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The Turkish Competition Authority clears the acquisition of a payment software provider by a fintech operator, dismisses gun-jumping allegations, and fines the target for obstructing a dawn raid (*Dgpays / Provision*)

Preview | e-Competitions News Issue

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Reference: [Turkish Competition Authority, Dgpays / Provision, Case No. 26-01/19-10, Decision, 8 January 2026 \(Turkish\)](#)

*This case summary was drafted using artificial intelligence and then reviewed by the e-Competitions editor. Although the editor has done their best to vet this summary against the original legal text, the accuracy of the summary cannot be guaranteed, and readers are encouraged to consult the original legal text. Individual authors are welcome to provide original independent commentaries on the case law. Articles are subject to approval by the Board of e-Competitions Bulletin before publication based on the Editorial Policy ([click here](#)).*

This article provides an analysis of the Turkish Competition Board's ("Board") decisions concerning the acquisition of sole control over Provision Bilgi İşlem Sanayi ve Ticaret A.Ş. ("Provision") by Dgpays Bilişim Hizmetleri A.Ş. ("Dgpays") through its subsidiary Dgpaysit Bilişim Teknolojileri A.Ş. ("Dgpaysit") ("Transaction"). The Transaction prompted a multi-layered review, involving three distinct Board decisions that separate substantive market concentration analysis from procedural enforcement.

Substantiating its final assessment on January 8, 2026<sup>1</sup>, the Board granted unconditional clearance to the Transaction, concluding that it would not significantly lessen effective competition or create a dominant position within the Turkish financial technologies and payment infrastructure markets. The final decisions provide a detailed analytical framework regarding horizontal overlaps in cards, POS, and ATM infrastructure, vertical input foreclosure risks, and third-party data-driven competition concerns.

The proceedings also establish important parameters for pre-closing coordination and dawn raids in Türkiye. While the Board formally dismissed gun-jumping allegations on December 4, 2025<sup>2</sup>, ruling that the parties' pre-merger communications constituted ordinary, complementary business cooperation rather than a premature transfer of control, it simultaneously upheld procedural discipline. Specifically, via a separate stand-alone ruling on November 6, 2025<sup>3</sup>, the Board fined Provision with an administrative monetary fine for

obstructing an unannounced on-site inspection when personnel withheld a mobile device from the Turkish Competition Authority's ("Authority") case team. Consequently, the Transaction serves as a benchmark case for both substantive merger control clearance and procedural compliance during a merger review.

## The Board's Assessment of the Relevant Product Market

The Board examined the parties' activities in payment infrastructure services, including card, POS and ATM infrastructure services, as well as narrower segments such as switching, authorization, clearing and settlement, chargeback services, and POS terminal field installation and integration services. Referring to its *Param/Paycore* decision<sup>4</sup>, the Board noted that payment infrastructure services may be examined under broader categories of card, POS and ATM infrastructure services, while allowing for narrower segmentations based on the specific service functionalities.

The Board further evaluated whether distinctions should be made according to the parties' business models. In this context, the Board referred to the European Commission's *Mastercard/Nets* decision<sup>5</sup>, and noted that a distinction could be made between a "pure software licensing market" and an "end-to-end product and service supply market". Nevertheless, considering the market's dynamic structure and ongoing technological developments, the Board

1. The Board's final clearance decision dated 08.01.2026 and numbered 26-01/19-10.

2. The Board's gun-jumping decision dated 04.12.2025 and numbered 25-45/1123-631.

3. The Board's obstruction fine decision dated 06.11.2025 and numbered 25-41/998-575.

4. The Board's decision dated 27.12.2024 and numbered 24-56/1241-531.

5. European Commission's *Mastercard/Nets* decision (17.08.2020, M.9744).

concluded that it was not necessary to adopt a definitive market definition based on differing business models.

## The Board's Assessment of Horizontal Effects

Under the broadest possible relevant product market definitions, the Board evaluated the competitive landscape where the corporate activities of Dgpays and Provision intersect horizontally. This broad lens covers the supply of products, tech-enabled services, and foundational infrastructure for cards, POS devices, and ATMs. The Board's data gathering for the years 2024 and 2025 confirmed that the combined market share of the transaction parties across these primary segments remains structurally limited. A key structural defense accepted by the Board is the highly fragmented nature of the Turkish payment services landscape. The market features a high number of active alternative undertakings offering similar infrastructure products. Crucially, the Board highlighted that commercial banks, licensed payment providers, and electronic money institutions regularly rely on in-house engineering solutions to build, maintain, and run their core architectures. In fact, the Board's empirical analysis established that these internal setups control a massive share of the sector, representing a significant of total industry capacity across both review years. This widespread in-house option imposes an aggressive competitive check on external outsourcing providers.

To perform the assessment, the Board ran detailed market concentration simulations across highly specific sub-segments identified in the *Param/Paycore* decision <sup>6</sup>. Even under these narrow constraints, the Transaction raised no structural anti-competitive risks:

- **Card-Authorization Services:** Dgpays delivers active live authorization support, whereas Provision strictly licenses authorization engine software. Their independent market shares for 2023, 2024, and 2025 remained low, and their

simulated combined total footprint was deemed mathematically minor.

- **Card-Clearing and Settlement Services:** Dgpays provides managed clearing and settlement operations (processing data files from BKM), while Provision licenses back-end clearing software modules. The data showed that their combined market share across 2023-2025 remained minor, keeping the sub-market highly fragmented.
- **Card-Switching Services:** Dgpays routes active data across transaction endpoints, while Provision designs switching software lines. The Board's findings confirmed that their combined market share over the 2023-2025 period was very small.
- **Card Issuance Data Services:** Dgpays formats data profiles for downstream plastic card personalization bureaus, while Provision licenses core generation engines. As tracked by the Authority, their combined share was minimal.
- **Card-Chargeback Services:** Dgpays offers managed, live back-office dispute operations, while Provision licenses code tools to track chargeback entries. Their combined market share across 2023-2025 was insignificant.
- **POS Terminal Field Installation and Integration Services:** Dgpays deploys its integrated network applications, while Provision licenses core point-of-sale source codes. Across 2023, 2024, and 2025, their simulated combined total position reached a maximum of only a few percent.

The Board emphasized that robust competition is preserved across all these sub-segments by array of well-capitalized, independent market participants, including Iyzi, Paytr, Paynet, Paycore, Banksoft, Aktiftech, Architect, Codevo, Payantis, Param, and Intertech.

However, the Board paid close attention to two specific areas:

**With regards to the SoftPOS platforms,** complainants argued that combining the parties' positions would allow them to dominate the emerging SoftPOS space. The Board compared the two undertakings' business models and found that they target fundamentally different needs and customer segments: (i) Dgpays' SoftPOS model delivers an all-in-one, turnkey software-as-a-Service (SaaS) package tailored for acquiring banks and large enterprise accounts. This package bundles the mobile app, cloud hosting, back-end transaction routing, and

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6. The Board's decision dated 27.12.2024 and numbered 24-56/1241-531.

full international security certifications, giving clients a ready-to-use solution with no extra engineering or certification work required. (ii) Provision's SoftPOS model focuses on selling an isolated Software Development Kit (SDK). Clients purchase the code library and embed it directly into their own applications, meaning the purchasing clients must manage their own system hosting and secure their own PCI MPoC certifications.

To ensure a conservative review, the Board ran a market-share simulation assuming that both models competed directly in a single horizontal market. By comparing the firms' actual SoftPOS transaction volumes against official BKM national transaction data, the Board found that Dgpays' and Provision's shares were low, and the combined market share remained well under concerning levels. The Board also noted that the market features many active providers, and no single competitor holds a share above 15%, keeping the sector highly dynamic.

**With regards to prepaid card management systems**, the Board also looked at potential overlaps in prepaid card management systems. It found that their core activities differ: Dgpays provides end-to-end operation, setup, and compliance management for prepaid card programs, while avoiding software development in this space. Provision, on the other hand, only licenses prepaid software to a small circle of clients and does not offer operational services. Even when simulating an overlap, Provision's software footprint in this segment was below 1%. Strong, well-established players like TFTPayCore, Architect, Param, Golden Global Bank, Sepa Cyber, and Intertech continue to provide robust competition across the prepaid space.

## The Board's Assessment of Vertical Effects

The Board identified a clear vertical relationship in the ATM sector:

- Upstream Input Market: Provision develops and licenses specialized software modules based on international XFS (Extensions for Financial Services) and EMV (EuroPay, MasterCard, Visa) standards. XFS acts as a universal code layer that

allows software to communicate across different manufacturers' ATM hardware platforms. EMV provides chip-level security standards required to validate card data and prevent fraud.

- Downstream Market: Dgpays provides end-to-end managed ATM infrastructure services, using these software modules to route transactions and connect ATM networks directly into core banking mainframes.

The Board analyzed whether the merger could lead to input foreclosure (where the combined firm stops selling software modules to rival ATM operators) or customer foreclosure (where Dgpays stops using third-party software vendors). To assess this risk, the Board reviewed verified sales value and unit volume data from 2022 to 2024:

- Dgpays' market share in end-to-end ATM infrastructure services remained under low levels across the entire three-year window.
- Provision's independent market share for ATM EMV software modules stayed below low levels.
- Provision's independent market share for ATM XFS software modules also remained below low levels.

Because both companies hold market shares under concerning levels in these areas, the merger undertaking completely lacks the market power needed to successfully carry out a foreclosure strategy. The Board also emphasized that Provision's software is not an irreplaceable or mandatory input for rivals. The widespread availability of global and local alternatives like NCR, Diebold, Kalignite, Bileşim, Paycore, Banksoft, Grg, Wincor, and Intertech ensures that competing ATM operators can easily source alternative software engines.

## The Board's Assessment of Data-Related Concerns

During the merger control review proceedings, several third-party market participants and competitors submitted formal objections expressing serious concerns over data concentration and strategic information asymmetry. The complainants argued that because Provision acts as a core software infrastructure supplier to a wide network of

commercial banks and licensed payment institutions, it has direct or indirect exposure to sensitive operation data. The primary theories of harm raised by these third parties asserted that, post-transaction, the combined entity would have the ability and incentive to:

- Leverage Provision’s infrastructure positioning to gain unauthorized visibility into competitors’ commercially sensitive data, including transaction volumes, pricing structure, merchant discount rates (MDR, valuer/settlement dates, customer portfolios, technical architectures, and product roadmaps.
- Transfer and combine client-side demographic data, spending habits, transaction histories, commission rates, and installment pattern across Dgpays’ group companies to create highly targeted marketing or customer acquisition strategies.
- Weaponize this combined data pool to selectively cut off, restrict, or degrade rivals’ access to critical payment infrastructure inputs, orchestrating an anti-competitive data-driven foreclosure strategy.
- Exploit information asymmetry to deconstruct and preempt the commercial strategies of competing payment service providers, leading to market coordination or the systematic exclusion of independent players from their existing commercial merchant points.

To evaluate whether these data-centric concerns could translate into actual market foreclosure or an unfair competitive advantage, the Board thoroughly analyzed the nature, classification, and flow of data across the parties’ respective operation platforms:

- Dgpays’ Data Architecture. The Board confirmed that while Dgpays processes personal data, limited commercial information, and technical masked transaction logs within its card, POS, and ATM infrastructure lines, this processing is strictly operational. This information is completely segregated and confined to the specific corporate customer for whom the service is rendered; it is not shared across group companies, nor is sold or transferred to any third parties.
- Provision’s Core Operating Model: The investigation established that Provision operates on an on-premise software licensing model. Its software products are hosted entirely within its clients’ internal server, meaning Provision lacks

operational access to live transaction systems and does not collect or store end-user customer data. The only commercial information Provision maintains consists of basic public registries, such as merchant corporate titles and physical business addresses, which are already accessible via open public sources.

The Board cross-referenced these findings with industry feedback from payment stakeholders. The market inquiry confirmed that financial institutions and payment providers across the Turkish sector manage data sets under highly uniform, tightly regulated compliance categories, utilizing robust data access controls and internal security partitioning.

Consequently, the Board determined that for data to present an anti-competitive risk, it must grant the combined entity a non-replicable strategic advantage that cannot be matched or simulated by competitors. Given that Provision does not capture competitively sensitive information beyond public knowledge, the data available to the combine entity is neither unique nor impossible to replicate.

Furthermore, the Board emphasized that because the parties hold low market shares in their respective segments, and because numerous independent, alternative infrastructure technology providers operate in the market, the merged undertaking is unlikely to have the market power necessary to enforce data-based input foreclosure or gain an unfair market position. The Board ultimately dismissed all data-related objections, ruling that the Transaction carries no structural risk of creating a data-driven competitive distortion.

## The Board’s Gun-Jumping Assessment

In parallel with the merger control review, the Board assessed whether the Transaction had been implemented prior to obtaining official clearance (i.e. violation of suspension requirement).

The complainants asserted that despite lacking regulatory approval, Dgpays had already taken *de facto control* of Provision by actively cross-marketing and handling sales for Provision’s card

acquiring infrastructure services, submitting commercial proposals regarding Provision's solutions to a joint customer, and making explicit public declarations that the merger was finalized. To assess these claims, the Board utilized its statutory powers under Article 14 and Article 15 of Law No. 4054, conducting on-site inspections at the general headquarters of Dgpays, Dgpaysit, and Provision.

The case team examined digital documents, including internal emails, JIRA project management logs, and WhatsApp records. The Board divided these findings into three core operational buckets to evaluate if a change of control had occurred:

- **Investor Relations and Historical Performance Metrics:** The search uncovered correspondence from September 2025 where Dgpays requested historical metrics from Provision, specifically looking for total active credit card client counts and transaction volume summaries from the beginning of 2025. Internal records confirmed that Provision did not operate these packages or hold card-usage data and, not being a BKM member, lacked access to such figures — noting instead that Dgpays's own team, which had access to Bankalararası Kart Merkezi (Interbank Card Center) ('**BKM**') bulletins, could obtain the relevant banks' figures. The Board accepted the parties' defense that exchanging historical performance indicators was legitimate and necessary to maintain transparency with foreign investment groups. Sourcing past operational data to assess target performance and prepare investment presentations is standard practice during a transaction and does not constitute an exchange of competitively sensitive data.
- **Complementary Business Partnerships and Client Proposals:** A major portion of the dawn raid findings involved communications regarding shared clients, including projects for entities like Dgpara, Zubizu, and various commercial banks. Complainants pointed to specific project logs from June through September 2025 where Dgpays and Provision coordinated pricing configurations, mapped technical features, and attended client presentations together. The Board's technical analysis revealed that Dgpays and Provision operate at different, complementary tiers of the financial technology value chain. Dgpays delivers end-to-end operational hosting and transaction routing, while PROVISION merely licenses the foundational software engines. Examining the

project proposals showed that Provision's license fees and Dgpays' core processing and server hosting costs were listed as completely separate line items. The companies maintained separate internal cost tracking and did not share a unified financial pool. The Board ruled that these joint communications reflected standard technical collaboration between two independent service providers delivering complementary components to a shared customer, rather than a premature merger.

- **Pre-Closing Entegration and HR Preparations:** The case team also reviewed internal communications from June and July 2025 regarding organizational structure charts and technical staff wage comparisons between the two firms. The Board noted that technical integrations in payment systems require months of complex preparations. Requesting data on staff mapping to plan for technical compatibility post-merger is a legitimate pre-integration step. These discussions did not involve the alignment of current commercial strategies, direct instruction-giving, or day-to-day management interventions. Furthermore, internal emails from August 2025 explicitly showed the parties tracking the Authority's regulatory review timeline and executing an official contract extension to ensure their Share Purchase Agreement would not prematurely close before receiving the Board's formal approval.

Based on these findings, the Board concluded in its decision dated December 4, 2025, that the parties' pre-closing actions fell under standard business cooperation and transaction preparation rather than an unauthorized transfer of corporate control. The Board dismissed the gun-jumping complaints and ruled that no administrative fines were warranted under Article 16(1)(b) of Law No. 4054. However, the Board maintained a clear distinction between this substantive gun-jumping assessment and a separate procedural infraction that took place during the underlying investigation. During the unannounced dawn raids on October 27, 2025, an individual at PROVISION's headquarters refused to hand over their mobile device to the Authority's case team, rendering an examination impossible.

The Board addressed this obstruction in a separate decision dated November 6, 2025, ruling that Provision had hindered a statutory inspection and issuing an administrative monetary penalty against

the target firm. Consequently, while the transaction was fully cleared of gun-jumping, Provision was penalized for its procedural non-compliance during the dawn raid.

## Conclusion

The Board's unconditional approval of the Transaction marks a final determination under Article 7 of Law No. 4054, confirming that Dgpays' acquisition of sole control over Provision creates no dominant position and raises no structural horizontal or vertical competition concerns within the domestic payment systems and financial technology sectors.

Critically, the Board recognized that a considerable portion of this dynamic high-tech market includes commercial banks and financial institutions utilizing their own autonomous, in-house engineering solutions, which naturally places a competitive check on external technology outsourcing vendors.

Furthermore, the parallel gun-jumping decision provides the financial technology sector with a vital framework regarding the legal safe harbors of pre-merger collaboration. Following an extensive review of internal emails, WhatsApp chats, and JIRA project logs, the Board formally dismissed all premature merger complaints after concluding that the parties'

deep technical interactions were legitimate commercial activities. Because Dgpays and Provision operate at different, complementary layers of the payment value chain, with Dgpays handling live operational processing and Provision strictly licensing core software, their joint client proposals, organizational staff mapping, and cost estimations were deemed ordinary, legal technical coordination rather than an unauthorized pre-clearance transfer of corporate control.

However, these proceedings also serve as a strict warning regarding the high costs of procedural non-compliance during active antitrust investigations. While the parties successfully passed the substantive antitrust review and the gun-jumping allegations, the target entity, Provision, was still hit with an administrative monetary fine. This sanction was triggered during the unannounced dawn raids when an individual at Provision's headquarters actively obstructed the Authority's case team by refusing to hand over a mobile device for examination.

Consequently, the final resolution stands as a landmark case study demonstrating that while the Board welcomes justified pre-merger technical integration, demonstrating that the substantive clearance of a transaction offers no shelter from sanctions for obstructing the Authority's inspection powers during the review.

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See also:

The Turkish Competition Authority confirms the absence of gun jumping and clarifies the limits of permissible pre-closing conduct in a notified fintech transaction (*Dgpays / Provision*) – 4 December 2025, *Art. 133913*

The Turkish Competition Authority fines a financial technology software company for obstructing a dawn raid and dismisses gun-jumping allegations in a pending merger review (*Dgpays / Provision*) – 4 December 2025, *Art. 134397*

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