FINE PRINT

Answers. Not theories.



Turkish Competition Board Initiates Preliminary Investigation to Spotify

At its meeting dated 28 June 2025, the Turkish Competition Board decided to initiate a preliminary investigation into the economic entity composed of Spotify Dijital Yayıncılık Hizmetleri A.Ş., Spotify Yönetim Destek Hizmetleri A.Ş., and Spotify AB (Spotify) regarding allegations that it may have violated Turkish Competition Law in the market for online music streaming services.

In the announcement, it was noted that Spotify has a large user base and has become one of the major distribution channels for music content. The investigation was launched to assess, in detail, various allegations that the strategies and policies applied by Spotify in Türkiye may have anti-competitive effects on the music industry.

The investigation will primarily focus on the following issues:

- Whether Spotify engages in practices that hinder the activities of its competitors in the online music streaming services market,
- Whether it takes actions affecting the distribution of royalty payments made to various parties under licensing relationships,
- Whether it discriminates among artists and content creators, particularly in terms of visibility on the platform, in a way that may violate Turkish Competition Law.

Following the public disclosure of the investigation by the Competition Authority, Spotify issued a statement indicating that it continues to comply with local regulations and legal procedures in Türkiye.

Additionally, Spotify has reportedly been facing regulatory challenges in Türkiye that have impacted its operations. The company is said to be reassessing the continuation of its activities in the Turkish market, with various scenarios being considered, including the possibility of withdrawing from Türkiye. However, Spotify has not made any official statement regarding withdrawal.

You can access the official announcement of the Turkish Competition Authority here (Only available in Turkish).

The First Al Tool Subject to a Criminal Investigation in Türkiye: Grok

Recently, the AI chatbot named Grok, developed by xAI, sparked significant international backlash due to generating antisemitic content. This incident brought fundamental issues back into focus,

including the limits of freedom of expression in AI systems, the impact of algorithmic biases, and the legal responsibility of the developers of these systems.

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On 4 July 2025, Elon Musk tweeted on his X account that Grok had been significantly improved, stating, "You'll see the difference when you ask Grok a question." While the release of xAl's next-generation language model, Grok 4, was anticipated, the system's production of inappropriate and offensive content triggered a new crisis.

Legal Proceedings Initiated in Türkiye

Due to defamatory and religiously offensive content disseminated via Grok on social media, the Ankara Chief Public Prosecutor's Office launched an investigation into Grok. According to public information, the prosecution opened the case on charges of "publicly denigrating religious values embraced by a segment of society," "insulting the president," and "violating Law No. 5816 on Crimes Committed Against Atatürk."

Additionally, based on the protection of "public order," removal orders were issued under Article 8/A of the Internet Law No. 5651 for numerous offending contents and accounts. This situation represents a significant example within Turkish law concerning the oversight of Al tools, content responsibility, and protection of personal rights.

This case also exposed the existing uncertainties in Türkiye's legal framework regarding AI applications. Under current law, AI systems cannot be held directly criminally liable; responsibility generally lies with AI producers, programmers, or users. However, clear and comprehensive regulations on this matter are still lacking both in Türkiye and globally. Consequently, the Grok case has once again highlighted the need for regulation in the ethical use and content supervision of AI technologies.

Access Blocked to Numerous eSIM Providers by ICTA

Authorization Department Presidency of the Information and Communication Technologies Authority (ICTA), blocked access to numerous international eSIM service providers.

eSIM (Embedded SIM) is a new generation SIM card technology that does not require a physical SIM card and is integrated into the hardware of compatible devices during manufacturing and can be programmed remotely. This embedded system, placed inside the device at the production stage, allows connection to the mobile network without the need for physical SIM card replacement.



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Despite the growing global adoption of this technology, recent developments indicate that eSIM usage in Türkiye will remain limited in the near term. As per the decision taken by ICTA on 10 July 2025, access to numerous international eSIM service providers has been blocked.

The blocked eSIM platforms were especially known for enabling users traveling abroad to access mobile data services at more affordable

prices. Considering the high costs associated with roaming services provided through traditional SIM cards, these platforms offered an important alternative. For this reason, the access blocking decision has drawn significant attention in the public sphere.

While the content of the decision is currently not accessible, ICTA has not yet made an official statement on the matter. We are closely monitoring developments.

Editors

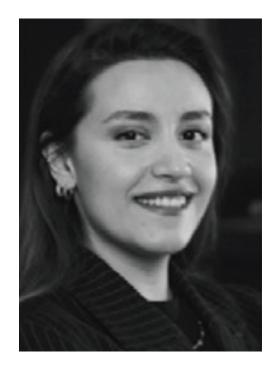


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Gokce Attorney Partnership is an Istanbul-based law firm offering legal services across a broad range of practice areas including mergers and acquisitions, joint ventures, private equity and venture capital transactions, banking and finance, capital 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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