Chapter 9. Turkish Capital Market Regulation

TURKISH CAPITAL MARKET REGULATION

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ABSTRACT

The securities market in Turkey is supervised by the Capital Markets Board of Turkey (CMBT). The principal statute governing the securities market is the Capital Market Law No 2499. The subject of this law is to regulate and control the secure, transparent and stable functioning of the capital market and to protect the rights and benefits of investors with the purpose of ensuring an efficient and widespread participation by the public in the development of the economy through investing savings in the securities market. This law contains regulations with respect to company and shareholder disclosure obligations, admission to listing and trading of listed securities, public tender offers and insider dealing, among other things. CMBT monitors compliance with these regulations and aiming to achieve international best practices, and encourage market-integrity through clear and self-enforcing rules of the game while encouraging the game itself. Within the framework of investor protection and moving the capital market forward and to be a major source of medium and long term finance, laws and regulations assist the CMBT to perform its role in maintaining market integrity and meeting fairness and transparency principles. The objective of this chapter is to examine the current developments and their effect on changes in capital market regulations and to provide conceptual understanding and in-depth knowledge of securities laws and the regulatory framework concerning capital markets in Turkey.