

LAW & POLICY GROUP

GRIST



TURKEY RELEASES GUIDANCE ON PENSION SYSTEM

*By Mercer's Evsen Olmez, Stephanie Rosseau and Fiona Webster
30 May 2019*

Turkey released new guidance on its pension system in a [circular](#) (Turkish) issued on 18 Apr 2019. Highlights include the following:

- The Pension Monitoring Center (PMC) will establish an employer tracking system, and employers will be responsible for enrolling in the system. Details will be provided in guidance issued by the PMC.
- The PMC will be in charge of the autoenrollment and contribution processes and will inform employers via the new employer tracking system.
- Pension companies will be required to protect the contribution accumulation during the employee opt-out period — 60 days after first payment.
- Employees will be able to re-join the pension plan after opt-out or withdrawal.
- Employees will be able to choose the types of retirement contracts that will be combined upon retirement — with the exception of employer and autoenrollment contract type.
- The PMS will establish a website to provide information to retirees.
- Autoenrollment pension plans will be suspended if employees don't make payments for three months, and plans can be terminated at the employee's request at any time.

RELATED RESOURCES

- [Circular](#) (Turkish) (Federal Register, 18 Apr 2019)

Note: Mercer is not engaged in the practice of law, accounting or medicine. Any commentary in this article does not constitute and is not a substitute for legal, tax or medical advice. Readers of this article should consult a legal, tax or medical expert for advice on those matters.