



**SCREENING CHAPTER 28
CONSUMER AND HEALTH PROTECTION**

AGENDA ITEM XIX: OUT- OF- COURT SETTLEMENT

**Country Session: The Republic of TURKEY
6-7 July 2006**



LEGAL BASIS

- **LAW NO. 4077 ON CONSUMER PROTECTION AMENDED BY LAW NO. 4822 (OG No: 25048, 14 March 2003)**

Came into force on 14 June 2003

- **BY-LAW CONCERNING ARBITRATION COMMITTEES FOR CONSUMER PROBLEMS (OG No: 25186, 1 August 2003)**

Came into force on 14 June 2003



COMPETENT AUTHORITY

- **MINISTRY OF INDUSTRY AND TRADE**
- **MINISTRY OF INTERIOR**



LAW ON CONSUMER PROTECTION (ARTICLE 22)

Arbitration Committees for Consumer Problems

The Ministry of Industry and Trade is obliged to establish at least one arbitration committee for consumer problems at the centers of provinces and districts to resolve the disputes arising from the application of the Law on Consumer Protection.

(Currently, there are 931 Arbitration Committees for Consumer Problems, 81 of which established in provinces and 850 of which established in districts)

LAW ON CONSUMER PROTECTION (ARTICLE 22)

Members of Arbitration Committees

- Arbitration Committees consist of 5 members.

Chair:

- In provinces, committees are chaired by provincial industry and trade directors or an official to be appointed by him,
in districts, district governor or an official to be appointed by him.



LAW ON CONSUMER PROTECTION (ARTICLE 22)

Other members:

- **An expert from the municipality,**
- **A lawyer to be appointed by the bar association,**
- **A member to be selected by consumer organisations, and**
- **A member to be appointed by Chamber of Trade and Industry/ Chamber of Tradesmen and Craftsmen**

Rapporteur:

At least one rapporteur is assigned for arbitration committees to prepare the files and to present the report concerning the dispute.



LAW ON CONSUMER PROTECTION (ARTICLE 22)

Scope of Activity of Arbitration Committees

- Filing of the disputes with a value of less than 724,99 YTL* (365 Euros) before the arbitration committee for consumer problems is mandatory.
- The decision made in such disputes shall be binding upon the parties.
- The parties may appeal within 15 days against such decisions before the consumer court.

* This amount is adjusted annually.



LAW ON CONSUMER PROTECTION (ARTICLE 22)

- In disputes with a value of 724,99 YTL (365 Euro) or above, it is possible to go either arbitration committee for consumer problems or consumer courts.**
- In such situation, the decision made by the arbitration committee can be presented to consumer court as evidence.**



BY-LAW CONCERNING ARBITRATION COMMITTEES FOR CONSUMER PROBLEMS

Application (Article 11)

- **Application shall be made by submitting the petition containing the subject-matter of dispute accompanied by documentary evidence.**
- **It is free of charge to apply arbitration committees.**
- **Applications can be made to the arbitration committee where the consumer purchased the goods or service, or where the consumer resides.**



BY-LAW CONCERNING ARBITRATION COMMITTEES FOR CONSUMER PROBLEMS

Duration for Decision (Article 12)

- **Applications shall be discussed and decided by the arbitration committee within 3 months at the latest, being subject to first-in-first out principle.**
- **Where a request has been made for urgent examination or if the Chairman deems necessary, the application will have priority and be finalized urgently by arbitration committee. This is also the case, if the consumer is a foreign tourist.**



BY-LAW CONCERNING ARBITRATION COMMITTEES FOR CONSUMER PROBLEMS

- **Committee Meetings (Articles 13 and 16)**
 - Arbitration Committee meetings are hold at least twice a month.
 - Arbitration Committee convenes with at least three members and the decisions are taken by majority.
- **Notification and Communication of Decisions (Articles 23 and 24)**
 - Decisions are notified to the parties in writing within 5 days from the date on which they are taken.
 - Lists indicating the parties and results of decisions are posted on notice boards of provincial directorates and arbitration committies in districts.



BY-LAW CONCERNING ARBITRATION COMMITTEES FOR CONSUMER PROBLEMS

Examinations (Article 19)

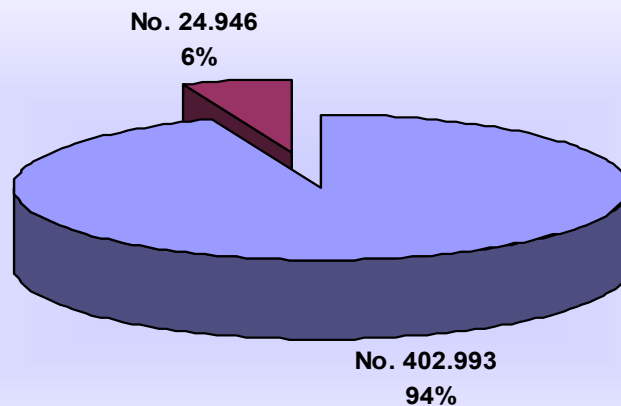
- **Examinations are based on the file to be prepared by the Rapporteur. Moreover, arbitration committee hears the parties if deemed necessary.**
- **For disputes requiring examination by an expert, one person may be appointed for non-binding decision, more than one person may be appointed for binding decision.**



THE DECISIONS OF ARBITRATION COMMITTEES IN 2005

	Number of Application	Results		Number of applications that are forwarded to the relevant organisations	TOTAL
		In favour of Consumers	Against Consumers		
Provincial Arbitration Committees	17.865	11.692	2.751	392	14.835
District Arbitration Committees	30.045	23.029	4.137	454	27.620
TOTAL	47.910	34.721	6.888	846	42.455

THE DISTRIBUTION OF THE DECISIONS OF ARBITRATION COMMITTEES BETWEEN 1995-2005



■ In Favour of Consumers ■ Against Consumers

TOTAL : 427.939



THANK YOU FOR YOUR ATTENTION