

THE FINE PRINT

Answers. Not theories.



Best Practice Guide for the Protection of Personal Data in the Payment and Electronic Money Sector

The protection of personal data has increasingly become a core area of responsibility, not only in terms of safeguarding individuals' fundamental rights and freedoms, but also in ensuring sectoral compliance and institutional sustainability- especially in today's rapidly evolving financial technologies landscape. In this context, the Personal Data Protection Authority (**Authority**), in collaboration with the Turkish Payment and Electronic Money Institutions Association (**TÖDEB**), has published the "Best Practice Guide for the Protection of Personal Data in the Payment and Electronic Money Sector" (**Guide**) on its official website.

The Guide goes beyond a mere compilation of good faith recommendations; it proves to be an effective document by offering practical insights into how sector-specific data processing practices can be aligned with the general principles of the Turkey's Personal Data Protection Law (**KVKK**).

By providing examples drawn from the concrete activities of payment service providers and other stakeholders in the sector, the Guide addresses a wide range of personal data processing activities. Accordingly, it outlines the data processing dimension of numerous industry-specific practices. Moreover, the Guide provides meaningful guidance on how to distinguish between the roles of data controller and data processor based on the type of services offered by a payment service provider. Similarly, the Guide includes several examples and explanations to assist in identifying the "data subject" involved in a given transaction or operation. One of the most notable sections addresses the types of personal data likely to be processed. In this respect, the Guide maps out probable data types and categories specific to each type of payment service.

Within this regulated sector, the Guide also provides commentary from a data protection perspective on customer identification (know your customer-KYC) and identity verification processes mandated under the Turkish anti-money laundering legislation (MASAK regulations). Furthermore, it contains sector-specific explanations regarding the legal bases for personal data processing. It explicitly notes that service providers process a variety of personal data including transaction history, IBAN, card numbers, device information, location data, and transaction amounts, highlighting the sector as one of high risk from a data protection standpoint. Accordingly, compliance with the general principles of KVKK (such as lawfulness, fairness, accuracy, up-to-dateness, and processing for specified, explicit, and legitimate

purposes) should be regarded as a primary obligation of financial institutions.

As can be seen, the Guide, thanks in part to the involvement of TÖDEB, offers not only a legal framework but also operational guidance for payment and electronic money institutions. Its significance lies in its ability to concretize the abstract principles and regulations of KVKK in a manner that responds to the practical needs of the sector. In this regard, all stakeholders operating within the sector would benefit from revisiting their data protection policies in light of the good practice examples outlined in the Guide both for ensuring regulatory compliance and for enhancing user trust.

You may access the full text of the Guide [here](#). (*Only available in Turkish*).

Updated Recommendations on the Protection of Privacy in Mobile Applications

In 2023, the Authority published a document entitled Recommendations on the Protection of Privacy in Mobile Applications (**Recommendations**). The Authority has recently updated the Recommendations and reissued them to the public.

While no fundamental revisions have been made, certain sections have been updated to align with the amendments introduced to the KVKK, through the legislative package commonly referred to as the "8th Judicial Package."

The Recommendations address the existing and potential risks associated with the processing of personal data through mobile applications utilized on smartphones and tablets.

It is further emphasized that various stakeholders within the mobile application ecosystem-such as application developers, app stores, advertising networks, device manufacturers, and others-may assume the roles of data controllers or data processors within their respective data processing activities.

Under the heading "Recommendations for Individuals", the document outlines key considerations to which individuals should pay attention both prior to and during the use of mobile applications. In particular:

- Prior to installation, individuals are advised to ensure that the application is obtained from a trusted source, verify the developer's credibility, carefully review user comments and ratings, and thoroughly examine the application's privacy policy.

- During use, individuals are encouraged to avoid logging in through social media accounts, prefer strong passwords, activate multi-factor authentication, remove unnecessary applications from their devices, and regularly update their applications.

Under the main heading Recommendations for Data Processing Parties, the Recommendations elaborate on four principal topics: (i) Compliance with General Principles, (ii) Ensuring Transparency, (iii) Determination of the Conditions for Processing Personal Data, and (iv) Ensuring Data Security. Each topic is supported by detailed explanations and specific guidance.

Although the update to the Recommendations may appear delayed in view of the time elapsed since the amendments to the KVKK, it remains essential that guidelines and advisory documents are revised promptly to reflect legislative developments. Given the pervasive role of mobile applications in daily life, raising awareness regarding the protection of personal data is not merely a preference, but an imperative.

The updated version of the Recommendations is available [here](#).
(Only available in Turkish).

The Turkish Personal Data Protection Authority Published Its 2024 Activity Report

The Authority has published its 2024 Activity Report (**Report**). The Report comprehensively covers the Authority's organizational structure and activities. In doing so, it provides a holistic view of the Authority's internal operations and external activities by detailing its mission, vision, and core values, as well as its organizational structure and the areas of responsibility of its departments.

Within the Report, it is observed that the objectives set under the Authority's 2024-2028 Strategic Plan include updating the legislation, ensuring data security, raising awareness, enhancing international cooperation, and increasing institutional capacity.

The Authority's activities regarding applications, administrative sanctions, monetary fines, data breach notifications, and registrations with VERBIS (Data Controllers' Registry) in 2024 are particularly noteworthy. Accordingly

- The total number of court cases followed by the Authority is 1,320 with proceedings still ongoing in 491 of these cases.

- Regarding cross-border transfers of personal data, among the 90 undertaking applications submitted for authorization, 10 were approved, 76 were rejected, and 4 are still under review. Additionally, it was recorded that a total of 1,364 standard contractual clauses were submitted to the Authority throughout the year.
- Most notifications and complaints to the Authority were made via the Presidency's Communication Center (**CİMER**).

According to the data, a total of 8,275 applications were received by the Authority in 2024. Including applications from previous years, the evaluation of 1,477 out of a total of 9,849 applications is still ongoing. Furthermore, there was an approximate 11-12% decrease in the number of applications compared to the previous year.

When analyzing the sectoral distribution of the petitions submitted to the Authority, the service sector holds the highest share. This is followed by the media, telecommunications, public, and legal services sectors, respectively. The most common subject of the applications was the unlawful processing of personal data by data controllers.

As a result of all these applications, a total administrative fine of 552,188,101 Turkish lira was imposed on 862 data controllers in 2024. Among these fines, 145 were based on notifications and complaints, 120 were related to data breach notifications, and 597 were due to non-compliance with the registration and notification obligations under the Data Controllers' Registry.

Finally, the Report provides detailed information on a wide range of the Authority's activities, including workshops and summits it organized, events it held, and publications it released, thoroughly covering each topic.

You can access the full Report [here](#). (Only available in Turkish).

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