

The Turkish Competition Authority's M&A Overview Report 2024: Key Trends and Insights

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The Turkish Competition Authority (“TCA”) has published its 2024 Mergers and Acquisitions Overview Report (“Report”), presenting a comprehensive review of its merger control activities over the past year. Released on 7 January 2025, the Report provides key statistical data on merger control filings, highlights notable trends, and compares developments with previous years. By summarizing 2024's M&A activities, the Report serves as a valuable resource for understanding the evolution of merger control in Türkiye.

In 2024, the TCA reviewed 311 transactions,¹ a significant increase from 207 in 2023 and 227 in 2022. This 43% rise marks the highest number of transactions reviewed in the past 12 years, since the TCA began publishing M&A overview reports. While the Report does not explain the reasons behind this sharp increase, the primary factors are likely the technology undertaking exception and the inflation. The thresholds for notifiable M&As were last updated in early 2022, coinciding with a 100% depreciation of the Turkish Lira. Furthermore, the introduction of the technology undertaking exception at that time removed the turnover thresholds for targets classified as technology undertakings, potentially contributing to the surge in reviewed transactions.²

Among the notified transactions in 2024, 8 of them were classified as out-of-scope due to no change in control, with 2 falling under the information note/others category. Besides, there were 6 notifications related to privatizations that have been reviewed by the TCA in 2024.

The Report reveals that the total value of transactions reviewed by the TCA in 2024 amounted to approximately USD 535 billion. Of these, 131 transactions involved a Turkish target, with a total value of around TRY 192 billion (USD 5.8 billion). In comparison, the total value of transactions reviewed in 2023 was significantly higher at approximately USD 2.7 trillion, with 94 transactions involving a Turkish target valued at USD 6.8 billion. As the data indicates, the overall value of transactions in 2024 experienced a notable decline compared to the previous year.

Regarding the TCA's categorization of the transactions based on the origin of the transaction parties, the Report discloses that 75 of 311 transactions in 2024 were solely between the

¹ This data includes privatizations, out of scope notifications and others.

² Technology undertakings are defined as “companies active in digital platforms, software and gaming software, financial technologies, biotechnology, pharmacology, agrochemicals, and health technologies”

Turkish companies whereas 167 of them were realized solely between foreign companies. In 2023, these numbers were 48 for solely between Turkish companies and 118 for all foreign transactions. This increase in all foreign-to-foreign transactions is striking, probably caused by the two reasons identified above.

In 2024, there were 47 transactions where a foreign company invested in Turkish companies. In these 47 transactions where the target company is of Turkish origin, the amount of investment by foreign investors is approximately USD 3 billion. The ranking of foreign investors in terms of transactions including a Turkish target in 2024 demonstrates that the Netherlands was leading with 7 transactions. France, the UK and Germany which is the leader in 2023 followed the Netherlands. In 2023, there were 35 transactions where a foreign company invested in Turkish companies amounting to value of approximately USD 2.8 billion.

In terms of the distribution of the number of the transactions where a Turkish company is the target in 2024 based on their field of activities, the majority of M&A transactions involving Turkish target companies were in the field of "Computer programming, consultancy, and related activities," with 23 transactions. This was followed by "Production, transmission, and distribution of electricity," which accounted for 13 transactions. Notably, the number of transactions in "Computer programming, consultancy, and related activities" has risen sharply compared to 11 in 2023 and only 3 in 2022. This significant increase since 2022 likely reflects the impact of the technology undertaking exception introduced into the Turkish merger control regime that year.

As in previous years, the TCA has provided statistics on the average number of days required to finalize notified transactions, measured from the date of the final submission, including the parties' responses to any requests for information ("RFIs") necessary to complete the notification form. In 2024, mergers and acquisitions notified to the TCA were finalized, on average, 12 days after the last notification date. This represents a slight improvement compared to 13 days in 2023 and 15 days in 2022.

Finally, in 2024 only two of the transactions were taken into a Phase II review while there was no decision which concluded a Phase II review.

In conclusion, the Report highlights the evolving merger control landscape in Türkiye, marked by a significant rise in reviewed transactions, more notifications for foreign-to-foreign deals, and the continued prominence of deals involving undertakings active in the technology-based areas. These trends underscore the growing influence of the Turkish Competition Authority (TCA) in M&A oversight, suggesting it will continue to expand its role.