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# The Right to Compensation Granted to Airline Passengers in Cases of Cancellation Has Been Extended to Delays.

#### I. Introduction

The Regulation on the Rights of Passengers Traveling by Air (SHY-YOLCU) ("Regulation") was amended by the Regulation Amending the Regulation on the Rights of Passengers Traveling by Air ("Amendment Regulation"), which was published in the Official Gazette numbered 32748 on 10.12.2024, and entered into force. The Amendment Regulation introduces new provisions regarding the amounts of compensation to be paid by airline operators to passengers whose boarding or flights are delayed.

You can access the full Turkish text of the latest version of the Regulation, incorporating these amendments, <u>here</u>.

#### II. Amendments to the Regulation

### 1. The Legal Basis of the Regulation Was Amended.

The previous version of subparagraph (a) of the first paragraph of Article 3, titled *Legal Basis*, read: "Based on subparagraph (g) of the first paragraph of Article 9 of the Law No. 5431 on the Organization and Duties of the Directorate General of Civil Aviation dated 10/11/2005. (...)"

Since nearly the entire Law No. 5431 was repealed by **Decree Law No. 703** ("**DL**"), the resulting legislative gap in the legal basis was addressed by amending subparagraph (a) through Article 1 of the Amendment Regulation. The revised subparagraph now states: "Based on subparagraph (7) of subparagraph (c) of the first paragraph of Article 441 of Presidential Decree No. 4 on the Organization of Institutions and Organizations Affiliated with, Related to, or Connected to Ministries and Other Institutions and Organizations." This change effectively fills the gap caused by the repeal under the decree law.



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# 2. Compensation Rights Granted to Passengers for Delays Exceeding Three Hours Due to Technical and Operational Reasons.

Article 2 of the Amendment Regulation introduces a new third paragraph to Article 7 of the Regulation. With this addition, and pursuant to the explicit reference to Article 8, it is stipulated that if passengers reach their final destination three hours or more after the scheduled arrival time **due to technical or operational reasons**, the airline operator must immediately fulfill the obligations specified in Articles 8 and 9 of the Regulation. Thus, passengers affected by delays exceeding three hours are granted the right to compensation.

The compensation obligation extended to delays under the Regulation for domestic passengers is the payment of the equivalent of EUR 100,-. For international passengers the sums below shall apply:

- EUR 250,- for flights up to and including 1,500 km,
- EUR 400,- for flights between 1,500 and 3,500 km,
- EUR 600,- for flights over 3,500 km.

Additionally, paragraphs 4 and 5 of Article 8 outline how distances eligible for compensation are to be calculated and how compensation is to be paid, and paragraph 3 specifies that the compensation amounts may be reduced by 50% in certain cases. Article 9, referenced in the provision, regulates rights such as ticket refunds, free flight offers, and re-routing. Although the general reference to these articles might cause some ambiguities regarding the use of compensation and other rights, these provisions will now also apply to delays exceeding three hours if the legal conditions are met.

## 3. Exchange Rate for Compensation Payments Was Amended.

The Amendment Regulation also revised the exchange rate to be applied for compensation payments under Article 8. Previously, the compensation amounts stated above included the phrase "in Turkish Lira equivalent," and the applicable rate was determined based on the Central Bank of the Republic of Turkey ("CBRT") foreign exchange selling rate on the date the ticket was purchased. The Amendment Regulation changes this to the "CBRT foreign exchange selling rate on the date the compensation is





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*paid*". This amendment aims to prevent passengers from being unfairly affected by exchange rate fluctuations between the ticket purchase date and the payment date.

#### **III.** Conclusion

As a result of these amendments, the scope of rights available to passengers affected by delays in air transportation has been expanded. It is now established that the rights outlined in Articles 8 and 9 of the Regulation will also apply to passengers experiencing delays exceeding three hours due to technical or operational reasons. Additionally, the exchange rate to be used in calculating compensation payments has been amended in favor of passengers. It is important for airline passengers who suffer delays to be aware of these expanded rights and to exercise them appropriately.

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