

FSC 2025 Policy Plan

The FSC is the competent authority with overall responsibility for supervising, regulating, and facilitating the development of financial markets and financial services enterprises, and for conducting financial examinations. The FSC seeks to ensure the sound operation of financial institutions, maintain financial stability, and promote the development of our financial markets.

As financial markets serve as the lifeblood of a nation's development and are closely tied to personal livelihoods and the economy, the FSC will remain committed to upholding the core objectives of financial supervision and work towards establishing a new financial market that prioritizes both security and development. Building upon the twin foundations of "financial security" and "financial development and innovation," the FSC will focus on six core areas: (1) strengthening capital resilience and risk supervision; (2) ensuring sound market behavior and corporate governance; (3) promoting inclusive finance and consumer rights protection; (4) advancing financial market development; (5) accelerating financial and technological innovation; and (6) enhancing sustainable finance. Through these initiatives, the FSC aims to create a secure, equitable, inclusive, and trustworthy financial environment, providing appropriate financial products and services, assisting industrial firms and the financial institutions in responding to various challenges, and promoting sustainable and innovative development.

In accordance with the 2025 policy guidelines of the Executive Yuan and the approved budget, the FSC has outlined its Policy Plan for 2025. This Policy Plan gives due consideration to economic and societal changes and the future development of the FSC.

A. Annual Policy Objectives and Strategies

1. Strengthening capital resilience and risk supervision

- (1) To strengthen the risk-absorbing capability and international competitiveness of domestic banks, the FSC will continue to monitor international regulatory reform trends and changes in the global economic and financial landscape. The FSC will also consider adopting relevant measures in line with international standards to maintain financial resilience and align with international practices.
- (2) In accordance with the FSC Strategy Map for AML/CFT, the FSC will continue to be in line with international standards and to implement risk-based supervision.
- (3) Enhance the sector competitiveness and the business environment of securities firms. Enhance the efficiency of the futures market and ensure the security of transactions.
- (4) Considering the specific circumstances of our country and referencing international solvency system development trends, the FSC will continuously study and promote the TW-ICS system to strengthen financial structure of insurance industry.
- (5) Keep guiding and working together with insurance enterprises to smoothly and actively prepare for the adoption of IFRS 17 (Insurance Contracts).
- (6) Continue to promote the Financial Cybersecurity Action Plan 2.0, supervise the efforts of financial institutions to maintain the stability and security of the financial system, and provide a secure transaction environment for the public.
- (7) Strengthen the internal audit effectiveness of financial institutions.
 - A. The FSC will urge financial institutions to implement a risk-based auditing approach and review systemic deficiencies identified in financial examinations. The FSC will also strengthen communication with the internal audit departments of financial institutions.
 - B. The FSC will adopt an on-site assessment approach for evaluating financial institutions' internal audit performance, and will strengthen its scrutiny of the effectiveness of internal audit work during full-scope examinations.
- (8) In order to allocate examination resources effectively, the FSC will implement a differential examination mechanism to examine and regulate financial institutions based on their risk levels.
- (9) In response to supervisory needs, market conditions, and public concerns, the FSC will conduct targeted examinations focusing on specific financial businesses or items. These targeted examinations will be designed to mesh well with regular full-scope examinations.
- (10) The FSC will urge financial institutions to strengthen information system resilience and the risk management capacity for information security and enhance the scrutiny of the implementation effectiveness of the business continuity management mechanism and measures for information security defense during on-site examinations.

(11) The FSC will hold "Financial Supervisory Liaison Group" meetings with the Central Bank (CBC), the Ministry of Agriculture (MOA), and the Central Deposit Insurance Corporation (CDIC) as necessary to fully coordinate and communicate on matters related to financial systems and policies.

2. Ensuring sound market behavior and corporate governance

- (1) Strengthen corporate governance and sustainable development measures to enhance the competitiveness of Taiwan's capital market.
- (2) Implement the surveillance of stock trading to ensure market discipline.
- (3) Enhance corporate financial information transparency and the quality of CPA audits.
- (4) Strengthen the regulation of insurance market discipline and continue to supervise the efforts of insurers to strengthen risk management and implement internal control and auditing systems.

3. Promoting inclusive finance and consumer rights protection

- (1) The FSC will issue financial inclusion metrics to evaluate the development of financial inclusion in Taiwan and the effectiveness of policy implementation, the FSC will also continue to urge financial institutions to implement financial inclusion measures to enable the general public — especially people in remote areas, disadvantaged groups, new immigrants, women's groups, and people with disabilities — to have access to convenient, equitable, and reasonable financial services.
- (2) The FSC will advance the "Financial Literacy Promotion Program" through various approaches to promote fundamental financial knowledge and enhance the financial literacy of the public.
- (3) Continue to implement the "School and Community Financial Literacy Campaign."
- (4) The FSC will keep promoting comprehensive trust services and cross-industry alliances and conducting award ceremonies for trust enterprises with excellent performance in expanding trust services and fulfilling customer needs.
- (5) Improve investor protection mechanisms, strengthen the management of proxies for attendance at shareholders meeting and the administration of shareholder services.
- (6) Continue to promote commercial reverse mortgages to meet the financial needs of consumers in an aging society.
- (7) To keep promoting friendly financial service measures for persons with disabilities, the FSC has urged the Non-Life and Life Insurance Associations to hold seminars and exchange opinions with advocacy groups for the disadvantaged, so as to facilitate regular improvement of friendly financial service measures.
- (8) Continue to encourage insurers to innovative insurance products to meet the diverse needs of the public.

- (9) In order to promote financial inclusion, enable economically disadvantaged groups and people with specific status to obtain basic insurance protection, the FSC will continue promoting microinsurance.
- (10) The FSC will continue promoting the "Treating Customers Fairly (TCF) Principles," which require financial services providers to continue to improve and build a corporate culture centered on TCF and integrity.

4. Spur financial market development, promote Taiwan's emergence as Asian Asset Management Center

- (1) In order to help SMEs, companies in the Six Core Strategic Industries, and the Five Trusted Industry Sectors to obtain working capital, the FSC will continue to implement programs to encourage domestic banks to lend to them.
- (2) Continue promoting the wealth management business for high-asset customers, and allowing qualified banks to provide diversified financial products and services, so as to promote the transformation of the industry's business model and industrial upgrading.
- (3) To build up a diversified fund-raising environment and to support new and innovative entrepreneurs and the development of the real economy, the FSC will instruct TWSE and TPEX to explore potential high-quality enterprises, participate in industrial promotion and seminars. The idea is to help high-quality enterprises to utilize the capital market to raise funds, thereby expanding the scale of the capital market.
- (4) Improve the operation and development of the domestic asset-management industry, and complete the relevant laws and regulations.
- (5) Encourage insurers to develop diversified products and service channels to meet the needs of diversified products, and guide insurers to invest in public infrastructure.
- (6) Proceed with signing memoranda of understanding on financial supervision or FinTech cooperation with other countries to facilitate the exchange of information and promote cooperation between regulatory bodies through diverse methods, such as the sharing of best supervisory practices through bilateral meetings and active participation in international financial-related conferences and consultations aimed at leading to more harmonized regulatory approaches across jurisdictions.
- (7) Carry on building an increasingly bilingual financial service environment to make financial services more international; persistently encourage the financial industry to improve employees' English proficiency and foster a welcoming bilingual financial service environment, including setting up bilingual demonstration branches.

- (8) Encourage domestic banks to provide credit to local enterprises or Taiwanese businesses in New Southbound Policy countries, as well as to expand their presence in these countries and regions, thereby increasing their regional financial influence.

5. Accelerating financial and technological innovation

- (1) In order to meet the demands of FinTech innovation, market development, sustainable finance, new market development opportunities, and deregulation, the FSC will consider establishing a dedicated unit under our framework called the "Department of Development and Innovation" (tentative name) to create new opportunities for the development of finance and technology.
- (2) Continue promoting the development of FinTech in our country by advancing a dual system comprising a regulatory sandbox and a business trial program.
- (3) Establish the "Financial Action Innovation Regulation Adaptation Platform," which is composed of industry, government, and academia, and led by academics, with rapid response from industry and accelerated evaluation by the FSC, so as to take into account financial security and development and achieve the effect of financial innovation.
- (4) Promote the application of MyData in the banking, securities and futures, and insurance sectors in order to provide fast and convenient financial services to citizens and enterprises.
- (5) The FSC will continue to encourage internet-only banks to engage in financial innovation so they can offer more complete financial services.
- (6) The FSC will continue to review insurers' investment channels and seek to improve their capital efficiency. With this goal in mind, the FSC will amend laws and regulations governing the use of capital to reflect the changing international financial landscape and ensure that funds are used safely and efficiently.
- (7) In response to the rapid development of the digital economy and emerging technologies, the FSC will continue guiding insurers and FinTech firms to jointly develop innovative insurance products, services, and processes on a trial basis, build an insurance ecosystem, and meet the people's needs for insurance protection.
- (8) Continue reviewing regulations applying to online insurance business, create an environment conducive to digital insurance, and make it more convenient to obtain policies.

6. Enhance sustainable finance, and support the efforts of industries to move toward sustainable development and net-zero transition

- (1) Continue promoting the "Green and Transition Finance Action Plan," to guide financial industry funds toward investments in green and sustainable development, accelerate industry's net-zero transition, further deepen cross-ministerial cooperation, enhance public-private collaboration, expand influence, and reach our net-zero emissions target.

- (2) Enhance international competitiveness by improving companies' sustainable governance culture, strengthening transparency of sustainable information, and assisting listed companies in implementing sustainability-related policies.
- (3) In accordance with the FSC's sustainability-related plans, the FSC will continue to strengthen banks' climate resilience and risk management capabilities.
- (4) Continue encouraging insurers to invest in the six core strategic industries, public infrastructure, long-term care enterprises, and sustainability bonds, and guide insurers' funds toward investments in domestic strategic industries, public infrastructure, social housing, and long-term care enterprises.

B. Key Plans for the Year

Focus of plan	Item	Category	Content of plan
Sound financial development	"Green and Transition Finance Action Plan"	Other	Continue developing guidelines and databases required for financial institutions, through various measures to enable financial market funds and products to exert their influence, promote transition finance, and assist enterprises in obtaining the funds required for net-zero transition and sustainable development, so that Taiwan's financial institutions can become a model of sustainable finance in Asia.
	FinTech Development Promotion Program	Other	By adjusting FinTech regulations, relaxing business trial restrictions, enhancing mechanisms for implementing innovative experimentation, promoting FinTech R&D and collaboration, and increasing financial inclusion and digital finance adoption, we aim to create a more inclusive, equitable, sustainable, and international FinTech ecosystem.
	Financial Cyber Security Action Plan 2.0	Other	The framework of the action plan consists of the enhancement of supervision by the authority, the intensification of cybersecurity governance, the achievement of more robust operational resilience, and the conduct of collaborative sector-wide cyber defense. The FSC will supervise the efforts of financial institutions to maintain the continuity of financial information systems, and therefore provide customers with a reliable and secure transaction environment.
	The seventh Financial Literacy Program (2024-2026)	Other	<ol style="list-style-type: none"> Through the continuous promotion of new types of financial knowledge promotion activities, the Financial Literacy Program will provide a wide range of basic financial education and information to improve consumers' financial knowledge. The Program will continue to integrate the resources of financial peripheral institutions and financial industry associations so they can jointly promote financial literacy.
Banking supervision	Provide diversified financial services and support economic development	Other	In order to help SMEs, companies in the Six Core Strategic Industries, and the Five Trusted Industry Sectors to obtain working capital, the FSC will continue to implement programs to encourage domestic banks to lend to them.
Banking supervision	Strengthen financial education and financial consumer protection	Other	The FSC will continue to implement the financial literacy program to promote fundamental financial education. The FSC will also carry out the "School and Community Financial Literacy Campaign" to enhance financial literacy and financial consumer protection.

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Banking supervision	Promote wealth management business for high-asset customers	Other	Provide diversified financial products and consulting services based on high-asset customers' wealth-management needs so as to enhance the competitiveness of domestic banks in the international wealth management market and to promote the transformation of the industry's business model and industrial upgrading.
Banking supervision	Encourage banks to launch the commercial reverse mortgage business.	Other	To respond to demographic aging, the FSC will encourage local banks with proper risk control measures to continuously promote commercial reverse mortgage business, thereby providing consumers with funds for economic security old age.
Securities and futures markets supervision	Build up a diversified financing environment and expand the scale of the capital market.	Other	<ol style="list-style-type: none"> 1. Enhance international competitiveness by leading corporations to net zero, improving companies' sustainable governance culture, strengthening transparency of sustainable information, boosting communication among stake holders, promoting ESG evaluation and digitization, and assisting listed companies in implementing sustainability-related policies. 2. The FSC has constructed multilayer capital markets. To continue to enhance the competitiveness of our domestic capital markets, build up a diversified fund-raising environment, and support the development of the real economy, the FSC will instruct TWSE and TPEX to participate in industrial promotion and seminars and explore potential industries through conference call or on-site visits, thereby expanding the scale of the capital markets. 3. To assist new and innovative entrepreneurs to enter the capital market to raise funds, the FSC will actively instruct TWSE and TPEX to explore the needs of new entrepreneurs and guide new entrepreneurs to list on the GISA to raise funds, thereby supporting the development of innovative industries.
Securities and futures markets supervision	Enhance the competitiveness of securities firms and promote the internationalization of the domestic securities and futures markets.	Other	<ol style="list-style-type: none"> 1. Deliberate on the amendment of relevant regulations governing securities firms, provide diversified financial products, improve the development of financial markets, and enhance the sector competitiveness of securities firms. 2. The FSC and self-regulatory organizations will actively participate in international conferences and engage in bilateral or multilateral dialogues, thereby deepening exchanges of views and cooperation with international regulators, and raising Taiwan's global visibility.

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Securities and futures markets supervision	Improve the investor protection mechanism, strengthen regulation of shareholder services and the use of proxies for attendance at shareholders meetings, and implement the surveillance of stock trading to ensure market discipline.	Other	<ol style="list-style-type: none"> 1. Improve investor protection mechanisms, and supervise efforts by the SFIPC to implement measures to protect the rights and interests of securities investors and futures traders. 2. Strengthen regulation of shareholder services and the use of proxies for attendance at shareholders meetings. 3. Implement the stock market surveillance system and illegal transaction investigations, and strengthen cross-market supervision.
Securities and futures markets supervision	Improve the operation and development of the domestic asset management industry, and complete relevant laws and regulations.	Other	<ol style="list-style-type: none"> 1. Continue amending regulations related to the Securities Investment Trust and Consulting Act, to improve the operations of domestic asset management firms. 2. Continue reviewing restrictions on the domestic asset management industry and securities investment trust funds, to enhance competitiveness.
Securities and futures markets supervision	Enhance the transparency of financial information and align our accounting, auditing, and related supervisory measures with international practices.	Other	<ol style="list-style-type: none"> 1. Continue reviewing regulations governing accounting and internal controls of public companies. 2. Strengthen supervision of CPAs and enhance audit quality. 3. Participate in international organizations and align our supervisory measures with international practices.
Securities and futures markets supervision	Enhance the efficiency of the futures market, expand the scope of futures industry	Other	<ol style="list-style-type: none"> 1. Continue strengthening and reviewing the relevant regulations and systems of the futures market. 2. Broaden the scope of businesses conducted or products sold by futures firms, and implement risk management.

Focus of plan	Item	Category	Content of plan
	businesses, and ensure the security of transactions.		
Insurance supervision	Strengthening the solvency and risk management of the insurance industry.	Other	<ol style="list-style-type: none"> 1. Considering the specific circumstances of our country, the FSC will continuously promote the TW-ICS system by using the Insurance Capital Standard (ICS) elaborated by the International Association of Insurance Supervisors (IAIS) as guidance to strengthen FSC's supervision of insurers' solvency. 2. Keep guiding and working together with insurance enterprises to smoothly and actively prepare for the adoption of IFRS 17 (Insurance Contracts). 3. Keep monitoring and overseeing insurance companies to strengthen the effectiveness of their risk management and internal controls.
Insurance supervision	To improve insurance companies' capital efficiency, the FSC continues to amend regulations governing the use of funds.	Other	Regularly review the laws and regulations governing the use of insurer funds.
Insurance supervision	Encourage insurers to develop innovative insurance products and services.	Other	Encourage insurers to closely watch social and economic trends, industrial development patterns, and related environmental issues, and actively develop diversified and innovative insurance products to meet the needs of the public.
Insurance supervision	Encourage insurers to actively promote online insurance business and promote the efficiency of online insurance business.	Other	<ol style="list-style-type: none"> 1. Continue reviewing regulations applying to online insurance business, create an environment conducive to digital insurance, and make it more convenient to obtain policies. 2. Encourage insurers to actively engage in online insurance business and improve the quality of insurance service.

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Insurance supervision	Strengthen discipline of the insurance market.	Other	<ol style="list-style-type: none"> 1. Review regulations governing solicitation and strengthen discipline in the insurance market. 2. Urge the Non-Life and Life Insurance Associations to hold seminars with disability groups regularly.
Financial examination	Improve the effectiveness of financial examinations, and conduct more targeted examinations in accordance with financial market conditions.	Other	<ol style="list-style-type: none"> 1. In response to supervisory needs, market conditions, and public concerns, the FSC will conduct targeted examinations focusing on specific financial businesses or items. 2. In order to allocate examination resources effectively, the FSC will implement the differential examination mechanism. 3. In order to strengthen communication with financial institutions and other supervisory authorities, the FSC will hold audit forums or coordination meetings to urge financial institutions to take corrective action in response to examination findings.