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Gökçe –

December 2019

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WHAT HAPPENED IN DIGITAL WORLD IN 2019?



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2019 was a year of which the digital world has experienced rapid changes and progresses. In the view of the fact that law needs to keep pace with the developments around the world, it would not be wrong to say that there have also been plenty of changes in legal regulations this year. Hence, we would like to compile the remarkable ones that took place this year and impacted the digital world. Join us to remember the outstanding digital developments of 2019:

Regulation on Broadcasting Services Provided through the Internet Was Published

In August 2019, Regulation on Provision of Radio, Television and On-Demand Broadcasts on Internet Medium (**Regulation**) was published and entered into force in the Official Gazette, which was prepared by the Radio and Television Supreme Council (**RTUK**) and Information Technologies and Communication Institution (**BTK**). This Regulation which significantly affects the media service providers and platform operators providing broadcasting services through the internet, regulates that the radio, television and on-demand broadcasting services provided on internet shall obtain a broadcast license from RTUK. Within the scope of the Regulation, organizations providing broadcast services through the internet are obliged to comply with the supervision of RTUK and relevant legislation on many aspects. Besides, the Regulation also sets forth further important arrangements.

The Regulation excludes individual communication services, the platforms that are not exclusively dedicated to transmitting radio, television and on demand media services through internet and the real and legal persons providing only hosting for broadcasting of the radio, television and on-demand services; whereas it includes platforms allocated for such services. Considering the ratings and trade volume of broadcasting services provided through the internet, it could easily be understood that the Regulation is one of the most important regulations of this year

It Has Been a Vigorous Year for Data Protection Law

As is known, under the Personal Data Protection Law (**TDPL**) entered into force in 2016, many obligations were imposed on the data controllers and Turkish Personal Data Protection Board (**Board**) was given the authority to audit compliance with TDPL, detect the breaches and impose administrative sanctions. In this scope, this year the Board ruled remarkable administrative fines against many data controllers from various industries due to various breaches.

One of the other outstanding obligations of data controllers is the registration obligation to the Registry of Data Controllers (**Registry**) which is held publicly. Previously, the deadline for registering with the Registry has been extended from 30 September 2019 to 31 December 2019 for data controllers with more than 50 employees or whose total annual balance is higher than 25 million Turkish Liras and non-resident data controllers. The Board has recently reached a further extension decision and the deadline for such data controllers has been extended from 31 December 2019 to 30 June 2020.

Formerly, a regulation regarding protection of personal health data was published by Ministry of Health and the enforcement of it was suspended twice by the State of Council. This time, in 2019, the new regulation entered into force, which is in compliance with the provisions of KVKK but introducing more detailed and specific rules. The regulation introduces important regulations such as open data and open health data. Today, it constitutes the most important regulations on the protection of personal health data.

Major developments in this field have also taken place worldwide. While the echoes of the General Data Protection Regulation (**GDPR**) still continue to exist in Europe, data protection authorities from various countries decided to impose administrative fines against data breaches. United States of America has begun to make regulations on data protection and the California Consumer Privacy Act (**CCPA**) has been the most outstanding one. The act that allows consumers who are residents of the State of California to monitor and to have personal rights over their personal data processing by enterprises will enter into force on 1 January 2020. As in similar regulations, CCPA also regulates monetary sanctions for data breaches.

Significant Developments in the Field Of Information Security

In 2019, one of the most mentioned developments in Turkey was the Presidential Circular on Information and Communication Security (**Circular**). The high-level protection of national cyber security was emphasized in the Circular by including measures aiming the security of critical data. The most remarkable measures determined within this scope were that; public institutions and organizations' data could not be stored in cloud storing services provided by foreign service providers and corporate communication could not be made from non-corporate e-mail addresses.

This year, another exciting development in the field of information security was the adoption of the European Union Cyber Security Act in March 2019 and its entry into force on June 2019. By this, new powers were granted to the European Network and Information Security Agency (**ENISA**) and ENISA has become a permanent cyber security agency.

Developments in Financial Technologies

The cryptocurrency market has experienced fluctuations in 2019, thus been quite discussed in the sector and the legal world. In addition, it was announced that the block-based Digital Central Bank Currency will be implemented and instant payment system will be developed in the Presidential Annual Program of 2020 and 11th Development Plan.

In the last quarter of 2019, with the published communiqués on Tax Procedural Law, the taxpayer segment in relation to the obligation to issue electronic documents such as e-Ledger, e-Archive, e-Self-Employment Invoice was expanded. The deadline for transition to some electronic documents has been determined as January 2020, while for others determined as July 2020.

The Communiqué on the Equity Based Crowdfunding (**Communiqué**), which includes detailed provisions on the equity based crowdfunding and crowdfunding platforms was published. With this Communiqué, crowdfunding is defined as collecting money from the public via crowdfunding platforms in order to provide the funds needed by a project or venture capital company without being subject to the provisions of the Capital Market Law on investor compensation within the principles determined by the Capital Markets Board. On the other hand, equity based crowdfunding is referred to as collecting money from the public via crowdfunding platforms in exchange for shares. Accordingly, the Communiqué regulates (i) equity based crowdfunding, (ii) the operation and the inclusion of crowdfunding platforms in the Capital Markets Board list; and (iii) the procedures and principles regarding the collection of money from the public through equity based crowdfunding and the control and supervision of the use of the collected funds in accordance with the declared purpose. Considering the issues regulated by the Communiqué and the “crowdfunding” movement in the digital world, we can say that the importance of regulation is obvious.

Tax Regulations for Digital World

Since the expansion of the services provided through digital mediums created a digital economy, this year, the taxation of such growing economy has been on the top of the agenda of many countries. Accordingly, regulations regarding taxation of the services provided through digital mediums have also been made in Turkey. Within this, advertising services provided through digital mediums, sales of the content through digital mediums and digital medium providers and intermediaries have been subjected to “digital service tax”. Since the relevant regulation is a specific regulation regarding taxation of the income generated from digital environment, it has been on the agenda for a long time in our country due to trade volume of digital environment and its subjects.

2023 Industry and Technology Strategy Document and Judicial Reform Package Were Announced

According to Turkey’s 2023 Industry and Technology Strategy that is announced; intellectual property rights infrastructure will be improved, entrepreneurship ecosystem will be revived, national blockchain infrastructure will be set up, financing instruments will be developed, data security and communication will be strengthened, cyber security measures will be increased and technology-oriented industrial action will be implemented. As a result, it is already understood that remarkable developments will be seen in these fields next year.

Within the scope of Judicial Reform Strategy Document published in May 2019 which has various aims and objectives such as protecting and improving of rights and freedoms, facilitating access to justice and increasing satisfaction with services, a law named the first package of judicial reform entered into force. As well as provisions related to the digital environment such as the possibility to decide on access restriction to be implemented primarily on the part that the violation occurs, and if not possible access restriction order to be implemented on the entire website are introduced as one of the main regulations within the scope of this law; many regulations related to criminal procedure and attorneyship profession been introduced as well.

Deep-Fake Technology Hit the Agenda

Deep-fake technology which enables the perception of unreal images and sounds as real by using artificial intelligence technology hit the world’s agenda with the spread of unreal video of US House of Representative spokesperson Nancy Pelosi. Therewith, the California Governor banned producing and spreading the content 60 days before the elections that seems to belong to politicians but is not real, by signing off the “AB 730” Law which is deemed as “The Law Against Deep-Web”. While the things that can be made with artificial intelligence and deep-fake technologies are still a question for many people, there have been many debates on the use of these technologies in everyday life and sensations it can create.

Answers. Not theories.

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About our firm

Gokce Attorney Partnership is an Istanbul-based law firm offering legal services across a broad range of practice areas including mergers and acquisitions, joint ventures, private equity and venture capital transactions, banking and finance, capital markets, insurance, technology, media, telecoms and internet, e-commerce, data protection, intellectual property, regulatory, debt recovery, real property, and commercial litigation. Please visit our web site at www.gokce.av.tr for further information on our legal staff and expertise.

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