

Jurisdiction: Turkey

2016 IMN Survey of National Progress in the Implementation of G20/FSB Recommendations

- I. [Hedge funds](#)
- II. [Securitisation](#)
- III. [Enhancing supervision](#)
- IV. [Building and implementing macroprudential frameworks and tools](#)
- V. [Improving oversight of credit rating agencies \(CRAs\)](#)
- VI. [Enhancing and aligning accounting standards](#)
- VII. [Enhancing risk management](#)
- VIII. [Strengthening deposit insurance](#)
- IX. [Safeguarding the integrity and efficiency of financial markets](#)
- X. [Enhancing financial consumer protection](#)
- XI. [Reference to source of recommendations](#)
- XII. [List of Abbreviations](#)

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
I. Hedge funds					
1 (1)	Registration, appropriate disclosures and oversight of hedge funds	<p>We also firmly recommitted to work in an internationally consistent and non-discriminatory manner to strengthen regulation and supervision on hedge funds. (Seoul)</p> <p>Hedge funds or their managers will be registered and will be required to disclose appropriate information on an ongoing basis to supervisors or regulators, including on their leverage, necessary for assessment of the systemic risks they pose individually or collectively. Where appropriate registration should be subject to a minimum size. They will be subject to oversight to ensure that they have adequate risk management. (London)</p>	<p>Jurisdictions should indicate the progress made in implementing the high level principles in IOSCO’s Report on Hedge Fund Oversight (Jun 2009), in particular recommendations 1 and 2.</p> <p>In their response, jurisdictions should specify whether:</p> <ul style="list-style-type: none"> - Hedge Funds (HFs) and/or HF managers are subject to mandatory registration - Registered HF managers are subject to appropriate ongoing requirements regarding: <ul style="list-style-type: none"> • Organisational and operational standards; • Conflicts of interest and other conduct of business rules; • Disclosure to investors; and • Prudential regulation. <p>Jurisdictions can also refer to Principle 28 of the 2010 IOSCO Objectives and Principles of Securities Regulation, and take into account the outcomes of any recent FSAP/ROSC assessment against those Principles.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing: <i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 01.07.2014</p> <p>Issue is being addressed through :</p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Capital Market Board (CMB) : Currently hedge funds have to meet organizational, operational, personnel standards. According to “Communiqué on Principles of Investment Funds” and “Guideline on Investment Funds” that</p>	<p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>came into force on 01.07.2014, hedge funds are also regulated and hedge funds have to register with CMB and only portfolio management companies are allowed become founder of all types of funds including hedge funds. Hedge funds are also subject to portfolio restrictions as well as additional checks and balances requirements over risk management systems in place. They have to report to CMB and their investors periodically. On top of that, there is also minimum public disclosure requirements determined under the context of “Informational Form for Investors”, which has to be easily accessible online through Public Disclosure Platform. Moreover, they have to make announcements for any change regarding material issues in Public Disclosure Platform, which is easily accessible web site open to any investor without any charge. To further ensure the safety of funds’ assets, the communicate introduces requirement of segregation of funds’ assets from portfolio management companies. To do so, portfolio management companies have to entrust assets in fund’s portfolio to the portfolio depository institution as a custodian</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>licensed by CMB. Also, all portfolio management companies have to prepare a “Conflict of Interest Policy Document” which defines sources of conflicts of interest and measures to solve those conflicts.</p> <p>Highlight main developments since last year’s survey:</p> <p>CMB: We are still monitoring the results of the new regulation, by which sponsorship of existing hedge funds being transferred to portfolio management companies from banks and brokerage houses.</p> <p>Web-links to relevant documents:</p> <p>http://www.cmb.gov.tr/apps/teblig/displayteblig.aspx?id=498&ct=f&action=displayfile</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
2 (2)	Establishment of international information sharing framework	We ask the FSB to develop mechanisms for cooperation and information sharing between relevant authorities in order to ensure effective oversight is maintained when a fund is located in a different jurisdiction from the manager. We will, cooperating through the FSB, develop measures that implement these principles by the end of 2009. (London)	<p>Jurisdictions should indicate the progress made in implementing the high level principles in IOSCO's Report on Hedge Fund Oversight (Jun 2009) on sharing information to facilitate the oversight of globally active fund managers.</p> <p>In addition, jurisdictions should state whether they are:</p> <ul style="list-style-type: none"> - Signatory to the IOSCO MMoU - Signatory to bilateral agreements for supervisory cooperation that cover hedge funds and are aligned to the 2010 IOSCO Principles Regarding Cross-border Supervisory Cooperation. 	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input type="checkbox"/> Final rule (for part of the reform) in force since : <p><input checked="" type="checkbox"/> Implementation completed as of: 29.08.2013</p> <p>Issue is being addressed through :</p> <ul style="list-style-type: none"> <input type="checkbox"/> Primary / Secondary legislation <input checked="" type="checkbox"/> Regulation /Guidelines <input type="checkbox"/> Other actions (such as supervisory actions), please specify: <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>CMB:In Turkey, the fund itself and the manager have to be located in the same jurisdiction. CMB is fully cooperating with other jurisdictions in case of any information requested by other authorities or vice versa. Additionally, the fund managers have to provide</p>	<p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>relevant information about their activities, if any, in other jurisdictions. The IOSCO MMoU concerning the cooperation and exchange of information among the member countries has been approved by all IOSCO members at the 2002 Annual Conference held in Istanbul. CMB is among the first institutions signing the IOSCO MMoU. CMB is fully cooperating with other jurisdictions in case of any information requested by other authorities or vice versa. CMB has signed MOUs with authorities of 15 European Union countries (Bulgaria, Czech Republic, Denmark, Greece, Hungary, Italy, Lithuania, Latvia, Luxembourg, Malta, Romania, Slovakia, Sweden, Netherlands, United Kingdom) as well as Iceland, Norway and Liechtenstein with respect to cooperation and exchange of information for the supervision of Alternative Investment Fund Managers. In addition, The CMB has collaborative arrangements with foreign regulatory and supervisory authorities and still continues its efforts to sign MoUs concerning the cooperation and sharing of information with foreign counterparts. CMB signed MoUs with authorities from 35 countries</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>in this regard.</p> <p>Highlight main developments since last year's survey:</p> <p>Developments mentioned above are still in effect.</p> <p>Web-links to relevant documents:</p> <p>http://cmb.gov.tr/indexpage.aspx?pageid=71&submenuheader=4</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
3 (3)	Enhancing counterparty risk management	<p>Supervisors should require that institutions which have hedge funds as their counterparties have effective risk management, including mechanisms to monitor the funds’ leverage and set limits for single counterparty exposures. (London)</p> <p>Supervisors will strengthen their existing guidance on the management of exposures to leveraged counterparties. (Rec. II.17, FSF 2008)</p>	<p>Jurisdictions should indicate specific policy measures taken for enhancing counterparty risk management and strengthening their existing guidance on the management of exposure to leveraged counterparties.</p> <p>In particular, jurisdictions should indicate whether they have implemented recommendation 3 of the IOSCO Report on Hedge Fund Oversight (Jun 2009).</p> <p>In their responses, jurisdictions should not provide information on the portion of this recommendation that pertains to Basel III, since it is monitored separately by the BCBS.</p> <p>Jurisdictions can also refer to Principle 28 of the 2010 IOSCO Objectives and Principles of Securities Regulation, and take into account the outcomes of any recent FSAP/ROSC assessment against those Principles.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing: <i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: CMB: 01.07.2014; BRSA: 11.09.2014 (Guideline on Counterparty Risk Management)</p> <p>Issue is being addressed through :</p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>CMB: Guideline for investment funds which includes hedge funds goes in detail regarding how to calculate counterparty risk, market risk methods such as VAR and risk systems and</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>required and suggested risk calculation methods vary across different investment fund types based on how much leverage a fund is exposed. Furthermore, there are some limits put on place regarding total counterparty risk. BRSA: BRSA has published guideline on counterparty credit risk management on 11 September 2014. The guideline clearly states the responsibilities of Board of Directors, senior management, the minimum requirements for effective risk management practices and tools, and etc. There is also particular emphasis on additional risk management principles for complicated financial products and highly leveraged institutions.</p> <p>Highlight main developments since last year's survey:</p> <p>CMB: We are still monitoring the results of the new regulations.</p> <p>Web-links to relevant documents:</p> <p>http://www.spk.gov.tr/indexpage.aspx?pageid=182&submenuheader=0 An updated version of the guideline: http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/14605karsi_taraf_kredi_ri_ski_yonetimine_iliskin_rehber.pdf</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
II. Securitisation					
4 (4)	Strengthening of regulatory and capital framework for monolines	Insurance supervisors should strengthen the regulatory and capital framework for monoline insurers in relation to structured credit. (Rec II.8, FSF 2008)	<p>Jurisdictions should indicate the policy measures taken for strengthening the regulatory and capital framework for monoline insurers (where these exist).</p> <p>See, for reference, the following principles issued by IAIS:</p> <ul style="list-style-type: none"> • ICP 13 – Reinsurance and Other Forms of Risk Transfer; • ICP 15 – Investments; and • ICP 17 - Capital Adequacy. <p>Jurisdictions may also refer to:</p> <ul style="list-style-type: none"> • IAIS Guidance paper on enterprise risk management for capital adequacy and solvency purposes (Oct 2008). • Joint Forum document on Mortgage insurance: market structure, underwriting cycle and policy implications (Aug2013). 	<p><input checked="" type="checkbox"/> Not applicable</p> <p>Treasury: There is no monoline insurer in Turkey.</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p>Issue is being addressed through :</p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Treasury: “Proportionality” is considered for small size insurers on some of the Insurance Supervision Manuals. However there is no specific capital requirements</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
II. Securitisation					
				for monolines. Highlight main developments since last year's survey: Web-links to relevant documents:	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
5 (5)	Strengthening of supervisory requirements or best practices for investment in structured products	Regulators of institutional investors should strengthen the requirements or best practices for firms' processes for investment in structured products. (Rec II.18, FSF 2008)	<p>Jurisdictions should indicate the due diligence policies, procedures and practices applicable for investment managers when investing in structured finance instruments and other policy measures taken for strengthening best practices for investment in structured finance products.</p> <p>Jurisdictions may reference IOSCO's report on Good Practices in Relation to Investment Managers' Due Diligence When Investing in Structured Finance Instruments (Jul 2009).</p> <p>Jurisdictions may also refer to the Joint Forum report on Credit Risk Transfer-Developments from 2005-2007 (Jul 2008).</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 01.07.2014</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>CMB: According to "Communiqué on Principles of Investment Funds" and "Guideline on Investment Funds" that came into force on 01.07.2014, all the issuers of structured products that funds invest in have to be investment-grade</p>	<p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>rated. Also funds investing in structured products have to make daily VAR calculations, which are reported daily to supervisors of risk management unit and weekly to Board of Directors of the management firm.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: http://www.cmb.gov.tr/apps/teblig/displayteblig.aspx?id=498&ct=f&action=displayfile</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
6 (6)	Enhanced disclosure of securitised products	Securities market regulators should work with market participants to expand information on securitised products and their underlying assets. (Rec. III.10-III.13, FSF 2008)	<p>Jurisdictions should indicate the policy measures and other initiatives taken in relation to enhancing disclosure of securitised products, including working with industry and other authorities to continue to standardise disclosure templates and considering measures to improve the type of information that investors receive.</p> <p>See, for reference, IOSCO's Report on Principles for Ongoing Disclosure for Asset-Backed Securities (Nov 2012), Disclosure Principles for Public Offerings and Listings of Asset-Backed Securities (Apr 2010) and report on Global Developments in Securitisation Regulations (November 2012), in particular recommendations 4 and 5.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input checked="" type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input checked="" type="checkbox"/> Draft in preparation, expected publication by: 31.12.2016</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Final rule (for part of the reform) in force since : 09.01.2014</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>CMB: CMB: In order to ensure the investors are informed, fundamentals relating to disclosure of securitised products are determined specifically by Communique on Asset-Backed and Mortgage-Backed Securities (III-58.1) which was put into effect on 9.1.2014.</p>	<p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>CMB: As there has been no ABS public offering in Turkey up to now, objective and qualitative information could not be obtained from the market participants in order to complete ABS prospectus standard.</p> <p>Planned actions (if any) and expected commencement date:</p> <p>CMB: Detailed information about the parties involved in the ABS issuance or ABS itself for public offerings will be featured in the prospectus standard of ABS. CMB plans to issue ABS prospectus standard compatible with international standards/guidelines by the end of 2016</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>This communique enforces material disclosures such as announcement of periodic reports, credit ratings for ABS, updated information about the parties involved in the issuance or changes regarding the fund (SPV) statute or management/audit of the fund, irrespective of the issuance type (public offering or sale to qualified investors).</p> <p>Highlight main developments since last year's survey:</p> <p>Capital Markets Board of Turkey declared that they plan to issue ABS prospectus standard compatible with international standards/guidelines by the end of 2016. With this new regulation, detailed information about the parties involved in the ABS issuance or ABS itself for public offerings will be featured in the prospectus standard of ABS.</p> <p>Web-links to relevant documents:</p> <p>http://www.cmb.gov.tr/apps/teblig/displayteblig.aspx?id=494&ct=f&action=displayfile</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
III. Enhancing supervision					
7 (7)	Consistent, consolidated supervision and regulation of SIFIs	All firms whose failure could pose a risk to financial stability must be subject to consistent, consolidated supervision and regulation with high standards. (Pittsburgh)	<p>Jurisdictions should indicate: (1) whether they have identified domestic SIFIs and, if so, in which sectors; (2) whether the names of the identified SIFIs have been publicly disclosed; and (3) the types of policy measures taken for implementing consistent, consolidated supervision and regulation of the identified SIFIs.</p> <p>In their response to (3) above, jurisdictions should note any significant changes in their approach, strategy or practices to enhance SIFI supervision.</p> <p>Jurisdictions should mention, but not provide details on, policy measures that pertain to higher loss absorbency requirements for G/D-SIBs, since these are <u>monitored separately</u> by the BCBS.</p> <p>See, for reference, the following documents:</p> <p>BCBS:</p> <ul style="list-style-type: none"> • Framework for G-SIBs (Jul 2013) • Framework for D-SIBs (Oct 2012) <p>IAIS:</p> <ul style="list-style-type: none"> • Global Systemically Important Insurers: Policy Measures (Jul 2013) 	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input checked="" type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Final rule (for part of the reform) in force since : 23.02.2016</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>BRSA: A secondary regulation has been issued on 23/02/2016 regarding the identification and additional capital requirements for D-SIBs in line with BCBS Framework. The D-SIBs are identified for 2016, but the D-SIB list is</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
			<p><i>and initial assessment methodology</i></p> <ul style="list-style-type: none"> • <i>IAIS SRMP guidance - FINAL (Dec 2013)</i> • <i>Guidance on Liquidity management and planning (Oct 2014)</i> <p>FSB:</p> <ul style="list-style-type: none"> • <i>Framework for addressing SIFIs (Nov 2011)</i> 	<p>not disclosed to the public. On the other hand, according to Regulation on Audits that will be conducted by the BRSA, D-SIBs are already subject to enhanced/intensified consolidated supervision according to their size, complexity and risk profile. CMB: FSB and IOSCO has published for second public consultation Assessment Methodologies for Identifying NBNI G-SIFIs where Turkey does not have any NBNI G-SIFI. The financial system in Turkey is dominated by banks and regarding these, CMB has no action on regulation and supervision of NBNI G-SIFI's.</p> <p>Undersecretariat of Treasury (Treasury): There is no GSII in Turkey. However, we are conducting consolidated supervisions in a coordinated manner with BRSA for some insurers.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents:</p> <p>http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/14988sistemik_onemli_ba nkalar_hakkinda_yonetmelik.pdf</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
8 (8)	Establishing supervisory colleges and conducting risk assessments	<p>To establish the remaining supervisory colleges for significant cross-border firms by June 2009. (London)</p> <p>We agreed to conduct rigorous risk assessment on these firms [G-SIFIs] through international supervisory colleges. (Seoul)</p>	<p>Reporting in this area should be undertaken solely by home jurisdictions of G-SIBs and G-SIIs.</p> <p>Please indicate the progress made in establishing and strengthening the functioning of supervisory colleges for G-SIBs and G-SIIs, including the development of any joint supervisory plans within core colleges and leveraging on supervisory activities conducted by host authorities.</p> <p>See, for reference, the following documents:</p> <p>BCBS:</p> <ul style="list-style-type: none"> • Principles for effective supervisory colleges (Jun 2014) • Progress report on the implementation of principles for effective supervisory colleges (Jul 2015) <p>IAIS:</p> <ul style="list-style-type: none"> • ICPs 24 and 25, especially guidance 25.1.1 – 25.1.6, 25.6, 25.7 and 25.8 • Application paper on supervisory colleges (Oct 2014) 	<p><input checked="" type="checkbox"/> Not applicable</p> <p>BRSA: Turkey does not have any GSIFIs.</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p>Issue is being addressed through :</p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>BRSA: Turkey does not have any GSIFIs.</p> <p>Highlight main developments since last year’s survey:</p> <p>Web-links to relevant documents:</p>	<p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
9 (9)	Supervisory exchange of information and coordination	<p>To quicken supervisory responsiveness to developments that have a common effect across a number of institutions, supervisory exchange of information and coordination in the development of best practice benchmarks should be improved at both national and international levels. (Rec V.7 , FSF 2008)</p> <p>Enhance the effectiveness of core supervisory colleges. (FSB 2012)</p>	<p>Jurisdictions should include any feedback received from recent FSAPs/ROSC assessments on the September 2012 BCP 3 (Cooperation and collaboration) and BCP 14 (Home-host relationships). Jurisdictions should also indicate any steps taken since the last assessment in this area, particularly in response to relevant FSAP/ROSC recommendations.</p> <p>Jurisdictions should describe any recent or planned regulatory, supervisory or legislative changes that contribute to the sharing of supervisory information (e.g. within supervisory colleges or via bilateral or multilateral MoUs).</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing: <i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 25.02.2011 (BRSA); 30.12.2012 (CMB); 27.07.2013 (Treasury)</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>BRSA : MoUs CMB: In order to enhance supervisory exchange of information and coordination, the CMB has been signing MoUs with both international financial organizations and national authorities for the purposes of developing bilateral cooperation opportunities, carrying out cross border</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>supervision and enforcement activities effectively. The CMB is one of the first countries signing the IOSCO Multilateral MoU. Additionally, starting from the 1990s, the CMB has signed bilateral MoUs with many regulatory and supervisory authorities from 35 jurisdictions.</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>BRSA: An amendment in the Banking Law Nr. 5411 concerning the professional secrecy issue is enacted as of 25.02.2011. In this context, the conflict between Turkish legislation and EU Directives has been eliminated through this amendment. This change in the Law enabled BRSA to enter into Memorandum of Understanding with EU Supervisory Authorities which enhanced the cooperation. BRSA has signed bilateral MoUs with the regulatory and supervisory authorities of 34 jurisdictions. (as of June 2016)</p> <p>CMB: Capital Market Law promulgated in 2012, Article No: 128/d: "Cooperating in any manner in relation to capital markets and signing bilateral or multilateral memoranda of understanding in accordance with the principles of</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>reciprocity and the protection of professional confidentiality, with corresponding foreign institutions that are authorised to regulate and supervise capital markets, in order to exchange information, meet requests for document, inspecting the headquarters, branch offices or subsidiaries or affiliates located in Turkey of institutions performing activities in the capital markets of foreign countries as well as in the bodies from which they outsource within the framework of a written contract and to take the necessary administrative measures, share the expenditures related to the activities to be carried out in this context" is defined within the duties of the CMB.</p> <p>Treasury: Insurance Law Article No. 29 on information sharing and cooperation among international institutions. Regulation about supervisory exchange of information and coordination akin to ICP 5 and ICP 17. Monitoring and Supervision Regulation (amendment date: R.G. 27.07.2013 – 28720). Article 32 of this Regulation deals with information sharing and collaboration. It enables the UoT to cooperate with national and international monitoring and supervising</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>authorities, to be a party to agreements on information sharing and joint supervision, and to exchange information within the legal framework of the Insurance Regulation. The UoT is a signatory of IAIS Multilateral Memorandum of Understanding (IAIS MMoU) as of 28th March 2013.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents:</p> <p>FOR CMB LAW: http://www.cmb.gov.tr/displayfile.aspx?action=displayfile&pageid=87&fn=87.pdf&submenuheader=null; AND FOR THE MOUs SIGNED by The CMB: http://cmb.gov.tr/indexpage.aspx?pageid=71&submenuheader=4</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
10 (10)	Strengthening resources and effective supervision	<p>We agreed that supervisors should have strong and unambiguous mandates, sufficient independence to act, appropriate resources, and a full suite of tools and powers to proactively identify and address risks, including regular stress testing and early intervention. (Seoul)</p> <p>Supervisors should see that they have the requisite resources and expertise to oversee the risks associated with financial innovation and to ensure that firms they supervise have the capacity to understand and manage the risks. (FSF 2008)</p> <p>Supervisory authorities should continually re-assess their resource needs; for example, interacting with and assessing Boards require particular skills, experience and adequate level of seniority. (Rec. 3, FSB 2012)</p>	<p>Jurisdictions should indicate any steps taken on recommendations 1, 2, 3, 4 and 7 (i.e. supervisory strategy, engagement with banks, improvements in banks’ IT and MIS, data requests, and talent management strategy respectively) in the FSB thematic peer review report on supervisory frameworks and approaches to SIBs (May 2015).</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since:</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 23.02.2016</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline: BRSA: A secondary regulation has been issued on 23/02/2016 regarding the identification and additional capital requirements for D-SIBs in line with</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>BCBS Framework. The D-SIBs are identified for 2016, but the D-SIB list is not disclosed to the public. Implementation of this recommendation do not require any change in regulations/guidelines. On the other hand, according to Regulation on Audits that will be conducted by the BRSA, D-SIBs are already subject to enhanced/intensified consolidated supervision according to their size, complexity and risk profile.</p> <p style="text-align: right;">(cont.)</p> <p>Treasury: Insurance Early Warning System (SEUS) has been established by the Treasury. In the context of SEUS, early warning indicators of potential financial distress have been defined out of number of indicators by taking into account of correlations, and weights. In addition, insurance sector specific stress testing mechanism has been developing. In the context of stress testing, while a top down approach for the assessment of an earthquake scenario and contagion risk shocks has been used, a bottom up approach is partly considered in the solvency regime for the market risk (only interest rate shock is used)There is also a catastrophic risk monitoring mechanism in place.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/14988sistemik_onemli_ba nkalar_hakkinda_yonetmelik.pdf</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
IV. Building and implementing macroprudential frameworks and tools					
11 (11)	Establishing regulatory framework for macro-prudential oversight	<p>Amend our regulatory systems to ensure authorities are able to identify and take account of macro-prudential risks across the financial system including in the case of regulated banks, shadow banks¹ and private pools of capital to limit the build up of systemic risk. (London)</p> <p>Ensure that national regulators possess the powers for gathering relevant information on all material financial institutions, markets and instruments in order to assess the potential for failure or severe stress to contribute to systemic risk. This will be done in close coordination at international level in order to achieve as much consistency as possible across jurisdictions. (London)</p>	<p>Please describe major changes in the institutional arrangements for macroprudential policy (structures, mandates, powers, reporting etc.) that have taken place since the global financial crisis, particularly over the past year.</p> <p>Please indicate whether an assessment has been conducted with respect to the adequacy of powers to collect and share relevant information among different authorities on financial institutions, markets and instruments to assess the potential for systemic risk. If so, please describe identified gaps in the powers to collect information, and whether any follow-up actions have been taken.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since:</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 08.06.2011</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>The Financial Stability Committee (FSC)</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

¹ The recommendation as applicable to shadow banks will be retained until the monitoring framework for shadow banking, which is one of the designated priority areas under the CFIM, is established.

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>was established in June 8, 2011. Financial Stability Committee is composed of the Undersecretary of Treasury and the heads of the Central Bank of Turkey, Banking Regulation and Supervision Agency, Capital Markets Board and Saving Deposit Insurance Fund under the chairmanship of Minister in charge of the Treasury (currently Deputy Prime Minister for Economic and Financial Affairs). The FSC monitors and identifies the systemic risks and determines possible necessary macroprudential measures to mitigate them. Building on the individual institutions' powers pertaining to their specific areas, the law (Law on the Structures and Duties of the Undersecretariat of Treasury, No: 4059, Additional Article: 4) empowers the Financial Stability Committee with the mandate to gather the information from all relevant parties, and to coordinate and monitor the policy implementations of them. Also, members of the FSC have the power to reach all available data from their respective bodies. There are also MoUs and bilateral subprotocols between several authorities on information sharing. Current and emerging data needs</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>are shared within the principles of these protocols. The peer review report of Turkey was published at 19.11.2015. One of the topics that had been examined is macroprudential policy framework and tools. The peer review team did not identify any gaps in the powers to collect information for the assessment of the systemic risk.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents:</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
12 (12)	Enhancing system-wide monitoring and the use of macro-prudential instruments	<p>Authorities should use quantitative indicators and/or constraints on leverage and margins as macro-prudential tools for supervisory purposes. Authorities should use quantitative indicators of leverage as guides for policy, both at the institution-specific and at the macro-prudential (system-wide) level...(Rec. 3.1, FSF 2009)</p> <p>We are developing macro-prudential policy frameworks and tools to limit the build-up of risks in the financial sector, building on the ongoing work of the FSB-BIS-IMF on this subject. (Cannes)</p> <p>Authorities should monitor substantial changes in asset prices and their implications for the macro economy and the financial system. (Washington)</p>	<p>Please describe at a high level (including by making reference to financial stability or other reports, where available) the types of methodologies, indicators and tools used to assess systemic risks.</p> <p>Please indicate the use of macroprudential tools in the past year, including the objective for their use and the process used to select, calibrate, and apply them.</p> <p>See, for reference, the following documents:</p> <ul style="list-style-type: none"> CGFS report on Operationalising the selection and application of macroprudential instruments (Dec 2012) FSB-IMF-BIS progress report to the G20 on Macroprudential policy tools and frameworks (Oct 2011) IMF staff papers on Macroprudential policy, an organizing framework (Mar 2011), Key Aspects of Macroprudential policy (Jun 2013), and Staff Guidance on Macroprudential Policy (Dec 2014) 	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since:</p> <p><input checked="" type="checkbox"/> Implementation completed as of: Implementation of macro-prudential instruments is an ongoing process.</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>The FSC was established in June 8, 2011. Since the end of 2010, variety of macro prudential tools have been used by related authorities. Systemic risk is monitored and analysed by the authorities regularly in both aggregate and granular level within the scope of the duties and powers.</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>A conceptual framework in the form of heat map is being developed by the subgroup of the FSC to assist the systemic risk assessment and to analyze possible consequences of risks to financial stability. The heat map is built on four channels; financial markets, financial institutions, financial infrastructure, real economy. The data/indicator selection process for each main channel has yet to be completed by 2016. For 2015 and 2016, the CBRT is planning to enhance the technical framework of stress test models. In 2015, the CBRT started new project to improve stress testing modules by including new satellite models and risk modules in already used frameworks. In this respect, the CBRT is planning to increase collaboration with ECB and IMF. The CBRT has ongoing projects about early warning indicators and systemic risk. These projects are planned to be finalized by the end of 2016. Also, the CBRT works on a “Data Project” which has two phases: data stocktaking and data gap analysis. On the October 2014 the first phase of data project was completed. The</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>The FSC’s role is to coordinate policy actions and to better integrate micro and macroprudential perspectives among institutions. The CBRT regularly monitors the developments in the global and Turkish economy. The CBRT follows a “guided discretionary approach” considering the systemic threats to financial stability in a proactive manner. CBRT’s Financial Stability Report and the BRSA’s Annual Report communicate macro prudential instruments. Related authorities have been using various macro prudential tools.</p> <ul style="list-style-type: none"> • Loan-to-value (LTV) ceilings on residential mortgage loans, vehicle loans; • High risk weights for consumer loans; • Increased provisions for consumer loans; • Limits to credit card payments; • Liquidity requirements • Measures on Extension of the Maturity of Deposits (Withdrawal before maturity, differentiation of withholding according to maturity of deposits, differentiation of Resource Utilization Support Fund (RUSF) based on Maturity) • Differentiation on Deposit Insurance System Premiums (risk based premium system) • Reserve requirements • Leverage Based Reserve Requirements 	<p>second phase is under way, which takes systemic risks into account as well. The data gaps identified to include more frequent reporting of banking sector data; for example weekly reporting of the data that is currently reported monthly. When the data gap identification part of the project is finalized, related authorities will send new reporting templates to the financial institutions to start reporting.</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>Equity financing regulations</p> <p>The Treasury (UoT): Although insurance companies in Turkey neither is described as systemically important nor pose systemic risk in the financial sector. However as the UoT, we established an Insurance Early Warning System Model (SEUS) measuring the financial strength of companies and the sector. In addition, Insurance sector specific stress testing mechanism has been developing. There is also a catastrophic risk monitoring mechanism in place.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents:</p> <p>http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/Bankacilik_Kanununa_Iliskin_Duzenlemeler.aspx</p> <p>http://www.fsb.org/wp-content/uploads/Turkey-peer-review-report-19Nov15.pdf</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
V. Improving oversight of credit rating agencies (CRAs)					
13 (13)	Enhancing regulation and supervision of CRAs	<p>All CRAs whose ratings are used for regulatory purposes should be subject to a regulatory oversight regime that includes registration. The regulatory oversight regime should be established by end 2009 and should be consistent with the IOSCO Code of Conduct Fundamentals. (London)</p> <p>National authorities will enforce compliance and require changes to a rating agency’s practices and procedures for managing conflicts of interest and assuring the transparency and quality of the rating process.</p> <p>CRAs should differentiate ratings for structured products and provide full disclosure of their ratings track record and the information and assumptions that underpin the ratings process.</p> <p>The oversight framework should be consistent across jurisdictions with appropriate sharing of information between national authorities, including through IOSCO. (London)</p> <p>Regulators should work together towards appropriate, globally compatible solutions (to conflicting compliance</p>	<p>Jurisdictions should indicate the policy measures undertaken for enhancing regulation and supervision of CRAs including registration, oversight and sharing of information between national authorities. They should also indicate their consistency with the following IOSCO document:</p> <ul style="list-style-type: none"> • Code of Conduct Fundamentals for Credit Rating Agencies (Mar 2015) (including governance, training and risk management) <p>Jurisdictions may also refer to the following IOSCO documents:</p> <ul style="list-style-type: none"> • Principle 22 of Principles and Objectives of Securities Regulation (Jun 2010) which calls for registration and oversight programs for CRAs • Statement of Principles Regarding the Activities of Credit Rating Agencies (Sep 2003) • Final Report on Supervisory Colleges for Credit Rating Agencies (Jul 2013) <p>Jurisdictions should take into account the outcomes of any recent FSAP/ROSC assessment against those principles.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input checked="" type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Final rule (for part of the reform) in force since : CMB: Original regulation in 1997, final amendment on 29.08.2013</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>There are two independent authorities that regulate and supervise financial markets in Turkey: Capital Markets Board of Turkey and Banking Regulation and Supervision Agency. CMB: Capital</p>	<p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
		<p>obligations for CRAs) as early as possible in 2010. (FSB 2009)</p> <p>We encourage further steps to enhance transparency and competition among credit rating agencies. (St Petersburg)</p>		<p>Markets Board of Turkey was established in 1982 under the first Capital Market Law dated 1981. Both the former Law and renewed 2012 version of it give the authority to regulate and supervise the securities markets in Turkey to the Capital Markets Board of Turkey. The Board exercises its authority by establishing regulatory procedures and by making decisions for individual cases. In this setting, pursuant to paragraph (n) of Article 22 and Article 39 of the former Law, the first regulation on credit rating activities in capital markets, which required authorization and supervision of rating agencies, was promulgated in 1997. CMB is one of the first authorities that introduced regulatory oversight regime with registration. Since that first Communiqué, the provisions of the Communiqué have been updated several times (2004, 2007, 2010 and 2013) in order to make it in compliance with 2003 IOSCO principles and 2004 IOSCO Code of Conduct as well as to reflect the changes in the financial markets. Only rating agencies established in Turkey that are qualified by CMB and international rating agencies recognized by CMB are permitted to provide rating service in</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>Turkey. There are 6 domestic CRAs, which are under oversight of Capital Markets Board of Turkey, and 3 international CRAs authorized to rate Turkish listed companies and capital market institutions. Rating activities within the context of the Communiqué are subject to the surveillance and inspection of CMB; CMB may request any kind of information and document from rating agencies. In addition to several administrative actions that may be taken by CMB, CMB has the authority to delist the rating agency should there be a substantial change in the degree that the agency satisfies the listing criteria or should CMB detect a violation of relevant provisions of rating regulations.</p> <p>BRSA: Implementation completed at 17.04.2012 (Updated on 20/01/2016) BRSA: "Regulation on the Principles Regarding the Authorization and Activities of Rating Agencies" which mainly incorporates international best practices entered into force on 17.04.2012.</p> <p>Highlight main developments since last year's survey:</p> <p>CMB: The last amendment in CMB's CRA communique was published in 2013</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>and aimed to adapt the EU-rules regarding sovereign ratings. Currently, as Turkey is a candidate for full EU membership, the CMB is carrying out a project to have the CRA communique in line with EU 2009/1060 Regulation. Draft is not disclosed to public as of yet. BRSA: The regulation has been recently updated on 20/01/2016 in line with international developments.</p> <p>Web-links to relevant documents:</p> <p>http://cmb.gov.tr/displayfile.aspx?action=displayfile&pageid=87&fn=87.pdf&submenuheader=null</p> <p>http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/10821derecelendirme_kuruluslarinin_yetkilendirilmesine_ve_faaliyetlerine_iliskin_esaslar_hakkinda_yonetmelik.pdf</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
14 (14)	Reducing the reliance on ratings	<p>We also endorsed the FSB’s principles on reducing reliance on external credit ratings. Standard setters, market participants, supervisors and central banks should not rely mechanistically on external credit ratings. (Seoul)</p> <p>Authorities should check that the roles that they have assigned to ratings in regulations and supervisory rules are consistent with the objectives of having investors make independent judgment of risks and perform their own due diligence, and that they do not induce uncritical reliance on credit ratings as a substitute for that independent evaluation. (Rec IV. 8, FSF 2008)</p> <p>We reaffirm our commitment to reduce authorities’ and financial institutions’ reliance on external credit ratings, and call on standard setters, market participants, supervisors and central banks to implement the agreed FSB principles and end practices that rely mechanistically on these ratings. (Cannes)</p> <p>We call for accelerated progress by national authorities and standard setting</p>	<p>Jurisdictions should indicate the steps they are taking to address the recommendations of the May 2014 FSB thematic peer review report on the implementation of the FSB Principles for Reducing Reliance on Credit Ratings, including by implementing their agreed action plans. Any revised action plans should be sent to the FSB Secretariat so that it can be posted on the FSB website.</p> <p>Jurisdictions may refer to the following documents:</p> <ul style="list-style-type: none"> • FSB Principles for Reducing Reliance on CRA Ratings (Oct 2010) • FSB Roadmap for Reducing Reliance on CRA Ratings (Nov 2012) • BCBS Consultative Document Revisions to the Standardised Approach for credit risk (Dec 2015) • IAIS ICP guidance 16.9 and 17.8.25 • IOSCO Good Practices on Reducing Reliance on CRAs in Asset Management (June 2015) • IOSCO Sound Practices at Large Intermediaries Relating to the Assessment of Creditworthiness and the 	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input checked="" type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input checked="" type="checkbox"/> Draft published as of: 27 November 2015</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Final rule (for part of the reform) in force since : 06.09.2014 (BRSA)</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>BRSA: As stated in the Agreed Action Plan for Reducing Reliance on CRAs, due to the nature of the local market and the BRSA regulations, practically CRA ratings have no effect with regards to banking activities. BRSA follows Basel</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>The draft regarding these changes in the communicate is prepared and expected to be published by mid 2016</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
		<p>bodies in ending the mechanistic reliance on credit ratings and encourage steps that would enhance transparency of and competition among credit rating agencies. (Los Cabos)</p> <p>We call on national authorities and standard setting bodies to accelerate progress in reducing reliance on credit rating agencies, in accordance with the FSB roadmap. (St Petersburg)</p>	<p>Use of External Credit Ratings (Dec 2015).</p>	<p>Committee to finalize its work on alternative methods of risk weighting. BRSA will then develop regulations in line with new Basel standards. All banks are obliged to make their own credit assessments before extending credits and not to solely rely on any CRA rating. CRA ratings are not a replacement of internal risk assessment according to BRSA regulations. In order to incentivise market participants to develop internal risk management capabilities, BRSA published regulations on IRB and AMA on 06.09.2014. (Currently all banks are using Basel’s standard approaches) BRSA has also published a detailed credit risk management guideline on 17.07.2014 in order to improve banks’ internal risk assessment capabilities.</p> <p>CMB: Debt securities regulation</p> <p>Highlight main developments since last year’s survey:</p> <p>BRSA: In line with the aim of being fully compliant with the Basel framework, during the RCAP process of Turkey, regulations on credit rating agencies, the IRB approach has been updated on 23/10/2015 and 20/01/2016.</p> <p>Web-links to relevant documents:</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>IRB Regulation http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/1349Iidd_tebliğ.pdf Risk management Guideline http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/14604bankaların_kredi_yo_netimine_iliskin_rehber.pdf EXISTING REGULATION: http://www.cmb.gov.tr/apps/teblig/displayteblig.aspx?id=478&ct=f&action=displayfile DRAFT: http://www.spk.gov.tr/duyurugoster.aspx?aid=20151127&subid=0&ct=c&submenuheader=null</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VI. Enhancing and aligning accounting standards					
15 (15)	Consistent application of high-quality accounting standards	Regulators, supervisors, and accounting standard setters, as appropriate, should work with each other and the private sector on an ongoing basis to ensure consistent application and enforcement of high-quality accounting standards. (Washington)	<p>Jurisdictions should indicate the accounting standards that they follow and whether (and on what basis) they are of a high and internationally acceptable quality (eg equivalent to IFRSs as published by the IASB), and provide accurate and relevant information on financial performance. They should also explain the system they have for enforcement of consistent application of those standards.</p> <p>Jurisdictions may want to refer to their jurisdictional profile prepared by the IFRS Foundation, which can be accessed at: http://www.ifrs.org/Use-around-the-world/Pages/Analysis-of-the-G20-IFRS-profiles.aspx.</p> <p>As part of their response on this recommendation, jurisdictions should indicate the policy measures taken for appropriate application of fair value accounting.</p> <p>In addition, jurisdictions should set out any steps they intend to take (if appropriate) to foster transparent and consistent implementation of the new</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 01.11.2006 (BRSA) - CMB: 21.12.2004 (for listed companies and capital market institutions other than investment funds and housing finance and asset finance funds) and 30.12.2013 (for investment funds and housing finance and asset finance funds); Treasury (2007)</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>CMB: Listed companies and capital market institutions as defined in Capital</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
			<p>accounting requirements for expected loan loss provisioning for impaired loans that are being introduced by the IASB and are scheduled to be introduced by the FASB.</p> <p>See, for reference, the following BCBS document:</p> <ul style="list-style-type: none"> • <i>Supervisory guidance for assessing banks' financial instrument fair value practices (Apr 2009)</i> 	<p>market Law apply Turkish Accounting Standards and Turkish Financial Reporting Standards (TAS/TFRS) (which is compatible with IFRSs) as set and disclosed by the Public Oversight, Accounting and Auditing Standards Authority (POA). Application of those standards is required to be audited by independent audit firms according to the related CMB regulations. In addition, a team of experts has been assigned to do revision of financial reports on a risk basis and required precautions are taken for those entities which breach standards and related regulations.</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>BRSA: Institutions under the supervision of the BRSA have to comply with TFRSs which are in line with IFRSs since 01/11/2006. BRSA has the authority to supervise and regularly supervises the full implementation of TFRSs by the related companies. BRSA regulations regarding fair value considerations in the calculation of capital requirements are in line with Basel III and in force since July 2012. CMB: Following articles 14 and 36 and subparagraph (ğ) of first paragraph of article 128 of the Capital</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>Markets Law no. 6362 dated 6.12.2012, Communiqué on Principles of Financial Reporting In Capital Markets was promulgated on 13.06.2013 and Communiqué on Principles Regarding Financial Reporting of Investment Funds was promulgated on 30.12.2013. The purpose of these Communiqué is to set the principles and procedures regarding financial reports to be publicly announced by issuers and capital market institutions. These entities prepare their financial statements on the basis of TAS/IFRS issued and published by POA. Moreover, to ensure that the financial reporting principles and procedures are clear and understandable, or for the sake of unity in implementation thereof, if and when deemed necessary, the Capital Market Board reaches decisions pursuant to article 14 of the Law. Entities are under obligation to comply with these decisions</p> <p>Treasury: All norms regarding accounting, financial reporting and valuation of assets are compliant with IFRS since 2007. Insurance, reinsurance and pension companies under the supervision of Treasury have to comply with IFRSs which are in line with IFRSs. Treasury has the authority to supervise</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>regularly the full implementation of TFRSs by the related companies.</p> <p>Highlight main developments since last year's survey:</p> <p>BRSA published a separate best practice guideline on fair value calculations in December 2015.</p> <p>Web-links to relevant documents:</p> <p>CMB: http://www.cmb.gov.tr/apps/teblig/displyteblig.aspx?id=477&ct=f&action=displayfile http://www.cmb.gov.tr/apps/teblig/displyteblig.aspx?id=481&ct=f&action=displayfile BRSA BRSA Accounting Rules http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/1688bankalarin_muhasebe_uygulamalarina_ve_belgelerin_saklanmasina_ilikin_usul_ve_esaslar_hakkinda_yonetmelik.pdf Guideline on Fair Value Calculations http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/14752gercege_uygun_deg er_olcumune_iliskin_rehberi.pdf Treasury http://www.tsb.org.tr/Document/Yonetmelikler/Finansal_Raporlama-SON.pdf</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VII. Enhancing risk management					
16 (17)	Enhancing guidance to strengthen banks' risk management practices, including on liquidity and foreign currency funding risks	<p>Regulators should develop enhanced guidance to strengthen banks' risk management practices, in line with international best practices, and should encourage financial firms to re-examine their internal controls and implement strengthened policies for sound risk management. (Washington)</p> <p>National supervisors should closely check banks' implementation of the updated guidance on the management and supervision of liquidity as part of their regular supervision. If banks' implementation of the guidance is inadequate, supervisors will take more prescriptive action to improve practices. (Rec. II.10, FSF 2008)</p> <p>Regulators and supervisors in emerging markets¹ will enhance their supervision of banks' operation in foreign currency funding markets. (FSB 2009)</p> <p>We commit to conduct robust, transparent stress tests as needed. (Pittsburgh)</p>	<p>Jurisdictions should indicate the policy measures taken to enhance guidance to strengthen banks' risk management practices.</p> <p>Jurisdictions may also refer to the following documents:</p> <ul style="list-style-type: none"> • FSB's thematic peer review report on risk governance (Feb 2013); • Joint Forum's Developments in credit risk management across sectors: current practices and recommendations (June 2015); and • BCBS Peer review of supervisory authorities' implementation of stress testing principles (Apr 2012) and Principles for sound stress testing practices and supervision (May 2009). 	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input checked="" type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Final rule (for part of the reform) in force since : 31.03.2016 (The publication date of most recent risk management guideline.)</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>The BRSA published an updated</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

¹ Only the emerging market jurisdictions that are members of the FSB may respond to this recommendation.

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>regulation on internal systems and ICAAP for banks on 11/07/2014. Additionally, to address the main G20/FSB recommendations; detailed risk management guidelines on credit risk, market risk, operational risk, counterparty credit risk, liquidity risk (funding and market), interest rate risk in the banking book (yield curve risk, basis risk, optionality risk), concentration risk, country and transfer Risk (indirect country risk, sovereign risk, macroeconomic risk and contagion Risk) have been issued. Moreover, the stress testing framework is regulated more explicitly and the BRSA has also issued the supporting guidelines on stress testing and ICAAP Report preparation.</p> <p>Highlight main developments since last year's survey:</p> <p>BRSA has published additional guidelines on fair value calculations, reputation risk and compensation practices.</p> <p>Web-links to relevant documents:</p> <p>http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/Bankacilik_Kanununa_Iliskin_Duzenlemeler.aspx</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
17 (18)	Enhanced risk disclosures by financial institutions	<p>Financial institutions should provide enhanced risk disclosures in their reporting and disclose all losses on an ongoing basis, consistent with international best practice, as appropriate. (Washington)</p> <p>We encourage further efforts by the public and private sector to enhance financial institutions' disclosures of the risks they face, including the ongoing work of the Enhanced Disclosure Task Force. (St. Petersburg)</p>	<p>Jurisdictions should indicate the status of implementation of the disclosures requirements of IFRSs (in particular IFRS 7 and 13) or equivalent. Jurisdictions may also use as reference the recommendations of the October 2012 report by the Enhanced Disclosure Task Force on Enhancing the Risk Disclosures of Banks and Implementation Progress Report by the EDTF (Dec 2015), and set out any steps they have taken to foster adoption of the EDTF Principles and Recommendations.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input checked="" type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Final rule (for part of the reform) in force since : 31.03.2016 (BRSA)</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>BRSA: Institutions under the supervision of the BRSA have to comply with TFRSs on disclosure requirements which are in line with IFRSs. BRSA has the authority to supervise and regularly supervises the full implementation of these disclosure TFRSs by the related companies</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>Treasury: The Undersecretariat of Treasury monitors the information disclosed by insurers in a timely manner. Article 18 Paragraph 2 of Insurance Law No. 5684 stipulates that the Undersecretariat shall cause to be re-announced such financial statements as corrected if any untrue information is discovered in the announced financial statements announced by insurance and reinsurance companies, taking into account generally accepted accounting rules and principles (01.06.2007).</p> <p>Highlight main developments since last year's survey:</p> <p>BRSA has adopted the BCBS's new pillar 3 disclosure requirements and they are effective by 31/03/2016, earlier than the agreed international deadline.</p> <p>Web-links to relevant documents:</p> <p>BRSA Pillar III requirements http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/15027risk_yonetimi_aciklamalari_tebliğ_degisiklik_islenmis.pdf</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VIII. Strengthening deposit insurance					
18 (19)	Strengthening of national deposit insurance arrangements	National deposit insurance arrangements should be reviewed against the agreed international principles, and authorities should strengthen arrangements where needed. (Rec. VI.9, FSF 2008)	<p>Jurisdictions should describe any revisions made to national deposit insurance system, including steps taken to address the following recommendations of the FSB’s February 2012 thematic peer review report on deposit insurance systems:</p> <ul style="list-style-type: none"> • Adoption of an explicit deposit insurance system (for those jurisdictions that do not have one) • Addressing the weaknesses and gaps to full implementation of the Core Principles for Effective Deposit Insurance Systems issued by IADI in November 2014. 	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input checked="" type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input checked="" type="checkbox"/> Draft published as of: The proposal to establish “bridge bank” is at the Sub Committee of the Assembly, now</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Savings Deposit Insurance Fund (SDIF) The draft proposal has been submitted to the Assembly for approval on October</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>2014.</p> <p>Highlight main developments since last year's survey:</p> <p>The draft proposal for "Bridge Bank" is at the subcommittee of the Parliament and not approved yet.</p> <p>Web-links to relevant documents:</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
IX. Safeguarding the integrity and efficiency of financial markets					
19 (20)	Enhancing market integrity and efficiency	We must ensure that markets serve efficient allocation of investments and savings in our economies and do not pose risks to financial stability. To this end, we commit to implement initial recommendations by IOSCO on market integrity and efficiency, including measures to address the risks posed by high frequency trading and dark liquidity, and call for further work by mid-2012. (Cannes)	<p>Jurisdictions should indicate whether high frequency trading and dark pools exist in their national markets.</p> <p>Jurisdictions should indicate the progress made in implementing the recommendations:</p> <ul style="list-style-type: none"> in relation to dark liquidity, as set out in the IOSCO Report on Principles for Dark Liquidity (May 2011). on the impact of technological change in the IOSCO Report on Regulatory Issues Raised by the Impact of Technological Changes on Market Integrity and Efficiency (Oct 2011). on market structure made in the IOSCO Report on Regulatory issues raised by changes in market structure (Dec 2013). 	<p><input checked="" type="checkbox"/> Not applicable</p> <p>CMB: High frequency trading and dark pools do not exist in our national markets.</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p>Issue is being addressed through :</p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents:</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
20 (21)	Regulation and supervision of commodity markets	<p>We need to ensure enhanced market transparency, both on cash and financial commodity markets, including OTC, and achieve appropriate regulation and supervision of participants in these markets. Market regulators and authorities should be granted effective intervention powers to address disorderly markets and prevent market abuses. In particular, market regulators should have, and use formal position management powers, including the power to set ex-ante position limits, particularly in the delivery month where appropriate, among other powers of intervention. We call on IOSCO to report on the implementation of its recommendations by the end of 2012. (Cannes)</p> <p>We also call on Finance ministers to monitor on a regular basis the proper implementation of IOSCO's principles for the regulation and supervision on commodity derivatives markets and encourage broader publishing and unrestricted access to aggregated open interest data. (St. Petersburg)</p>	<p>Jurisdictions should indicate whether commodity markets of any type exist in their national markets.</p> <p>Jurisdictions should indicate the policy measures taken to implement the principles found in IOSCO's report on Principles for the Regulation and Supervision of Commodity Derivatives Markets (Sep 2011).</p> <p>Jurisdictions, in responding to this recommendation, may also make use of the responses contained in the update to the survey published by IOSCO in September 2014 on the principles for the regulation and supervision of commodity derivatives markets.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input checked="" type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input checked="" type="checkbox"/> Draft in preparation, expected publication by: the end of 2017</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p>Issue is being addressed through :</p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>CMB: The commodity market hadn't been regulated before the new Capital Markets Law which was enacted on 30.12.2012. Currently, few Financial commodity derivative contracts (wheat, cotton and electricity) are traded in Derivatives Market of the Borsa Istanbul.</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>The project to design a new commodity market in the Borsa İstanbul is ongoing. The market rules are expected to take effect at the end of 2017.</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>Enhanced market transparency and market abuse rules are applied to the market. Additionally, the project to design a new commodity market in the Borsa İstanbul is ongoing.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents:</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
21 (22)	Reform of financial benchmarks	We support the establishment of the FSB’s Official Sector Steering Group to coordinate work on the necessary reforms of financial benchmarks. We endorse IOSCO’s Principles for Financial Benchmarks and look forward to reform as necessary of the benchmarks used internationally in the banking industry and financial markets, consistent with the IOSCO Principles. (St. Petersburg)	Collection of information on this recommendation will continue to be deferred given the forthcoming FSB progress report on implementation of FSB recommendations in this area, and ongoing IOSCO work to review the implementation of the <i>IOSCO Principles for Financial Benchmarks</i> .		

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
X. Enhancing financial consumer protection					
22 (23)	Enhancing financial consumer protection	We agree that integration of financial consumer protection policies into regulatory and supervisory frameworks contributes to strengthening financial stability, endorse the FSB report on consumer finance protection and the high level principles on financial consumer protection prepared by the OECD together with the FSB. We will pursue the full application of these principles in our jurisdictions. (Cannes)	<p>Jurisdictions should describe progress toward implementation of the OECD’s G-20 high-level principles on financial consumer protection (Oct 2011).</p> <p>Jurisdictions may also refer to OECD’s September 2013 and September 2014 reports on effective approaches to support the implementation of the High-level Principles. The effective approaches are of interest across all financial services sectors – banking and credit; securities; insurance and pensions – and consideration should be given to their cross-sectoral character when considering implementation.</p> <p>Jurisdictions should, where necessary, indicate any changes or additions that have been introduced as a way to support the implementation of the High-level Principles, to address particular national terminology, situations or determinations.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input checked="" type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress [for legislation and regulation/guidelines only]:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Final rule (for part of the reform) in force since : 03.10.2014</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>BRSA: BRSA has issued a regulation on fees that can be charged on financial consumers and principles and procedures regarding contracts, information to be provided, reimbursement of the fees, introduction of new fees, etc. A new</p>	<p>Planned actions (if any) and expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>web-page has been introduced for financial consumers with a simple and updated content and the online complaint acceptance mechanism has been enhanced.</p> <p>Treasury: According to Article 32 of the insurance law (1) Insurance companies and intermediaries shall not design their brochures, explanatory notices, other documents and their advertisements and commercials in a way that results in an understanding outside the limits and scope of the rights and benefits which they shall provide to the insured, and shall not make statements that are unreal, misleading, deceiving or that give rise to unfair competition. Where violation of this provision is ascertained the matter shall be referred to the Advertising Board that acts upon the Law on Protection of Consumers. (2) Insurance companies, reinsurance companies, intermediaries and loss adjusters are obliged to refrain from acts which may endanger the rights and benefits of the insured, to act in accordance with the legislation and principles of the business plan, and to behave in compliance with the requirements of insurance and the rules of goodwill. (3) Insurance companies shall</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>not delay the payment of insurance claims in violation of the rules of goodwill. (4) The Undersecretariat is authorized to take all the measures in order to ensure that insurance companies, reinsurance companies, intermediaries and loss adjusters comply with the above mentioned rules. (5) Rights of persons to choose an insurance company shall not be restricted. In contracts, where one of the parties are obliged to buy insurance, provisions requiring the conclusion of the insurance contract with a certain company shall be void.” * According to the article 30 of the Insurance Law; to settle the disputes arising from the insurance contract between the policy holder or people benefiting from the insurance contract on the one side and the party undertaking the risk on the other side, the Insurance Arbitration Commission has been established. * Regulation on Furnishing Information in Insurance Contracts regulates the principles and obligations of insurers to ensure that persons who intend to enter into a specific insurance relationship do not confront any insufficient information. * To solve insureds’ complaints effectively and on time, Insurance E-</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>Application System has been established within The Undersecretariat of Treasury General Directorate of Insurance.</p> <p>Ministry of Custom and Trade (GTB) : “In our country, there is no special legislation focusing on financial consumer protection. Special statutory provisions about financial product and services are incorporated into the Law on Consumer Protection (Ministry of Custom and Trade (GTB), Numbered 6502 and effective date 28.05.2014). Besides the general issues about the protection of consumers, Article 4 named Core principles sets the conditions of consumer contracts. Based on the same article, Banking Regulation and Supervision Agency, by taking the view of our Ministry, put into force “Regulation On Principles And Procedures Related To Fees to Be Taken From Financial Consumers” (effective date 3.10.2014). Moreover, The Law 6502 aims to protect consumers by involving bank and insurance contracts under the framework of consumer issues. At the second (Consumer Credit Contracts) and third section (Housing Finance) of the Law, contracts, pre-contract notification liability, the right of</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>withdrawal, interest rate, use of cancellation rights, default, early payment, issuing insurance and linked credit agreements and other issues are regulated. Other regulation which aimed to protect financial consumer are prepared based on Law 6502 are stated below; 1-Regulation on Distance Contracts For Financial Services (effective date 01.05.2015) 2-Regulation on Consumer Credit Agreements (effective date 22.11.2015) 3-Regulation on House Finance Agreements (effective date 28.11.2015) 4-Regulation on Arbitration Committees for Consumer (effective 27.11.2014) 5-Regulation on Unfair Terms in Consumer Agreements (effective 17.06.2014) On the other hand, supervisions on banking sector are conducted under the Law 6502 by GTB. Board of Advertisement that is a part of GBT conducts supervision at the field of advertisement. Besides that, under The Law and the secondary regulations, supervision has started about the 35 bank by Ministry of Custom and Trade and administrative fine was imposed to 4 bank. Arbitration Committees for Consumer Problems are constituted as a solution organ out of court in order to</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>find solutions for disputes that may arise in consumer transactions. Most of the applications which are reaching to this Committees composed of complaints about banking sector and this rate has increased in last 3 years. Arbitration Committees for Consumer Problems have 599.210 (%72 of total) applications in 2013, 4.900.777 (%90 of total) applications in 2014 and 2.879.627 (%93 of total) applications in 2015 about banking sector. That Committees are constituted scope of Law on Consumer Protection and our Ministry organized educational and informative activities aimed to coordinate as guide particularly to inform about legal legislation and achieving unity, detecting problems and find solutions. Besides this developments, the context of “Consumer Academy Project” prepared by Ministry, a web site (http://tuketiciakademisi.gov.tr) was set up. The aim of this project is to increase consumer awareness, share present information and accumulation. Educational videos with this web site aims to increase the of awareness level of financial consumers’ about their rights.</p> <p>Highlight main developments since last year’s survey:</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>CBRT: The Law numbered 6698 on Protection of Personal Data was published in the Official Gazette on April 7, 2016. The Law mainly aims to protect the right of privacy and core personnel rights and freedoms during the processing of personal data. Law also defines the principles that real and legal person dealing data processing should obey. Data Processing is defined as any kind of operation using personal data such as collection, recording, storage, preservation, revision, classification, transmission and disclosure. According to the Law data processing should be in line with fairness and justice, data should be processed for explicit and legitimate purpose; data should be correct, adequate and relevant. Data should be kept for the time stipulated by the law. The Law also defines the conditions for data processing without consent and principals for sensitive data processing like data on race, ethnic origin, political opinions, philosophical beliefs, religion etc. The data controller must take all necessary security measures in order to provide the adequate level of safety for prevention of</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>personnel data. Personal Data Protection Authority is established to implement this Law. The Authority is related with Prime Minister Office, it has operational and financial autonomy. Personal Data Protection Board is decision organ of the Authority.</p> <p>Web-links to relevant documents:</p> <p>http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Finansal_Tuketicin_Korunmasina_Iliskin_Duzenlemeler/13586finansaltuketicilerden_alinacak_ucetlere_iliskin_usul_ve_esaslar_hakkinda_yonetmelik.pdf www.finansaltuketici.gov.tr</p> <p>http://www.tuketici.gov.tr/?wslt=57A5C94A-2D72-428F-8B1E-DFACE5BD9FFC</p> <p>http://tuketiciakademisi.gov.tr/</p> <p>http://www.resmigazete.gov.tr/main.aspx?home=http://www.resmigazete.gov.tr/eskiler/2016/04/20160407.htm&main=http://www.resmigazete.gov.tr/eskiler/2016/04/20160407.htm</p>	

XI. Source of recommendations:

[Brisbane: G20 Leaders' Communique \(15-16 November 2014\)](#)

[St Petersburg: The G20 Leaders' Declaration \(5-6 September 2013\)](#)

[Los Cabos: The G20 Leaders' Declaration \(18-19 June 2012\)](#)

[Cannes: The Cannes Summit Final Declaration \(3-4 November 2011\)](#)

[Seoul: The Seoul Summit Document \(11-12 November 2010\)](#)

[Toronto: The G-20 Toronto Summit Declaration \(26-27 June 2010\)](#)

[Pittsburgh: Leaders' Statement at the Pittsburgh Summit \(25 September 2009\)](#)

[London: The London Summit Declaration on Strengthening the Financial System \(2 April 2009\)](#)

[Washington: The Washington Summit Action Plan to Implement Principles for Reform \(15 November 2008\)](#)

[FSF 2008: The FSF Report on Enhancing Market and Institutional Resilience \(7 April 2008\)](#)

[FSF 2009: The FSF Report on Addressing Procyclicality in the Financial System \(2 April 2009\)](#)

[FSB 2009: The FSB Report on Improving Financial Regulation \(25 September 2009\)](#)

[FSB 2012: The FSB Report on Increasing the Intensity and Effectiveness of SIFI Supervision \(1 November 2012\)](#)

XII. List of Abbreviations used:

CMB: Capital Markets Board of Turkey CBRT: Central Bank of the Republic of Turkey
SDIF: Savings Deposit Insurance Fund BRSA: Banking Regulation and Supervision
Authority Treasury: Republic of Turkey Prime Ministry Undersecretariat of Treasury POA:
Public Oversight, Accounting and Auditing Standards Authority GTB: Ministry of Custom
and Trade