity, exit strategy, and sale or leasing plans of the fund should be determined on a realistic basis.

The success of urban transformation in Türkiye depends not only on the enactment of new legislation but also on the establishment of sustainable financing models. Real estate investment funds, and Project GYFs in particular, may serve as an important bridge in this regard. On the one hand, there is a pressing need to renew the existing stock of risky buildings and increase the supply of housing. On the other hand, there are qualified investors seeking long-term, professionally managed real estate investments. The GYF model has the potential to bring these two needs together within an institutional framework operating under the supervision of the Capital Markets Board and supported by valuation and custody mechanisms.

The introduction of the Project GYF regime in 2024, the opening of the possibility of including risky or economically obsolete structures in fund portfolios as land under certain conditions in 2025, and the 2026 decision permitting the inclusion of certain preliminary sales agreements in the portfolios of GYFs and Project GYFs constitute complementary steps toward the integration of capital markets into urban transformation. At the same time, the amendments introduced to Law No. 6306 and its regulation concerning decision-making processes, meetings, notifications, and permitting procedures are likewise intended to strengthen the legal infrastructure of such projects.

Within this framework, GYFs should not be regarded as an alternative to the traditional contractor model in urban transformation, but rather as a complementary mechanism that supports that model through institutional capital, transparency, valuation discipline, and investor oversight. A properly structured fund model may align the trust of property owners, the return expectations of investors, the transformation objectives of public authorities, and the market's need for additional housing supply within a single framework. In the coming years, the increasing number of successful examples may transform the use of GYFs and Project GYFs in urban transformation projects from an unusual method into one of the principal financing instruments for the sector.

Yiğit Okuldaş, Executive Associate



Article
The Obligations of Critical Infrastructure Operators Following the Enactment of the Cybersecurity Law

I. Introduction

From government infrastructure to private sector services, many critical functions have recently become digitalized, and this digital transformation has brought with it its own unique security vulnerabilities. According to data published by the International Telecommunication Union (ITU), as of 2024, organizations worldwide experienced an average of 1,876 cyberattacks per week, a significant increase compared to the previous year.

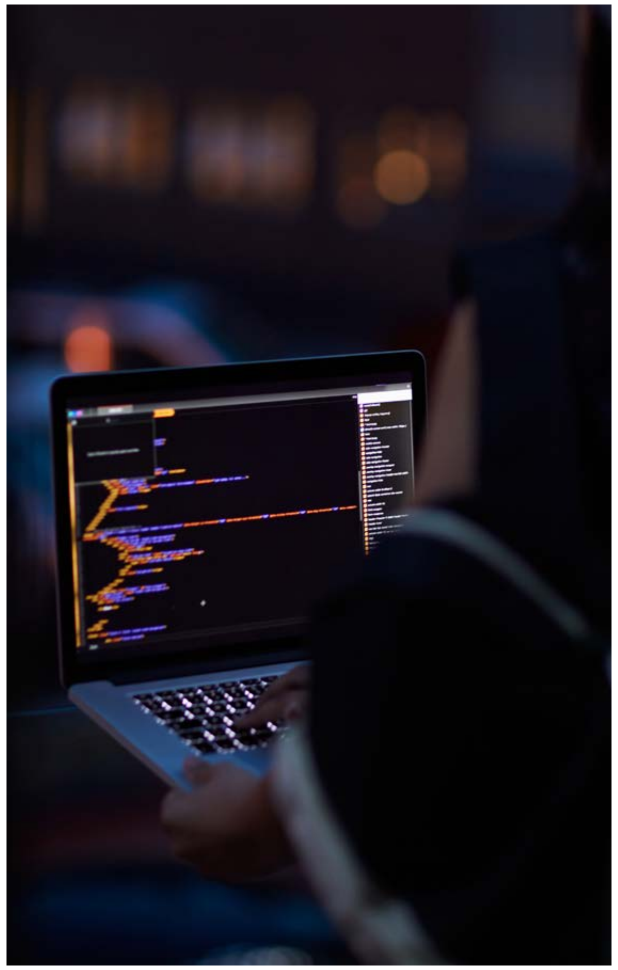
Throughout this process of digitalization, Türkiye lacked an overarching cybersecurity law. Regulatory authority in the field of cybersecurity had been divided among several institutions, including the Ministry of Transport and Infrastructure, the Information and Communication Technologies Authority (BTK), and the Digital Transformation Office of the Presidency of the Republic of Türkiye. Although Türkiye was classified as a "role-modelling country" in the Global Cybersecurity Index published by the ITU in 2024, the absence of an overarching law undermined the internal coherence of the country's governance structure in this field.

To fill this gap, the Draft Cybersecurity Law, which was submitted to the Grand National Assembly of Türkiye on 10 January 2025, was adopted on 12 March 2025 and published in the Official Gazette dated 19 March 2025 and numbered 32846, thereby bringing Law No. 7545 on Cybersecurity (the "Law") into force on the same day. This article examines the legal obligations imposed by the Law on critical infrastructure operators.

Legality / Articles

II. The Architecture and Fundamental Structure of the Law

Law No. 7545 is the first legislative instrument in Turkish law to regulate cybersecurity through a standalone statute. Prior to the enactment of the Law, the normative backbone of this field consisted of the Electronic Communications Law No. 5809 and the National Cybersecurity Strategy and Action Plans, prepared periodically since 2013 and most recently covering the 2024-2028 period, which laid the theoretical foundations for the Law.



The 21-article Law, which serves as a framework statute, pursues the following principal objectives: identifying and eliminating existing and potential threats to Türkiye's national power in cyberspace; establishing the principles for mitigating the impact of cyber incidents; implementing measures designed to protect public and private sector institutions against cyberattacks; and ensuring that the country's cybersecurity strategies remain up to date.

Article 2 gives the Law an exceptionally broad personal scope. Public institutions and organizations, professional organizations with public institution status, natural and legal persons, and unincorporated entities that maintain a presence on or provide services through information systems directly or indirectly connected to the internet, electronic communications networks, or computer networks all fall within the scope of the Law. However, intelligence and military activities carried out under the Police Duties and Powers Law No. 2559, the Coast Guard Command Law No. 2692, the Gendarmerie Organization Law No. 2803, the National Intelligence Organization (MİT) Law No. 2937, and the Turkish Armed Forces Internal Service Law No. 211 are expressly excluded from its scope.

The Law's most significant innovation is the establishment of the Cybersecurity Directorate ("SGB" or the "Directorate"). The Directorate centralizes functions such as policy-making, regulation, standard-setting, authorization, capacity development, supervision, and enforcement. Operating under the Presidency, the Cybersecurity Board is responsible for high-level policy decisions, ranging from the designation of critical infrastructure sectors to the approval of cybersecurity technology roadmaps. Furthermore, the coordination of Cyber Incident Response Teams, previously carried out within the National Cyber Incident Response Center (USOM), has been transferred to the Directorate.

Article 3 of the Law sets out twelve fundamental principles. Perhaps the most significant of these is the "integrity of security" principle, which recognizes cybersecurity as an integral part of national security. Other noteworthy principles include domestic and national capabilities, accountability, a lifecycle approach, the protection of privacy, and continuous improvement. These principles are intended to guide both regulatory interpretation and dispute resolution.

III. The Concept and Classification of Critical Infrastructure

The concept of critical infrastructure generally refers to the physical and information systems that are indispensable to the uninterrupted functioning of the state, the economy, and society. Article 2 of the Law defines critical infrastructure as "infrastructures that host information systems which may lead to loss of life, large-scale economic damage, security vulnerabilities, or the disruption of public order where the confidentiality, integrity, or availability of the information or data processed by such systems is compromised." This definition incorporates the three fundamental pillars of information security—confidentiality, integrity, and availability, commonly referred to as the CIA triad—into a normative framework.

The Law grants the Cybersecurity Directorate, which operates directly under the Presidency, the authority to designate critical infrastructure sectors and to determine specific infrastructures within those sectors. While this flexible approach allows for adaptation to technological developments and an evolving threat landscape, it also raises important legal questions. Does entrusting the designation of critical infrastructure sectors to an administrative authority operating under the executive, rather than to the legislature, undermine the principle that essential matters must be regulated by statute and the principle of legal certainty? To what extent will these decisions be subject to judicial review?

IV. The Fundamental Obligations of Critical Infrastructure Operators

Articles 7 and 8 of the Law set out the obligations imposed on critical infrastructure operators, which fall into four principal categories:

A. The Obligation to Provide Information and Documents, and to Cooperate

Pursuant to Article 7(a) of the Law, the persons and entities concerned are required to submit to the Directorate, without delay, in full, and as a matter of priority, any data, information, documents, hardware, and software requested within the scope of the Directorate's duties and activities.

B. The Obligation to Take Security Measures and Report Cyber Incidents

In practice, Article 7(b) may prove to be the most consequential obligation. The institutions and organizations concerned are required to implement the cybersecurity measures prescribed by legislation for the purposes of national security, public order, or the proper performance of public services and to notify the Directorate without delay of any vulnerabilities or cyber incidents detected in the course of their activities.

This notification obligation bears structural similarities to Directive (EU) 2022/2555 (NIS 2), which occupies a significant place in the legal frameworks of many European Union Member States and plays a central role in implementing the national cybersecurity strategy. Whereas NIS 2 requires an initial warning within twenty-four hours of becoming aware of an incident, a detailed report within seventy-two hours, and a final assessment report within thirty days, the Law simply employs the phrase "without delay."

A comparable approach may be observed in Article 12(5) of the Personal Data Protection Law (KVKK) No. 6698, which provides that, "Where personal data processed are obtained by others through unlawful means, the data controller shall notify the relevant person and the Board as soon as possible." Subsequently, by its Decision dated 24 January 2019 and numbered 2019/10, the Personal Data Protection Board interpreted the phrase "as soon as possible" as meaning within seventy-two hours and decided that the data controller must notify the Board without delay and, in any event, no later than seventy-two hours from becoming aware of the incident.

This structural similarity suggests that the Directorate may establish, through secondary legislation, a registration mechanism similar to VERBIS. Although no announcement concerning such a system has yet been made, the possibility that critical infrastructure operators may be required to register with a cybersecurity notification platform comparable to VERBIS should be taken into consideration.

C. The Use of Authorized Products and Services

Article 7(c) requires that cybersecurity products, systems, and services to be used in critical infrastructures be procured from experts, manufacturers, or companies authorized and certified by the Directorate. This provision is particularly important from a supply chain security perspective and highlights the need for companies to plan for the employment of experts authorized and certified by the Directorate. Furthermore, the principle of domestic and national capabilities, one of the fundamental principles of the Law, reflects a clear policy preference for prioritizing domestic and national products in critical infrastructures. This principle reflects concerns over the national security risks associated with the use of foreign-origin cybersecurity products. Although the Law itself does not yet contain any specific provisions in this regard, it may be anticipated that, through secondary legislation, companies that are registered in the Turkish trade registry and appear to be domestic companies, but are in fact subject to foreign control through their shareholding structures, ownership of source code, or technical support arrangements, could encounter certain obstacles during the authorization process.

D. Certification Requirement for Cybersecurity Companies

Article 7(ç) requires cybersecurity companies that are subject to certification, authorization, and accreditation requirements to obtain the Directorate's approval before commencing operations. The Law also expressly provides that the activities of companies that use the term "cybersecurity" in their trade names without obtaining the necessary legal authorization documents may be suspended. Although the secondary legislation governing the implementation of the Law is expected to be adopted within one year, it is of critical importance for companies operating in the sector to begin their compliance efforts without delay.

Legality / Articles

E. The Obligation to Maintain Cybersecurity Maturity

Article 7(d) imposes an obligation on the relevant parties to implement the policies, strategies, and action plans developed by the Directorate and to take the necessary measures accordingly. This provision demonstrates that compliance is not conceived as a static snapshot but rather as a dynamic process that requires continuous updating and improvement. Regular penetration testing, vulnerability assessments, and 24/7 monitoring capabilities constitute the practical manifestations of this obligation.

V. Supervision and Sanctions

The Cybersecurity Directorate is authorized to conduct audits of relevant entities and to authorize independent auditors and audit firms, as well as to revoke such authorizations, either temporarily or permanently, where necessary. In matters directly affecting national security, the Law further provides that searches and seizures may be conducted pursuant to a judicial order or upon the written instruction of a public prosecutor.

The Directorate's broad mandate also encompasses proactive functions such as collecting and sharing cyber threat intelligence, conducting vulnerability and penetration tests, providing secure hosting services to public institutions, and enhancing national cyber resilience capabilities. The breadth of these powers is perhaps the clearest indication that the Law treats cybersecurity as a matter of national security.

A. Administrative Fines

Article 17 of the Law establishes a layered sanctions regime. Administrative fines ranging from TRY 1 million to TRY 10 million may be imposed on those who fail to comply with the notification obligations and the obligation to use authorized products set forth in Article 7(b) and (c). For violations of the obligations set out in Article 18, administrative fines may increase to between TRY 10 million and TRY 100 million.

Pursuant to Article 8(4), entities that fail to comply with their obligation to cooperate during inspections may be subject to administrative fines ranging from TRY 100,000 to TRY 1 million. Where this obligation is breached by commercial companies, an administrative fine of up to five percent of the company's annual gross sales revenue, as verified through an independent audit, may be imposed. This turnover-based upper limit constitutes a highly deterrent enforcement mechanism, particularly for large-scale critical infrastructure operators.

Legality / Articles

B. Imprisonment

The Law is not limited to administrative fines and also provides for imprisonment for various offences. Persons who fail to comply with the Directorate's requests and those who carry out cyberattacks against critical infrastructures may face prison sentences ranging from one to fifteen years. In addition, individuals who abuse their duties or cause data breaches may be sentenced to imprisonment for a term of one to three years.

VI. Transitional Period and Compliance Strategies

The Law grants a one-year period for the adoption of secondary legislation. This period, during which entities operating in the sector are expected to complete certification processes approved by the Directorate, places operators under significant time pressure. During this transitional period, there are several issues that critical infrastructure companies should carefully consider.

As a first step, activities that may qualify as critical infrastructure should be identified and, to the greatest extent possible, separated from other commercial activities. This should be followed by a detailed mapping of existing cybersecurity capabilities and the strengthening of the corporate cybersecurity organization, including the establishment of a dedicated communication channel with the Directorate. Finally, closely monitoring the forthcoming secondary legislation, which is expected to provide greater clarity regarding several issues that currently remain abstract under the Law, and to obtain legal advice in this regard will be of critical importance. In light of the administrative and criminal sanctions discussed above, the compliance process can no longer be regarded merely as a matter for the IT department. It requires companies to establish cybersecurity committees at the senior management level, review software and hardware supplier agreements, plan regular awareness training for employees, and maintain records of annual tests and audit reports.

VII. Conclusion

Law No. 7545 on Cybersecurity undoubtedly represents one of the most significant steps in adapting Turkish law to the digital age. The Law approaches cybersecurity not as a sector-specific technical issue but as a matter of national security and, accordingly, imposes comprehensive obligations on critical infrastructure companies. Cyber incident notification, the use of authorized products and services, certification requirements, and continuous cooperation with the Directorate are among the most important obligations imposed on companies.

The fact that many details have been left to secondary legislation indicates that the compliance process is not static but rather continuous and dynamic in nature. For this reason, any delay by critical infrastructure companies in initiating their compliance programs may give rise to risks that are difficult to remedy, both from a legal and a reputational perspective. Conversely, treating digital security as a long-term corporate strategy demonstrates that this new legal framework can serve not only as a legal obligation but also as a source of competitive advantage.

Ultimately, the Law requires both operators and legal advisers first to map the obligations arising under the existing provisions and then to closely monitor the process of adopting secondary legislation. The fact that the Law leaves many fundamental questions—such as notification periods, possible criteria applicable to foreign-controlled companies, and the management of notifications overlapping with the Personal Data Protection Law—to secondary legislation demonstrates that the compliance process is dynamic rather than static. Delays in adapting to this evolving framework may create risks that are difficult to remedy, both in legal terms and in terms of corporate reputation.

Ayça Buse Kendir, Associate

Article

A New Era for Companies: The Draft Law on the Protection of Trade Secrets

1. Introduction

In today's rapidly digitizing global economy, the most valuable assets of institutions, particularly companies, are no longer physical commodities but know-how and commercial data. As supply chains become increasingly data-driven and production, logistics, and financing processes move to digital platforms, protecting these intangible assets has become a cornerstone of sustainable competitive advantage.

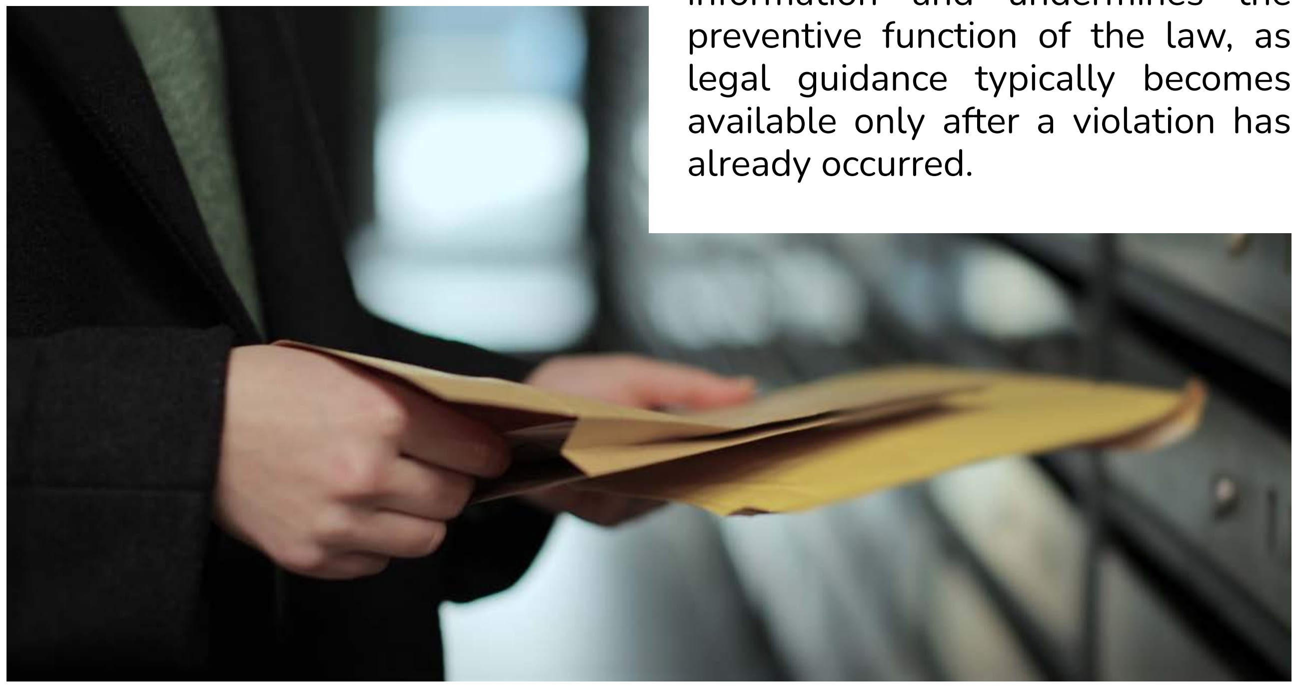
At the international level, the protection of trade secrets is primarily grounded in the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), adopted under the framework of the World Trade Organization (WTO). Article 39 of the Agreement sets out the international standards and defines the scope of "undisclosed information," namely information that qualifies as a legally protected trade secret. Similarly, the European Union adopted the Trade Secrets Directive (EU) 2016/943, establishing a clear legal framework in this area.

In Türkiye, however, trade secrets have not yet been regulated by a dedicated law. Instead, their protection is sought through various provisions of different pieces of legislation, including the unfair competition provisions of the Turkish Commercial Code, the Turkish Code of Obligations, and the Turkish Criminal Code. This fragmented legal framework has become increasingly inadequate to meet the needs of rapidly digitalizing businesses.

Against this backdrop, the Draft Law on the Protection of Trade Secrets has been introduced in an effort to align Turkish legislation with international standards, particularly TRIPS and the EU Trade Secrets Directive, and to consolidate the existing fragmented structure under a single legal framework.

2. The Fragmented Nature of the Current Framework and the Lack of Preventive Legal Protection

As briefly noted above, the protection of trade secrets under Turkish law has long been characterized by a systemic lack of coherence due to the absence of a dedicated legal framework. The current regime is dispersed among the unfair competition provisions of the Turkish Commercial Code (TTK) No. 6102, the duty of loyalty and non-compete obligations set forth in the Turkish Code of Obligations (TBK) No. 6098, and the criminal sanctions provided under Article 239 of the Turkish Criminal Code (TCK) No. 5237.



In particular, Article 55 of the Turkish Commercial Code classifies the disclosure of production and business secrets as an act of unfair competition, while Article 396 of the Turkish Code of Obligations imposes on employees an obligation not to use confidential information learned during the employment relationship for their own benefit. However, this fragmented structure creates significant legal uncertainty for the business community.

The current legislation does not provide a comprehensive and uniform definition of what constitutes a trade secret. As a result, determining whether certain information qualifies for legal protection largely depends on judicial interpretation. This uncertainty makes it more difficult for companies to safeguard strategic information and undermines the preventive function of the law, as legal guidance typically becomes available only after a violation has already occurred.

Legality / Articles

3. The Concept of "Trade Secret" Under the Draft Law

The Draft Law on the Protection of Trade Secrets moves beyond treating trade secrets merely as a matter of confidentiality and recognizes them as "intangible assets" that should be managed as part of a company's asset portfolio.

Article 2 of the Draft Law, which sets out the definitions, defines a trade secret as:

"Information that is not known or readily accessible to persons operating in the same or similar field, whether in its entirety or in terms of its individual components or the arrangement and combination of those components; that has commercial value because it is secret; in respect of which the holder has a legitimate interest in maintaining its confidentiality; and for which the holder has taken the necessary measures to preserve its confidentiality through reasonable methods appropriate to the circumstances."

Accordingly, for information to qualify as a trade secret and benefit from legal protection, three cumulative conditions must be satisfied: it must be confidential, possess commercial value, and be subject to reasonable protective measures.

4. The "Reasonable Measures" Requirement for Companies

Among the elements of a trade secret, perhaps the most critical is the requirement that protection depends not only on the nature of the information itself but also on the concrete measures taken by its owner to safeguard it.

As can be inferred from the explanatory memorandum accompanying the Draft Law, "reasonable measures" refer to protective steps that can be expected in good faith, taking into account the value and nature of the information, as well as the size and circumstances of the company. This requirement is arguably the most important aspect of the proposed legislation.

For company executives and legal counsel, the real risk arises once a violation has occurred and the matter reaches the litigation stage. Under the Draft Law, a company alleging that its trade secret has been misappropriated must first demonstrate what reasonable measures it took to protect the information before it can obtain injunctive relief or damages. For example, if a company has not entered into confidentiality agreements with its employees, restricted access to digital data through authorization protocols and encryption measures, or secured physical documents in locked storage, a court may conclude that the information in question does not qualify as a trade secret.

One of the greatest misconceptions companies may have is to assume that the law itself will automatically provide protection. In reality, legal protection becomes effective only when companies establish their own internal protection mechanisms. In judicial proceedings, the court will not merely assess the value of the information but also the extent to which the company has acted to protect it. For this reason, the "reasonable measures" requirement should not be viewed as a compliance cost but rather as an essential safeguard for the company's future legal and commercial interests in an increasingly digital economy.

5. Sanctions and Legal Remedies Under the Draft Law

The Draft Law establishes a broad range of remedies aimed at addressing violations of trade secret rights.

Pursuant to Article 6, the owner of a trade secret may request the court to prevent the unlawful acquisition, use, or disclosure of the secret, to eliminate the consequences of such unlawful acts, and to determine whether an infringement has occurred. Article 9 authorizes courts to order measures such as the recall or destruction of infringing products and the return of documents containing trade secrets.

For companies, however, the most significant protection mechanism may be the preliminary injunction regime introduced under Article 7. Courts are no longer limited to traditional measures and may also order concrete actions tailored to the digital environment, such as encrypting electronic data containing trade secrets or blocking access to such data.

Article 10 regulates the right to claim damages. Under this provision, compensation may be calculated based on all adverse economic consequences suffered by the trade secret owner, including loss of profits, as well as the gains obtained by the infringer through unlawful use. Since quantifying the damage caused by the misappropriation of intangible information is inherently difficult, paragraph 3 provides for a method of calculation based on the minimum license fee that the infringer would have been required to pay.

Article 11 addresses the protection of trade secrets during court proceedings. The explanatory memorandum expressly acknowledges the tension between the right to a fair trial and the need to protect confidential business information. As a solution, the Draft Law proposes a concept referred to as a "confidentiality corridor". Under this mechanism, courts may conduct hearings in private, restrict access to case files to a designated representative of each party and their legal counsel, and even publish judgments only after redacting portions containing trade secrets.

The Draft Law does not treat trade secret violations merely as an unfair competition matter focused on damages; it also provides for severe terms of imprisonment. Article 16 substantially expands the scope of the offense of disclosing trade secrets currently regulated under Article 239 of the Turkish Criminal Code and imposes more severe terms of imprisonment. While Article 239 primarily penalizes the disclosure of confidential information learned by virtue of one's position or duty, Article 16 of the Draft Law provides for imprisonment ranging from one to three years for unlawfully obtaining a trade secret and from two to four years for using or disclosing the trade secret. Notably, third parties who knowingly use trade secrets obtained through unlawful means or place infringing products on the market may face imprisonment of up to five years. In this respect, the Draft Law establishes a strong legal safeguard against industrial espionage.

6. A New Era for Companies

Once enacted, the Draft Law on the Protection of Trade Secrets will make the protection of information not merely a matter of good practice but a prerequisite for asserting legal rights before the courts. Under Article 2 of the Draft Law, information can qualify as a trade secret only if its owner has taken reasonable measures to protect it. Otherwise, regardless of its strategic value, the information may fall outside the scope of legal protection.

In this context:

- Companies should move beyond using standard template language in employment agreements, supplier contracts, and confidentiality protocols and instead adopt more concrete arrangements. As emphasized in the explanatory memorandum, clearly defining the scope of trade secrets shared with employees and updating non-disclosure and non-compete agreements to align with the new legal framework will be essential in demonstrating an intention to protect confidential information.

- Companies should expand the data inventories and compliance structures developed under the Personal Data Protection Law (KVKK) to also encompass trade secrets and other commercially sensitive information.

Legality / Articles

7. Conclusion

Ultimately, the Draft Law on the Protection of Trade Secrets is not a compliance burden for businesses; rather, it is a strategic shield that protects a company's most valuable assets, namely its intellectual capital and market value, in an increasingly digital global economy. By consolidating the existing fragmented legal framework under a single legislative structure and eliminating the uncertainties arising from the existing system, the Draft Law provides greater legal certainty for both domestic investors and international stakeholders. Furthermore, its alignment with Directive (EU) 2016/943 strengthens Türkiye's integration with international standards and facilitates access to critical systems such as the Digital Product Passport (DPP) and EPREL databases, thereby helping to safeguard the global competitiveness of Turkish exporters. In light of these developments, it is crucial for companies to begin preparing for the measures that will be required once the Draft Law enters into force.

Kübra Zeren, Associate

Guest Sector

Legality / Guest Sector

Guest Sector

Culture, Art, and the Creative Industries: The Legal Foundations of the Journey from Ideas to Lasting Value

Culture, art, and creative expression constitute one of the oldest and most powerful forms of human expression in history. Long before the invention of writing, humanity began expressing itself through figures drawn on cave walls, rituals, sounds, symbols, and forms. In this sense, art is not merely a form of aesthetic production; it is an effort to make visible human existence, fears, beliefs, memory, and humanity's relationship with the world.

As societies' understanding of civilization evolved over time, culture and art also came to embody increasingly complex and layered meanings. At different times, art has served as a gateway to the inner world of individuals; at others, it has functioned as a vehicle for preserving the collective memory of societies or as the language of change, criticism, and transformation. For this reason, the field of culture and art is not simply a realm of individual creativity; it is also a carrier of social thought, intellectual accumulation, and collective memory.

At this point, the centuries-old debate over the purpose of art remains as relevant as ever: Is art for art's sake, or does it exist for humanity, society, and life itself? Perhaps there is no single answer to this question. At times, art exists as a free form of expression that serves no purpose other than itself; at others, it exerts a powerful influence on people, society, history, and even the law. Yet regardless of how it is viewed, it is clear that art makes people more attentive, more sensitive, and more reflective.

Today, culture, art, and the creative industries encompass a remarkably broad spectrum, ranging from the visual arts and design to literature and music, from cinema and digital content creation to architecture, fashion, and the performing arts. These fields not only generate aesthetic and cultural value, but have also become an important component of economic, technological, and social development. The creative industries have fostered a dynamic ecosystem in which ideas, original designs, narratives, and artistic labor are transformed into economic value. As a natural consequence of this ecosystem, the legal dimension of culture and art has become increasingly important. Behind every creative work lies an idea, effort, time invested, and often a personal story. The protection of a work, design, trademark, performance, or creative content is not merely an economic issue; it is also a matter of respect for and recognition of creative effort and originality.

In this regard, intellectual property rights constitute one of the principal legal foundations of the arts and creative industries. Copyright, trademark rights, design rights, related rights, licensing processes, authorship, assignments, and permissions for use are among the many areas that ensure the sustainable and equitable protection of creative production. The legal recognition of the value created by artists, designers, writers, musicians, and other creative professionals is of critical importance in encouraging production, preserving cultural diversity, and fostering the healthy development of the creative economy.

In this context, law should not be viewed simply as a mechanism for resolving disputes. Rather, it should be regarded as a constitutive instrument that safeguards creative labor, regulates relationships between stakeholders, and contributes to the continuity of cultural production. Every value created in the field of culture and art is inherently fragile when left unprotected, yet becomes enduring and influential when grounded in a sound legal framework.

For this reason, the relationship between culture, art, and the creative industries, on the one hand, and law, on the other, goes far beyond a relationship based solely on protection. On the contrary, these two fields exist within a structure that nourishes and strengthens one another. Art offers the law a deeper understanding of people and life, while the law provides the necessary framework for art and creative production to exist freely, securely, and sustainably.

At Şengün & Partners, we approach legal services not solely through the lens of legislation and dispute resolution, but from a broader perspective centered on people, creativity, ideas, and social development. Recognizing the value of culture, art, and the creative industries for both individual and social development, we attach

great importance to protecting, supporting, and promoting the efforts and creativity that emerge in these fields.

The newly launched Şengün Art Atelier is a natural reflection of this vision. We envision Şengün Art Atelier not simply as an event venue, but as a living cultural platform that brings together art, law, and creative production and provides a common ground for people who think, create, and share.

We believe that culture and art are far more than a legacy of the past; they are among the most powerful building blocks of the future. Supported by the safeguards provided by law, they will continue to constitute indispensable elements of both individual freedom and social development.

Birgi Kuzumoğlu, Partner

Special Day

Special Day

A Shared Commitment to the Future: 5 June - World Environment Day and Sustainability

Historical Development and Environmental Awareness

In 1972, the United Nations Conference on the Human Environment was held in Stockholm, Sweden, with the aim of raising awareness of environmental problems, protecting and improving the environment, and establishing a shared fundamental perspective on an action plan. As a milestone in global environmental policy, the Conference led to the adoption of 5 June as World Environment Day through a decision of the General Assembly, with the objective of promoting environmental awareness worldwide. In Türkiye, the week that includes 5 June has been designated as "Türkiye Environment Week" pursuant to a Presidential Circular published in the Official Gazette on 21 May 2022 (No. 31842).

Türkiye Environment Week, which is celebrated each year under a different theme, is planned to be marked this year under the slogan "The Earth is entrusted to us." In this context, it is intended to raise awareness on environmental protection, combating climate change, Zero Waste practices, recycling and recovery activities, sustainable consumption and development, green transformation, and the protection of biodiversity.

Carbon emissions, which have increased exponentially since the Industrial Revolution, together with the excessive consumption of natural resources and the destruction of ecosystems, seriously threaten the planet's capacity to maintain ecological balance. World Environment Day therefore serves a critical function in amplifying scientific warnings and strengthening public awareness against this unchecked course.

In the early stages of environmental awareness, the focus was largely on micro-level problems such as industrial waste polluting rivers or regional air pollution. Today, however, attention has shifted to macro-level challenges such as climate change, ocean acidification, biodiversity loss, and the disruption of nitrogen and phosphorus cycles.

The decline in biodiversity brings with it the risk of ecosystem collapse, while extreme weather events driven by global warming destabilize socio-economic systems. Environmental problems have therefore become not merely a matter of "protecting nature," but an existential security issue for the human species. For this reason, strengthening public awareness has become even more important.

Sustainability as the Key to Global Ecological Transformation

This issue, which has become a serious challenge today, cannot, however, be resolved solely through increased public awareness. While raising public awareness may offer a short-term solution, the adoption of the principle of sustainability and its effective realization can provide a long-term response.

The principle of sustainability is built on three fundamental pillars: environmental, economic, and social. From an environmental and economic perspective, its core premise is that no economic growth model that disregards nature's carrying capacity can remain viable in the long term.

Environmental sustainability is a dynamic management model that requires human activities to be conducted without disrupting ecological balances or depleting natural capital. In the fight against the global climate crisis, this concept recognizes the reduction of carbon emissions, the transition from fossil fuels to renewable energy sources, and the protection of biodiversity as fundamental imperatives. Respecting the renewal rate of natural resources, this approach aims to preserve the carrying capacity of ecosystems through the protection of water basins, effective waste management, and the adoption of zero-waste principles. Ultimately, environmental sustainability defines nature not merely as a resource repository serving human needs, but as a fragile living ecosystem that also belongs to future generations and must be protected.

Economic sustainability, on the other hand, goes beyond traditional growth models and aims to ensure long-term and stable increases in welfare without harming environmental and social assets. Circular economy models, which break the "take-make-dispose" cycle of the linear economy by transforming waste into raw materials, constitute the most concrete production strategy of this approach. The expansion of green financing instruments, investments in research and development, and improvements in raw material and energy efficiency through eco-innovation enhance the long-term competitiveness of businesses and countries in global markets. Economic sustainability, which advocates fair trade principles and the rational use of resources, seeks to optimize today's economic gains while building systems resilient to tomorrow's financial and environmental crises.

The success of sustainability-oriented ecological transformation is directly dependent on the policies to be implemented by states and the enforcement power of international law. Comprehensive legal instruments such as the Paris Agreement and the European Green Deal move environmental problems beyond the realm of social concern and place them on a legal footing.

Legality / Special Day

At the industrial level, the transition from the traditional linear economy model to a circular economy model centered on resource efficiency and recycling is of critical importance. In this context, companies have begun to adopt ESG, namely Environmental, Social, and Governance criteria. These criteria reflect the need to evaluate companies not only based on their financial performance, but also in terms of sustainability, ethical responsibility, and stakeholder relations. Companies' performance in these areas is evaluated by independent institutions, which then determine their ESG scores. A strong ESG profile facilitates access to international funds, reduces borrowing costs, and enhances resilience to crises.

In conclusion, World Environment Day and the concept of sustainability are two inseparable components that will shape humanity's future on Earth. While one keeps social and political awareness alive, the other transforms that awareness into rational, scientific, and lasting solutions. Protecting ecological balance and leaving a livable world to future generations will only be possible through a global consciousness built under the guidance of these two concepts.

Elif Bengü Aydın, Associate

News to the World

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Annulment of Article 362(1)(a) of the Code of Civil Procedure (HMK) and Its Implications for the Right to a Fair Trial

In its decision dated 26 February 2026 (No. 2026/40 E., 2026/48 K.), the Constitutional Court unanimously annulled Article 362(1)(a) of the Code of Civil Procedure No. 6100. The annulled provision stipulated that decisions of the Regional Courts of Appeal could not be appealed to the Court of Cassation in cases where the value of the dispute fell below the applicable monetary threshold. The provision was annulled on the grounds that, where the Regional Court of Appeal sets aside the first-instance judgment and itself renders a new decision on the merits, treating that decision as final solely because the value of the dispute falls below the statutory threshold violates the right to a fair trial.

Following the annulment, even where the value of the dispute remains below the statutory finality threshold, an appeal to the Court of Cassation will now be available in cases where the Regional Court of Appeal has accepted the appeal, set aside the first-instance judgment, and substituted its own decision on the merits.

See the full Decision at:

https://normkararlarbilgibankasi.anayasa.gov.tr/kbb/pages/search/

Legality / News to the World

Announcement by the Turkish Data Protection Authority (KVKK): Workplace Security Cameras and the Principle of Proportionality

On 8 June 2026, the Turkish Data Protection Authority issued a public announcement concerning the use of security cameras in workplaces. According to the announcement, although the use of security cameras may serve legitimate purposes such as ensuring occupational health and safety and preventing crime, such practices must not amount to a disproportionate interference with employees' private lives. Published in response to the increasing number of complaints in recent years, the announcement clarifies the balance that must be struck between an employer's supervisory powers and employees' right to privacy. In particular, it emphasizes that the use of security cameras for performance evaluations, productivity monitoring, or disciplinary purposes may constitute a violation of the law and the principle of proportionality. The Authority also reminded data controllers that, pursuant to Article 4(2)(c) of the Personal Data Protection Law No. 6698 (KVKK), visual recordings must be processed for specified, explicit, and legitimate purposes and, under Article 4(2)(ç), must be relevant, limited, and proportionate to those purposes. Consistent with the approach adopted by the European Data Protection Board and Turkish judicial authorities, the Authority

also emphasized that video surveillance should be used only as a measure of last resort where a concrete need exists and the same objective cannot be achieved through less intrusive means.

Consequently, employers are required to clearly determine the purpose of camera use, properly inform employees, refrain from audio recording unless strictly necessary, and limit access to recordings by establishing retention periods. Avoiding continuous surveillance practices for purposes such as performance and productivity monitoring is essential to minimize both the risk of administrative sanctions under the KVKK and allegations of privacy rights violations.

See the full Announcement at:
http://kvkk.gov.tr/Icerik/8770/is-yerlerinde-guvenlik-kamerasi-sistemi-kullaniminda-dikkat-edilecek-hususlara-dair-kamuoyu-duyurusu

New Flexibility for Preliminary Real Estate Sale Agreements in GYF and Project GYF Portfolios

By its decision dated 29 April 2026 and numbered 28/815, the Capital Markets Board of Türkiye (SPK) introduced significant flexibility regarding the investment processes of Real Estate Investment Funds (GYFs) and Project Real Estate Investment Funds (Project GYFs) in public-sector projects. Under the previous framework, the reference to "independent sections" in the applicable legislation effectively required the establishment of condominium easements before investments could be included in fund portfolios. With the new arrangement, however, investments may now be made through preliminary real estate sale agreements in public-sector projects for which construction permits have been obtained, even where condominium easements have not yet been established.

This amendment enables funds to participate at a much earlier stage in projects developed by the Ministry of Environment, Urbanization and Climate Change of the Republic of Türkiye, the Housing Development Administration of Türkiye (TOKİ), İlkbank, municipalities, and their affiliates. While other protective requirements under the Communiqué, including the obligation to obtain a construction permit, remain in force, the newly introduced flexibility is limited to public-sector projects, and no changes have been made to the existing legal regime applicable to private-sector investments.

Legality / News to the World

A New Era in Turkish Family Law: The Constitutional Court's Annulment of Indefinite Alimony

The Constitutional Court of Türkiye has annulled, by majority vote, the provision contained in Article 175 of the Turkish Civil Code requiring the payment of poverty alimony "indefinitely," a matter that has been the subject of public debate for many years. The decision, rendered following an objection raised by the Antalya 12th Family Court, marks the beginning of a new era in Turkish family law by eliminating the possibility of imposing a lifelong alimony obligation in divorce proceedings. In order to allow time for the legal gap to be addressed and for the Grand National Assembly of Türkiye to establish a new legislative framework, the Court ruled that the annulment will enter into force nine months after the publication of the decision in the Official Gazette.

The Court annulled only the wording permitting alimony to be awarded without any time limitation. Accordingly, the right of a spouse who falls into poverty as a result of divorce to claim alimony remains intact. Nor does the decision mean that poverty alimony has been abolished entirely or that existing alimony payments will automatically cease. The status of existing alimony obligations and the duration applicable to future awards will become clear following the legislative amendments expected to be adopted by Parliament within the next nine months.

Turkish Competition Authority Launches a Sector Inquiry into the Artificial Intelligence Ecosystem

As generative artificial intelligence technologies continue to reshape competition rules and market dynamics, the Turkish Competition Authority has initiated a comprehensive sector inquiry into the AI ecosystem. The inquiry focuses on the value chain extending from infrastructure to application layers and, in particular, on access to critical inputs such as data, computing capacity, and financing, all of which are essential for the development of foundation models. The Authority stated that it will examine, within a structural framework, the potential risks associated with large undertakings securing significant resource advantages at an early stage, establishing vertically integrated structures, increasing barriers to entry, locking users into their ecosystems, and restricting competitors' access to essential inputs.

As part of the sector inquiry, the Authority indicated that it will also focus on potential competition law infringements—such as self-preferencing, exclusionary practices, and tying arrangements—that may arise from the integration of AI technologies into the existing products and services of major digital platforms. Furthermore, the inquiry will comprehensively analyze the structure of the AI ecosystem, particularly in relation to foundation models, the relationships among different layers of the value chain, access conditions for critical inputs, interactions between major technology companies and innovative start-ups, and the impact of data and computing power on competition.

Through this inquiry, the Authority aims to identify structural trends and potential anti-competitive risks in the market and to shape policy tools that preserve competitive balance without undermining innovation.

https://www.rekabet.gov.tr/tr/Guncel/yapay-zekaya-rekabet-kurumu-sektor-incel-d21eee058332f11193f70050568585c9

Visa and Mastercard Settlement on Card Commissions Under Judicial Review

The competition investigation conducted by the Turkish Competition Authority into Mastercard and Visa, both of which operate globally in the payment systems sector, concluded with the acceptance of commitments offered by the companies. The investigation, launched on 24 October 2024, found that the activities of both companies in the scheme services market in Türkiye, as well as Mastercard's practices in the digital wallet market through Masterpass, had the potential to hinder competitors' activities. Accordingly, Mastercard and Visa committed to making the discounts and incentives offered to their business partners more objective, transparent, and proportionate in order to remedy the identified competition concerns, and to improving interchange fee rates applicable to cross-border transactions.

With respect to the digital wallet aspect of the investigation, Mastercard also committed to revising its product positioning and campaign conditions to provide fairer visibility for different payment providers on payment screens. The Competition Board concluded that the proposed remedies were proportionate, capable of implementation within a short period, and suitable for addressing the identified concerns, and therefore terminated the investigation through the binding commitments procedure. These decisions are expected to increase the diversity of digital wallet services available to consumers engaged in e-commerce, establish fairer competitive conditions in the market, and generate positive effects for the Turkish banking system and the economy in general.

https://www.rekabet.gov.tr/tr/Guncel/mastercard-ve-visa-hakkinda-yurutulen-so-1a61b75cbb4af11193ea0050568549fa

World News

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Legality
World News

Apple and Epic Games' App Store Dispute Reaches the U.S. Supreme Court

The long-running litigation between Apple and Epic Games has now reached the U.S. Supreme Court following recent developments. Apple has asked the Supreme Court to overturn the lower courts' decisions lifting restrictions on payment methods outside the App Store and finding that the company violated a court order. At the same time, Apple argues that the 27% commission it imposes on off-platform payments and the warning screens directing users to alternative payment methods fall within legal limits. The company has also contended that extending the injunctions to cover not only Epic Games but all U.S. App Store developers exceeds the courts' authority.

For its part, Epic Games opposed Apple's petition in its formal response filed with the Supreme Court, arguing that Apple's claims lack any legal basis and mischaracterize the lower court decisions. Epic further asserted that Apple directly violated the express terms of the court's orders and that extending the ruling to all developers is essential to ensuring fair competition.

ICC Arbitration Rules to Be Updated in 2026

The new International Chamber of Commerce (ICC) Arbitration Rules, which entered into force on 1 June 2026, introduce comprehensive changes aimed at making dispute resolution proceedings more transparent, flexible, and efficient. In line with the principle of transparency, new standards have been introduced regarding arbitrators' disclosure obligations concerning their independence and impartiality, enabling potential conflicts of interest to be identified at the earliest stages of a dispute. In addition, third-party funding, which has become increasingly common in international arbitration practice, has for the first time been made subject to binding regulation, requiring the existence and identity of third parties with an economic interest in the outcome of the arbitration to be disclosed promptly to all parties to the proceedings.

To prevent delays in the arbitral process, the Terms of Reference, which were mandatory under the 2021 Rules, are no longer compulsory under the 2026 Rules. This change eliminates delays and uncertainties, particularly in situations where the respondent does not participate in the arbitration and the preparation of the Terms of Reference would otherwise be required. Furthermore, the recognition of electronic communications as the default method for all notifications and correspondence, together with the abolition of the rigid six-month time limit for rendering an award and the delegation of discretion on this matter to the presiding arbitrator, constitutes a significant procedural amendment.

Finally, one of the most notable features of the new rules is the expansion of expedited arbitration and emergency arbitrator mechanisms. The monetary threshold triggering the automatic application of the expedited procedure, without the need for the parties' additional consent, has been increased from USD 3 million to USD 4 million. The rules have also introduced a new procedure known as the Hyper-Expedited Arbitration Procedure (HEAP), which may be used exclusively on the basis of the parties' express mutual agreement, irrespective of any monetary threshold. In addition, the scope of applications to an emergency arbitrator has been broadened, allowing urgent claims to be asserted not only against parties that directly signed the arbitration agreement, but also against any party that the President of the ICC Court considers, on the basis of the available information, to be bound by the arbitration agreement.

Digital Euro Clears a Major Hurdle

The European Parliament’s Committee on Economic and Monetary Affairs has approved the long-discussed digital euro proposal. The move is regarded as an important element of the European Union’s efforts to reduce external dependence in payment systems and, in particular, to limit the influence of U.S.-based financial infrastructure.

The digital euro is being designed as a central bank digital currency that will be issued and guaranteed by the European Central Bank. However, the new system is not intended to replace cash or existing banking services, but rather to function as a complementary means of payment. Users are expected to be able to hold digital euros in dedicated digital wallets and use them for both online and offline payments.

The protection of user privacy is also one of the key aspects of the proposal. While the European Central Bank would not be able to directly identify users through payment data, digital euro services are expected to be provided to consumers through commercial banks and payment institutions. The system is also intended to offer businesses a lower-cost alternative to existing card payment methods. The digital euro initiative is widely seen as part of Europe’s broader effort to strengthen its financial sovereignty. While countries such as China and Russia continue to advance their own digital currency projects, the United States has adopted an approach that favors privately issued stablecoins over a central bank digital currency. The European Parliament is expected to formalize the committee’s decision at its plenary session in July, after which negotiations with EU member states are expected to begin.

Legality / World News

Estonia’s Digital Revolution: Identity Codes Introduced for Autonomous AI Agents

Estonia, a global pioneer in digital transformation and e-government services, has launched a new era in the AI ecosystem by introducing official identity codes for autonomous AI agents. Through this system, which has been integrated into the country’s advanced digital state infrastructure, AI software capable of making decisions and carrying out transactions independently is intended to be recognized as an official participant in legal and economic processes.

Under the initiative, autonomous AI agents will be assigned unique digital identification numbers, and their commercial transactions, smart contracts, and digital activities will be recorded within a legal framework. The initiative is expected to address legal gaps relating to liability, accountability, and legal attribution arising from the activities of AI systems and to serve as a reference model on a global scale.

The project also aims to enhance transparency and trust in situations where artificial intelligence is capable of acting independently. By granting AI agents legal status and digital identities, Estonia seeks both to attract global technology investment and to establish a regulated and secure oversight mechanism for advanced automation.

SpaceX Makes a $60 Billion Move into the AI Coding Market

SpaceX has entered into a $60 billion stock-based agreement to acquire Anysphere, the developer of the AI-assisted coding tool Cursor. For Elon Musk's company, the transaction is regarded not only as a large-scale acquisition but also as a strong indication of its strategic expansion into artificial intelligence beyond the field of space technology.

Developed by San Francisco-based Anysphere, Cursor has emerged as one of the most popular tools enabling software developers to leverage artificial intelligence for coding, editing, and debugging. The company's rapid growth and its ability to establish a strong user base within the developer ecosystem are considered among the primary reasons behind the acquisition.

The transaction is expected to be completed in the third quarter of 2026 following the receipt of the necessary regulatory approvals. Once the acquisition is finalized, Cursor is expected to continue operating within SpaceX, allowing the company to establish a stronger position in the AI-powered software development market.

The move also demonstrates that SpaceX has begun taking competition in the artificial intelligence sector more seriously. As companies such as OpenAI, Anthropic, and Google continue to grow rapidly in the enterprise AI market, SpaceX is seen as seeking a stronger position through Cursor's technology and user base.

The Era of E-Scooters Is Coming to an End in Brussels: A Complete Ban from January 2027

The Belgian capital of Brussels has decided to completely ban shared electric scooters starting in January 2027 due to increasing accidents, sidewalk obstructions, and public safety concerns. Once the licenses of Bolt and Dott, the city's last two operators, expire at the end of this year, Brussels will join European cities such as Madrid, Paris, and Prague in removing e-scooters from their streets.

This far-reaching decision is driven by increasingly alarming statistics and public safety concerns. According to regional data, the number of people injured in e-scooter accidents in 2025 alone increased by 26% compared with the previous year, reaching 666. By their very design, these vehicles often cause serious head and facial injuries, while their improper parking practices also obstruct pedestrian pathways, creating difficulties for older people and individuals with limited mobility.

Following the removal of e-scooters from urban transportation, the Brussels authorities intend to place greater emphasis on alternative and more easily regulated micromobility models. As of 2027, only shared conventional bicycles and electric bicycles will remain available for rental in the city, and the capacity of the existing bike-sharing network will be expanded.

News from Şengün

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Practice Area: Labor Law & Industrial Relations

Legal advisory services were provided to Lila Tekstil, operating under the umbrella of Lila Group, throughout its collective bargaining agreement process with the Öz İplik-İş Trade Union. The engagement included the management of mediation proceedings and negotiations with the trade union on behalf of the employer company. LL.M., Partner Gülşah Güven and Executive Associate Öykü Gülsen participated in the negotiation process on behalf of our firm.

As a result of the negotiations conducted throughout the process, the discussions were successfully concluded and a collective bargaining agreement was signed with the Öz İplik-İş Trade Union.

Associate Ahmet Oğul Aksoy from the Ankara office of Şengün & Partners Attorney Partnership attended the “Startup Policy Series Ankara 2026-1” event organized by startups.watch at Ankara TEKMER on 1 April 2026.

The event featured discussions on a wide range of topics, including entrepreneurship policies, the technopark ecosystem, global growth strategies, and regulations and incentives in gaming entrepreneurship. The program also included the sharing of current data on Ankara’s entrepreneurial ecosystem and insights into the investment environment.

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News from Şengün

The 30th Ordinary General Assembly of the Turkish Institute of Internal Auditing (TİDE) IIA Türkiye was held on 4 April 2026, during which the new governing bodies of the organization were elected.

On behalf of Şengün & Partners, the general assembly process was followed by LL.M., Partner Gülşah Güven, Associate Ayça Buse Kendir, and Associate Kübra Zeren.

We extend our best wishes for success to the members elected to the Board of Directors, the Audit Committee, and the Ethics Committee.

ŞENGÜN | Selected Transactions

Practice Area: Labor Law & Dispute Resolution

The mediation processes conducted for client companies within the scope of labor law were restructured in light of recent Court of Cassation decisions and developments in practice. Processes aimed at the effective and sustainable resolution of employer disputes were analyzed, and mediation proceedings were conducted within a legal strategy framework based on security, transparency, and voluntariness principles, taking into account recent Court of Cassation decisions and ensuring more effective process management.

At the invitation of Volksbank Rhein-Ruhr, one of Germany's leading banks, and with the participation of a limited number of guests, Attorney Nedim Korhan Şengün, Founder of Şengün & Partners, attended a special gathering held in Duisburg on 10 April 2026.

The event, which brought together a distinguished group of Turkish-origin attorneys, certified public accountants, tax advisors, notaries, and management consultants, began with an opening speech by Serap Güler, Germany's first State Minister of Turkish origin.

The program continued with speeches delivered by Thomas Diederichs, Spokesperson of the Board of Directors, and Uğur Bayram, Corporate Client Manager, and concluded with an outdoor reception followed by a dinner.

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News from Şengün


Şengün & Partners is pleased to announce that Elanur İnan, who brings significant experience from the private sector, has joined our office as Corporate Coordination Director.

Working under the coordination of LL.M., Partner Gülşah Güven, Elanur İnan is expected to make valuable contributions to our corporate operations and internal processes. We warmly welcome her to our team and wish her success in her new role.

At the invitation of Partner Birgi Kuzumoğlu, Founder and Attorney Nedim Korhan Şengün from Istanbul, and Associate Ahmet Oğul Aksoy from Ankara met in İzmir with Senior Associate Betül Önal Payze and fellow colleagues for a nice catch-up on recent developments.

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Executive Associate Yiğit Okuldaş and Associate Elif Bengü Aydın from Şengün & Partners attended the "Corporate Governance, Responsibility and Sustainability in Capital Markets Symposium," organized jointly by the Capital Markets Licensing Registry and Training Agency Inc. (SPL) and Marmara University on 12 May 2026 at Swissotel The Bosphorus.

The symposium covered a broad range of topics, from corporate governance and sustainability to artificial intelligence and digital assets. The program also included discussions on recent legal developments and supervisory practices in capital markets.


The eighth edition of Contact Day (CD'26), organized annually by Sales Network, took place at Paribu Art on 12 May 2026. LL.M., Partner Gülşah Güven, Executive Associate Öykü Gülsen, and Associate Ayça Buse Kendir attended the event on behalf of Şengün & Partners.

The event, which also featured the Retail Media Summit program, brought together industry professionals to discuss retail media, the experience economy, and the future of the world of sales. The program continued throughout the day with panel sessions and networking gatherings and concluded with the Best of Sales Awards (BoSA) Gala.

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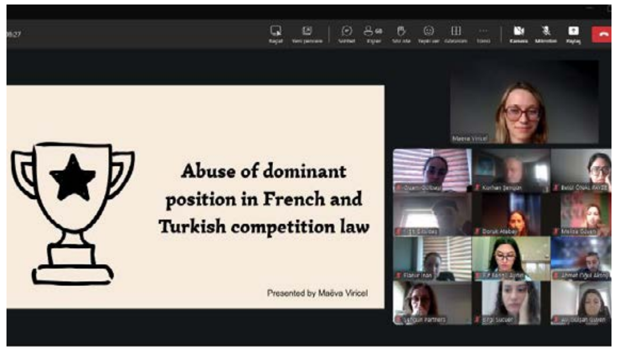
News from Şengün

Şengün Art Atelier has been established within Şengün & Partners Attorney Partnership, reflecting our belief in the transformative power of art, ideas, and creative production.

Conceived with the aim of extending the intellectual depth, aesthetic sensitivity, and multidimensional approach to production that constitute important elements of Şengün & Partners' corporate culture into the field of art, Şengün Art Atelier has been designed as an interdisciplinary cultural platform that brings together law, art, and creative production on a common ground.

Inspired by İzmir's rich cultural heritage, this initiative is intended to develop into a distinctive space for creative production that brings together women attorneys, legal professionals, artists, and professionals who are interested in art, engage in artistic production, and express their creativity in various fields.

Şengün Art Atelier aspires to evolve into a sustainable cultural platform that engages with national and international art communities and brings together creators from different disciplines.



Our colleague Maëva Viricel recently delivered a webinar entitled "Abuse of Dominant Position in French and Turkish Competition Law" on behalf of Şengün & Partners Attorney Partnership.

Bringing together participants from both within and outside the firm, the webinar offered a comparative overview of how the abuse of dominant position is addressed under French and Turkish competition law. Current approaches, practical examples, and the principal differences between the two legal systems were discussed throughout the session.

We would like to thank Maëva Viricel for her valuable contribution and presentation.

ŞENGÜN | Selected Transactions

Practice Area: Labor Law & Industrial Relations

During the collective bargaining agreement process conducted between the client company and the authorized trade union, legal advisory services were provided to the employer in relation to legal proceedings, trade union negotiations, and the negotiation stages. Our team also participated directly in the negotiations as representatives of the employer.

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News from Şengün

Şengün Girişim Stüdyosu (Şengün Venture Studio) has been established through the collaboration of Şengün & Partners Attorney Partnership and Şengün Stratejik Yönetim Hizmetleri A.Ş.

Şengün Girişim Stüdyosu, which aims to support the development of ideas throughout the entrepreneurial journey through a sound legal framework, a strategic management approach, and a sustainable structure, has officially commenced its activities for entrepreneurs.

Based on the understanding that every stage of a venture—from incorporation and growth to fundraising and investment—requires expertise, experience, and discipline, a structure has been created that brings together legal advisory services and strategic management expertise under one roof.

Through Şengün Girişim Stüdyosu, a comprehensive platform has been established to strengthen the legal foundations of ventures, define their strategic direction, and build their growth processes on more solid foundations.

Şengün Art Atelier, established within Şengün & Partners Attorney Partnership, has commenced its activities with a focus on culture, art, and creative thinking.

An open call for artists has been launched on both a national and international scale with the aim of bringing together women artists who create, design, and produce value across different artistic disciplines.

Through Şengün Art Atelier, it is intended to establish new communication networks with artists, foster creative collaborations, and carry out initiatives for future exhibitions, projects, and events.

Founded with the vision of creating a distinctive cultural platform at the intersection of art, law, and creative production, Şengün Art Atelier aims to develop into a sustainable structure that brings together artists from different countries.

Legality / News from Şengün

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Following the work carried out within the framework of the International Coordination structure previously announced by Şengün & Partners Attorney Partnership, a new organization relating to the European structure has been established.

In addition to the existing structure, under which Düsseldorf and Zurich have been designated as European Coordination Centers and Marseille as a corporate contact point, Milan has been designated as the second Corporate Contact Point as part of the continued development of the European network.
As a result of assessments conducted in light of client needs, regional business activities, and international engagements, it has been decided to establish a dedicated coordination structure for the Central European region.

Accordingly, the Central European Organization has been established. Vienna has been designated as the Central European Coordination Center, while Budapest has been designated as the Central European Contact Point.

The Central European Organization is intended to contribute to the coordination of activities across Austria, Hungary, and Poland, support cross-border legal processes, foster international collaborations, and strengthen client relationships.

The organization will operate as part of the international structure coordinated by Şengün & Partners Founder and Attorney Nedim Korhan Şengün and will work in cooperation with the existing coordination centers and corporate contact points.

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An evaluation meeting was held within the framework of the Madrid Protocol, which governs the international trademark registration system. LL.M., Partner Gülşah Güven and Partner Birgi Kuzumoğlu attended the meeting on behalf of Şengün & Partners Attorney Partnership in connection with a request for international cooperation.

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ŞENGÜN | Selected Transactions

Practice Area: Real Estate & Investment Advisory

Investment, development, and coordination processes relating to the client company's extensive real estate portfolio were managed. Construction agreements and ancillary documentation for a large-scale real estate project in one of Istanbul's prime districts were prepared, negotiations were attended, and legal processes relating to the planning, implementation, and completion stages of the project were carried out. At the same time, coordination and advisory services were provided in connection with the legal and strategic processes concerning the integration of the project into a real estate investment fund model.

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Practice Area: Corporate Law & Corporate Governance

Preparation, organization, and legal follow-up processes relating to the ordinary and extraordinary general assembly meetings of client companies were carried out. This included preparing meeting agendas, drafting the necessary corporate documentation, and ensuring that the meetings were conducted in compliance with the applicable legislation. Legal assessments were also provided to support the strengthening of the companies' corporate governance structures.

Şengün Academy Highlights

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Şengün Academy Highlights

Şengün Academy is a Global Knowledge Center.

Şengün Academy Highlights

Şengün Academy is a thought and analysis institution that examines and interprets global legal knowledge and harmonizes it with Turkish law to make meaningful contributions.

We offer special legal reports for industries and organizations and, upon request, hold briefing sessions and strategic evaluation meetings.

Our Academy acknowledges that law evolves not merely by being studied, but by being actively guided.

With its work on global, comparative and Turkish legal frameworks, our Academy seeks to advance law as a discipline.

We remain steadfast in pursuing our research and engagement within this framework.

Şengün Institute Highlights

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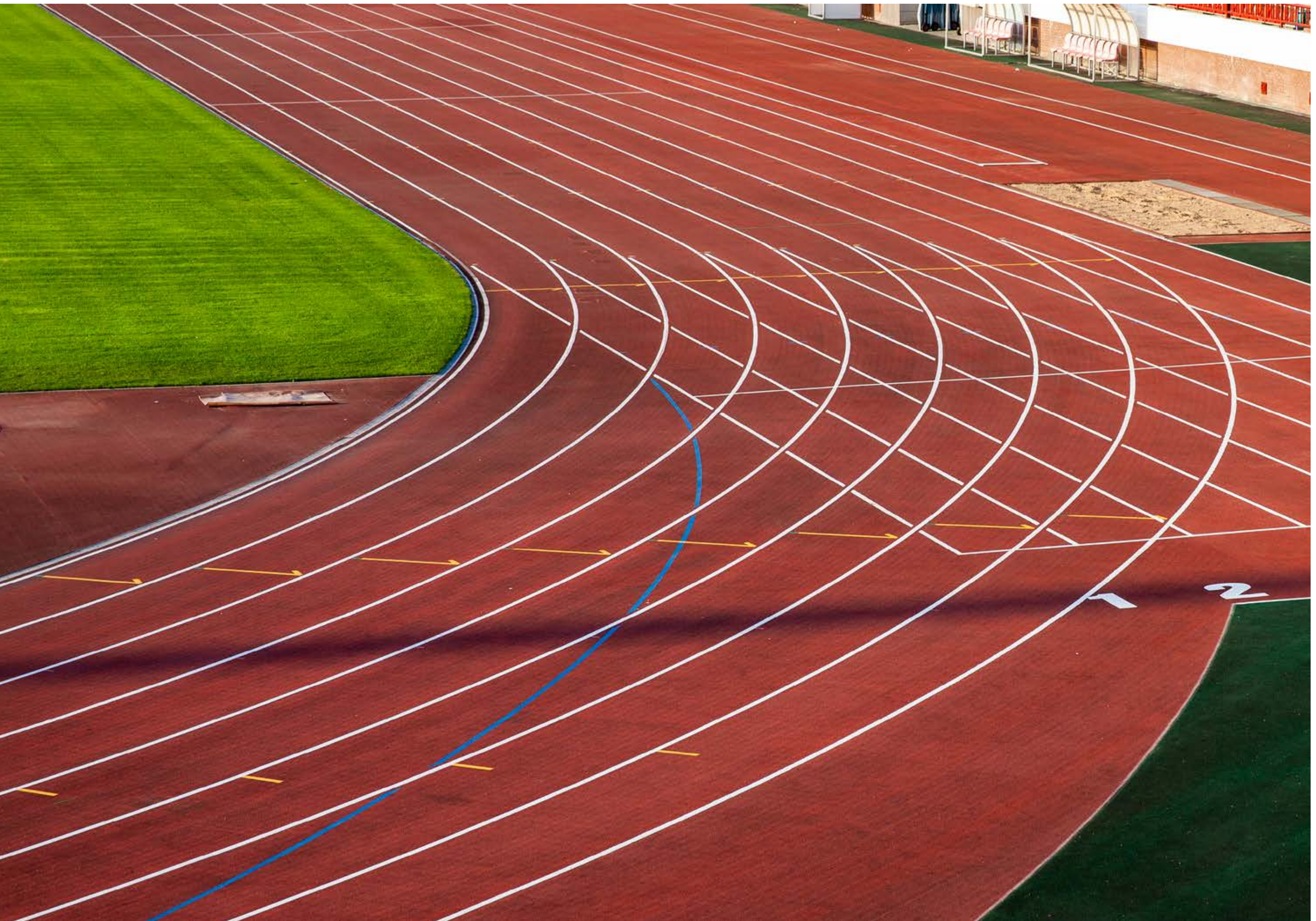

Şengün Institute Highlights

Şengün Institute is a specialized institute that closely monitors national and international legislation and processes on the protection of competition, opposes digital monopolization through legal means and analyzes the intersections between unfair competition practices and competition law.

The Institute follows the work of leading competition institutes worldwide, engages in dialogue and offers legal commentary and strategic assessments on current judicial developments.

With an unwavering commitment, the Institute pursues all forms of research, analysis, advocacy and action for the protection of competition.

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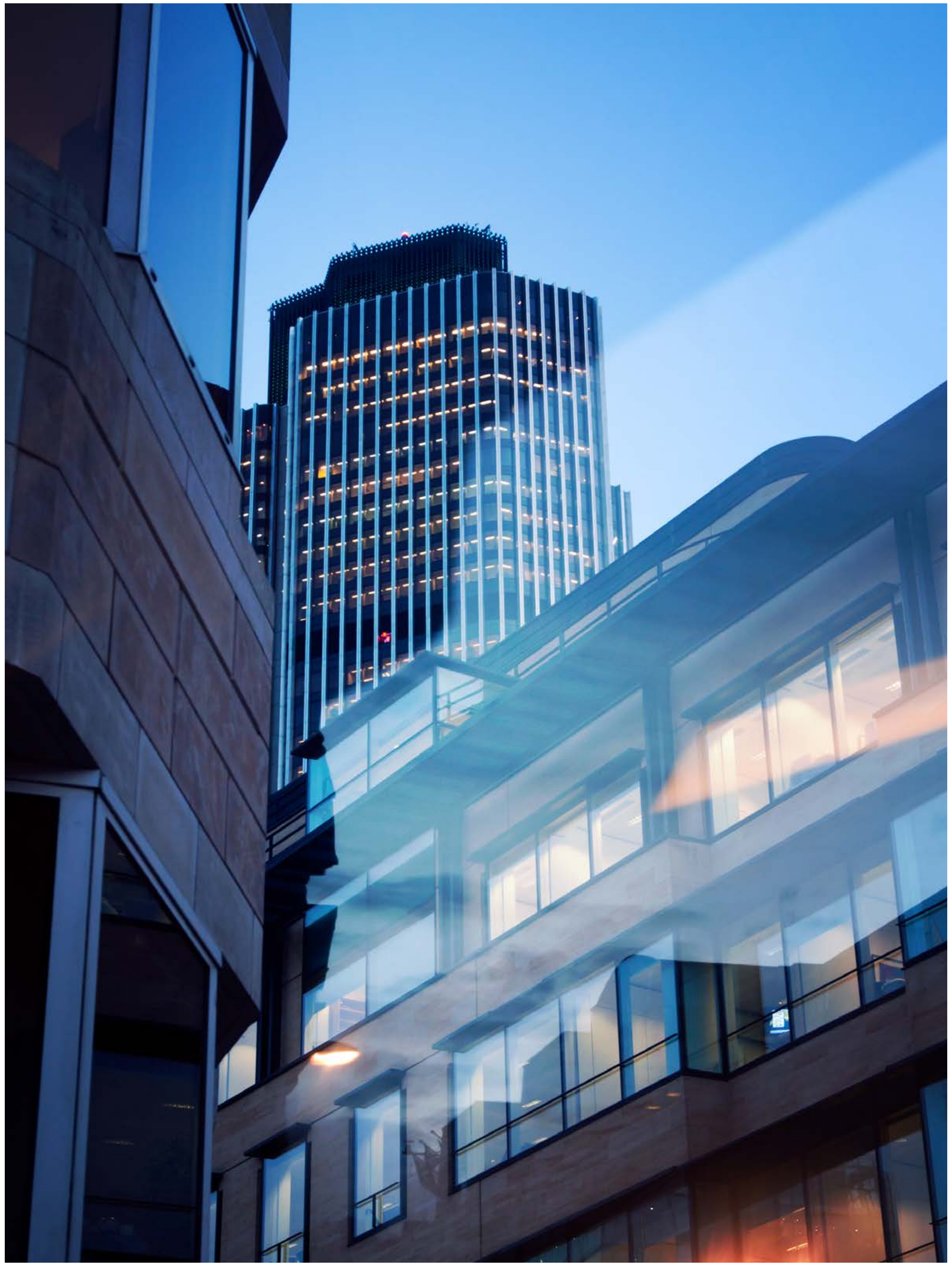

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