

THE IMPACT OF THE COVID-19 PANDEMIC IN TURKEY

Attorney Arzu Ongur - Attorney Selva Korkmazcan Işık*

OVERVIEW

Since the detection of the first case in Turkey on March 10, the coronavirus pandemic had a profound effect on social, financial, business, and legal life, similar to the rest of the world. According to the statistics provided by the Ministry of Health, as of June 21, 2020, 187.685 cases have been confirmed in Turkey while 4,950 deaths are reported. The measures adopted by the government throughout the pandemic have been designed to restrict human contact to control the spread of the disease while maintaining the economy, which significantly changed the methods of doing business in Turkey. In this article, we provide an overview of the main areas that were affected by the COVID-19 pandemic, and the most important measures taken in Turkey to deal with them.

I- THE EFFECTS OF THE COVID-19 MEASURES ON THE GENERAL PUBLIC

The government has taken strict precautions to minimize the risk of spread since the early days of the pandemic, which had the result of restricting social life and slowing down the economy. Noteworthy measures are as follows:

A “Coronavirus Science Board” was established within the Ministry of Health to advise the government on the measures that must be taken to protect public health.

As of March 16, passengers arriving from abroad have been placed under a fourteen-day quarantine²; crowded entertainment venues, bars, restaurants, cafes, movie theaters, indoor children's play areas, and schools were closed until further notice³. It was further decided that as of March 23, a distance learning program would be implemented, which has been completed on June 19.

On March 16, the Ministry of the Interior instructed all governorates to postpone general assembly meetings and all kinds of meetings and activities of associations and foundations by way of a Circular to all governorates in Turkey.

On March 20, upon the recommendation of the Ministry of Health’s Coronavirus Science Committee, all national and international scientific, cultural, art and similar organizations or meetings held in open or closed spaces were postponed until the end of April by the Presidential Circular No. 2020/3⁴

* Ongur&Partners International Law Firm <https://ongurpartners.com/>

² See the Announcement of Istanbul Governorate, available in Turkish at <http://www.istanbul.gov.tr/koronavirus-tedbirleri-kapsaminda-9-avrupa-ulkesinden-gelen-vatandaslarimizla-iligili-karantinagozetim-tedbirleri--1-basin-aciklamasi>, accessed on 24.6.2020.

³ See the Ministry of Interior’s Announcement, available in Turkish at <https://www.icisleri.gov.tr/koronavirus-tedbirleri-genelgesi-kapsaminda-149382-is-yeri-gecici-sureligine-faaliyetlerine-ara-verdi>, accessed on 24.6.2020.

⁴ Official Gazette dated 20/03/2020, No. 31704.

On March 21, the Ministry of Interior issued a Circular imposing a curfew on citizens of 65 years and older, as well as those whose immune systems are weak, who have a chronic pulmonary disease, asthma, COPD, cardiac/vascular disease, kidney, hypertension and liver diseases and those using medicines impairing the immune system. This measure was gradually eased and finally lifted on June 9.

On March 22, it was declared by the Presidential Circular No. 2020/4⁵ that all employees of governmental institutions were to work in alternate shifts, or remotely, to the extent possible.

On March 27, remote working for the private sector was introduced, some international commercial flights were suspended⁶, distant seating arrangements in public transportation were imposed and public access to picnic areas, forests, cultural sites, etc. were prohibited during the weekends.

On March 28, the Ministry of the Interior imposed restrictions on inter-city travels by way of an additional Circular, according to which persons willing to travel to other cities were obliged to obtain a permit from the established Travel Permit Boards. This restriction remained in force until June 1. During this time, a mobile app has been developed showing risky areas and violations of social distancing rules using Bluetooth. This app has also been used to track intercity travel by providing a code for persons who are eligible for travel after establishing that they are not carrying the virus.

On April 3, the Ministry of Interior issued a Circular imposing entry and exit bans to and from 30 metropolitan areas and Zonguldak with very limited exemptions (transportation of essential goods, transit travels subject to appropriate documentation and permits); a country-wide curfew for individuals under 20 years of age, a requirement to wear masks in market places and where collective work is performed and a prohibition of gathering in groups in open spaces.

At the end of April, a plan to reopen the country in four phases were announced⁷. In May, shopping malls, barbershops, beauty salons, and hairdressers reopened subject to restrictions in visitors' numbers and other precautions⁸, high-speed train services resumed with 50% capacity⁹, nationwide curfews ended¹⁰, travel restrictions were lifted in some provinces and a healthy tourism certification program to be granted by international certification institutions has been launched in preparation for the upcoming tourism season¹¹.

Turkey's normalization gained pace at the beginning of June while maintaining social distancing measures and precautionary rules. In this context, the entry and exit restrictions in 15 more

⁵ Official Gazette dated 22/03/2020, No. 31076.

⁶ Turkish Airlines later suspended all international flights until May 28. See <https://www.aa.com.tr/en/economy/turkish-airlines-suspends-all-flights-until-may-28/1821811>, accessed on 24.6.2020.

⁷ <https://www.reuters.com/article/us-health-coronavirus-turkey-reopening/turkey-aims-to-reopen-economy-starting-late-may-senior-official-idUSKCN22A2JN>, accessed on 24.6.2020.

⁸ See <https://www.hurriyetdailynews.com/hairdressers-beauty-salons-reopened-as-turkey-eases-covid-19-restrictions-154658>, accessed on 24.6.2020.

⁹ See <https://www.hurriyetdailynews.com/turkey-begins-operating-intercity-trains-155122>, accessed on 24.6.2020.

¹⁰ See <https://www.dailysabah.com/turkey/turkey-lifts-nearly-all-restrictions-as-outbreak-subsides/news>, accessed on 24.6.2020.

¹¹ See <https://www.aa.com.tr/en/economy/turkey-to-launch-healthy-tourism-certification-program/1837021>, accessed on 24.6.2020.

provinces were lifted, restaurants, cafes, patisseries, coffee shops, parks, gardens, picnic, and recreational areas, beaches, sports centers and facilities, museums and archeological sites reopened, civil servants on administrative leave or working remotely returned to their normal working schedules and courthouses resumed suspended proceedings. On June 11, the Istanbul Airport partially resumed its international flights.

As of July, Turkey is expected to reopen all tourism facilities which had started to design their facilities, including buffets, beaches, lobbies, and pools, to ensure social distancing and hygiene as per governmental instructions.

II- THE EFFECTS OF THE COVID-19 MEASURES ON LITIGATION

The COVID-19 pandemic has substantially affected Turkish litigation practice. Due to the measures taken, almost all time limitations in legal proceedings were suspended for 3 months. This led to an accumulation of hearings that has to be dealt with by both national courts and lawyers as of June 16, 2020. On the upside, due to the mandatory measures to reduce physical presence in courthouses, the use of technology became an indispensable feature of the Turkish judicial system, which is expected to improve legal practitioners' lives to a great extent.

The measures relating to courthouses and legal proceedings within the context of the fight against coronavirus became gradually more comprehensive, as outlined below:

A short time after the first cases were detected in Turkey, the Ministry of Justice, the Bar Associations and the Head of the Mediation Department of the Ministry of Justice issued non-binding recommendations to postpone all hearings and on-site examinations, except for hearings relating to detained suspects and other urgent matters, limit the number of court clerks, to hold online meetings for ongoing mediation proceedings, and new mediation applications, postpone meeting dates to dates as close as possible to the statutory time limits. The Ministry of Justice further announced in a letter addressed to the Union of Turkish Bar Associations that it was working on increasing the types of transactions that can be made through Turkey's online judiciary system, UYAP, to facilitate access to justice.

On March 22, all pending and new enforcement and bankruptcy proceedings, as well as interim attachment proceedings (excluding enforcement proceedings for child support payments) were suspended until the end of April by a Presidential Decree, per Article 330 of the Enforcement and Bankruptcy Law, which provides that enforcement proceedings may be suspended for a certain period in the event of a pandemic, a common calamity or war through the President's decision.

On March 25, the Turkish Parliament adopted a more comprehensive measure than the Presidential Decree above and enacted a law provision by adding Provisional Article 1 to the Law on Amendments to Certain Laws No. 7226¹². According to this Article, all time limits, mandatory administrative application periods, periods relating to the origination, exercise, and termination of any rights in legal proceedings, including mediation and reconciliation proceedings were suspended until April 30, 2020 (inclusive), to prevent the loss of legal rights as a result of the pandemic. The limited exceptions to such suspension were specified as statutory time limits for crimes and punishments, misdemeanors, administrative sanctions, disciplinary imprisonments and

¹² Official Gazette dated 26/03/2020, No. 31080.

preventive detentions, time limits for precautionary measures (under the Code of Criminal Procedure) and time limits regarding interim injunctions (under the Code of Civil Procedure). The relevant Law regulates that all other measures to be taken in terms of civil and criminal proceedings are to be determined by the Cabinet for the Court of Cassation, the Council of State and by the Supreme Council of Judges and Prosecutors for first instance courts and regional courts of appeal; and by the Ministry of Justice for justice services.

On April 30, the President issued another Decree, extending the suspension period from April 30, 2020, to June 15, 2020, excluding the time limits regarding mandatory administrative remedies regulated under the Public Procurement Law No. 4734¹³.

On April 5, the Ministry of Justice announced that lawyers can now access documents in the investigation files for which they are registered as counsels through the online judiciary system, UYAP¹⁴. This measure enables lawyers to avoid going to courthouses to obtain these files by making an online request, preventing practical delays and inconveniences caused by a lack of access to investigation files. In line with this development, throughout the pandemic period, the Ministry of Justice repeatedly reaffirmed its intention to increase the number of transactions that can be conducted online through the UYAP system, such as submission of objections to non-prosecution or administrative sanction decisions for the relevant investigation files¹⁵.

A significant and broader development in facilitating access to justice through the use of technology was recently announced by the Ministry of Justice. Through the new “e-hearings” system, lawyers, if needed, will be able to attend hearings electronically, by sending an online request to that effect 24 hours before the hearing via UYAP. Upon the relevant judge's acceptance of the request and the authentication of identity, the e-hearing will be conducted via teleconference. Security measures such as facial recognition and fingerprints are also planned to be added to the system in time. The new system has been tested on June 17 with the participation of the Minister of Justice and the Union of Turkish Bar Associations¹⁶.

III- THE EFFECTS OF THE COVID-19 MEASURES ON BUSINESS

As a result of the responses to the pandemic such as government lockdowns, quarantines, travel restrictions, and closed borders, businesses were faced with sharp falls in domestic sales and exports, difficulties in financing, liquidity problems, supply chain disruptions and increase in production costs. While tourism and aviation, food and beverage (on-premises), energy and retail businesses, and in particular SMEs were hardest hit by the outbreak, the impact felt by the pharmaceutical, chemicals, defense, technology, electronics, software, textile, and industrial production sectors were slightly less severe. Contrary to these sectors, it has been reported that the

¹³ Official Gazette dated 30/04/2020, No. 31114.

¹⁴ See the Press Release by the Ministry of Justice, available in Turkish at <https://basin.adalet.gov.tr/avukatlar-sorusturma-dosyalarindaki-evraklara-uyaptan-ulasacak>, accessed on 24.6.2020.

¹⁵ See the Press Release by the Ministry of Justice, available in Turkish at <https://basin.adalet.gov.tr/bakan-gul-koronavirus-salginina-karsi-alinan-yeni-tedbirleri-acikladi>, accessed on 24.6.2020.

¹⁶ See the Press Release by the Ministry of Justice, available in Turkish at <https://basin.adalet.gov.tr/adalet-bakani-gul-e-durusma-sistemini-test-etti>, accessed on 24.6.2020.

food retail sector was positively affected by the pandemic¹⁷. As a result, it is expected that recovery will differ as well.

During this turbulent period, the Turkish government took multiple measures aimed at preserving the businesses and providing flexibility concerning their legal obligations. The most important of these measures can be summarized as follows:

A- Measures relating to employment

The measures taken by businesses to deal with the impact of the pandemic on labour issues has been shaped by the slowing down of the economy and the dynamics specific to each sector. Among those measures are working from home, working from home in alternate shifts, use of paid annual leave or unpaid leave, enactment of the health check, disinfection, and social distancing procedures, and more drastic measures, such as winding-up of certain departments, halting production or closing down the entire business¹⁸.

The government, in turn, began to introduce several measures as of March 2020 to compensate losses due to reduced work and alleviate the impact of the outbreak on both businesses and employees. On March 18, it was announced that the government would issue short-term working allowances for employees negatively affected by the pandemic, and that the application process for such allowance would be facilitated. In this regard, the Law No. 7226 on Amendments to Certain Laws¹⁹ was published, amending the Law No. 4447 on Unemployment Insurance. As per this regulation, employers were required to file short-term working allowance applications electronically until June 30, 2020 for their employees who fulfilled certain conditions. The daily amount of the allowance is 60% of the average daily gross income of the employee, calculated based on the employee's earnings subject to social security premiums in the last 12 months, capped at 150% of the monthly minimum gross wage amount.

Another measure related to groups of taxpayers' social security insurance premium payment obligations. According to the General Communiqué of the Tax Procedure Law²⁰, private sector employers in the sectors that were ordered by the Ministry of Interior to temporarily halt their activities and those in certain sectors that are directly affected by the COVID-19 outbreak, such as retail, including shopping malls, health services, furniture manufacturing, and metal industries, as well as those taxpayers who are considered to be experiencing a force majeure event for the period between April 1, 2020 and June 30, 2020, were granted a postponement of their social security insurance premium payments for March, April, and May of 2020.

The measures taken to reduce the effects of the pandemic on employment was further expanded on April 17 by the Law No. 7244²¹. According to this regulation, employers were prohibited from terminating employment and labour service agreements (whether or not they were covered by the Labor Law) for three months subject to an administrative fine. Under this Law, applications for short-term working allowance were also further facilitated. It was also regulated that while employers can place employees under unpaid leave for a maximum period of three months after

¹⁷ See the KPMG Questionnaire on the Impact of Covid-19 seen through the Eyes of Businesses, available in Turkish at <https://home.kpmg/tr/tr/home/gorusler/2020/04/is-dunyasi-gozunden-covid19un-etkileri-anketi.html>, accessed on 24.6.2020.

¹⁸ Ibid.

¹⁹ Official Gazette dated March 26, 2020, No. 31080.

²⁰ Official Gazette dated March 24, 2020, No. 31078.

²¹ Official Gazette dated April 17, 2020, No. 31102.

April 17, the employees placed under unpaid leave and those who cannot benefit from the short-term working allowance or unemployment insurance benefits are to receive salary support from the unemployment fund.

Finally, certain periods were extended under the Trade Unions and Collective Bargaining Agreement Law. In particular, the periods regarding the execution of collective bargaining agreements, resolution of collective labor disputes, and strike and lockout have been extended for three months.

B- Measures relating to companies' general assemblies

On March 20, in the face of difficulties in the ability to hold annual general meetings due to travel restrictions, the Ministry of Interior allowed the joint-stock and limited liability companies to cancel the ordinary general assemblies which were previously called for a meeting by the governing bodies. On the same day, the Minister of Trade announced that companies that use the electronic general assembly system under Article 1527 of the Turkish Commercial Code were encouraged to do so to ensure minimum physical contact; and that companies that do not have the relevant required provisions under their articles of association to hold general assembly meetings electronically were allowed to hold electronic general assembly or board of directors meetings.

C- Measures relating to financial reporting obligations

The Capital Markets Board of Turkey has taken steps to provide flexibility to Turkish public companies in terms of their financial reporting obligations. According to the Board's Announcement issued on March 23²², public companies whose securities are traded on an exchange or an organized market were given a 30-day extension to disclose their financial statements. Similarly, portfolio management companies, brokerage firms, investment funds, and pension funds were also given extra time to disclose their financial statements. As for public companies whose securities are not traded on an exchange or an organized market, they were given until the end of the month following the expiry of the disclosure date for their 2019 financial statements.

D- Measures relating to banking and finance

From the early days of the outbreak, the Banking Regulation and Supervision Authority (BRSA) took measures to provide flexibility in financing conditions and credit defaults caused by the pandemic²³. The Authority also eased financial institutions' compliance with their reporting requirements. In this context, BRSA,

- extended default periods for certain loan categories,
- announced certain measures to facilitate the calculation of capital adequacy ratio and net foreign currency positions in bank balance sheets and calculation of the amounts subject to credit risk,

²² See the Capital Markets Board Announcement at <https://www.cmb.gov.tr/Duyuru/Dosya/2020323/0>, accessed on 24.6.2020.

²³ See the Decision of the BRSA dated 17/03/2020, No. 8948, available in Turkish at https://www.bddk.org.tr/ContentBddk/dokuman/mevzuat_0949.pdf, accesses on 24.6.2020.

- extended the deadlines for the financial reports, independent audit reports and activity reports of banks and financial institutions (independent audit firms, rating agencies, asset management firms, leasing, and factoring companies) by 60 days.

BRSA and the Central Bank of Turkey also took steps to provide relief to consumers by amending the Regulation on Bank Cards and Credit Cards and the Communiqué on Maximum Interest Rates Applicable to Credit Card Transactions on March 28, to the effect that,

- credit card minimum payment amounts were reduced to a lower percentage of the debt incurred,
- banks were enabled to grant "non-payment periods" to credit card holders until December 31, 2020,
- monthly maximum contractual interest rates and default interest rates for credit card transactions were reduced.

On another note, together with the slowing down of social life and the decrease in physical banking, it can be observed that the use of online banking has significantly progressed in Turkey.

E- Measures relating to companies' dividend distributions

On March 31, 2020, the Ministry of Trade announced that companies, except for state-owned enterprises, were banned from distributing any dividend that is more than 25% of their net profit for the 2019 financial year to avoid any decrease in companies' resources and preserve their equities. This announcement was legalized with the addition of the provisional article 13 to the Turkish Commercial Code, under the Law on Reducing the Effects of the Novel Coronavirus (COVID-19) Pandemic on Economic and Social Life and the Law on the Amendment of Certain Laws No. 7244²⁴. The Communiqué on the Procedures and Principles for the Application of Provisional Article 13 of the Turkish Commercial Code was published on May 17 to clarify the implementation of the relevant measure²⁵.

According to these regulations, all companies except those in which the state or other public entity is a shareholder of more than 50% of shares, or those in which a public fund owns 50% of the company, are prevented from distributing dividends that are more than 25% of their net profit for the 2019 financial year, retained earnings and free reserve funds (companies can add those to their capital). It is also regulated that even if the general assembly has already adopted a dividend distribution resolution for the 2019 financial year and the payment was not yet made, companies must postpone dividend payments for more than 25% of their net profit for the 2019 financial year until the end of September 2020.

Three categories of companies are exempted from the measure of non-distribution of dividends, subject to the approval of the Ministry of Trade upon application with the relevant documentation. These are,

- companies that do not benefit from the government's wage or employment support schemes and the Treasury's credit guarantees, and that do not currently have an unpaid

²⁴ Official Gazette dated April 17, 2020, No. 31102.

²⁵ Official Gazette dated May 17, 2020, No. 31130.

credit debt balance (the amount of dividend that can be distributed is capped at TRY 120,000);

- companies, whose shareholders will utilize more than 50% of the distributed dividend to pay their capital subscription debts to another company (no amount limitation); and
- companies whose shareholders will use the distributed dividend to fulfill their liabilities due until September 30, 2020, in cash, within the scope of credit and project finance (no amount limitation).

Companies that wish to distribute dividends within the scope of the exceptions above, must obtain the Ministry of Trade's prior approval by submitting the documentation required for each exception in the Communiqué before adopting any dividend distribution decision at their general assembly meetings.

F- Measures relating to registrations at the trade registry

On March 19, the Ministry of Treasury and Finance's Revenue Administration issued an announcement²⁶ eliminating the need for a physical application for many transactions. According to the Announcement, all submissions to tax offices related to registrations at the Trade Registry, such as those on work commencements, work terminations, branch openings or closings, address changes, and no-debt letter requests, taxpayer status letters, requests for deferral, requests for settlement as well as requests to obtain a potential tax ID number (for non-Turkish citizens) could be made electronically via the Interactive Tax Office's website (ivd.gib.gov.tr), mobile application, or mail until April 10, 2020.

G- Measures relating to taxation

The government adopted several comprehensive measures to ease the taxpayers' obligations during the pandemic.

On March 17, the deadline for filing annual income tax returns for the 2019 calendar year, which were due by 31 March 2020, and the deadline for the payment of these tax returns have been postponed until 30 April 2020, under the Circular on Tax Procedural Law (Serial No. 125)²⁷.

On March 23, the deadline for filing value-added tax returns, which were due by 26 March 2020, and the deadline for the payment of these tax returns have been postponed until 24 April 2020; and the deadline for filing BA/BS (Notification of Purchase/Notification of Sale) forms of the 2020/February period, which were due by 31 March 2020, has been postponed until 30 April 2020, under the Circular on Tax Procedural Law (Serial No. 126)²⁸ Also, the deadlines of March 31, 2020 for issuing and signing e-books and loading "Electronic Book Certificates" to the Revenue Administration's Information Processing System have been postponed until 30 April 2020.

On March 24, the Revenue Administration has issued the General Communiqué on the Tax Procedural Law²⁹ and postponed the payment of withholding tax and value-added tax for

²⁶ See the Announcement, available in Turkish at <https://www.gib.gov.tr/yeni-korona-virus-hastaligi-kovid-19-ile-etkin-mucadele-kapsaminda-alinan-bazi-tedbirler-hakkinda>, accessed on 24.6.2020.

²⁷ The Circular is available in Turkish at <https://www.gib.gov.tr/node/143086?fbclid=IwAR13xAL4ydswoyISH39YfE6MIE1vB-HOzvCOXG1adZqShjzSO6PJzhXCEYw>, accessed on 24.6.2020.

²⁸ The Circular is available in Turkish at <https://www.gib.gov.tr/node/143122/pdf>, accessed on 24.6.2020.

²⁹ Official Gazette dated March 24, 2020, No. 31078.

effectively six months for taxpayers directly affected by the pandemic. This Communiqué provided benefits to the following taxpayer and activity categories:

- taxpayers liable to pay income tax due to gains derived from commercial, agricultural and self-employment activities;
- retailers (such as markets, buffets, grocery stores, delicatessens, greengrocers, ice cream shops, millinery, butchers, building materials, small homeware and white appliances, furniture, home textiles, books and stationery, newspapers and magazines, shoes and garments, toy stores, medical and orthopedic goods, pharmacies, jewelers, florists, stallholders, fishermen, pastry shops and bakeries, personal care and cosmetics) and shopping malls;
- manufacturers and sellers of iron, steel, aluminum, copper, lead, zinc and tin;
- manufacturer, wholesaler and retailers of motor vehicles such as automobiles, trucks, vans, buses, minibuses, midibuses, tractors, motorcycles, trailers and caravans;
- providers of logistics and transportation services such as intercity and international cargo and passenger transportation by air, road, rail, sea and all waterways; expressway, tunnel and bridge operatorship, storage and warehousing activities, and airport ground handling services;
- artistic venues such as theaters, operas, ballets, cinemas and concert halls;
- all accommodation and related activities such as hotels, motels, hostels, holiday villages, tour operatorships and travel agency activities, and booking agency services;
- providers of food and beverages services such as restaurants, cafes, coffee houses, coffee shops, teahouses, canteens;
- manufacturers and traders of any kinds of textiles and apparel such as cloth, yarn, clothing and home textile products;
- organizers of performance shows, congresses, conferences, commercial fairs and events, as well as events carried out at places such as internet cafes, amusement arcades, engagement/wedding ceremony halls and sports centers; and
- taxpayers engaged in industries whose workplace operations were temporarily suspended within the scope of the governmental measures adopted.

In addition, electronic submissions and payments to tax authorities were facilitated to minimize physical contact. In particular, it was announced that,

- income tax returns of the specified items of income may be submitted over the web via the Prepared Returns System (hazirbeyan.gib.gov.tr), or by using the mobile application or through post;
- taxes, duties and administrative fines, as well as payments regarding valuable paper fees, may be paid by credit card via the Interactive Tax Office or through contracted banks; and
- tax payments of corporate income taxpayers may be made by using the Interactive Tax Office, contracted banks and the Turkish Post (PTT).

H- Measures relating to unfair price increases in the retail market

The Law No. 7244 on Reducing the Effects of the Novel Coronavirus (COVID-19) Outbreak on Economic and Social Life and Amendments to Certain Laws entered into force after publication

in the Official Gazette dated April 17, 2020 and no. 31102. One of the measures therein is the establishment of the Unfair Price Assessment Board, which has been established to deal with stockpiling and unfair price increases of goods by monitoring the market and imposing administrative fines between ten thousand TRY and hundred thousand TRY for excessive prices and fine between fifty thousand TRY and five hundred thousand TRY for stockpiling.

I- Measures relating to public tenders

The Presidency of the Republic of Turkey published force majeure guidelines for public tender contracts executed under the Public Tender Law No. 4734³⁰, allowing contractors to make force majeure notifications due to the COVID-19 outbreak to extend the duration of the contracts or to terminate them subject to contracting public authority's review.

J- Measures relating to workplace lease agreements

On March 26, the Law No. 7226 on Amendments to Certain Laws³¹ entered into force, providing that a workplace tenant's inability to pay the rent between March 1 and June 30, 2020 due to the COVID-19 pandemic does not constitute a ground for lease termination or eviction.

Said Law also introduced measures to protect the tourism sector, which has been severely affected by mass hotel and flight cancellations. Under the Law, payments of licensed tourism operators and investors that were allocated public lands to build tourism facilities were postponed for six months without needing to file applications. The amounts due are to be collected after June 30, 2020 without interest until the end of the postponement period.

K- Measures relating to the energy sector

On April 2, 2020, the Energy Market Regulatory Authority accepted the COVID-19 epidemic as a force majeure event to provide energy companies with the flexibility to ensure the continuity of energy investments during the COVID-19 outbreak³². The decision granted a one-off 3-month extension for certain obligations of pre-license or license holders arising from the Electricity Market License Regulation that expired on March 10 or later.

CONCLUSION

As we have explained throughout the article, the COVID-19 pandemic and the comprehensive governmental measures had a significant impact on all aspects of social, legal, and business life in Turkey. Some of the negative consequences of the pandemic are yet to be comprehended in the months to come. Still, as the infection rates have stabilized in Turkey, it is now considered that the worst is behind. As a result, the government has started to lift the restrictions as of May. From the beginning of June, Turkey has almost fully "reopened" with social distancing and hygiene measures in place, as all citizens and businesses are trying to adapt to the "new normal".

³⁰ Official Gazette dated April 2, 2020, No. 31087.

³¹ Official Gazette dated March 26, 2020, No. 31080.

³² EMRA Decision dated 02/04/2020, No. 9276, Official Gazette dated April 04, 2020, No. 31089.