

National Insolvency Statistics Update: Turkey

Due to economic conditions in 2018, the Turkish insolvency/restructuring regime was reshaped with the Law no. 7101 amending the Code on Execution and Insolvency no. 2004. The Law no. 7101 abrogated bankruptcy adjournment provisions and instead expanded and reconceptualized the concordat process. Since then, concordat appears as one of the main pillars of Turkish insolvency/restructuring regime. *Burak Baydar (Partner at Moroğlu Arseven & INSOL Europe Country Coordinator) and Ibrahim Enes Altan (Associate at Moroğlu Arseven) report.*



Indeed, 1,551 companies applied for concordat in 2018, while 3,697 companies applied for the same in 2019, being the peak of all times. The number of companies seems to be decreasing slightly since 2020, however, the numbers are still considerable. Yet, the number of companies applying courts for concordat was 2,111 in 2020, 1,916 in 2021, 1,587 in 2022 and 1,504 in 2023. Over the five years, 1,223 of applicants became successful and restructured their debts, while 2,798 applications found baseless and 475 of them ruled to be bankrupt.

Shutdown of companies also gets higher over the years in Turkey. According to [Turkish Union of Chambers and Commodity Exchanges](#), 14,050 companies rang down the curtain in 2019, while the number was 15,949 in 2020. The figures increased to 17,184 in 2021, and peaked at 24,303 in 2022 when the impact of Covid-19 pandemic was felt most. The November 2023 figure, being 20,716 shows that 2023 is not significantly different than 2022.

Even though the concordat process was facilitated with the amendment in the law in 2018, the number of bankruptcy proceedings did not show a drastic change. [According to Ministry of Justice statistics](#), 592 bankruptcy proceedings have been filed in 2018, and the figure increased to 766 in 2019. The number of bankruptcy proceedings was 600, 525 and 458 in 2021, 2022 and 2023 respectively. Total number of bankruptcy proceedings was 4,551 with the existing files and 402 proceedings have been completed in the same year. 2023 figures are expected to be published around April 2024.