

TURKEY'S ZIRAAT BANK UNDER SCRUTINY – IRREGULARITIES POINT TO ERDOĞAN'S MANIPULATION OF FINANCIAL SYSTEM TO CONSOLIDATE POWER

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EXECUTIVE SUMMARY

Concerns continue to mount about the integrity of the Turkish financial system. News reports surfaced in January alleging that one of Turkey's largest financial institutions was involved in questionable offshore deals, conflicts of interest, and irregular transactions with the country's wealth fund. Turkey's largest lender, Ziraat Bank, and largest mobile phone operator, Turkcell, are at the center of the scandal. Multiple news outlets report that Ziraat extended a \$1.6 billion nonperforming loan to an offshore company, likely under the direction of Turkish President Recep Tayyip Erdoğan. The Turkish strongman appears to have used public funds, courts, and questionable financial transactions to further consolidate economic and political power. The Turkish president already has an established record of targeting businesses and media outlets once owned by secular figures and political rivals. U.S. regulators and prosecutors should continue to address concerns regarding illicit finance in the Turkish banking system.

INTRODUCTION

Turkey's state-owned Ziraat Bank, the country's largest lender by total assets, came under public scrutiny in January for a \$1.6 billion nonperforming loan it had extended in 2014 to an offshore company in the British Virgin Islands (BVI). Although Ziraat has since issued a press statement claiming to have settled the loan as of October 2020, Turkey's opposition parties and independent media outlets continue to highlight multiple irregularities in one of the biggest loans in Turkish banking history.¹ Since the initial exposé by a Turkish daily on January 4, the Ziraat Bank scandal has widened: Through a chain of questionable deals involving multiple conflicts of interest, the country's sovereign wealth fund, headed by President Recep Tayyip Erdoğan, used Ziraat Bank, which the fund fully owns, to disappear a nonperforming loan issued to an offshore entity to purchase control of Turkey's largest mobile phone operator, Turkcell.²

1. "Ziraat Bankası: Medya ve denetim tarafında gerçek olmayan, eksik bilgilerle kanaatler oluşturulmaya çalışılmaktadır [Ziraat Bank: An attempt is made to form opinions with false, incomplete information on the media and audit side]," *Investing.com* (Turkey), January 11, 2021. (<https://tr.investing.com/news/markets/ziraat-bankas-medya-ve-denetim-tarafında-gerçek-olmayan-eksik-bilgilerle-kanaatler-olusturulmaya-calısmaktadır-2086243>); Ebru Tuncay, "Cukurova Holding may seek restructure of \$1.6 bln loan from Ziraat Bank-sources," *Reuters*, March 13, 2019. (<https://www.reuters.com/article/turkey-cukurova-restructuring-idUKL8N2104KJ>)
2. Akin Nazli, "Turkcell denies any affiliation with \$1.6bn loan in default extended by Ziraat Bank to Virgin Islands company," *BNE Intellinews* (Germany), January 18, 2021. (<https://www.intellinews.com/turkcell-denies-any-affiliation-with-1-6bn-loan-in-default-extended-by-ziraat-bank-to-virgin-islands-company-200471>); "UPDATE 1-Erdogan appoints himself chairman of Turkey's sovereign wealth fund," *Reuters*, September 12, 2018. (<https://www.reuters.com/article/turkey-economy-fund/update-1-erdogan-appoints-himself-chairman-of-turkeys-sovereign-wealth-fund-idUSL5N1VY1SW>)

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Turkcell has the potential to be a strategic asset for Erdoğan at home and abroad. The company already underwrites several pro-Erdoğan institutions in Turkey and the United States. The Turkish president could further attempt to use the telecommunications company to facilitate his control over information as a tool to suppress domestic dissent. There are concerns that this might already be happening. This past January, Erdoğan raised privacy concerns about Facebook's WhatsApp messaging service to urge Turkish users to switch to Turkcell's messaging app, BiP, which can access more personal information than the other most popular messaging apps used in Turkey, according to a Turkish watchdog.³

The scandal involving Ziraat Bank, Turkey's wealth fund, and Turkcell is the latest example of how Erdoğan seeks to wield public funds, courts, and irregular financial transactions to consolidate economic and political power. The Turkish strongman already has a troubling track record of taking control of businesses and media outlets once owned by secular figures and political rivals.

TURKISH PAPERS EXPOSE ZIRAAT BANK SCANDAL

The Turkish daily *Sözcü* dropped a bombshell on January 4. The paper reported that 2019 audits by the Turkish Court of Accounts revealed that the country's two biggest public lenders, Ziraat Bank and Halkbank, provided large conglomerates with significant loans that have since become nonperforming.⁴ These loans were controversial because the primary mandate of state-owned Ziraat Bank is to extend credit to farmers, while the primary mandate of Halkbank is to extend credit to small- and medium-sized enterprises.

Three days later, another Turkish daily, *BirGün*, disclosed that one of the nonperforming loans was for \$1.6 billion, with a 10-year maturity and a three-year grace period.⁵ Ziraat Bank offered the loan in 2014 to an unnamed company in tax haven BVI.⁶ The size of the loan, the audit noted, comprised a quarter of the total value of all the loans on the bank's watch list. Over the last six years, *BirGün* reported, the offshore company repaid only \$17.5 million.

On the same day as the *BirGün* exposé, Faik Öztrak, a lawmaker and deputy chairperson from the opposition Republican People's Party (CHP), held a press conference criticizing the Turkish government for extending Ziraat Bank loans to firms based in tax havens instead of providing them to farmers in need.⁷ In an attempt to defend its actions, Ziraat Bank issued a statement on January 8 stating it extended the 2014 loan to a BVI-based subsidiary

3. Tugce Ozsoy and Firat Kozok, "WhatsApp Dropped by Erdogan After Facebook Privacy Changes," *Bloomberg*, January 10, 2021. (<https://www.bloomberg.com/news/articles/2021-01-10/whatsapp-gets-dumped-by-erdogan-on-mounting-privacy-concerns>); Ezgi Toprak, "WhatsApp'ın değiştirdiği gizlilik sözleşmesi hakkındaki iddialar [Allegations about WhatsApp's amended privacy policy]," *Teyit* (Turkey), January 9, 2021. (<https://teyit.org/analiz-whatsappin-degistirdigi-gizlilik-sozlesmesi-hakkinda-iddialar>)

4. Erdoğan Süzer, "Esnafi, çiftçiyi bırakıp holdinglere dağıttılar [They left tradesmen, farmers and distributed to holdings]," *Sözcü* (Turkey), January 4, 2021. (<https://www.sozcu.com.tr/2021/ekonomi/esnafi-ciftciyi-birakip-holdinglere-dagitilar-6195807>)

5. Nurcan Gökdemir, "Vergi cennetinde milyar dolarlar batıyor [Billions of dollars go down in tax haven]," *BirGün* (Turkey), January 7, 2021. (<https://www.birgun.net/haber/vergi-cennetinde-milyar-dolarlar-batiyor-329447>)

6. Will Fitzgibbon, "Notorious tax haven British Virgin Islands to introduce public register of company owners," *International Consortium of Investigative Journalists*, October 12, 2020. (<https://www.icij.org/investigations/fincen-files/notorious-tax-haven-british-virgin-islands-to-introduce-public-register-of-company-owners>)

7. "Sayıştay raporu ortaya çıkardı: Vergi cennetine Ziraat Bankası'ndan milyar dolarlık Kredi [Turkish Court of Accounts report revealed: Billion-dollar loan from Ziraat Bank went to tax haven]," *Cumhuriyet* (Turkey), January 8, 2021. (<https://www.cumhuriyet.com.tr/haber/sayistay-raporu-ortaya-cikardi-vergi-cennetine-ziraat-bankasindan-milyar-dolarlik-kredi-1804697>)

of Çukurova Holding, a Turkish conglomerate, to help the company maintain its shares in Turkey's largest mobile phone operator, Turkcell. However, Ziraat Bank did not name Çukurova Holding's offshore subsidiary.⁸

The next day, *Sözcü* reported that the \$1.6 billion loan went to Turkcell itself. This was incorrect. The loan went to a Turkcell shareholder.⁹ On January 11, amid growing public censure, Turkcell released an official disclosure through the Public Disclosure Platform of Turkey's Central Securities Depository, denying the receipt of the Ziraat Bank loan.¹⁰ As a publicly traded company listed on both Borsa Istanbul and the New York Stock Exchange since 2000, Turkcell is subject to strict reporting and disclosure requirements.

Meanwhile, Deniz Yavuzylmaz, another CHP lawmaker, highlighted another irregularity with the loan: multiple conflicts of interest.¹¹ The government-owned Turkey Wealth Fund (TWF), which fully owns Ziraat Bank and is Turkcell's largest shareholder, with 26.2 percent of its shares, used the Ziraat loan to gain control of Turkcell's board through Çukurova Holding.¹² Hüseyin Aydın, the Ziraat Bank CEO who approved the 2014 loan, sits on the boards of not only Turkcell but also TWF.¹³ *Gerçek Gündem*, a Turkish news portal, explained that these findings reveal "the lender and the borrower are in the same institution."¹⁴

ZIRAAT AND ILLICIT FINANCE

The concern surrounding Ziraat Bank's massive offshore loan stems in part from the past misconduct of Turkey's state-owned banks. Since 2013, various sanctions-busting, money laundering, and terrorism-finance allegations have surfaced against the banks.¹⁵ These allegations include October 2019 charges against Turkey's Halkbank in a Manhattan federal court for "the bank's participation in a multibillion-dollar scheme to evade U.S. sanctions on Iran."¹⁶ Policy experts have described the bank's actions as the biggest sanctions-evasion scheme in recent history.¹⁷

8. "Ziraat Bankası'ndan açıklama [Statement from Ziraat Bank]," *Habertürk* (Turkey), January 8, 2021. (<https://www.haberturk.com/ziraat-bankasi-ndan-aciklama-2930925-ekonomi>)

9. Erdoğan Süzer, "Virgin kredisi Turkcell için gitmiş [Virgin loan extended for Turkcell]," *Sözcü* (Turkey), January 9, 2021. (<https://www.sozcu.com.tr/2021/ekonomi/virgin-kredisi-turkcelle-gitmis-6203547>)

10. Republic of Turkey Central Securities Depository, Public Disclosure Platform, "Haber ve Söylentilere İlişkin Açıklama [Statement Concerning News and Rumors]," January 11, 2021. (<https://www.kap.org.tr/Bildirim/900721>)

11. "CHP'li Yavuzylmaz'dan Adrese Teslim Kredi Açıklaması: Ziraat Bankası Genel Müdürü Vergi Cennetindeki Şirkete Kredi Verdi [The Statement of CHP's Yavuzylmaz About the Delivery of Loan: Ziraat Bank General Manager Extended Credit to a Company in a Tax Haven]," *Anka Haber Ajansı* (Turkey), January 9, 2021. (https://ankahaber.net/haber/detay/chpli_yavuzylmazdan_adrese_teslim_kredi_aciklamasi_ziraat_bankasi_genel_muduru_vergi_cennetindeki_sirkete_kredi_verdi_25721)

12. Orhan Coskun, "Turkey transfers billions in major company stakes to sovereign wealth fund," *Reuters*, February 6, 2017. (<https://www.reuters.com/article/us-turkey-economy-fund/turkey-transfers-billions-in-major-company-stakes-to-sovereign-wealth-fund-idUSKBN15L1PG>)

13. "Huseyin Aydın," *Bloomberg*, accessed January 26, 2021. (<https://www.bloomberg.com/profile/person/15933773>)

14. "Virgin kredisi skandalında yeni boyut: Alan da veren de aynı kurumda! [A new dimension in the Virgin loan scandal: Both the lender and the recipient are in the same institution!]," *Gerçek Gündem* (Turkey), January 11, 2021. (<https://www.gercekgundem.com/guncel/243048/virgin-kredisi-skandalinda-yeni-boyut-alan-da-veren-de-ayni-kurumda>)

15. Aykan Erdemir and Jonathan Schanzer, "Turkish bank rulings should be a wakeup call for global financial institutions," *Al-Arabiya* (UAE), November 8, 2020. (<https://english.alarabiya.net/views/news/middle-east/2020/11/08/Turkish-bank-rulings-should-be-a-wakeup-call-for-global-financial-institutions>)

16. U.S. Attorney's Office for the Southern District of New York, Press Release, "Turkish Bank Charged In Manhattan Federal Court For Its Participation In A Multibillion-Dollar Iranian Sanctions Evasion Scheme," October 15, 2019. (<https://www.justice.gov/usao-sdny/pr/turkish-bank-charged-manhattan-federal-court-its-participation-multibillion-dollar>)

17. Jonathan Schanzer, "The Biggest Sanctions-Evasion Scheme in Recent History," *The Atlantic*, January 4, 2018. (<https://www.theatlantic.com/international/archive/2018/01/iran-turkey-gold-sanctions-nuclear-zarrab-atilla/549665>)

There have also been numerous exposés of the Turkish ruling elite’s problematic offshore deals. In November 2017, CHP leader Kemal Kılıçdaroğlu exposed a \$15 million transfer by Erdoğan, his family members, and his allies to an account on the Isle of Man,¹⁸ one of the tax havens implicated in the 2017 Paradise Papers scandal.¹⁹ The papers consisted of 13.4 million leaked files that the International Consortium of Investigative Journalists and its 95 media partners examined to expose financial crimes by political and economic elites across the globe.

The Black Sea, a Romania-based investigative reporting outlet, confirmed that the Erdoğan family owned three offshore companies, including a Maltese company that facilitated a 2008 deal that enabled Erdoğan to acquire a \$25 million oil tanker from Azeri-Turkish billionaire Mübariz Mansimov. Mansimov has been in a Turkish prison since March 2020, charged with ties to a religious network Ankara blames for a 2016 failed coup attempt.²⁰

Likewise, *The Black Sea* reported that Erdoğan’s close associate former Prime Minister Binali Yıldırım and Yıldırım’s family members owned \$140 million in foreign assets in Malta and the Netherlands, among other jurisdictions.²¹ Before becoming minister of treasury and finance, Berat Albayrak, Erdoğan’s son-in-law, also helped establish offshore companies to help his then-employer, an Erdoğan business ally, evade taxes.²²

ERDOĞAN’S BID TO CONTROL ÇUKUROVA HOLDING’S ASSETS

The chain of events that led to Ziraat Bank’s \$1.6 billion loan to Çukurova Holding’s BVI-based subsidiary in 2014 offers a telling account of how Erdoğan’s Islamist-rooted Justice and Development Party (AKP) consolidated economic and political power in Turkey by gradually taking over the country’s secular businesses, media outlets, and state institutions.

Çukurova Holding is a Turkish conglomerate with subsidiaries in industrial, construction, and information and communication technologies as well as media, transportation, trade, energy, and financial services.²³ In 2011,

18. Dorian Jones, “Turkish Opposition Claims Erdogan’s Family Hid Money Offshore,” *Voice of America*, November 28, 2017. (<https://www.voanews.com/europe/turkish-opposition-claims-erdogans-family-hid-money-offshore>)

19. Juliette Garside, “After successive offshore scandals, are there signs of change in Isle of Man,” *The Guardian* (UK), November 14, 2017. (<https://www.theguardian.com/news/2017/nov/14/after-successive-offshore-scandals-are-there-signs-of-change-in-isle-of-man>); “Paradise Papers: Secrets of the Global Elite,” *International Consortium of Investigative Journalists*, January 26, 2021. (<https://www.icij.org/investigations/paradise-papers>)

20. Craig Shaw, “Erdoğan family’s offshore secrets spread to firms in Isle of Man and Malta,” *The Black Sea* (Romania), November 29, 2017. (<https://theblacksea.eu/stories/malta-files/erdogan-family-offshore-secrets-spread-to-firms-in-isle-of-man-and-malta>); Craig Shaw, “Maltese law firm confirms Erdoğan company offshore account,” *The Black Sea* (Romania), December 20, 2017. (<https://theblacksea.eu/stories/malta-files/maltese-law-firm-confirms-erdogan-company-offshore-bank-account>); Craig Shaw, “President Erdoğan’s family in secret offshore ship deal,” *The Black Sea* (Romania), May 26, 2017. (<https://theblacksea.eu/stories/malta-files/erdogan-family-in-secret-offshore-ship-deal>); Amberin Zaman, “What’s behind arrest of Turkish-Azeri billionaire?” *Al-Monitor*, March 20, 2020. (<https://www.al-monitor.com/pulse/originals/2020/03/turkey-billionaire-azerbaijan-gurbanoglu-arrest-gulen.html>)

21. Craig Shaw and Zeynep Şentek, “Family business of Turkey Prime Minister heads offshore,” *The Black Sea* (Romania), May 24, 2017. (<https://theblacksea.eu/stories/malta-files/family-business-of-turkey-prime-minister-heads-offshore>)

22. Craig Shaw and Zeynep Şentek, “Turkish President Erdoğan’s son-in-law in off-shore tax scheme,” *The Black Sea* (Romania), May 19, 2017. (<https://theblacksea.eu/stories/malta-files/turkish-president-erdogans-son-in-law-in-off-shore-tax-scheme>)

23. “Çukurova Holding AS,” *Bloomberg*, accessed January 26, 2021. (<https://www.bloomberg.com/profile/company/1047Z:T1>)

Forbes Turkey listed Çukurova Holding's chairman, Mehmet Emin Karamehmet, a pro-secular and liberal figure, as Turkey's richest man, with a net worth of \$4 billion.²⁴

That year, however, *The Wall Street Journal* reported that Karamehmet was "fighting to survive" as he struggled with the financial and legal fallout from Turkey's 2001 banking crisis as well as with the AKP's growing pressure on pro-secular media bosses.²⁵ Karamehmet was not only battling "Swedish and Russian shareholders to keep his stake in Turkcell," but also fighting "a nearly 12-year prison sentence for fraud" and the government's freezing of "\$1 billion of [Çukurova Holding's] assets as collateral for alleged unpaid taxes." In 2015, *Forbes* reported his net worth had declined to \$1.15 billion, and dropped him from its billionaires list the following year.²⁶

Karamehmet's troubles over Turkcell shares, his most valuable assets, date to a 2005 deal with Russian billionaire Mikhail Fridman. That year, Fridman's Moscow-based Alfa Group provided cash-strapped Çukurova Holding with a \$3.3 billion financing package through BVI-based Cukurova Finance. \$1.6 billion of it came in the form of six-year bonds convertible into 13.8 percent of Turkcell's shares. Turkey's state minister celebrated the deal as Russia's "biggest foreign direct investment."²⁷

According to U.S. Securities and Exchange Commission filings from June 2005, Çukurova Holding and Cukurova Finance, together with Fridman's BVI-based Alfa Telecom Turkey Limited, made "an indirect investment in Turkcell via their respective holdings in Cukurova Telecom Holdings Limited," another BVI-based company controlled by Karamehmet and Fridman.²⁸ This investment made Alfa Telecom Turkey Limited the indirect owner of 13.2 percent of Turkcell. Alfa Telecom Turkey Limited owned 49 percent of Cukurova Telecom, which in turn owned 52.9 percent of Turkcell Holding, the owner of 51 percent of Turkcell's shares.

When Karamehmet later defaulted on his debt to Fridman, years of legal battles ensued, leading to a January 2013 UK Privy Council ruling in favor of Çukurova Holding and Cukurova Finance. This afforded Karamehmet the opportunity to reclaim a 13.8 percent stake in and control over Turkcell, but only if he could repay \$1.6 billion to Fridman's Alfa Group by July 30, 2014.²⁹

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24. Daniel Dombey, "Karamehmet: no longer the richest," *Financial Times* (UK), February 28, 2012. (<https://www.ft.com/content/22a0c616-9927-3a0d-81dc-03d7a793fcae>); U.S. Office of the Director of National Intelligence, Open Source Center, "Guide to Major Turkish Daily Newspapers 2008," October 7, 2008. (<https://fas.org/irp/dni/osc/turkish-news.pdf>); Soner Cagaptay, "Turkey's Republic of Fear," *The Wall Street Journal*, March 4, 2010. (<https://www.wsj.com/articles/SB10001424052748704187204575101820058883004>)

25. Marc Champion, "Turkey's Richest Man Fights to Survive," *The Wall Street Journal*, November 22, 2011. (<https://www.wsj.com/articles/SB10001424052970203710704577051973722340202>); Delphine Strauss, "Çukurova owner faces 11-year jail term," *Financial Times* (UK), February 11, 2010. (<https://www.ft.com/content/c54563ba-1748-11df-94f6-00144feab49a>); Nate Schenkkan, "Muzzling the Press: Turkey's Long War Against the Media," *World Politics Review*, January 5, 2016. (<https://www.worldpoliticsreview.com/articles/17593/muzzling-the-press-turkey-s-long-war-against-the-media>)

26. "2015 Billionaires Net Worth," *Forbes*, March 2, 2015. (<https://www.forbes.com/profile/mehmet-emin-karamehmet>)

27. Vincent Boland and Arkady Ostrovsky, "Alfa agrees \$3.3bn Turkcell package," *Financial Times* (UK), June 22, 2005. (<https://www.ft.com/content/321b9672-e340-11d9-b6f0-00000e2511c8>); "Yönetim Çukurova'da kalıyor [Management will remain with Çukurova]," *Hürriyet* (Turkey), July 5, 2005. (https://bigpara.hurriyet.com.tr/haberler/genel-haberler/yonetim-cukurova-da-kaliyor_id526965)

28. U.S. Securities and Exchange Commission, "Subscription Agreement in respect of Convertible Bonds and Shares in the capital of Cukurova Telecom Holdings Limited," June 1, 2005. (<https://www.sec.gov/Archives/edgar/data/1345826/000095013305005452/w15230exv99wd.htm>)

29. *Cukurova Finance International Limited and Cukurova Holding A.S (Appellants) v Alfa Telecom Turkey Ltd (Respondent)*, JPCPC 2012/0016, [2013] UKPC 2. (<http://www.bailii.org/uk/cases/UKPC/2013/2.pdf>)

Two weeks before the deadline, Turkey's Treasury and the Banking Regulation and Supervision Agency blocked a funding deal offered by an Istanbul-based private-equity firm owned by Yıldız Holding, one of the world's largest food manufacturers. The firm was chaired by Murat Ülker, who had taken over Karamehmet and was Turkey's richest man, with a \$3.7 billion net worth.³⁰ The funding deal offered by Ülker's Yıldız Holding would have enabled Karamehmet to maintain a majority stake in Turkcell and mitigate concerns about allowing a Russian company to acquire a majority stake in Turkey's largest mobile operator. Furthermore, since the Ülker family is one of Turkey's leading conservative Muslim families, with a history of doing business with Erdoğan before his rise to power, this solution should have been politically suitable.³¹ The Ülker family also enjoyed credibility within AKP circles for being targeted by secularists in the Turkish military following the "post-modern coup" of 1997, through which the Turkish military forced the country's first Islamist prime minister, Necmettin Erbakan, to resign after only one year.³²

By 2014, however, Ülker was no longer favored by Erdoğan. As a London-based financier told *Al-Monitor* in 2016, Ülker was "not viewed as being sufficiently subservient to Erdoğan" at a time when the Turkish president was "creating his own oligarchs."³³ The cracks in the Ülker-Erdoğan relationship that complicated Yıldız Holding's Turkcell deal with Çukurova Holding became public in November 2016, when Yıldız Holding became a target of Turkish government probes into the country's July 2016 abortive coup d'état.³⁴ In 2020, the Turkish president even shuttered a university established by a foundation that Murat Ülker co-founded in 1986.³⁵

With only five days remaining before the July 30, 2014, payment deadline, and facing the prospect of Fridman's imminent control over Turkcell, Ziraat Bank stepped in. *The Wall Street Journal* reported at the time that the public lender's \$1.6 billion loan marked "a significant increase in the Turkish government's involvement in the strategically important telecom industry."³⁶ Thus, Erdoğan blocked a private financing deal and tapped into \$1.6 billion in public funds via Ziraat Bank as a long-term strategy to control Turkcell.

In fact, Ziraat Bank's bailout came four months after Turkey's Capital Markets Board appointed three "independent" board members to Turkcell: two former AKP ministers and the chairman of the board of trustees of an Istanbul

30. Yeliz Candemir, "Turkcell Shareholder Cukurova Fails to Secure Financing," *The Wall Street Journal*, July 16, 2014. (<https://www.wsj.com/articles/turkcell-shareholder-cukurova-fails-to-secure-financing-1405533389>); "Yildiz Holding AS," *Bloomberg*, January 26, 2021. (<https://www.bloomberg.com/profile/company/2321269Z:TI>); Natalie Robehmed, "Meet The Richest Billionaire in Every Country," *Forbes*, March 11, 2014. (<https://www.forbes.com/sites/natalierobehmed/2014/03/11/meet-the-richest-billionaire-in-every-country>)

31. Michael Rubin, "Green Money, Islamist Politics in Turkey," *Middle East Forum*, Winter of 2005. (<https://www.meforum.org/684/green-money-islamist-politics-in-turkey>)

32. "FACTBOX-Turkey's 'post-modern coup' of 1997," *Reuters*, May 8, 2012. (<https://www.chicagotribune.com/lifestyles/ct-xpm-2012-05-08-sns-rt-turkey-militaryfactbox15e8g3gvr-20120508-story.html>)

33. Amberin Zaman, "Will Ankara feast on Turkey's largest food producer," *Al-Monitor*, November 15, 2016. (<https://www.al-monitor.com/pulse/originals/2016/11/turkey-food-producer-fear-gulen-links-erdogan.html>)

34. Birsen Altayli and Daren Butler, "Turkey's Yildiz denies is a target in crackdown," *Reuters*, November 14, 2016. (<https://www.reuters.com/article/us-turkey-yildiz-statement-idUSKBN13916M>)

35. "Davutoğlu-linked Şehir University shut down by presidential decree," *Duvar English* (Turkey), July 1, 2020. (<https://www.duvarenglish.com/politics/2020/07/01/davutoglu-linked-sehir-university-shut-down-by-presidential-decree>); Dina Rizk Khoury and Laurie Brand, "Recent developments in Turkey targeting Istanbul Sehir University," *Letter to Turkish President Recep Tayyip Erdoğan*, May 20, 2020. (<https://mesana.org/advocacy/committee-on-academic-freedom/2020/05/20/recent-developments-in-turkey-targeting-istanbul-sehir-university>)

36. Emre Peker, "Turkish Bank to Finance Turkcell Share Redemption," *The Wall Street Journal*, July 26, 2014. (<https://www.wsj.com/articles/turkish-bank-to-finance-turkcell-share-redemption-1406375771>)

university with close ties to Erdoğan.³⁷ CHP lawmaker Deniz Yavuzylmaz charged that Cukurova Finance was able to receive the Ziraat Bank loan only after Erdoğan allies joined Turkcell's board.³⁸

Erdoğan's bailout of Cukurova Finance through Ziraat Bank appears to be part of a strategy not only to control Turkcell, but also to transfer other businesses from the pro-secular tycoon Karamehmet to Erdoğan's sphere of influence. In May 2013, Turkey's Saving Deposit Insurance Fund seized Çukurova Holding's media assets and its motor company BMC.³⁹ In November 2013, Erdoğan ally Ethem Sancak acquired 11 Çukurova media assets, including newspapers, a broadcaster, and a satellite TV provider.⁴⁰ Under Sancak's management, these outlets voiced consistent support for the AKP. Sancak has also expressed devotion to Erdoğan, saying, "As I got to know Erdogan, I realized that such a kind of divine love between two men is possible."⁴¹

In May 2014, 18 days before Ziraat Bank's loan to Cukurova Finance, Sancak received the Savings Deposit Insurance Fund's approval for his purchase of BMC, which since then has become an important pillar of Erdoğan's economic and military partnership with Qatar, a key ideological ally.⁴² Erdoğan appears to have relieved Çukurova of all its strategic assets before targeting the most valuable asset, Turkcell, via a last-minute Ziraat Bank bailout.

ZIRAAT BANK'S U.S. TROUBLES

Ziraat Bank has become a key instrument not only of Erdoğan's power consolidation at home, but also of his international ambitions. However, pushback from the U.S. Treasury Department and U.S. regulators and courts has forced Erdoğan to curb Ziraat Bank's footprint abroad. He currently uses the lender predominantly to serve his domestic agenda.

In September 2014, the U.S. Federal Reserve launched a probe into Ziraat Bank's New York branch on the heels of an earlier agreement under which the Federal Reserve required an audit of certain dollar clearing transactions Ziraat Bank processed in 2012 – at the height of Iran's violations of U.S. sanctions.⁴³

37. "Turkish regulator appoints former ministers to Turkcell board," *Hürriyet Daily News* (Turkey), March 12, 2013. (<https://www.hurriyetdailynews.com/turkish-regulator-appoints-former-ministers-to-turkcell-board--42812>); Presidency of the Republic of Turkey, "Turkey Does Not Bow Before Other Civilizations Anymore," November 3, 2014. (<https://www.tccb.gov.tr/en/news/542/3296/turkey-does-not-bow-before-other-civilizations-anymore>)

38. "CHP'li Yavuzylmaz: Kredi Verildiğinde Ziraat'ın Genel Müdürü idi Şimdi Turkcell Yöneticisi [CHP's Yavuzylmaz: When the Loan was Extended he was the General Manager of Ziraat Bank, now he is Turkcell's Manager]," *Anka Haber Ajansı* (Turkey), January 12, 2021. (https://ankahaber.net/haber/detay/chpli_yavuzylmaz_kredi_verildiginde_ziraatin_genel_muduru_idi_simdi_turkcell_yoneticisi_25954)

39. "State fund seizes media assets, motor company of Turkey's Çukurova group," *Hürriyet Daily News* (Turkey), May 17, 2013. (<https://www.hurriyetdailynews.com/state-fund-seizes-media-assets-motor-company-of-turkeys-cukurova-group-47110>)

40. "State-seized media assets of Çukurova conglomerate sold to businessman Ethem Sancak," *Hürriyet Daily News* (Turkey), November 22, 2013. (<https://www.hurriyetdailynews.com/state-seized-media-assets-of-cukurova-conglomerate-sold-to-businessman-ethem-sancak-58344>)

41. Pinar Tremblay, "Media mogul declares his 'masculine love' to Erdogan," *Al-Monitor*, May 22, 2015. (<https://www.al-monitor.com/pulse/originals/2015/05/turkey-media-mogul-declares-his-masculine-love-to-erdogan.html>)

42. Zülfikar Doğan, "Qatar wins big as Erdoğan privatises \$20 billion tank factory," *Ahval News* (Turkey), January 18, 2019. (<https://ahvalnews.com/qatar-turkey/qatar-wins-big-erdogan-privatises-20-billion-tank-factory>); Aykan Erdemir and Varsha Koduvayur, "Brothers in Arms: The Consolidation of the Turkey-Qatar Axis," *Foundation for Defense of Democracies*, December 11, 2019. (<https://www.fdd.org/analysis/2019/12/11/brothers-in-arms>)

43. Merve Tahiroğlu, "Turkey's State-Owned Bank Probed By the New York Fed," *Foundation for Defense of Democracies*, September 15, 2014. (<https://www.fdd.org/analysis/2014/09/15/turkeys-state-owned-bank-probed-by-the-new-york-fed>); U.S. Federal Reserve System, Board of Governors, "Federal Reserve Board issues enforcement action with Türkiye Cumhuriyeti Ziraat Bankası and Türkiye Cumhuriyeti Ziraat Bankası New York Branch," July 1, 2014. (<https://www.federalreserve.gov/newsevents/pressreleases/enforcement20140701a.htm>)

In 2017, Ziraat Bank became one of the two Turkish public lenders implicated by Reza Zarrab, the Turkey-based ringleader of a massive Iranian sanctions-evasion scheme who later turned state's witness as part of a federal case brought against Mehmet Hakan Atilla, the deputy CEO of Halkbank. Atilla was sentenced to 32 months in prison for "conspiring to violate U.S. sanctions against Iran."⁴⁴ Zarrab testified in November 2017 that Turkey's then-economy minister told him that Ziraat Bank was one of the Turkish banks Erdoğan authorized to move funds for Iran.⁴⁵ Ziraat denied this.⁴⁶ Less than two weeks after Zarrab's testimony, Ziraat shuttered its New York branch, which had been active since 1983.⁴⁷

Ziraat again came to the attention of U.S. regulators in 2019. It was the key financial institution Erdoğan deployed to assist Venezuelan strongman Nicolás Maduro.⁴⁸ *Bloomberg* fingered Ziraat as the institution Venezuela's central bank used "to pay contractors, move money and import products in Turkish liras."⁴⁹ In July 2019, weeks after the U.S. Treasury Department sanctioned a Turkey-based company involved in a corruption and money laundering network directed by Maduro, Ziraat stopped working with Venezuela's central bank, fearing U.S. sanctions.⁵⁰

ZIRAAT BANK AND TURKEY'S SOVEREIGN WEALTH FUND

The Turkcell saga has also exposed important connections between Ziraat Bank and TWF, Turkey's sovereign wealth fund, which since its inception in August 2016 has been a source of controversy for providing Erdoğan with a "parallel budget" exempt from the oversight of Turkey's parliament and Court of Accounts.⁵¹

On June 28, 2020, TWF disclosed its agreement to acquire 26.2 percent of Turkcell shares by entering into a series of agreements with four firms: Sweden's former phone monopoly-turned-multinational telecommunications firm, Telia Company; Fridman's LetterOne, which owns Alfa Telecom Turkey Limited; Karamahmet's Çukurova

44. U.S. Attorney's Office for the Southern District of New York, Press Release, "Turkish Banker Mehmet Hakan Atilla Sentenced To 32 Months For Conspiring To Violate U.S. Sanctions Against Iran And Other Offenses," May 16, 2018. (<https://www.justice.gov/usao-sdny/pr/turkish-banker-mehmet-hakan-atilla-sentenced-32-months-conspiring-violate-us-sanctions>)

45. Benjamin Weiser, "Erdogan Helped Turks Evade Iran Sanctions, Reza Zarrab Says," *The New York Times*, November 30, 2017. (<https://www.nytimes.com/2017/11/30/world/europe/erdogan-turkey-iran-sanctions.html>)

46. "Turkey's Ziraat Bank denies Zarrab allegations regarding the bank: official," *Reuters*, November 30, 2017. (<https://www.reuters.com/article/us-usa-turkey-zarrab-ziraat/turkeys-ziraat-bank-denies-zarrab-allegations-regarding-the-bank-official-idUSKBN1DU2ME>)

47. "Ziraat Bankası'nın New York şubesi kapatıldı [Ziraat Bank's New York branch closed]," *Cumhuriyet* (Turkey), December 12, 2017. (<http://www.cumhuriyet.com.tr/haber/ziraat-bankasinin-new-york-subesi-kapatildi-884480>)

48. Aykan Erdemir, "Treasury's Venezuela Sanctions Target the Tip of the Turkish Iceberg," *Foundation for Defense of Democracies*, July 26, 2019. (<https://www.fdd.org/analysis/2019/07/26/treasurys-venezuela-sanctions-target-the-tip-of-the-turkish-iceberg>)

49. Patricia Laya and Cagan Koc, "Turkish Bank Ziraat Closes Door on Venezuela Amid U.S. Sanctions," *Bloomberg*, August 15, 2019. (<https://www.bloomberg.com/news/articles/2019-08-15/turkish-bank-ziraat-closes-door-on-venezuela-amid-u-s-sanctions>)

50. U.S. Department of the Treasury, Press Release, "Treasury Disrupts Corruption Network Stealing From Venezuela's Food Distribution Program, CLAP," July 25, 2019. (<https://home.treasury.gov/news/press-releases/sm741>); Christopher Torchia, "Tension with Washington helps fuel Turkey-Venezuela alliance," *Associated Press*, August 18, 2020. (<https://apnews.com/article/1975bd2fa40b0fc2f83fbd6c423cbd3>)

51. Türkiye Varlık Fonu Yönetimi Anonim Şirketinin Kurulması ile Bazı Kanunlarda Değişiklik Yapılmasına Dair Kanun [The Law Establishing the Turkey Wealth Fund Management Joint Stock Company and Amending Certain Laws], Grand National Assembly of Turkey, Law No. 6741, August 19, 2016. (<https://www.tbmm.gov.tr/kanunlar/k6741.html>); Mustafa Sonmez, "Under financial strains, Turkey designs 'parallel budget,'" *Al-Monitor*, November 10, 2016. (<https://www.al-monitor.com/pulse/originals/2016/11/turkey-financial-strains-designs-parallel-budget.html>); Aykan Erdemir and Yağmur Menzilioğlu, "Erdogan Builds a Parallel Budget," *Foundation for Defense of Democracies*, February 10, 2017. (<https://www.fdd.org/analysis/2017/02/10/erdogan-builds-a-parallel-budget>)

Holding; and Ziraat Bank.⁵² Exhausted by what *Bloomberg* called a “15-year-old feud for control” over Turkcell that resulted in “spats over board representation, dividends, and other issues,” Telia Company sold its 24 percent indirect share in Turkcell for \$530 million.⁵³

This dollar figure represented a 54 percent discount compared to Turkcell’s market value and amounted to a \$322 million loss for Telia.⁵⁴ TWF, which fully owns Ziraat Bank, assumed Cukurova Finance’s \$1.6 billion debt to the bank and received Karamehmet’s shares.⁵⁵ This deal also increased the share of Fridman’s LetterOne in Turkcell from 13.2 percent to 24.8 percent.

As *Al-Monitor*’s Mustafa Sönmez noted, despite selling some shares to LetterOne, TWF needed to pay “\$1.6 billion to Ziraat Bank and \$530 million to Telia,” a sum that would have forced the fund to issue debt securities, since that amount was not available in its coffers.⁵⁶ Five months later, what Sönmez refers to as “Turkey’s ‘wealthless’ wealth fund” sold 10 percent of the Borsa Istanbul stock exchange to Qatar’s sovereign wealth fund for \$200 million, in another opaque deal criticized by the CHP.⁵⁷

TWF’s CEO, meanwhile, bragged that the Turkish sovereign wealth fund had bought 10 percent of Borsa Istanbul “for a much lower amount” in December 2019 from the European Bank for Reconstruction and Development (EBRD).⁵⁸ EBRD exited Borsa Istanbul hastily after Ankara appointed Atilla, Halkbank’s former deputy CEO, as

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52. “Turkey Wealth Fund Agrees to Acquire Control of Turkcell,” *PR Newswire*, June 17, 2020. (<https://www.prnewswire.com/news-releases/turkey-wealth-fund-agrees-to-acquire-control-of-turkcell-301079158.html>); “Telia Co AB,” *Bloomberg*, accessed January 26, 2021. (<https://www.bloomberg.com/profile/company/TLSNF:US>); “Mikhail Fridman (Co-founder, LetterOne),” *LetterOne*, accessed January 26, 2021. (<https://www.letterone.com/about-us/our-governance/board-members/mikhail-fridman>)

53. Asli Kandemir, Ercan Ersoy, and Kerim Karakaya, “Sweden’s Telia In Talks with Turkish Sovereign Wealth Fund for Turkcell Stake,” *Bloomberg*, June 16, 2020. (<https://www.bloomberg.com/news/articles/2020-06-16/telia-said-in-talks-to-sell-turkcell-stake-to-turkey-wealth-fund>); Telia Company, Press Release, “Telia Company Agrees To Divest Its Interest in Turkcell Holding,” June 17, 2020. (<https://www.teliacompany.com/en/news/press-releases/2020/6/telia-company-agrees-to-divest-its-interest-in-turkcell-holding>); “White paper on Turkcell,” *Telia Company*, March 19, 2019. (https://www.teliacompany.com/globalassets/telia-company/documents/investors/white-papers/turkcell_white_paper_20190319.pdf)

54. Asli Kandemir, Ercan Ersoy, and Kerim Karakaya, “Sweden’s Telia In Talks with Turkish Sovereign Wealth Fund for Turkcell Stake,” *Bloomberg*, June 16, 2020. (<https://www.bloomberg.com/news/articles/2020-06-16/telia-said-in-talks-to-sell-turkcell-stake-to-turkey-wealth-fund>); Daren Butler and Helena Soderpalm, “UPDATE 2-Telia exits Turkish markets with \$530 mln sale of Turkcell stake,” *Reuters*, June 17, 2020. (<https://www.reuters.com/article/turkcell-telia-wealth-fund/update-2-telia-exits-turkish-markets-with-530-mln-sale-of-turkcell-stake-idINL8N2DU6UN>)

55. “Turkey fund says to assume Cukurova debt to Ziraat Bank,” *Reuters*, June 18, 2020. (<https://www.reuters.com/article/turkcell-telia-wealth-fund-cukurova/turkey-fund-says-to-assume-cukurova-debt-to-ziraat-bank-idUSI7N2CT01V>)

56. Mustafa Sonmez, “Is Turkey’s wealth fund becoming a crisis shelter,” *Al-Monitor*, June 22, 2020. (<https://www.al-monitor.com/pulse/originals/2020/06/turkey-wealth-fund-becoming-crisis-shelter-covid19-turkcell.html>)

57. Mustafa Sonmez, “Turkey’s ‘wealthless’ wealth fund a tangle of problems,” *Al-Monitor*, January 13, 2021. (<https://www.al-monitor.com/pulse/originals/2021/01/turkey-economy-wealthless-wealth-fund-a-tangle-of-problems.html>); Firat Kozok and Tugce Ozsoy, “Qatar Inks Deal for Minority Stake in Turkish Stock Exchange,” *Bloomberg*, November 26, 2020. (<https://www.bloomberg.com/news/articles/2020-11-26/turkey-signs-deal-to-sell-borsa-istanbul-minority-stake-to-qatar>); “Turkey sells 10% of Borsa Istanbul shares to Qatar,” *Reuters*, November 30, 2020. (<https://www.reuters.com/article/turkey-qatar-bourse-int/turkey-sells-10-of-borsa-istanbul-shares-to-qatar-idUSKBN28A2N2>); Andrew Wilks, “Erdogan accused of selling out Turkey’s most prized assets to Qatar,” *The National* (UAE), November 30, 2020. (<https://www.thenationalnews.com/world/erdogan-accused-of-selling-out-turkey-s-most-prized-assets-to-qatar-1.1120691>)

58. “Borsa Istanbul expected to launch IPO in 2 years, Turkey Wealth Fund CEO says,” *Daily Sabah* (Turkey), December 1, 2020. (<https://www.dailysabah.com/business/economy/borsa-istanbul-expected-to-launch-ipo-in-2-years-turkey-wealth-fund-ceo-says>); Constantine Courcoulas, “Turkey Wealth Fund Buys 10% Stake in Borsa Istanbul from EBRD,” *Bloomberg*, December 31, 2019. (<https://www.bloomberg.com/news/articles/2019-12-31/turkey-wealth-fund-buys-10-stake-in-borsa-istanbul-from-ebrd>)

head of the stock exchange. Atila had been convicted in U.S. court for his role in the aforementioned multibillion-dollar scheme to evade Iran sanctions.⁵⁹

When TWF relieved Ziraat of its nonperforming \$1.6 billion loan, it also injected \$3 billion into Turkey's three public lenders, including Ziraat Bank.⁶⁰ Since TWF is cash-strapped, it disclosed plans to "issue debt securities" in May 2020 for state-owned banks to "purchase at market price."⁶¹ It appears Ziraat Bank's purchase of TWF's debt securities, which in turn funded a capital injection in Ziraat Bank, also helped TWF relieve Ziraat Bank of its \$1.6 billion nonperforming loan. Moreover, Hüseyin Aydın, Ziraat Bank's CEO, sits on the boards of TWF and Turkcell – all three parties involved in this troubling chain of financial transactions.

What might appear controversial from a governance perspective represents the triumph of Erdoğan's effort to solidify his control over the country's leading telecommunications company. The reshuffle allowed Erdoğan to appoint five out of Turkcell's nine board members.⁶² It is ironic that a saga that started in 2014 ostensibly to prevent Russian control of Turkcell ended up increasing Russian billionaire Fridman's stake while also giving Erdoğan full rein over the company.

As a postscript, market-savvy Fridman, less than a month after an October 2020 overhaul of Turkcell's ownership structure, exploited a short-lived lira rally to sell 5 percent of Turkcell shares for about \$205 million, getting a much better return on his investment than Sweden's Telia.⁶³ Fridman's remaining 19.8 percent stake is subject to a 12-month lock-up.⁶⁴

LINGERING QUESTIONS

Although Erdoğan's bid for control over Turkcell appears complete, Turkey's opposition continues to probe the irregularities in this complex chain of transactions. On January 14, CHP Deputy Chairman Faik Öztrak filed questions with Turkey's minister of treasury and finance, challenging the terms of the deal presented in Ziraat Bank's press release.⁶⁵ One of Öztrak's inquiries is about the value of Cukurova Finance's 13.8 percent stake used to cover its nonperforming loan to Ziraat Bank. As Öztrak points out, if Telia's 24 percent stake in Turkcell was worth \$530 million in June 2020, then how can Cukurova Finance's 13.8 percent stake settle the BVI-based company's \$1.6 billion debt to Ziraat Bank?

59. Ayla Jean Yackley, "Turkey picks former jailed banker to head Istanbul stock exchange," *Financial Times* (UK), October 21, 2019. (<https://www.ft.com/content/31e25da8-f442-11e9-a79c-bc9acae3b654>); Aykan Erdemir, "Turkish Banker Sentenced for Iran Sanctions-Busting Scheme," *Foundation for Defense of Democracies*, May 18, 2018. (<https://www.fdd.org/analysis/2018/05/18/turkish-banker-sentenced-for-iran-sanctions-busting-scheme>)

60. "Turkish Wealth Fund to inject 21 bln lira capital to state banks," *Reuters*, May 11, 2020. (<https://www.reuters.com/article/turkey-banks-capital/turkish-wealth-fund-to-inject-21-bln-lira-capital-to-state-banks-idUKL8N2CT71X>)

61. Turkey Wealth Fund, "Core capitals of state-owned banks will be increased with a total of TL 21 billion," May 11, 2020. (<https://www.tvf.com.tr/en/contact/disclosures/2020/core-capitals-of-state-owned-banks-will-be-increased-with-a-total-of-tl-21-billion>)

62. Zülfikar Doğan, "Erdoğan becomes boss of Turkey's largest GSM operator, internet and digital platforms," *Ahval News* (Turkey), October 27, 2020. (<https://ahvalnews.com/turkcell/erdogan-becomes-boss-turkeys-largest-gsm-operator-internet-and-digital-platforms>)

63. Ercan Ersoy, "Billionaire Seizes Brief Lira Rally to Sell Turkcell Stake," *Bloomberg*, November 10, 2020. (<https://www.bloomberg.com/news/articles/2020-11-10/billionaire-seizes-brief-lira-rally-to-profit-from-turkcell-sale>)

64. "Shareholder Structure," *Turkcell*, accessed January 26, 2021. (<https://www.turkcell.com.tr/en/aboutus/investor-relations/corporate-governance/shareholder-structure>)

65. "CHP Sözcüsü Öztrak: Ziraat Bankası bu krediyi kime, ne amaçla ve ne karşılığında kullandırmıştır? [CHP Spokesperson Öztrak: To whom, for what purpose, and in return for what did Ziraat Bank provide this loan?]," *Artı Gerçek* (Germany), January 14, 2021. (<https://artigercek.com/haberler/chp-sozcusu-oztrak-kedi-buradaysa-ciger-nerede>)

Meanwhile, Turkish journalists continue to question why Turkcell shares that TWF took over from Telia and Cukurova Finance ended up with a new subsidiary of TWF instead of with the sovereign wealth fund itself.⁶⁶ That subsidiary, TVF Bilgi Teknolojileri İletişim Hizmetleri Yatırım Sanayi ve Ticaret Anonim Şirketi (TVF BTIH), is an Istanbul-based joint stock company established on June 5, 2020, with registered capital of only 5 million Turkish liras (\$740,000). According to Turkcell's disclosures to the U.S. Securities and Exchange Commission on June 17, 2020, and to the Public Disclosure Platform of Turkey's Central Securities Depository on September 11, 2020, a company with less than \$1 million of registered capital now controls Turkcell, which has a market capitalization of \$4.8 billion.⁶⁷

Turkcell claims the new structure, which created a new class of privileged shares that comprise 15 percent of the company's total shares and are owned entirely by TWF through TVF BTIH, hence granting TWF the power to elect five out of nine members of Turkcell's board, will improve governance and protect minority shareholders.⁶⁸ This assertion is highly questionable. The irregularities resulting from the various dealings among TWF, Ziraat Bank, and Turkcell leave much room to improve corporate governance and protect shareholders.

In the short run, Turkcell's minority shareholders might actually find the stability provided by Erdoğan's influence preferable to board infighting that had pushed investors away. Given Erdoğan's track record, however, the current arrangement may prove risky in the long run, not only for the company but also for its shareholders. TWF, Ziraat Bank, and Turkcell are likely to be embroiled in the Turkish president's bid to consolidate political and economic power through these entities and others.

U.S. regulators and prosecutors should continue to scrutinize Turkish entities Erdoğan uses to pursue his domestic and global agenda and the potential illicit transactions carried out through them. Resisting the Turkish president's attempts to scuttle the ongoing federal case against Halkbank on charges of evading Iran sanctions would be a good start.⁶⁹

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66. Füsun S. Nebil, "Turkcell Hisseleri TVF'na Değil Hazıranda Kurulan Şirkete Aktarılıyor [Turkcell Shares Are Transferred To a Company Founded In June, Not To TWF]," *Türk-Internet* (Turkey), September 26, 2020. (<https://turk-internet.com/turkcell-hisseleri-tvfna-degil-haziranda-kurulan-sirkete-aktariliyor>)

67. U.S. Securities and Exchange Commission, "Framework Agreement," June 17, 2020. (<https://www.sec.gov/Archives/edgar/data/1071321/000119312520172597/d945041dex99d.htm>); Republic of Turkey Central Securities Depository, Public Disclosure Platform, "Özel Durum Açıklaması (Genel) [A Statement About a Special Case (General)]," September 11, 2020. (<https://www.kap.org.tr/tr/Bildirim/874621>); "Turkcell İletişim Hizmetleri AS," *Bloomberg*, accessed January 26, 2021. (<https://www.bloomberg.com/quote/TKC:US>)

68. "Turkcell for the Future," *Turkcell*, accessed January 26, 2021. (http://turkcellforthefuture.com/document/Corporate_Governance_Q&A.pdf)

69. Aykan Erdemir, "Turkish Public Lender Fails Again to Scuttle Iran Sanctions Evasion Case," *Foundation for Defense of Democracies*, October 7, 2020. (<https://www.fdd.org/analysis/2020/10/07/turkish-public-lender-iran-sanctions-evasion>)