

Financial Supervisory Commission (FSC) 2025 Policy Plans Performance Report Summary

1. In 2025, the global economic and financial environment still showed a high degree of uncertainty. Increased geopolitical risk prompted adjustments in capital flows and cross-border investment allocations, increasing volatility in international financial markets. In response, countries around the world have successively adjusted their monetary policies. Although inflationary pressures eased, interest rates remained at elevated levels, which has a lasting impact continued to affect capital mobility and market stability. At the same time, the rapid evolution of emerging technologies, including generative AI and digital finance, created opportunities for innovation while also placing higher demands on supervisory and risk management frameworks. Meanwhile, the effects of climate change and the pressures of ensuring a sustainable transformation are intensifying. Meanwhile, the ongoing introduction of international sustainability disclosure standards and net-zero transition policies is prompting the financial sector to play a more proactive role in advancing green finance. In addition, the interplay of fraud, cybersecurity threats, and risks associated with virtual assets has further increased the complexity of the financial supervisory environment.
2. In response to these challenges, the FSC continued to adhere to its administrative mandate of advancing both “security” and “development,” and worked to enhance the resilience of the financial system, maintain sound market order, further the development of fintech and sustainable finance, promote inclusive finance, and ensure consumer protection. Key policy priorities and major achievements in 2025 were as follows: ① amending regulations governing banks’ capital adequacy requirements to align with international standards; ② promoting the adoption of the new-generation solvency regime and IFRS 17 in the insurance industry to facilitate a smooth

and stable transition; ③ issuing the Operating Principles for Financial Institutions Applying to Participate in Trial Operations in Local Asset Management Zones and establishing the Kaohsiung Asset Management Zone as part of the initiative to develop Taiwan into an Asian asset management center and approving 38 business trials while also promoting Taiwan Individual Savings Accounts (TISA) to encourage investment by the public; ④ advancing the Asia Innovation Capital Platform and the Taiwan Week series of events to enhance the international connectivity of Taiwan's capital markets; ⑤ amending the Insurance Act to introduce mandatory enforcement provisions concerning insurance policies and an intervention rights mechanism, as well as revising the Securities Investor and Futures Trader Protection Act to expand investor protections; ⑥ drafting the Virtual Asset Service Act to establish a dedicated regulatory framework and permitting the launch of virtual asset custody services business trials; ⑦ accepting applications for the establishment of digital insurance companies to accelerate the digital transformation of the insurance sector; ⑧ promoting FinTechSpace 2.0 to enhance the startup ecosystem; ⑨ strengthening inter-agency collaboration on anti-fraud efforts and conducting financial cybersecurity offensive and defensive drills to enhance resilience and prevention capacity; and ⑩ promoting sustainable finance initiatives, including the Taiwan Sustainable Taxonomy, sustainable finance evaluations, and the development of green financial products, to help enterprises align with IFRS Sustainability Disclosure Standards.

3. Looking ahead, the FSC will continue to promote strategies that build the resilience of the financial industry and enhance risk supervision, foster sound market development, advance consumer protection and inclusive finance, transform Taiwan into an Asian asset management center with distinctive local characteristics, promote fintech innovation, and further

sustainable finance. Through interagency and international cooperation, the FSC will endeavor to build a financial environment that is secure, innovative, inclusive, and sustainable and that ensures the stable development of Taiwan's financial markets and supports economic growth and sustainable prosperity.