

Annex: Jurisdictions’ authority and process for exercising deference in relation to OTC derivatives regulation

Part A: With respect to the **authorisation and supervision of:** OTC derivatives market participants; TRs; CCPs; and exchanges or electronic trading platforms:

<p>A.1 What legal capacity, if any, do authorities in your jurisdiction have to defer to another jurisdiction's regulatory framework and/or authorities? Which authorities can exercise this capacity? Please also indicate if/when ‘partial’ or ‘conditional’ deference decisions can be made.</p>	<p>In general, legal capacity of the authorities among cross border issues coordinated under the IOSCO Multilateral MoU which The Capital Markets Board of Turkey (CMB) CMB is one of the first countries to sign. Additionally, starting from the 1990s, the CMB has signed 32 bilateral MoUs with the regulatory and supervisory authorities of 32 jurisdictions.</p> <p>With respect to the authorisation and supervision of OTC derivatives market participants, TRs, CCPs, and exchanges or electronic trading platforms we do not have definite regulatory framework to determine the competence.</p> <p>However, It is worth noting that for CCPs, interoperability arrangements are mentioned in Article 38/1 of “By-Law on Takasbank’s being a CCPs in Turkish capital markets” regarding interoperability arrangements of Takasbank with other CCPs and Article 38/2 gives the authority to regulate issues regarding the subject but there is no specific regulation on deferring to another jurisdiction’s regulatory framework yet.</p> <p>On the other hand the draft regulation prepared under the duty of the 87th article of the Capital Market Law (CML) to regulate them TRs are obligated to notify the Board relating to their operations in foreign jurisdiction, and TRs’ foreign activities are excluded from the extent of the regulation. Even though the draft regulation has not been published yet, it requires that if a local TR is authorized by a foreign authority, TR shall defer to regulatory framework and/or authority in this jurisdiction only to the extent of its activities in this jurisdiction.</p> <p>On the other hand, 87th article of the CML</p>
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	<p>sets a rule about sharing information kept at TRs with the third parties and states that sharing information with third parties depends on the approval of the Board. The legislation concerning the usage of personal data should be complied with in the implementation of this paragraph.</p>
<p>A.2 Please provide a brief description of the standards that need to be met in coming to a decision as to whether to exercise any such deference, and the criteria/inputs used in assessing whether these standards have been met (e.g. whether “similar outcomes” is the standard used; whether an analysis of enforcement regimes or authority is included as part of the assessment; whether reference is made to implementation of international standards; etc.).</p>	<p>N/A (In our draft regulation on TRs, in order to come a decision of sharing information kept by TRs with the other authorities, the Board shall take into consideration, a) if there is any mutual or multilateral corporation or MoU agreement, b) if there is any secrecy regulations similar to local regulations, c) purpose of the demand.)</p>
<p>A.3 Please provide a brief description of the process by which a decision to defer to another jurisdiction is taken, including any action that needs to be initiated to begin the process (e.g. an application from a jurisdiction or an entity), the general time frame for coming to a decision, any processes in place for reviewing a decision, and whether any other agreements or conditions need to be met in order for an affirmative decision to be taken (e.g. confidentiality agreements, supervisory cooperation, or reciprocal arrangements).</p>	<p>N/A</p>
<p>A.4 Please provide copies of, or weblinks to, any documentation or forms that have been developed for sharing with jurisdictions or entities as part of the comparability or equivalence assessment.</p>	<p>N/A</p>
<p>A.5 Please provide a list of jurisdictions that you have already determined to be comparable or equivalent, if any (and for what regulatory purposes), and please note any jurisdictions for which a determination is pending.</p>	<p>N/A</p>

Part B: With respect to **requirements on market participants** related to: reporting to TRs; clearing transactions through CCPs; capital, margin and/or other risk mitigation requirements; and executing transactions on exchanges or electronic platforms:

<p>B.1 What legal capacity, if any, do authorities in your jurisdiction have to defer to another jurisdiction's regulatory framework and/or authorities? Which authorities can exercise this capacity? Please also indicate if/when 'partial' or 'conditional' deference decisions can be made.</p>	<p>N/A</p>
<p>B.2 Please provide a brief description of the standards that need to be met in coming to a decision as to whether to exercise any such deference, and the criteria/inputs used in assessing whether these standards have been met (e.g. whether "similar outcomes" is the standard used; whether an analysis of enforcement regimes or authority is included as part of the assessment; whether reference is made to implementation of international standards; etc.).</p>	<p>N/A</p>
<p>B.3 Please provide a brief description of the process by which a decision to defer to another jurisdiction is taken, including any action that needs to be initiated to begin the process (e.g. an application from a jurisdiction or an entity), the general time frame for coming to a decision, any processes in place for reviewing a decision, and whether any other agreements or conditions need to be met in order for an affirmative decision to be taken (e.g. confidentiality agreements, supervisory cooperation, or reciprocal arrangements).</p>	<p>N/A</p>
<p>B.4 Please provide copies of, or weblinks to, any documentation or forms that have been developed for sharing with jurisdictions or entities as part of the comparability or equivalence assessment.</p>	<p>N/A</p>