

## Suggested Steps Türkiye Could Take to Address Digital-Related Restrictions

# Türkiye Barriers to U.S. Digital Service Suppliers

Over the past several years, Türkiye has passed or proposed several key measures that severely threaten the ability of U.S. digital service suppliers to access its market, including: the **digital services tax**; **amendments to Law No. 6563 addressing taxation**; **amendments to Law No. 4054 addressing competition**; the **Regulation of E-Commerce Law**; **site blocking orders and related content blocking regulations such as Law No. 7253 and Law No. 7418**; **de-facto data localization measures such as the 2019 Presidential Circular on Information and Communication Security Measures and the 2020 Regulation on Information Systems of Banks**; and the **Law on the Protection of Personal Data (Law No. 6698)** (all referenced below).

The net effect of these measures is to put U.S. digital services suppliers at a competitive disadvantage in Türkiye's market: imposing a digital services tax that disproportionately affects cross-border providers; creating legal and financial uncertainty through ambiguous withholding tax obligations; enacting and proposing digital competition regulations that selectively target U.S.-based platforms with discriminatory restrictions; employing opaque site-blocking orders and punitive measures such as fines, service bans, and local representative mandates; enforcing *de facto* data localization requirements without clear exemptions or guidance for foreign providers; and failing to implement a predictable framework for cross-border data transfers. Even where not directly or immediately restricting access, the burdens and risks associated with these measures will severely diminish access opportunities in a market that accounted for \$1.4 billion in U.S. digitally-delivered services exports in 2024.<sup>1</sup>

As the U.S. engages with Türkiye to seek the removal of trade impediments, several targeted changes could materially improve market access for U.S. suppliers by issuing clarifying guidance, adopting reforms through implementing regulation, and committing not to enact further barriers to U.S. digital services suppliers.

## Tangible Commitments from Türkiye to Ease Digital Trade Barriers

### Addressing existing and proposed barriers:

- Rescind the **7.5% digital services tax** on gross revenues from digital services.
- Commit to avoiding digital regulations that predesignate or retroactively classify U.S.-based online or digital platform operators based on arbitrary criteria that impose discriminatory business restrictions—such as those proposed in the **amendment to Law No. 4054 on the Protection of Competition** and adopted in the **Regulation of E-Commerce Law**. Furthermore, when considering reforms to competition law in the context of the digital economy, (1) conduct a thorough assessment to identify specific and concrete market distortions, ensuring meaningful opportunities for stakeholder input; (2) avoid arbitrarily limiting the scope of new rules to certain online

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<sup>1</sup> <https://apps.bea.gov/iTable/?reqid=62&step=6&isuri=1&tablelist=359&product=4>.

intermediation platforms; (3) permit conduct that is clearly pro-competitive or otherwise benign; and (4) ensure that any remedies maintain competitive neutrality."

- Refrain from the use of **harmful site blocking orders** over online content that generate significant business uncertainty for digital services suppliers and cost the Turkish economy and businesses US\$14.6 million in early 2020 alone,<sup>2</sup> and commit to not target U.S. digital services suppliers with fines, advertising bans, bandwidth restrictions, service blockage, local representative designation requirements, and forced disclosure of algorithms and personal data under **Law No. 7253**,<sup>3</sup> **Law No. 7418**,<sup>4</sup> and subsequent decisions issued by the Information Technologies and Communications Authority.
- Refrain from **de facto data localization** requirements, such as the **2019 Presidential Circular on Information and Communication Security Measures**<sup>5</sup> and implementing guidelines and the **2020 Regulation on Information Systems of Banks**, by (1) exempting U.S. providers from such requirements, (2) providing regulatory guidelines clearly defining residency requirements, and (3) excluding general private user data from categories of data that must be stored domestically.
- Commit to upholding the cross-border transfer of data under a predictable regulatory framework by fully implementing the **Law on the Protection of Personal Data (Law No. 6698)**<sup>6</sup> by (1) announcing the list of countries that meet the standard of adequate level of protection, and (2) expediting the process for granting approval to companies.
- Issue implementing regulations for the **2024 amendments to Law No. 6563** to clarify the scope and base of the withholding tax and ensure that it does not disproportionately impact cross-border services suppliers.

## Additional References

See CCIA comments on the Türkiye in its [submission for USTR's 2025 National Trade Estimate report](#). Several of the laws discussed above were cited as barriers to U.S. exports in USTR's 2025 edition of the [report](#).

["CCIA Comments on the Draft Amendment to Law No. 4054 of the Protection of Competition in Turkey."](#)

["CCIA Concerned About Turkey Blocking Internet Commerce."](#)

["CCIA Supports House Resolution On Internet Freedom in Turkey."](#)

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<sup>2</sup> <https://www.usitc.gov/publications/332/pub5334.pdf#page=75>.

<sup>3</sup> Regulation of Publications Made on the Internet and Fighting against Crimes Committed Through Publications Law on Amendment of the Law, number 7253, July 29, 2020, available at <https://www.resmigazete.gov.tr/eskiler/2020/07/20200731-1.htm>.

<sup>4</sup> Available at <https://www.tbmm.gov.tr/Yasama/KanunTeklifi/316898.2>

<sup>5</sup> Presidential Circular on Information and Communications Security Measures No. 2019/12, available at <https://cbddo.gov.tr/en/presidential-circular-no-2019-12-on-information-security-measures>.

<sup>6</sup> Law on the Protection of Personal Data, KVKK, available at <https://www.kvkk.gov.tr/SharedFolderServer/CMSFiles/aea97a33-089b-4e7d-85cb-694adb57bed3.pdf>