

17 – ECONOMIC AND MONETARY POLICY

LEGISLATION CONSIDERED BENEFICIAL TO BE ENACTED (LAW)

I. LEGISLATION CONSIDERED BENEFICIAL TO BE ENACTED IN PERIOD 2007-2008 (01/10/2007 – 30/09/2008)

| Reference No. | Name of the Legislation to be Amended/Enacted | Objective/Scope | Stage | EU Legislation Envisaged to Comply with | Institution Responsible for the Preparation of the Legislation |
|---------------|--|--|-----------------------------------|---|--|
| 17.0007.1.01 | Insurance Law (Also included in the chapters on Free Movement of Capital with reference number 04.0007.1.01 and Financial Services with reference number 09.0007.1.01.) | <p>Aims at more effective regulation and supervision of the insurance sector.</p> <p>Aims at harmonization with the EU legislation regarding the licences of companies, minimum capital requirements in respect of branches, reasons of licence revocation, qualifications of the managers and the shareholders, tariff liberalisation, issues of liquidation, merger, acquisition and portfolio acquisition as well as bankruptcy, technical reserves, guarantees (deposits), guarantee fund, insurance intermediaries, etc.</p> <p>Aims at harmonization within the framework of the EU legislation on workers' entitlement to contributions in case these are paid partially or fully by the employer, and establishing a legal basis for designating occupational pension plans.</p> | At the GNAT | Article 102 of the Treaty Establishing the European Union, Council Regulation 3604/93/EC | Undersecretariat of Treasury |
| 17.0708.1.01 | Amendment to the Decree Law No. 91 on Stock Exchanges (Also included in the chapter on Free Movement of Capital with reference number 04.0708.1.01.) | Preventing preferential access in public finance, which will emerge as a result of the annulment of provisions that envisages investment in public securities. | Technical studies are in progress | Council Regulation No. 3604/93/EC, which establishes definitions for the implementation of preventing preferential access that is included in article 104a of the Treaty. | Capital Market Board |

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II. LEGISLATION CONSIDERED BENEFICIAL TO BE ENACTED IN PERIOD 2008-2009 (01/10/2008 – 30/09/2009)

NO LEGISLATIVE MEASURE HAS BEEN ENVISAGED.

III. LEGISLATION CONSIDERED BENEFICIAL TO BE ENACTED IN YEARS 2009 (01/10/2009) – 2013

| Reference No. | Name of the Legislation to be Amended/Enacted | Objective/Scope | Stage | EU Legislation Envisaged to Comply with | Institution Responsible for the Preparation of the Legislation |
|---------------|--|---|-------|--|--|
| 17.0913.1.01 | <p>Law Amending the Law No: 1211 on the Central Bank of the Republic of Turkey.</p> <p>(These amendments will be prepared shortly before membership and implemented no sooner than membership.)</p> | <p>Strengthening the institutional, functional, personal, and financial independence of the Central Bank.</p> <p>Preparing financial tables in conformity with the accounting principles of the European System of Central Banks.</p> | | <p>- The Economic and Monetary Policy chapter of the Treaty Establishing the European Community</p> <p>- Protocol on the Statute of the European System of Central Banks and the Status of the European Central Bank</p> <p>- Guideline 5 December 2002 dated and No. ECB/2002/10 of the European Central Bank on Accounting and Financial Reporting in the European System of Central Banks</p> | Central Bank of the Republic of Turkey |

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SECONDARY LEGISLATION (REGULATIONS, IMPLEMENTING REGULATIONS, COMMUNIQUÉS, CIRCULARS, ETC) ENVISAGED TO BE ENACTED AND DOCUMENTS SUCH AS STRATEGIES, PLANS AND PROGRAMS ENVISAGED TO BE DRAFTED

I. SECONDARY LEGISLATION ENVISAGED TO BE ENACTED IN YEAR 2007

| Reference No. | Name of the Secondary Legislation to be Amended/Enacted | Objective/Scope | Stage | EU Legislation Envisaged to Comply with | Institution Responsible for the Preparation of the Legislation |
|---------------|--|--|-----------------------------------|---|--|
| 17.2007.2.01 | Amendment of the General Communiqué on Public Treasurership No. 2004/1 | Removal of privileges in favor of public banks | Technical studies are in progress | Council Regulation No. 3603/93/EC, specifying the definitions for the application prohibitions referred to in article 102 of the Treaty Establishing the European Community | Undersecretariat of Treasury Ministry of Finance |

II. SECONDARY LEGISLATION ENVISAGED TO BE ENACTED IN YEAR 2008

NO LEGISLATIVE MEASURE HAS BEEN ENVISAGED.

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III. SECONDARY LEGISLATION ENVISAGED TO BE ENACTED IN YEAR 2009

| Reference No. | Name of the Secondary Legislation to be Amended/Enacted | Objective/Scope | Stage | EU Legislation Envisaged to Comply with | Institution Responsible for the Preparation of the Legislation |
|---------------|--|---|-------|---|--|
| 17.2009.2.01 | Amendment of the Implementing Regulation Regulation on the Principles concerning Establishment and Activities of Pension Mutual Funds (Depends on the enactment of Insurance Law with reference number 17.0007.1.01.) Also included in the chapter on Free Movement of Capital with reference number 04.2009.2.07. | Prevention of preferential access in public finance | | Council Regulation No. 3604/93/EC | Capital Market Board |
| 17.2009.2.02 | Amendment of Implementing Regulations on Stock Exchanges (These amendments depend on the amendment of Decree Law No. 91.) | Prevention of preferential access in public finance | | Council Regulation No. 3604/93/EC | Capital Market Board |
| 17.2009.2.03 | Amendment of the Implementing Regulation Protection Fund for Investors | Prevention of preferential access in public finance | | Council Regulation No. 3604/93/EC | Capital Market Board |

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IV. SECONDARY LEGISLATION ENVISAGED TO BE ENACTED IN YEARS 2010 – 2013

| Reference No. | Name of the Secondary Legislation to be Amended/Enacted | Objective/Scope | Stage | EU Legislation Envisaged to Comply with | Institution Responsible for the Preparation of the Legislation |
|---------------|---|---|-------|--|--|
| 17.1013.2.01 | <p>Secondary Legislation on the Operational Rules of TIC-RTGS & ESTS</p> <p>(Harmonization will be completed as affiliation of our national payment system TIC-RTGS is to TARGET becomes a current issue in accession to Economic and Monetary Union.)</p> | Affiliation of our payment system TIC-RTGS to TARGET in accession to Economic and Monetary Union. | | Guideline No. 32006O0011 (ECB/2006/11) of the European Central Bank of 3 August 2006 on the TARGET system | Central Bank of the Republic of Turkey |
| 17.1013.2.02 | <p>Communiqué on Reserve Requirements</p> <p>(Secondary legislation on the application of required reserves, which needs to be enacted parallel to the amendment of the Law No 1211 on the Central Bank of the Republic of Turkey with reference number 17.0913.1.01 shall be made so as to be implemented during accession to the European Monetary Union.)</p> | Specification of procedures and principles of the application of required reserves | | Regulation No. 1745/2003 dated 12 September 2003 of the European Central Bank of on the Application of Required Reserves and article 11 of the Regulation No. 2157/1999 dated 23 September 1999 of the European Central Bank on the principles of the application of sanctions | Central Bank of the Republic of Turkey |