

Turkish Capital Markets Board Announces the Draft Communiqué on Crowdfunding

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In September 2018, the Turkish Capital Markets Board (“**CMB**”) had issued an announcement on its website, declaring that a secondary legislation for crowdfunding was underway. Just recently, on January 4, 2019, CMB published the Draft Communiqué on Equity Crowdfunding No. III-35/A (“**Draft Communiqué**”)¹. In the announcement, CMB states that the Draft Communiqué aims to ensure the effective penetration of the crowdfunding model into the capital markets legislation and create a regulatory framework for crowdfunding activities.

The Draft Communiqué addresses principles on (i) crowdfunding platforms, (ii) activities of crowdfunding platforms, (iii) subscription to crowdfunding platforms and the campaign process and (iv) areas for the use of the funds and venture capital firms. The Draft Communiqué requires crowdfunding platforms to apply to CMB for listing and comply with the specific requirements set forth by CMB.

The Draft Communiqué is open to public comments until February 4, 2019.

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¹ Full text of the announcement and the Draft Communiqué is available at <http://www.spk.gov.tr/Duyuru/Goster/20190103/0>