

FSC Banking Bureau 2020 Internal Control Project Evaluation Results

No.	Organizer	Project Name	Project Execution and Performance Review (Results of the Organizer's Self-Evaluation of Performance)	Banking Bureau Review Comments	Grade
1	Trust and Bills Finance Co. Division	Increase electronic payment penetration rate in the public sector and medical institutions	<p>I. Project management:</p> <p>(I) Filing implementation results and control status on a quarterly basis and submitting results before the scheduled deadline.</p> <p>(II) In terms of the cumulative progress for the year in each management and evaluation cycle, no work item was behind schedule.</p> <p>(III) The implementation of the Project was not provided with a separate budget. The expenditures for the implementation of work items are financing from existing business operations budget.</p> <p>II. Implementation performance:</p> <p>(I) As of the end of 2020, the cumulative transaction amount in the "Credit Card Payment Platform for Public Agency Fee" has reached NT\$66.7 billion which is beyond the target value of NT\$60 billion in 2020.</p> <p>(II) Performance target of "increase transaction amount by 10% in 2020":</p> <p>1. The transaction amount in 2020 was</p>	The Bureau agrees with the descriptions provided in the evaluation. Please continue to promote the Project and implement improvement measures and enhancement actions.	Excellent

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			<p>NT\$16,723,081,327, which was a 27.5% reduction from NT\$23,060,056,693 in 2019. The main reason was that the participating institutions were not required to pay service fees in the early stages of the operations of the platform, but the payment mechanisms on the platform were adjusted in October 2019. Except for the payment of fines, public institutions and public medical institutions were required to compile budgets for all service fees. The requirements have reduced the willingness of institutions for joining the platform, and reduced the overall transaction amount in 2020 by approximately 27.48% from 2019.</p> <p>2. The payment collection mechanisms on the platform were adjusted in October 2019. The National Development Council convened a cross-agency meeting which determined that public sector and medical institutions must compile budgets for prepayment of service fees in order to encourage the public to use credit cards for payment. However, certain units could not allocate budgets or have insufficient funding and could no longer use the "Credit Card Payment Platform for Public Agency Fee". As a result, the number of institutions reduced to 1,182 (data from November 2019). However, the NCCC still actively promoted the platform to public sector and medical institutions. As of December</p>		
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			<p>2020, the number of participating institutions increased to 1,274 (7% increase). The main reason for the lower number of institutions and transaction amount compared to 2019 was the adjustment of the payment mechanism, which affected willingness of the public sector and medical institutions for participation. The reduction was the result of a change in the system instead of the poor performance of the Project. In addition, the NCCC has actively promoted "Credit Card Payment Platform for Public Agency Fee" to mitigate the impact of the aforementioned change in the system.</p> <p>(III) Target for increasing the cumulative transaction amount of the NCCC "Credit Card Payment Platform for Public Agency Fee" by 10% compared to the target for the end of 2020 of "NT\$60 billion in cumulative transaction amount": As of the end of 2020, the cumulative transaction amount in the "Credit Card Payment Platform for Public Agency Fee" has reached NT\$66.7 billion which exceeded the target value of NT\$60 billion in 2020. The increase was 11.17% higher than the target value.</p> <p>(IV) Special performance:</p> <ol style="list-style-type: none"> 1. Special performance for meeting the criteria of "business innovation, improvement, and simplification 		
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			<p>which help enhance the government's administration performance and improve the public satisfaction of the government with significant results": The establishment and promotion of the "Credit Card Payment Platform for Public Agency Fee" have assisted the public sector and public medical institutions in providing the public with credit card payment services. From the launch of the platform in 2016 to the end of 2020, the number of institutions participating in the platform has reached 1,274, the cumulative number of transactions has reached 9.26 million, and the transaction amount has reached NT\$66.7 billion. It has effectively enhanced the convenience of payment for the public, increased non-cash payment popularity, and created a friendly non-cash payment environment.</p> <p>2. Special performance for meeting the criteria of "outstanding performance in project implementation and effectively reducing project operating costs or increasing operating efficiency": The implementation of the Project did not expend additional budgets. As of the end of 2020, the cumulative transaction amount in the "Credit Card Payment Platform for Public Agency Fee" has reached NT\$66.7 billion which exceeded the target value of NT\$60 billion in 2020. The project operation was highly effective.</p>		
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		<p>3. Special performance for meeting the criteria of "cross-agency projects which have prudent planning and active coordination and integration with significant benefits of the project":</p> <p>(1) The FSC has established the "E-payment Promotion Task Force" to implement policies to increase the popularity of non-cash payment services and mobile payment services. The FSC invited the Ministry of Finance, Ministry of Health and Welfare, Ministry of Economic Affairs, and related financial institutions to take part as members of the Task Force and integrate the related ministries and institutions to actively execution. The project was one of the listed duties of the aforementioned Task Force.</p> <p>(2) The FSC convened the fifth meeting for matters regarding the aforementioned Task Force on September 29, 2020 and the key resolutions were as follows:</p> <p>A. As the main goal for the promotion of electronic payment is to increase non-cash payment transactions in Taiwan, so this task force were renamed as "Non-cash Payment Promotion Task Force".</p> <p>B. Related organizations (Financial Information Service Co. Ltd. and NCCC) have been requested to actively promote their electronic payment platforms and the "promotion of diverse payment tools" has been included as a work item for the Task Force.</p>		
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		<p>C. To reduce the risks of fraud in online transactions and increase consumers' willingness to use non-cash payment, the Ministry of Economic Affairs was requested to continue to help businesses enhance their security measures for protecting consumers' personal data. The Bankers Association was also requested to notify card acquirers to enhance the management of credit card transaction security for contracted merchants on e-commerce platforms.</p> <p>4. Special performance for meeting the criteria of "inclusion of diverse social participation in the project planning and execution process and enhancement of policy communication and coordination": To promote the Project, the FSC has invited the NCCC, main credit card issuers, and credit card organizations to discuss relative topics in multiple rounds of meetings. Issues discussed in these meetings included the application for the platform extended to public medical institutions, coordination with credit card issuers to waive credit card service fees for cardholders in 2018, and making recommendations for credit card organizations to reduce or waive related fees collected from credit card business institutions, etc., to jointly improve the payment services convenience of the public and lift the burden of service fees.</p> <p>5. Special performance for meeting the criteria of "other</p>		
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			<p>special benefits created in the implementation of the Project": The platform increased the number of payment items for local government fees in 2020 and expanded the platform to more remote areas such as Penghu and Kinmen. The number of items that can be paid with credit cards also increased. In addition to expanding the coverage of non-cash payment, promoting financial services in remote rural areas, and implementing financial inclusion, the FSC also increased the public's use of non-cash payments and achieved the targets of the Project.</p> <p>III. Improvement measures and enhancement actions: The FSC will continue to promote the "Credit Card Payment Platform for Public Agency Fee" and encourage the public to use non-cash payment services in public sector and public medical institutions to effectively increase the penetration rate of non-cash payment and provide a more stable, convenient, and secure payment environment.</p>		
2	Trust and Bills Finance Co. Division	Encourage trust enterprises to develop elderly care	<p>I. Project management:</p> <p>(I) Filing implementation results and control status on a quarterly basis and submitting results before the scheduled deadline.</p> <p>(II)As of the end of 2020, the cumulative number of</p>	The Bureau agrees with the descriptions provided in the evaluation. Please continue to promote	Excellent

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		<p>trusts suitable for the elderly and people with disabilities</p>	<p>beneficiaries of elderly care trusts services processed by trust enterprises reached 33,620 which exceeded the target for 2020.</p> <p>(III) The implementation of the Project was not provided with a separate budget. The expenditures for the implementation of work items are financing from existing business operations budget.</p> <p>II. Implementation performance:</p> <p>(I) Target for "increasing the cumulative assets under trust by 5% to 6% compared to the previous year": As of the end of 2019, the cumulative principal of elderly care trust services processed by trust enterprises reached NT\$26 billion. As of the end of 2020, the cumulative principal of elderly care trust services processed by trust enterprises reached NT\$43.465 billion and the scale of trust assets increased by 67.17% which is beyond the target by 6%.</p> <p>(II) Target for "increasing the cumulative number of beneficiaries of elderly care trust services processed by trust enterprises by 500 beneficiaries compared to 2019": As of the end of 2020, the cumulative number of beneficiaries of elderly care trust services processed by trust enterprises reached 33,620 which was an increase of 7,854 from 25,766 actual beneficiaries in 2019. The increase exceeded 500 beneficiaries.</p>	<p>the Project and implement improvement measures and enhancement actions.</p>	
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		<p>(III) Special performance:</p> <ol style="list-style-type: none"> 1. Special performance for meeting the criteria of "business innovation, improvement, and simplification which help enhance the government's administration performance and improve public satisfaction of the government with significant results: Since the FSC promulgated the "The rating criteria and incentive measures for trust enterprises engaging in senior citizens and people with disabilities asset trust business" on November 10, 2015, it has encouraged trust enterprises to actively innovate and develop customized elderly care trust products based on the real needs of the elderly and people with disabilities. Trust enterprises have developed elderly products, medical services, and other financial products with elderly care institutions. As of the end of 2020, there were 33,620 beneficiaries and the cumulative principal of elderly care trust business reached NT\$43.465 billion. It was a significant increase of 7,854 beneficiaries and NT\$17.5 billion from the 25,766 cumulative beneficiaries and cumulative trust asset principal of approximately NT\$26 billion as of the end of 2019. 2. Special performance for meeting the criteria of "outstanding performance in project implementation and effectively reduced project operating costs or increased operating efficiency": The FSC urged the Trust Association to enhance promotion activities 		
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			<p>including hosting large trust seminars and road shows organizing finance lectures in colleges and universities, introducing elderly care to social welfare associations, and organizing promotion campaigns with the Trust Association members. The FSC also proposed to the Department of Information Services of the Executive Yuan to assist in the broadcast of the short education videos, video and audio files, and micro movies in 2018 and 2019. We used the Internet, FSC website, Facebook, and Trust Association website for broadcasts without allocating additional budgets. We also improved the implementation efficiency for enhancing the public's awareness of elderly trusts.</p> <p>3. Special performance for meeting the criteria of "cross-agency projects which have prudent planning coordination and integration with significant benefits of the Project": The project proceeded with the liaison among the FSC, Executive Yuan, and municipal governments, Taiwan Financial Services Roundtable, and the Taiwan Academy of Banking and Finance. Details are described as follows:</p> <p>(1) Since the FSC has announced evaluation and incentive measures, we have held award ceremonies at the Taiwan Academy of Banking and Finance from 2017 to 2020 and invited the Premier and Vice Premier to be the presenters in the award ceremony.</p> <p>(2) The participants of the Project who are in charge of</p>		
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			<p>organizing promotion included: officers in government agencies, and municipal governments people who are in charge of elderly care trusts related business. The FSC also collaborated with Taiwan Financial Services Roundtable in organizing finance seminars in colleges and universities.</p> <p>(3) The FSC urged the Trust Association to enhance promotion to certain parties such as elderly service centers, health service centers, and volunteer social workers in hospitals, community colleges, and members of the Trust Association.</p> <p>III. Improvement measures and enhancement actions:</p> <p>(I) Continue to enforce evaluations and rewards: The FSC promulgated the "The rating criteria and incentive measures for trust enterprises engaging in senior citizens and people with disabilities asset trusts business" on November 10, 2015 and the Measures has been implemented for five years starting from 2016. The FSC will continue to implement the Measures.</p> <p>(II) Enhance promotion: The FSC will continue to urge the Trust Association to organize promotion activities including seminars, lectures, and large events for municipal governments, government agencies, social welfare associations, colleges and universities, and the public. The FSC will also produce promotion materials and short films to be played on various news media outlets, television, radio, and Internet channels. The FSC also completed the production of elderly care trust</p>		
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			<p>micro movies in 2018 and 2019. The micro movies have been played through online media.</p> <p>(III) To enhance protection of the rights and interests of the public, the FSC has urged the Trust Association to formulate the Elderly Care Trust Contract Template for Persons with Disabilities.</p>		
3	Credit Cooperatives Division	Enhance finance education and strengthen protection of the interest of financial consumers	<p>I. Project management:</p> <p>(I) Due to the impact of the COVID-19 epidemic, the Bureau decided on November 16, 2020 to adjust the target number of participants for 2020 to 42,000 participants to meet the actual implementation status in 2020. The Bureau therefore implemented one adjustment of the operation plan.</p> <p>(II) Progress control status:</p> <ol style="list-style-type: none"> 1. The target number of promotional activities for this year is 440, 50 in the first quarter, 200 in the second quarter, and 270 in the third quarter. 2. Due to the impact of the COVID-19 epidemic, the actual number of sessions in the first quarter was only 38, and the cumulative progress of implementation was 2.72% behind. However, as of the second quarter, the actual number of sessions has reached 198, and the cumulative progress of implementation was only 0.45% behind schedule. 	The Bureau agrees with the descriptions provided in the evaluation. Please continue to promote the Project and implement improvement measures and enhancement actions.	Excellent

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			<p>3. As of the third quarter of 2020, 370 sessions were held so as the Project was far beyond the target by a significant margin.</p> <p>4. As of the fourth quarter of 2020, 546 sessions were held, which significantly exceeded the target number of sessions. We also produced two micro-films including "Financial Transaction Security – Promotional Chapter" and "Fraud-Prevented Case Study" in the "Consumer Financial Protection Education Micro films Project".</p> <p>(III) The available budget for the entire year was NT\$3,344,000 and the actual expenditures amounted to NT\$2,939,000. The average budget implementation rate was 82.43%. [In 2020, we allocated NT\$600,000 for the paid screening of short promotional short films (micro-films) in movie theaters. Due to the COVID-19 epidemic, the paid screening was not expected to be as effective as planned. We have rearranged for public service announcements through the Government Information Office of the Executive Yuan. As a result, the actual expenditures were lower than the available budget.]</p> <p>II. Implementation performance:</p> <p>(I) Target for "At least 440 sessions of the School and</p>		
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			<p>Community Financial Literacy Campaign" and "100% of the target sessions in the School and Community Financial Literacy Campaign": As of the end of December 2020, the target number of sessions was 440 and 546 sessions were held. The target achievement rate was 124.09%.</p> <p>(II) Target for "At least 42,000 participants and attaining 100% of the target participants in the School and Community Financial Literacy Campaign": As of the end of December 2020, the School and Community Financial Literacy Campaign attracted a total attendance of 43,479 participants based on a target of 42,000 participants, reaching 103.52% of the target participation rate.</p> <p>(III) Special performance:</p> <ol style="list-style-type: none"> 1. Special performance for meeting the criteria "project implementation effectiveness actively broadcasted by domestic or foreign media and received recognition": Financial institutions (e.g., banks and credit cooperatives) supported the "School and Community Financial Literacy Campaign" organized by the FSC to fulfill corporate social responsibilities and create a friendly financial consumption environment. The financial instructors 		
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			<p>of the institutions give lectures across Taiwan to foster financial education and promote financial knowledge. The FSC publicly praises the top ten financial institutions with the highest number of financial literacy events provided. The "Credit Cooperatives Quarterly" reports related information and photographs of the campaign each quarter, which recognizes this campaign and effectively encourages financial institutions to participate actively and continually and strengthen social public welfare.</p> <p>2. Special performance for meeting the criteria "business innovation, improvement, and simplification will help enhance the government's administration performance and improve the public satisfaction of the government with significant results:</p> <p>(1) The FSC produced two micro-films including the "Financial Transaction Security – Promotional Chapter" and "Fraud Prevented - Case Study" in the "Consumer Financial Protection Education Micro-films Project" in 2020 to educate people things to note on handling financial transactions. For instance, they should not give passbooks, seals, passwords and signed blank forms to clerks of financial institutions for safekeeping, check</p>		
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			<p>investment details and balance regularly, and pay attention to the fact that financial advisors should not deal with customers' funds privately, and explain the mechanism for financial institutions to proactively care for customers, prevent fraud, and enhance the people's awareness of fraud prevention.</p> <p>(2) The FSC's production of the aforementioned educational micro films was completed via open tender procedures and 7 institutions submitted bids for the 2020 procurement project. The FSC invited external experts for the joint evaluation and selection and selected a company with abundant production track records and multiple awards that was able to provide innovative scripts and high-quality effects as the winning bidder. To enhance the people's awareness of the government's policies, we continued to target online dating frauds for the younger generation in the awareness campaign for 2020. We invited famous young actors and actresses to cast the leading roles in the films and the production company used YouTube video ads and 7-ELEVEN's Open! Channel as physical dissemination channels to enhance the effectiveness of the films. Broadcast of the films is not limited to specific areas. Instead, they will be broadcasted all over Taiwan to increase viewership. The FSC has thus achieved significant results in consumer</p>		
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			<p>protection.</p> <p>3. Special performance for meeting the criteria "outstanding performance in project implementation and effectively reduced project operating costs or increased operating efficiency": The 2020 "School and Community Financial Literacy Campaign" were organized by the FSC in collaboration with the Bankers Association of the Republic of China, National Federation of Credit Co-operatives of the R.O.C., Central Deposit Insurance Corporation, and Taiwan Academy of Banking and Finance. Activities were held throughout Taiwan and they were offered free of charge to encourage participation from the public. Considering transportation risks that lecturers face need to be mitigated, the Bureau compiles a budget of NT\$57,000 for lectures' travel insurance each year. Since the Bureau did not compile other additional budgets for this Project expect for the aforementioned insurance, the cost of the Project has been reduced effectively.</p> <p>4. Special performance for meeting the criteria "Cross-agency projects which have prudent planning coordination and integration with significant benefits of the Project": The FSC broadcasts short films of correct financial concept and requests</p>		
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			<p>the Department of Information Services of the Executive Yuan for helping organize public service broadcasts on six terrestrial TV channels (TTV, CTV, CTS, FTV, Hakka TV, and Taiwan Indigenous TV channels). We also requested the Bankers Association, National Federation of Credit Co-Operatives, Trust Association, and Bills Finance Association to notify their respective members to include the micro films into the training materials for the employees of individual financial institutions, or use as promotional materials for instructors of the "School and Community Financial Literacy Campaign". We have actively engaged related organizations and associations and issued press releases to publish the materials.</p> <p>5. Special performance for meeting the criteria "planning and implementation processes to incorporate participation among diverse groups in the society and enhance policy communication and coordination ": The FSC held 4 sessions of the Financial Consumer Protection Knowledge Seminars, in which were Taipei, Taichung, Kaohsiung, and Hualien in October to November 2020. The number of participants reached 400 and we invited experienced experts to share new developments trend and practices in related regulations. By delivering new knowledge of</p>		
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			<p>consumer protection to financial institutions employees, the financial institutions including banks, credit cooperatives, credit card companies, electronic stored value card issuers and electronic payment institutions enhanced awareness of consumer protection, and improve protection of consumer interests.</p> <p>III. Improvement measures and enhancement actions: We continue to organize the School and Community Financial Literacy Campaign, Financial Consumer Protection Knowledge Seminars, and the production and broadcast of promotional materials (short films) on correct financial values in 2021 to strengthen the protection of financial consumers' interests.</p>		
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