

Jurisdiction: Turkey

2014 IMN Survey of National Progress in the Implementation of G20/FSB Recommendations

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No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
I. Refining the regulatory perimeter					
1 (1)	Review of the boundaries of the regulatory framework including strengthening of oversight of shadow banking ¹	We will each review and adapt the boundaries of the regulatory framework to keep pace with developments in the financial system and promote good practices and consistent approaches at an international level. (London)	Jurisdictions should indicate the steps taken to expand the domestic regulatory framework to previously unregulated entities, for example, non-bank financial institutions (e.g. finance companies, mortgage insurance companies, credit hedge funds) and conduits/SIVs etc.	<input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i>	Planned actions (if any): Expected commencement date: Web-links to relevant documents: http://www.bddk.org.tr/WebSitesi/englis h/Legislation/115986361factoringlaw_en grev_er_onx.pdf
(1)		We agree to strengthen the regulation and oversight of the shadow banking system. ² (Cannes)	Jurisdictions should indicate policy measures to strengthen the regulation and oversight of the shadow banking system. See, for reference, the recommendations discussed in section 2 of the October 2011 FSB report: Shadow Banking: Strengthening Oversight and Regulation.	<input checked="" type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input checked="" type="checkbox"/> Regulation / Guidelines <input type="checkbox"/> Other actions (such as supervisory actions), please specify: Status of progress : <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 checked="" type="checkbox"/> Reform effective (completed) as of: 01.07.2014 for CMB, and December 2012 for BRSA Short description of the content of the	

¹ Some authorities or market participants prefer to use other terms such as “market-based financing” instead of “shadow banking”. The use of the term “shadow banking” is not intended to cast a pejorative tone on this system of credit intermediation. However, the FSB is using the term “shadow banking” as this is the most commonly employed and, in particular, has been used in the earlier G20 communications.

² This recommendation will be retained until the monitoring framework for shadow banking, which is one of the designated priority areas under the CFIM, is established.

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				<p>legislation/ regulation/guideline: Capital Markets Board of Turkey (CMB) : Portfolio management companies are subject to capital adequacy requirements similar to those applied to intermediary institutions. Money market funds have very restrictive portfolio requirements, making them almost immune to any liquidity risk. They can only invest in debt instruments. Any asset in its portfolio has to have no more than 180 days to maturity and average maturity of its portfolio has to have no more than 45 days.</p> <p>Banking Regulation and Supervision Agency (BRSA): Financial leasing, factoring and finance institutions has long been regulated in Turkey, the new law, “The Law on Financial Leasing, Factoring and Financing Institutions No: 6361 came into force at December 13, 2012. This regulation abolished the Financial Leasing Act number 3226 dated June 28, 1985 and the Decree Law on Borrowing Money number 90 dated October 6, 1983. The new law has strengthened the regulatory framework and brought new prudential requirements for those institutions.</p>	

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				<p>Highlight main developments since last year’s survey: Capital Markets Board of Turkey :New communiques that are expanding oversight of CMB over portfolio management companies, and investment funds, bringing new measures regarding risk management systems, were already published and they entered into force on 01.07.2014.</p> <p>Web-links to relevant documents: Capital Markets Board of Turkey: http://www.spk.gov.tr/apps/teblig/displayteblig.aspx?id=442&ct=f&action=displayfile&submenuheader=null</p> BRSA http://www.bddk.org.tr/WebSitesi/english/Legislation/115986361factoringlaw_engrev_er_onx.pdf	

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II. Hedge funds					
2 (2)	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 state whether Hedge Funds(HFs) are domiciled locally and, if available, indicate the size of the industry in terms of Assets Under Management (AUM) and number of HFs. Jurisdictions should indicate the progress made in implementing the high level principles contained in IOSCO’s Report on Hedge Fund Oversight (Jun 2009).</p> <p>In particular, jurisdictions should specify whether:</p> <ul style="list-style-type: none"> - 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><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 checked="" type="checkbox"/> Implementation ongoing or completed :</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 checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>CMB: Daily oversight of their portfolio structure through a specific software</p> <p>Status of progress :</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"/> Reform effective (completed) as of: 01.07.2014</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Capital Markets Board (CMB): Hedge funds operating in Turkey have strictly been regulated under the revoked</p>	<p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

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				<p>Serial:VII, No:10, Communique on the Principles Regarding Mutual Funds and The Communique on the Principles Regarding Investment Funds, replacing the Serial:VII,No:10 since 2006 in evolving manner. Currently hedge funds have to meet organizational, operational, personnel standards. According to new communique that came into force on 01.07.2014, hedge funds have to register with CMB and only portfolio management companies are allowed to become a founder of all types of funds including hedge funds while in the previous communique, the revoked Serial:VII, No:10, Communique on the Principles Regarding Mutual Funds, only banks and intermediary institutions were allowed to establish a fund. Hedge funds are also subject to portolio 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 fund founder’s website. Moreover, they have to make</p>	

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				<p>announcements for any change regarding material issues in Public Disclosure Platform, which is easily accessible web site open to any investor without any charge. In other words, the Communique on the Principles Regarding Investment Funds is designed to not only to keep practices specified in the revoked Serial:VII, No:10 but also to expand existing oversight over hedge fund activities. To further ensure the safety of funds' assets, new communique 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 licensed by CMB. Around 25 hedge funds domiciled locally are operating in Turkey with around 500 million TRY (Approximately \$250 million) net asset value.</p> <p>Highlight main developments since last year's survey: Capital Markets Board :Draft guideline for investment funds regarding details of implications of new communique in terms of risk measurement, organizational structure, asset valuations etc is published and after</p>	

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				<p>consultation period, it will be effective.</p> <p>Web-links to relevant documents: Capital Market Board : Turkish version of new communique, “The Communique on the Principles Regarding Investment Funds” can be found at “http://www.resmigazete.gov.tr/eskiler/2013/07/20130709-14.htm?submenuheader=null”</p>	

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3 (3)	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>In particular, jurisdictions should indicate those jurisdictions where an MoU is in place that provides for oversight when a hedge fund is located in one of these jurisdictions and manager is located elsewhere.</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 checked="" type="checkbox"/> Implementation ongoing or completed :</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>Status of progress :</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"/> Reform effective (completed) as of: 29.08.2013</p> <p>Short description of the content of the legislation/ regulation/guideline: Capital Markets Board: 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.</p>	<p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

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				<p>Additionally, the fund managers have to provide relevant information about their activities, if any, in other jurisdictions.</p> <p>Highlight main developments since last year’s survey: Capital Markets Board :Recognizing importance of being timely in information sharing, CMB has announced MOUs with authorities of 13 European Union countries (Czech Republic, Denmark, Greece, Hungary, Italy, Lithuania, Latvia, Luxembourg, Malta, Romania, Sweden, Netherlands , United Kingdom) as well as Iceland, Norway and Liechtenstein about information sharing on oversight of structured investment funds on 29.08.2013</p> <p>Web-links to relevant documents:</p>	

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4 (4)	Enhancing counterparty risk management	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>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 the Basel III rules for credit exposures to highly leveraged counterparties (para 112 of Basel III (Jun 2011) – see also FAQ no 1b.4 on Basel III counterparty credit risk, Dec 2012), and principle 2.iii of IOSCO Report on Hedge Fund Oversight (Jun 2009). Jurisdictions should also indicate the steps they are taking to implement the new standards on equity exposures (Capital requirements for banks' equity investments in funds, Dec 2013) by 1 January 2017.</p> <p>For further reference, see also the following documents :</p> <ul style="list-style-type: none"> • BCBS Sound Practices for Banks' Interactions with Highly Leveraged Institutions (Jan 1999) • BCBS Banks' Interactions with Highly Leveraged Institutions (Jan 1999) 	<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 checked="" type="checkbox"/> Implementation ongoing or completed :</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>Status of progress :</p> <p>Draft in preparation, expected publication by:</p> <p><input checked="" type="checkbox"/> Draft published as of: August 2014 (BRSA)- Amendment of Annex of Regulation of Measurement and Evaluation of Capital Adequacy of banks on counterparty credit risk</p> <p><input checked="" type="checkbox"/> Final rule or legislation approved and will come into force on: September, 2014- Guideline on counterparty credit risk management..</p> <p><input type="checkbox"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Capital Markets Board of Turkey: Draft guideline for investment funds which</p>	<p>Planned actions (if any):</p> <p>Expected commencement date: BRSA: It is expected that both the regulation and the risk management guidelines will take effect in 2015.</p> <p>Web-links to relevant documents:</p>
(4)		Supervisors will strengthen their existing guidance on the management of exposures to leveraged counterparties. (Rec. II.17,FSF 2008)			

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				<p>includes hedge funds goes in detail regarding how to calculate counterparty risk, market risk methods such as VAR and risk systems and 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.</p> <p>BRSA: Draft regulation on counterparty credit risk management which is in line with CRD IV opened for public consultation in August 2014 . As new BCBS standards on counterparty risk management will take effect on 1 January 2017, BRSA will update them accordingly. Additionally, BRSA has also published guideline on counterparty credit risk management in 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</p>	

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				<p>year’s survey: Capital Markets Board of Turkey :The Communique on the Principles Regarding Investment Funds, which has been fully effective as of 01.07.2014, replacing Serial:VII, No:10, Communique on the Principles Regarding Mutual Funds, was published on 09.07.2013. Based on this Communique, the guideline for investment funds was published on 20.06.2014 and has been effective as of 01.07.2014. This guideline for investment funds, which includes hedge funds, goes in detail regarding how to calculate counterparty risk, market risk in different methods such as VAR. Furthermore it brings new requirements about risk systems and mandatory/discretionary risk calculation methods depending on how much leverage investment funds are exposed to. Furthermore, with this guideline, funds are subject to certain limits for overall counterparty risk.</p> <p>BRSA: BRSA published a new risk management guideline on counterparty credit risk management in September 2014</p> <p>Web-links to relevant documents: Capital Markets Board of Turkey “The</p>	

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				<p>Communique on the Principles Regarding Investment Funds” can be found at http://www.spk.gov.tr/displayfile.aspx?action=displayfile&pageid=1018&ext=pdf&submenuheader=null BRSA http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Duzenleme_Taslaklari/13180ktkr.pdf</p>	

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III. Securitisation					
5 (5)	Improving the risk management of securitisation	<p>During 2010, supervisors and regulators will:</p> <ul style="list-style-type: none"> implement IOSCO’s proposals to strengthen practices in securitisation markets. (FSB 2009) <p>The BCBS and authorities should take forward work on improving incentives for risk management of securitisation, including considering due diligence and quantitative retention requirements by 2010. (London)</p> <p>Securitization sponsors or originators should retain a part of the risk of the underlying assets, thus encouraging them to act prudently. (Pittsburgh)</p>	<p>Jurisdictions should indicate the progress made in implementing the recommendations contained in:</p> <ul style="list-style-type: none"> IOSCO’s <i>Unregulated Financial Markets and Products (Sep 2009)</i>, including justification for any exemptions to the IOSCO recommendations; and BCBS’s Basel 2.5 standards on exposures to securitisations (Jul 2009), http://www.bis.org/publ/bcbs157.pdf and http://www.bis.org/publ/bcbs158.pdf. <p><i>Jurisdictions may also indicate progress in implementing the recommendations of the IOSCO’s Report on Global Developments in Securitisation Regulation (Nov 2012).</i>³</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 checked="" type="checkbox"/> Implementation ongoing or completed :</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>Status of progress :</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"/> Reform effective (completed) as of: June 2012 (BRSA)</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>BRSA: BCBS’s Basel 2.5 standards on</p>	<p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> <p>BRSA http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/12794bankalarin_sermaye_yeterliliginin_olculmesine_ve_degerlen_dirilmesine_iliskin_yonetmelik.pdf</p>

³ Jurisdictions should not provide responses on IOSCO recommendations concerning the alignment incentives associated with securitisation (including risk retention requirements) since these will be covered by an IOSCO peer review in 2014.

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				<p>exposures to securitisations are incorporated into the current framework.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: BRSA: http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/12794bankalarin_sermaye_yeterliliginin_olculmesine_ve_degerlendirilmesine_iliskin_yonetmelik.pdf</p>	

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6 (6)	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 monolines.</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’s consultative document on Mortgage insurance: market structure, underwriting cycle and policy implications (Feb 2013). 	<p><input checked="" 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> Undersecretariat of Treasury :There are no monoline insurers in Turkey</p> <p><input type="checkbox"/> Implementation ongoing or completed :</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>Status of progress :</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"/> Reform effective (completed) as of:</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):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

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7 (7)	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 product.</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 checked="" 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> Since we do not have subprime market, investment managers due diligence when investing in structured instruments traded in that markets is not regulated.</p> <p><input type="checkbox"/> Implementation ongoing or completed :</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>Status of progress :</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"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline: Capital Markets Board Since we do not have subprime market, investment</p>	<p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

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				<p>managers due diligence when investing in structured instruments traded in that markets is not regulated</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents:</p>	

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8 (8)	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 taken for enhancing disclosure of securitised products.</p> <p>See, for reference, IOSCO’s Report on Principles for Ongoing Disclosure for Asset-Backed Securities (Nov 2012) and IOSCO’s Disclosure Principles for Public Offerings and Listings of Asset-Backed Securities (Apr 2010).</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 checked="" type="checkbox"/> Implementation ongoing or completed :</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>Status of progress :</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"/> Reform effective (completed) as of: 23.02.2014</p> <p>Short description of the content of the legislation/ regulation/guideline: Capital Markets Board of Turkey :The purpose of this regulation is to set down the principles and procedures relating to disclosure to public of information, events and development which may affect</p>	<p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

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				<p>the value or price of capital market instruments or the investment decisions of investors, with a view to assuring the operation of capital markets in a reliable, transparent, efficient, stabilized, fair and competitive atmosphere by keeping the investors informed timely, completely and accurately. These policies are closely in line with EU directives.</p> <p>Highlight main developments since last year's survey: Capital Markets Board of Turkey: A new communique about material events was published on 23.01.2014</p> <p>Web-links to relevant documents: Capital Markets Board of Turkey :http://www.spk.gov.tr/apps/Mevzuat/?submenuheader=-1</p>	

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IV. Enhancing supervision					
9 (9)	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 the policy measures taken for implementing consistent, consolidated supervision and regulation of SIFIs.⁴</p> <p>See, for reference, the following documents:</p> <p>BCBS:</p> <ul style="list-style-type: none"> • Framework for G-SIBs (Nov 2011) • Framework for D-SIBs (Oct 2012) • BCP 12 (Sep 2012) <p>IAIS:</p> <ul style="list-style-type: none"> • Global Systemically Important Insurers: Policy Measures (Jul 2013) • ICP 23– Group wide supervision <p>FSB:</p> <ul style="list-style-type: none"> • Framework for addressing SIFIs (Nov 2011) 	<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 checked="" type="checkbox"/> Implementation ongoing or completed :</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>Status of progress :</p> <p><input checked="" type="checkbox"/> Draft in preparation, expected publication by: end-2014 (BRSA)</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"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Capital Market Board: FSB and IOSCO work for determining the G-SIFIs other than the banks and insurers haven't been</p>	<p>Planned actions (if any):</p> <p>Expected commencement date: BRSA: In line with BCBS D-SIB requirements.</p> <p>Web-links to relevant documents:</p>

⁴ The scope of the follow-up to this recommendation will be revised once the monitoring framework on policy measures for G-SIFIs, 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>completed yet. Also, we do not expect to have any G-SIFI other than banks and insurers in our jurisdiction as a home country by considering relatively smaller size of the financial institutions regulated by CMB of Turkey. Therefore, the financial system is bank dominated and there is no systemically important securities markets firms in Turkey.</p> <p>BRSA :A regulation is being prepared regarding the identification and additional requirements for D-SIBs The article 98 of the Banking Law Nr. 5411 enables BRSA to cooperate and exchange information regarding financial institutions and financial markets with any counterpart supervisory authority of the Agency, within the framework of bilateral MoUs or other means.</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
<p>10 (10)</p> <p>(10)</p>	<p>Establishing supervisory colleges and conducting risk assessments</p>	<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 significant cross-border firms. Please indicate whether supervisory colleges for all significant cross-border firms (both banks and insurance companies) have been established and whether the supervisory colleges for G-SIFIs are conducting rigorous risk assessments.</p> <p>Principle 13 of BCBS <u>Core Principles for Effective Banking Supervision</u> and <u>Good practice principles on supervisory colleges (Oct 2010)</u> may be used as a guide for supervisor to indicate the implementation progress. For further reference, see the following documents:</p> <p>BCBS:</p> <ul style="list-style-type: none"> • <u>Core Principles for Effective Banking Supervision (Sep 2012)</u> <p>IAIS :</p> <ul style="list-style-type: none"> • <u>ICP 25 and Guidance 25.1.1 – 25.1.6 on establishment of supervisory colleges</u> • <u>Guidance 25.6.20 and 25.8.16 on risk assessments by supervisory colleges</u> <p>IOSCO:</p> <ul style="list-style-type: none"> • <u>Principles Regarding Cross-Border</u> 	<p><input checked="" 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> CMB: Turkey does not have any significant cross-border firms as a home jurisdiction regulated under Capital Markets Law.</p> <p>BRSA: Turkey does not have any G-SIFIs but, Banking Regulation and Supervision Agency personnel is attending supervisory collages that are established in other countries.</p> <p><input type="checkbox"/> Implementation ongoing or completed :</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 checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Undersecretariat of Treasury :The supervisory colleges organized by the German, Dutch, French authorities and EIOPA have recently provided good opportunities for such exchange of information.</p>	<p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
			<p><i>Supervisory Cooperation (May 2010)</i></p>	<p>Status of progress :</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"/> Reform effective (completed) as of: <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>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
<p>11 (11)</p> <p>(11)</p>	<p>Supervisory exchange of information and coordination</p>	<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 regulatory, supervisory or legislative changes that will 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><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</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>Status of progress :</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"/> Reform effective (completed) as of: CMB: 29.08.2013; BRSA: 2011; Treasury : March, 2011</p> <p>Short description of the content of the legislation/ regulation/guideline: Capital Market Board of Turkey : To enhance supervisory exchange of information and coordination, the CMB has been signing MoUs both at the level of international organizations and for the</p>	<p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>purpose of developing bilateral cooperation opportunities and carrying out cross border supervision and enforcement activities effectively. The CMB is one of the first countries to sign the IOSCO Multilateral MoU which has currently 95 signatories today. Additionally, starting from the 1990s, the CMB has signed 32 bilateral MoUs with the regulatory and supervisory authorities of 32 jurisdictions.</p> <p>Undersecretariat of Treasury: Regulation about supervisory exchange of information and coordination akin to ICP 5 and ICP 17 was issued in March 2011. 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 Banking Regulation and Supervision Agency to enter into Memorandum of Understanding with EU Supervisory Authorities which enhanced the cooperation.</p> <p>Highlight main developments since last year's survey: Capital Market Board of Turkey: CMB has signed Memoranda of</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>Understanding (MoUs) with securities regulators of 13 EU member states (Czech Republic, Denmark, Greece, Hungary, Italy, Latvia, Lithuania, Luxembourg, Malta, Romania, Sweden, The Netherlands and The United Kingdom) and 3 securities supervisors of the European Economic Area (Iceland, Liechtenstein, Norway) concerning the cooperation and the exchange of information for the supervision of alternative investment fund managers.</p> <p>Undersecretariat of Treasury: The Multilateral Memorandum of Understanding (MMoU) has been signed with IAIS as of March 28th 2013.</p> <p>Web-links to relevant documents: Capital Market Board of Turkey http://www.cmb.gov.tr/duyurugoster.aspx?aid=2013829&subid=0&ct=c&yanmenuid=1</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
12 (12)	Strengthening resources and effective supervision	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)	No information on this recommendation will be collected in the current IMN survey since a peer review is taking place in this area during 2014.		
(12)		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)			
(12)		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)			

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
V. Building and implementing macroprudential frameworks and tools					
13 (13)	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 banks⁵ 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 that have taken place in the past two years, including changes in: i) mandates and objectives; ii) powers and instruments; iii) transparency and accountability arrangements; iv) composition and independence of the decision-making body; and v) mechanisms for domestic policy coordination and consistency.</p> <p>Please indicate whether an assessment has been conducted with respect to the powers to collect and share relevant information among different authorities – where this applies – on financial institutions, markets and instruments to assess the potential for systemic risk. Please indicate whether the assessment has indicated any 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><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</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>June 2011 (by BRSA)</p> <p>Status of progress :</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"/> Reform effective (completed) as of: June 2011</p> <p>Short description of the content of the</p>	<p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

⁵ 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>legislation/ regulation/guideline: BRSA: The Financial Stability Committee (FSC) was established in June 2011 by the decree law no: 637 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 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 decree law 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.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: http://www.treasury.gov.tr(Financial Stability Committee)</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
<p>14 (14)</p> <p>(14)</p>	<p>Enhancing system-wide monitoring and the use of macro-prudential instruments</p>	<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 public reports, where available) the types of systems, methodologies and processes that have been put in place to identify macroprudential risks, including the analysis of risk transmission channels. Please indicate the use of macroprudential tools in the past two years, including the objective for their use and the process used to select, calibrate, and apply them.</p> <p>See, for reference, the CGFS document on Operationalising the selection and application of macroprudential instruments (Dec 2012).</p> <p>Jurisdictions can also refer to the FSB-IMF-BIS progress report to the G20 on Macprudential policy tools and frameworks (Oct 2011), and the IMF staff papers on Macprudential policy, an organizing framework (Mar 2011) and on Key Aspects of Macprudential policy (Jun 2013).</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 checked="" type="checkbox"/> Implementation ongoing or completed :</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>Status of progress :</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"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Financial Stability Committee (FSC) of Turkey was established in June 2011 and monitors and identifies the systemic risks and determines necessary macro prudential measures to limit these risks. A variety of macro prudential tools have</p>	<p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>been using by related authorities since the end of 2010.</p> <ul style="list-style-type: none"> • Loan-to-value (LTV) ceilings on residential mortgage 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>Highlight main developments since last year's survey:</p> <ul style="list-style-type: none"> • Limits to installments and credit card cash advances • Loan to value requirement for car loans • Maturity limit on consumer loans 	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<ul style="list-style-type: none"> Regulation on Measurement and Evaluation of Banks Leverage <p>Web-links to relevant documents: 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
15 (15)	Improved cooperation between supervisors and central banks	Supervisors and central banks should improve cooperation and the exchange of information including in the assessment of financial stability risks. The exchange of information should be rapid during periods of market strain. (Rec. V.8 , FSF 2008)	Please describe the institutional framework through which information sharing between supervisors and the central bank takes place, e.g. through internal or inter-agency committee or bilateral MoUs. Please also describe any initiative to remove identified obstacles to enhance cooperation and information sharing.	<input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input type="checkbox"/> Primary / Secondary legislation <input checked="" type="checkbox"/> Regulation / Guidelines <input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify: BRSA : MoU-The Financial Sector Commission and Coordination Committee are established in October 2005 by the enactment of the Banking Law No: 5411. Status of progress : <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 checked="" type="checkbox"/> Reform effective (completed) as of: Treasury: March, 2011; BRSA: 2009 Short description of the content of the	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>legislation/ regulation/guideline: Undersecretariat of Treasury : According to article 32 of the Regulation on Supervision, the Undersecretariat can enter into agreements or understandings with any other financial sector supervisor (“another supervisor”) to share relevant supervisory information. Also, the Treasury signed a protocol on mutual cooperation with other supervisors of the sector – banking and capital markets – which laid the foundation for coordination of their actions and information sharing.</p> <p>BRSA: The MoU between the Undersecretariat of Treasury, BRSA and the Savings Deposit Insurance Fund (SDIF) and the Central Bank (CBRT) on exchange of information which was signed in April 2009, is an initiative taken at national level regarding supervisory exchange of information and coordination on systemic risk. At the national level there are several committees that ensures efficient coordination and cooperation in establishing supervisory policies. These are Financial Stability Committee, Systemic Risk Assessment Group and Financial Sector Commission and Coordination Committee. On the 31st of</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>December, 2010 a Protocol on sharing information and cooperation was signed between the BRSA, the insurance supervisor (Treasury Undersecretariat), the securities and markets' regulator (Capital Markets Board), the deposit guarantee scheme (Savings Deposit Insurance Fund) and the Central Bank. Bilateral subprotocols additional to the main Protocol on regular information exchange were signed between the BRSA and Treasury Undersecretariat; the BRSA and Capital Markets Board; Treasury Undersecretariat and Capital Markets Board; the Central Bank and the BRSA.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: For the insurance sector www.treasury.gov.tr</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VI. Improving oversight of credit rating agencies (CRAs)					
16	Enhancing regulation and supervision of CRAs	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)	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:	<input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input checked="" type="checkbox"/> Regulation / Guidelines <input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify: Status of progress : <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 checked="" type="checkbox"/> Reform effective (completed) as of: 29.08.2013 Short description of the content of the legislation/ regulation/guideline: Capital Market Board of Turkey : Considering credit rating activity regarding capital market instruments and/or institutions subject to Capital	If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation: Planned actions (if any): For credit rating in capital markets, since the Law and the Communiqué include all necessary provisions for Turkish regulatory system to be line with IOSCO Code of Conduct and other relevant IOSCO documents, CMB finds no urgent need to amend its regulations imminently, but plans to continue monitoring international developments, especially the revision of IOSCO Code of Conduct in 2014. Expected commencement date: Web-links to relevant documents:
(16)		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.	Jurisdictions may also refer to the following IOSCO documents:		
		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.			
		The oversight framework should be consistent across jurisdictions with appropriate sharing of information between national authorities, including through IOSCO. (London)			
(16)		Regulators should work together towards appropriate, globally compatible solutions (to conflicting compliance obligations for CRAs) as early as possible in 2010. (FSB 2009)	<ul style="list-style-type: none"> • Code of Conduct Fundamentals for Credit Rating Agencies (May 2008) • 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) 		
(New)		We encourage further steps to enhance transparency and competition among credit rating agencies. (St Petersburg)			

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>Market Law (“Law”), in addition to relevant provisions in Law, a secondary legislation in the form of Comminiqué has been in force since 1997. The Comminiqué is in line with IOSCO Code of Conduct. Regular quality control inspections are conducted by CMB to enforce compliance with capital market regulations. “Regulation on the Principles Regarding the Authorization and Activities of Rating Agencies” by Banking Regulation and Supervision Agency entered into force on 17.04.2012. According to Capital Market Law the authority to regulate and supervise the securities markets in Turkey resides with the Capital Markets Board of Turkey (CMB). CMB exercises its authority by establishing regulatory procedures and by making decisions for individual cases. Pursuant to provisions of Law, “Comminiqué on Principles Regarding Rating Activity and Rating Agencies” (“Communique”) is in force since 1997 and updated lastly on 29.08.2013 The purpose of this Communique is to regulate the methods and principles regarding rating activity in capital markets, the rating agencies to be authorized by CMB to carry out such</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>activities, the employers of such agencies, and international rating agencies recognized by CMB. In this respect, the provisions of the Communiqué are binding for all rating activities carried with respect to capital market institutions established in Turkey and all capital market instruments issued by issuers established in Turkey, regardless of the place of the issuance. 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 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</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>should CMB detect a violation of relevant provisions of rating regulations.</p> <p>BRSA: "Regulation on the Principles Regarding the Authorization and Activities of Rating Agencies" by Banking Regulation and Supervision Agency entered into force on 17.04.2012.</p> <p>Highlight main developments since last year's survey: CMB: "Comminiqué on Principles Regarding Rating Activity and Rating Agencies" ("Communiqué") updated lastly on 29.08.2013 by regarding the methods and principles regarding rating activity in capital markets.</p> <p>Web-links to relevant documents: Capital Market Board of Turkey http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/10821yayimlanan_17_04_12.pdf http://cmb.gov.tr/displayfile.aspx?action=displayfile&pageid=87&fn=87.pdf&submenuheader=null</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
17 (17)	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 bodies in ending the mechanistic reliance on credit ratings and encourage steps that</p>	No information on this recommendation will be collected in the current IMN survey since the report of the second stage of the thematic peer review has been published recently [insert link whenever published].		

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
(New)		<p>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>			

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VII. Enhancing and aligning accounting standards					
18 (18)	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 deemed to be equivalent to IFRSs as published by the IASB or are otherwise of a high and internationally acceptable quality, 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/Jurisdiction-profiles.aspx.</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 checked="" type="checkbox"/> Implementation ongoing or completed :</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: Related regulatory and supervisory authorities (including Banking Regulation and Supervision Authority, Capital Markets Board of Turkey, Undersecretariat of Treasury and Public Oversight Accounting and Auditing Standards Authority) have authority to supervise the appropriate implementation of Turkish Financial Reporting Standards by the applying companies.</p> <p>Status of progress :</p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p>	<p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p> <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: CMB and Public Oversight: : 2005 for listed companies and capital market institutions, 2006 for banks, and 2007 for insurance and pension companies. Treasury: June 2007 </p> <p> Short description of the content of the legislation/ regulation/guideline: Capital Market Board of Turkey and Public Oversight Conceptual Framework for Financial Reporting, 41 Turkish Accounting/Financial Reporting Standards (TAS/IFRS) and 22 TAS/IFRS Interpretations which are in full compliance with IFRSs have been published in the Official Gazette and they are amended regularly in parallel with the amendments made in IFRSs. Currently, listed companies and capital market institutions; banks, leasing, factoring and financing companies; insurance, reinsurance companies and pension companies have been applying IFRSs. Application of those standards is required to be audited by independent audit firms according to the related regulations. Besides a team of experts has been assigned to do revision of financial reports on a risk basis and required </p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>precautions are taken for those entities which breach standards and related regulations.</p> <p>Undersecretariat of Treasury: All norms regarding accounting, financial reporting and valuation of assets are compliant with IFRS since 2007.</p> <p>BRSA: Related regulatory and supervisory authorities (including BRSA, CMB and Undersecretariat of Treasury) have authority to supervise the full implementation of TFRSs by the related companies. IFRS applying all institution supervision on BRSA have to report in line with IFRS.</p> <p>Public Oversight, Accounting and Auditing Standards Authority: One of the most important tasks of the Public Oversight, Accounting and Auditing Standards Authority (POA) is to set and issue Turkish Accounting Standards and to determine the application scope of those standards. In addition, POA may set special or exceptional standards for different types of entities and sectors and it has the authority to make secondary regulations and take necessary decisions for the implementation of Turkish Accounting Standards. POA strategically</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>has an objective of setting accounting standards in full compliance with the International Financial Reporting Standards. As of October 2014, 1 Conceptual Framework for Financial Reporting, 40 Turkish Accounting/Financial Reporting Standards (TAS/IFRS) and 22 TAS/IFRS Interpretations have been published in the Official Gazette. Those standards are continuously updated in accordance with the amendments made by the IASB with the effective dates as originally pronounced by the IASB preserved. According to the Turkish Commercial Code;</p> <ul style="list-style-type: none"> • Companies, stock brokers, portfolio management companies and other entities included in the consolidation which issued capital market instruments are being traded in the stock exchange or any other organized market, • Banks and their subsidiaries, • Insurance and reinsurance companies and, • Pension companies are required to apply Turkish Accounting Standards in preparing their financial statements. 	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>As it is mentioned above, according to the Turkish Commercial Code and Statutory Decree No. 660, POA has the authority to decide the application scope of Turkish Accounting Standards. When compared with the EU, scope of the mandatory IFRS application in Turkey is the same. Other entities, which do not have to apply Turkish Accounting Standards, are preparing their financial statements in accordance with Uniform Chart of Accounts. The definition of public interest entities has been made in Statutory Decree No. 660 in line with EU’s Audit Directive: “Public interest entities are publicly-held companies, banks, insurance, reinsurance and pension companies, factoring companies, financing companies, financial lease companies, asset management companies, pension funds, issuers and other capital market institutions.”</p> <p>Highlight main developments since last year’s survey: Capital Market Board of Turkey : In detail, following articles 14 and 36 and subparagraph (ğ) of first paragraph of article 128 of the Capital Markets Law no. 6362 dated 6/12/2012, Communiqué on Principles of Financial Reporting In Capital Markets was</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>promulgated on 13.06.2013. The purpose of this Communiqué is to set the principles and procedures regarding financial reports to be publicly announced by issuers and capital market institutions other than investment funds and housing finance and asset finance funds. 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. Public Oversight Authority In order to maintain full compliance with IFRSs, all amendments made to IFRSs are adopted and published in Official Gazette regularly. Following 2013 Survey, 4 amendments have been issued.</p> <p>Web-links to relevant documents: Capital Market Board of Turkey http://www.spk.gov.tr/apps/Mevzuat/?submenuheader=-1 http://www.resmigazete.gov.tr/eskiler/2013/06/20130613-</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>11.htm?submenuheader=null Public Oversight http://kgk.gov.tr/content_detail-208-513-son-halleriyle-standartlar.htm Treasury www.tresury.gov.tr</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
<p>19 (19)</p> <p>(19)</p>	<p>Appropriate application of Fair Value Accounting</p>	<p>Accounting standard setters and prudential supervisors should examine the use of valuation reserves or adjustments for fair valued financial instruments when data or modelling needed to support their valuation is weak. (Rec. 3.4, FSF 2009)</p> <p>Accounting standard setters and prudential supervisors should examine possible changes to relevant standards to dampen adverse dynamics potentially associated with fair value accounting. Possible ways to reduce this potential impact include the following: (1) Enhancing the accounting model so that the use of fair value accounting is carefully examined for financial instruments of credit intermediaries; (ii) Transfers between financial asset categories; (iii) Simplifying hedge accounting requirements. (Rec 3.5, FSF 2009)</p>	<p>Jurisdictions should indicate the policy measures taken for appropriate application of fair value accounting.</p> <p>See, for reference, the following BCBS documents:</p> <ul style="list-style-type: none"> • <u>Basel 2.5 standards on prudent valuation (Jul 2009)</u> • <u>Supervisory guidance for assessing banks' financial instrument fair value practices (Apr 2009)</u> 	<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 checked="" type="checkbox"/> Implementation ongoing or completed :</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>Status of progress :</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"/> Reform effective (completed) as of: July 2012 (BRSA)</p> <p>Short description of the content of the legislation/ regulation/guideline: Capital Market Board of Turkey: The related requirements of the Turkish Accounting/Financial Reporting Standards (TAS/IFRS) and TAS/IFRS Interpretations which are in full compliance with IFRSs, regarding fair</p>	<p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>value accounting are effective as of 2005 for all listed companies, 2006 for banks, and 2007 for insurance and pension companies. In addition, Public Oversight, Accounting and Auditing Standards Authority issued TFRS 13 which is fully compliant with IFRS 13. The effective date of the standard is the periods beginning on or after 31/12/2012. Annex III of the Regulation on Capital Adequacy Measurement and Evaluation of Capital Adequacy of Banks, which have been in effect since July 2012 includes the provisions of Basel 2.5 standards on prudent valuation (Jul 2009).</p> <p>BRSA: The related requirements of the Turkish Accounting/Financial Reporting Standards (TAS/TFRS) and TAS/TFRS Interpretations which are in full compliance with IFRSs, regarding fair value accounting are effective as of 2005 for all listed companies, 2006 for banks, and 2007 for insurance and pension companies. In addition, Public Oversight, Accounting and Auditing Standards Authority issued TFRS 13 which is fully compliant with IFRS 13. The effective date of the standard is the periods beginning on or after 31/12/2012. Annex</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>III of the Regulation on Capital Adequacy Measurement and Evaluation of Capital Adequacy of Banks, which have been in effect since July 2012 includes the provisions of Basel 2.5 standards on prudent valuation.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: Capital Markets Board of Turkey http://kgk.gov.tr/content_detail-208-513-son-halleriyle-standartlar.html http://www.hazine.gov.tr/default.aspx?ns=TrR3vg8KCNGoDQ4jjQvkpw==&H7deC+LxBI8=&mid=366&cid=35&nm=316#_syr_yon_ek3.pdf http://kgk.gov.tr/contents/files/TFRS%2013.pdf http://www.resmigazete.gov.tr/main.aspx?home= http://www.resmigazete.gov.tr/eskiler/2012/12/20121230m2.htm&main=http://www.resmigazete.gov.tr/eskiler/2012/12/20121230m2.htm BRSA: http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/11000syr_yon_ek3.pdf</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VIII. Enhancing risk management					
20 (20)	Enhancing guidance to strengthen banks' risk management practices, including on liquidity and foreign currency funding risks	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)	Jurisdictions should indicate the policy measures taken to enhance guidance to strengthen banks' risk management practices. In particular, please indicate the status of implementation of the following standards:	<input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If "Not applicable" or "Applicable but no action envisaged ..." has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed :	Planned actions (if any): Expected commencement date: Web-links to relevant documents:
(20)	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)	<ul style="list-style-type: none"> • BCBS <u>Basel III: International framework for liquidity risk measurement, standards and monitoring (Dec 2010)</u> • BCBS <u>Principles for sound stress testing practices and supervision (May 2009)</u> 	<input checked="" type="checkbox"/> Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input checked="" type="checkbox"/> Regulation / Guidelines <input type="checkbox"/> Other actions (such as supervisory actions), please specify:		
(20)	Regulators and supervisors in emerging markets ⁶ will enhance their supervision of banks' operation in foreign currency funding markets. (FSB 2009)	Jurisdictions may also refer to FSB's <u>thematic peer review report on risk governance (Feb 2013)</u> and BCBS <u>Peer review of supervisory authorities' implementation of stress testing principles (Apr 2012)</u>	<input type="checkbox"/> Status of progress : <input type="checkbox"/> Draft in preparation, expected publication by: <input checked="" type="checkbox"/> Draft published as of: April and June 2014 by BRSA <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: 11.07.2014		
(20)	We commit to conduct robust, transparent stress tests as needed. (Pittsburgh)		Short description of the content of the legislation/ regulation/guideline:		

⁶ 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>BRSA :Regulation on Internal Systems of Banks (June 2012) Regulations on Measurement and Evaluation of Liquidity Adequacy of Banks (November 2006) Regulation on Banks Liquidity Coverage Ratio (March 2014) Draft Risk Management Guidelines (Market Risk, Credit Risk, Operational Risk, Country Risk, IRRBB, Counterparty Credit Risk, Stress Testing, ICAAP)</p> <p>Highlight main developments since last year’s survey: BRSA Regulation on Banks Liquidity Coverage Ratio came into force (March 2014) Draft Risk Management Guidelines are announced (Market Risk, Credit Risk, Operational Risk, Country Risk, IRRBB, Counterparty Credit Risk, Stress Testing, ICAAP)</p> <p>Web-links to relevant documents: BRSA http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/1678yonetmelik_16_7_2013_pdfhali.pdf http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/12930likidite_karsilama_orani_yonetmelik.pdf http://www.bddk.org.tr/WebSitesi/turkce/</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/1683bankalarin_likidite_yeterlilikinin_olculmesine_ve_degerlendirilmesine_iliskin_yonetmelik.pdf http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Duzenleme_Taslaklari/Duzenleme_Taslaklari.aspx http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/12930likidite_karsilama_orani_yonetmelik.pdf http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Bankacilik_Kanununa_Iliskin_Duzenlemeler/1683bankalarin_likidite_yeterlilikinin_olculmesine_ve_degerlendirilmesine_iliskin_yonetmelik.pdf http://www.bddk.org.tr/WebSitesi/turkce/Mevzuat/Duzenleme_Taslaklari/Duzenleme_Taslaklari.aspx</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
21 (21)	Efforts to deal with impaired assets and raise additional capital	Our efforts to deal with impaired assets and to encourage the raising of additional capital must continue, where needed. (Pittsburgh)	Jurisdictions should indicate steps taken to reduce impaired assets and encourage additional capital raising. For example, jurisdictions could include here the amount of new equity raised by banks operating in their jurisdictions during 2013. Jurisdictions may also refer to the relevant IMF Financial Soundness Indicators at http://fsi.imf.org/ .	<input type="checkbox"/> Not applicable <input checked="" type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> The effect of global financial crisis on Turkish Banking was negligible thus there has been no need for such an effort. Own funds of the Turkish banking sector increased by 26 billion Turkish Liras from 2012 to 2013. <input type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input type="checkbox"/> Primary / Secondary legislation <input type="checkbox"/> Regulation / Guidelines <input type="checkbox"/> Other actions (such as supervisory actions), please specify: Status of progress : <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"/> Reform effective (completed) as of: Short description of the content of the legislation/ regulation/guideline: Highlight main developments since last	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				year's survey: Web-links to relevant documents:	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
<p>22 (22)</p> <p>(New)</p>	<p>Enhanced risk disclosures by financial institutions</p>	<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 IFRS7 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 (Aug 2013).</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 checked="" type="checkbox"/> Implementation ongoing or completed :</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>Status of progress :</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"/> Reform effective (completed) as of: June, 2007 (Treasury)</p> <p>Short description of the content of the legislation/ regulation/guideline: 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</p>	<p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>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.</p> <p>BRSA: According to the “Regulation on the Procedures and Principles for Accounting Practices and Retention of Documents by Banks” all banks in Turkey are required to implement the requirements of all IFRSs for financial reporting.</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
IX. Strengthening deposit insurance					
23 (23)	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 who do not have one) • Full implementation of the Core Principles for Effective Deposit Insurance Systems jointly issued by BCBS and IADI in June 2009 (by addressing the weaknesses and gaps identified in peer review) 	<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 checked="" type="checkbox"/> Implementation ongoing or completed :</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>Status of progress :</p> <p><input checked="" type="checkbox"/> Draft in preparation, expected publication by: Proposal sent to the Assembly for approval.</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"/> Reform effective (completed) as of: February15, 2013</p> <p>Short description of the content of the legislation/ regulation/guideline: Proposal is prepared in order to have the authority to establish bridge bank</p> <p>Highlight main developments since last year’s survey: Bridge bank proposal is sent to the Assembly for approval. There</p>	<p>Planned actions (if any): After finishing the project, Amendments should be made regarding that project.</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>has been an ongoing project on enhancement of the technical and operational infrastructure to shorten the actual payment periods further.</p> <p>Web-links to relevant documents: http://www.tmsf.org.tr/Resource/documents/guvence_mevduat_en.pdf http://www.tmsf.org.tr/Resource/documents/guvence_katilim_en.pdf</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
X. Safeguarding the integrity and efficiency of financial markets					
24 (24)	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 recommendation in the following IOSCO reports in their regulatory framework:</p> <ul style="list-style-type: none"> • Report on Regulatory Issues Raised by the Impact of Technological Changes on Market Integrity and Efficiency (Oct 2011); and • Report on Principles for Dark Liquidity (May 2011). 	<p><input checked="" 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> CMB High frequency trading and dark pools do not exist in our national markets.</p> <p><input type="checkbox"/> Implementation ongoing or completed :</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>Status of progress :</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"/> Reform effective (completed) as of:</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):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
<p>25 (25)</p> <p>(New)</p>	<p>Regulation and supervision of commodity markets</p>	<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 report published by the IOSCO’s Committee on Commodity Futures Markets based on a survey conducted amongst its members in April 2012 on regulation in commodity derivatives market.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input checked="" 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> CMB: The commodity market hasn’t been regulated before the new Capital Markets Law which has been enacted on 30.12.2012. The market design is still under review. However, 3 commodity derivative contracts (wheat, cotton and electricity) are traded in Borsa Istanbul</p> <p><input type="checkbox"/> Implementation ongoing or completed :</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>Status of progress :</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"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p>	<p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<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
26 (New)	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 be deferred to the 2015 IMN survey given the ongoing policy work in this area, the reviews of interest rate and foreign exchange benchmarks during 2014, and the recent publication of IOSCO’s Principles for Financial Benchmarks.		

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
XI. Enhancing financial consumer protection					
27 (27)	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 update report including the Annex to the report on effective approaches to support the implementation of the High-level Principles based around the following three priority principles:</p> <ul style="list-style-type: none"> • <i>Disclosure and transparency</i> • <i>Responsible business conduct of financial services providers and their authorised agents</i> • <i>Complaints handling and redress</i> 	<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 checked="" type="checkbox"/> Implementation ongoing or completed :</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 checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Status of progress :</p> <p><input checked="" type="checkbox"/> Draft in preparation, expected publication by: end-2014</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"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>BRSA: A separate department named Financial Consumer Relations Department was established at the BRSA regarding consumer protection in 2013. This department issues guidelines and conducts supervision at banks and other</p>	<p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>financial institutions which are supervised by the BRSA. Financial Consumer Relations Department issued guidance on corporate governance structure and reporting for consumer protection in banks. In addition, reforms are complete for the insurance sector.</p> <p>Highlight main developments since last year's survey: BRSA: A new department named Financial Consumer Relations Department was established. New guidelines were issued.</p> <p>Web-links to relevant documents:</p>	

XII. Source of recommendations:

[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 \(1 November 2012\)](#)

XIII. 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