

Client Alert

Turkey | May 2025

Amendments to the Capital Movements Circular

The Ministry of Treasury and Finance has introduced significant amendments to the Capital Movements Circular dated 2 May 2018, pursuant to its letter issued on 12 May 2025. These amendments were initially regulated under the Decree No. 32 on the Protection of the Value of the Turkish Currency with the amendments dated 15 March 2025, and have been accordingly reflected in the Capital Movements Circular.

Key changes are as follows:

- (i)** Individuals residing in Turkey are fully permitted to borrow non-cash loans, guarantees, and sureties from abroad, and to utilize these non-cash loans without the need for intermediary banks.
- (ii)** Individuals residing in Turkey are free to issue counter-guarantee letters, guarantees, and sureties in favor of foreign individuals, whether within Turkey or abroad.
- (iii)** It is permissible for individuals residing in Turkey to offer non-cash guarantees and sureties in foreign currency or precious metals, provided by Turkey-based group companies or direct shareholders (whether natural or legal persons) of the borrowing entities, to secure loans denominated in foreign currency or precious metals obtained within Turkey, through Turkish banks and financial institutions.

Please contact us if you need further information on this matter.