



# Key Work Focuses in 2024

<b>1. Build a sound business environment and financial resilience.</b>	<b>2. Promote sustainability and corporate governance.</b>	<b>3. Develop asset management and auxiliary enterprises.</b>	<b>4. Enhance products and services, improve financial inclusion.</b>
<ul style="list-style-type: none"> <li>● Allow domestic banks to apply to use the IRB approach for credit risk to calculate capital.</li> <li>● Instruct insurers to achieve a smooth transition toward IFRS 17 in 2026.</li> <li>● Encourage insurers to implement product restructuring.</li> </ul>	<ul style="list-style-type: none"> <li>● Launch the "Sustainable Finance Certificate" mechanism.</li> <li>● Improve quality of sustainability disclosures.</li> <li>● Instruct banks to establish Responsibilities Maps.</li> </ul>	<ul style="list-style-type: none"> <li>● Continue enhancing the international competitiveness of Taiwan's asset management services.</li> <li>● Continue encouraging domestic banks to lend to SMEs and companies in the six core strategic industries.</li> <li>● Enhance the Taiwan Innovation Board and the Emerging Stock Market system as capital raising platforms for SMEs.</li> </ul>	<ul style="list-style-type: none"> <li>● Approve for the cross-border shopping function of the Inter-institution E-payments Platform.</li> <li>● Launch enhanced friendly financial measures for persons with disabilities.</li> <li>● Expand the range of insurers that are eligible for awards for good performance in sales of microinsurance and micro-whole-life insurance.</li> </ul>
<b>5. Promote further development of digital finance.</b>	<b>6. Strengthen cybersecurity and joint defense mechanisms.</b>	<b>7. Promote consumer interests and mechanisms for their protection.</b>	
<ul style="list-style-type: none"> <li>● Implement phase three (Transaction Information) of the Open Banking policy.</li> <li>● Encourage insurers and Fintech firms to take part in cross-industry cooperation to develop innovative insurance products.</li> <li>● Launch thematic activities focusing on "prevention of fraud and financial crime."</li> </ul>	<ul style="list-style-type: none"> <li>● Conduct "financial cyber offensive and defensive exercises" and "major cyber security drills."</li> <li>● Encourage financial institutions to adopt a zero-trust architecture.</li> <li>● Enhance the effectiveness of financial cyber security joint defense.</li> </ul>	<ul style="list-style-type: none"> <li>● Amend the "Securities Investor and Futures Traders Protection Act" to improve protection mechanisms.</li> <li>● Raise the residential earthquake insurance risk assumption limit, and expand the coverage of auto insurance.</li> <li>● Continue enhancing financial consumer protection measures.</li> </ul>	



## 1. Build a sound business environment and financial resilience.

Q1	Q2	Q3	Q4
<ul style="list-style-type: none"><li>● Adopt the "Regulations Governing Financial Holding Companies Distributing Legal Reserve and Capital Reserve by Cash to Their Shareholders".</li><li>● Review relevant interpretive rules, in order to comply with IFRS 17.</li><li>● Complete the formulation of "TW-ICS Differential Incentive Measures" for insurance enterprises.</li><li>● Allow domestic banks to apply for the adoption of the internal ratings-based (IRB) approach for credit risk to calculate capital adequacy ratio.</li><li>● Amend the "Directions Governing the Issuance of Corporate Bonds as Capital Instruments by Insurance Companies " to allow insurers to raise funds overseas through the establishment of special purpose companies.</li></ul>	<ul style="list-style-type: none"><li>● Publish a draft amendment of the "Methods for Calculating Banks' Regulatory Capital and Risk-Weighted Assets."</li><li>● Accept for recordation the self-regulatory guidelines for the use of cloud services by financial institutions (drafted by the Bankers Association).</li><li>● Establish the reserve method for the difference in value between policy reserve and non-forfeiture value.</li><li>● Complete amendments to relevant interpretive rules, in order to comply with IFRS 17.</li><li>● Release TW-ICS Phase 3 Localization and Transitional Measures for Insurance Enterprises.</li><li>● Revise the scope and calculation methods for adjusted net capital and risk-based capital of insurance companies, in order to facilitate the raising of overseas capital by insurance companies.</li></ul>	<ul style="list-style-type: none"><li>● Issue amendment to the "Methods for Calculating Bank's Regulatory Capital and Risk-Weighted Assets."</li><li>● Complete measures for enhancing liquidity risk management by banks.</li><li>● Review insurance products management regulations to encourage the transformation of product structure in the insurance industry.</li><li>● Require the Life and Non-life Insurance Associations to submit for recordation self-regulatory rules regarding outsourcing by insurers to cloud service providers.</li></ul>	<ul style="list-style-type: none"><li>● Keep guiding insurers to conduct parallel testing of IFRS 17 information system operations.</li><li>● Supervise the Taiwan Insurance Guaranty Fund's establishment of an IFRS 17 supervisory database.</li></ul>



Q1	Q2	Q3	Q4
<ul style="list-style-type: none"> <li>● Supervise the Taipei Exchange (TPEX) to assist government bodies with the issuance of sustainable sovereign bonds.</li> <li>● Launch the Sustainable Finance Certification Mechanism.</li> <li>● Initiate an outsourced study on "Financial Supervisory Policies on Greenwashing Prevention."</li> <li>● Initiate an outsourced study on "Nature-Related Financial Disclosures."</li> <li>● Launch the Joint Credit Information Center's physical climate risk database.</li> <li>● Instruct banks to establish Responsibilities Maps.</li> </ul>	<ul style="list-style-type: none"> <li>● Amend the "Regulations Governing Information to be Published in Annual Reports of Public Companies" to streamline matters that should be disclosed in annual reports.</li> <li>● Release the "Recommendations for the Main Items of the Corporate Net-Zero Transition Plan."</li> <li>● Release the "Guidelines for Financial Institutions to Prevent Greenwashing."</li> <li>● Promote insurance products designed specifically for electric vehicles.</li> </ul>	<ul style="list-style-type: none"> <li>● Supervise the TPEX to accept applications for recognition of qualifications to issue sustainable convertible bonds.</li> <li>● Study an amendment to the "Agreement for Handling by Real Estate Lending Bank of Enrollment in Residential Fire Insurance (Contract Template)" to facilitate digitization of residential fire insurance policies.</li> <li>● Announce the 3rd Sustainable Finance Evaluation Indicators.</li> </ul>	<ul style="list-style-type: none"> <li>● Release the 2nd version of the Taiwan Sustainable Taxonomy. (expected)</li> <li>● Supervise Taiwan Stock Exchange Corporation (TWSE) to establish a sustainability report platform. (Test platform)</li> <li>● Supervise the Taiwan Depository &amp; Clearing Corporation (TDCC) to establish a stewardship report platform. (Test platform)</li> <li>● Revise the "Regulations Governing Information to be Published in Annual Reports of Public Companies" to add provisions on IFRS sustainability-related financial disclosures.</li> <li>● Supervise the TWSE to publish relevant guidance and best practice information in order to assist listed companies to align with IFRS Sustainability Disclosure Standards.</li> <li>● Revise the "Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises" and regulations governing information disclosure by insurers, in order to assist insurers in applying IFRS S1 and S2.</li> <li>● Complete the "Operational Plan for the Conduct of Climate Scenario Analyses by Domestic Banks" (Version 2).</li> <li>● Amend regulations governing information in the annual reports of financial holding companies, banks, and bills finance companies in response to the decision to require compliance with the IFRS Sustainability Disclosure Standards.</li> <li>● Amend the "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries" to bring the financial industry in compliance with the IFRS Sustainability Disclosure Standards.</li> </ul>



Q1	Q2	Q3	Q4
<ul style="list-style-type: none"><li>● Complete the relaxation of wealth management business renewal application procedures for high net wealth customers.</li><li>● Improve the Taiwan Innovation Board (TIB) and the Emerging Stock Market system to help small and medium-sized enterprises raise funds.</li></ul>	<ul style="list-style-type: none"><li>● Submit the "Plan for Increasing Loans to SMEs by Domestic Banks (Phase 19)" to the Executive Yuan for recordation.</li><li>● Launch the "Program to Encourage Lending by Domestic Banks to Enterprises in the Six Core Strategic Industries" (Phase 3).</li><li>● Complete assessment regarding expansion of the range of entities eligible to purchase structured bonds issued by banks.</li><li>● Encourage the development of international business of financial institutions and assist asset management companies in providing cross-border fund investment management services.</li><li>● Assess whether to allow the launch of active ETFs and multi-asset ETFs.</li></ul>	<ul style="list-style-type: none"><li>● Complete assessment of whether to allow banks to extend foreign-currency credit secured by foreign-currency financial assets provided by high-asset customers.</li><li>● Expand the range of permissible trust asset investments for securities firms' wealth management clients.</li><li>● Broaden the scope of securities firms' credit business.</li><li>● Augment the flexibility of conducting wealth business by means of trusts.</li><li>● Relax regulations governing the effective registration system for offshore funds.</li><li>● Enhance electronic subscription/redemption of domestic funds and ETFs.</li><li>● Assist banks as well as investment trust and investment consulting enterprises in their cross-sector cooperation with offshore funds that do not have the nature of a securities investment trust fund.</li></ul>	<ul style="list-style-type: none"><li>● Complete assessment on simplification of banks' issuance procedures for structured bonds.</li><li>● Promote issuance of REITs under a fund structure (to coordinate with amendments to the "Securities Investment Trust and Consulting Act").</li><li>● Relax restrictions on the number of local custodians for FINSS.</li><li>● Study the feasibility of allowing securities firms to handle margin purchase of foreign securities via sub-brokerage business.</li><li>● Assess the need for and feasibility of fund tokenization.</li><li>● Plan out an asset management talent roadmap.</li><li>● Promote the "Program to Encourage Insurers to Invest in the Six Core Strategic Industries, Public Infrastructure, Long-term Care Enterprises, and Sustainability Bonds" and confer awards on top performers.</li></ul>



## 4. Enhance products and services, improve financial inclusion.

Q1	Q2	Q3	Q4
<ul style="list-style-type: none"> <li>● Amend the "Regulations for Awards to Insurance Companies Engaging in Micro-Whole Life Insurance and Microinsurance" and expand the range of insurers that are eligible for benefits for good performance.</li> <li>● Amend the "Directions for Insurance Companies to Engage in Microinsurance Business" to expand the scope of microinsurance business.</li> </ul>	<ul style="list-style-type: none"> <li>● Approve the cross-border shopping function of the Inter-institution E-payments Platform.</li> <li>● Adopt "Directions for Life Insurance Companies to Engage in Participating Life Insurance Business."</li> </ul>	<ul style="list-style-type: none"> <li>● Improve statistical data on the experience of underwriting policies for the disabled.</li> <li>● Amend the "Directions Governing the Minimum Ratio of Death Benefit to Policy Value (Account Value) in Life Insurance Products."</li> <li>● Issue amendments to various incentive measures, such as an interpretive rule regarding consolidated scores for quality of product structure, and an interpretive rule regarding standards for recognition of what constitutes protection-type insurance products and products targeted to the needs of the elderly.</li> <li>● Require the Life and Non-life Insurance Associations to submit an amendment of the "Guidelines for Provision of Friendly Financial Services by Insurance Enterprises" to the FSC for recordation, to make friendly service more broadly available in Taiwan.</li> </ul>	<ul style="list-style-type: none"> <li>● Implement the Trust 2.0 Phase 2 Plan (1 Sep. 2022 – 31 Dec. 2024, at which time a possible extension will be discussed)</li> <li>● Improve Taiwan's health insurance empirical incidence rate database.</li> <li>● Conduct on-site visits to financial institution barrier-free facilities.</li> <li>● Accept for recordation the Banking Association's amended "Guidelines for Friendly Banking Services."</li> <li>● Shorten the matching interval of securities market intraday odd-lot share trading.</li> <li>● Continue expanding use of blockchain technology in claim application services.</li> </ul>



# Key Work Focuses in 2024-5. Promote further development of digital finance/ 6. Strengthen cybersecurity and joint defense mechanisms.

Q1	Q2	Q3	Q4
<ul style="list-style-type: none"><li>● Facilitate the third phase of open banking, "Transaction Information," and accept for recordation the self-regulatory rule as well as technical and security standards for Open APIs, all of which were drafted by the Bankers Association and the Financial Information Service Co.</li><li>● Accept for recordation the "Self-Regulatory Rules for the Financial Industry's Use of AI" drafted by the Bankers Association.</li><li>● Initiate a Fintech campaign on "Preventing Fraud and Financial Crimes."</li><li>● Complete the 1st review of requests from the "FinTech Regulatory Adaptation Platform."</li><li>● Amend the Financial Cybersecurity Talent Competency Map.</li></ul>	<ul style="list-style-type: none"><li>● Issue the "Guidelines for the Financial Industry's Use of AI."</li><li>● Launch the construction of a cross-system "Financial FIDO Authentication and Connection Hub."</li><li>● Develop reference guidelines for implementation of a financial zero trust architecture.</li><li>● Conduct DDoS attack and defense exercises for financial institutions.</li></ul>	<ul style="list-style-type: none"><li>● Amend the "Directions for Insurance Enterprises Engaging in Electronic Commerce Business" to expand their scope of business.</li><li>● Conduct major cybersecurity incident situational exercises.</li><li>● Spur insurers to engage in digital transformation, and promote digitization of insurers' regulatory filings.</li></ul>	<ul style="list-style-type: none"><li>● Release the "Data Governance Guidelines for Cross-Market Data Sharing."</li><li>● Release the expansion scope of the business items or services for Financial FIDO application.</li><li>● Hold "FinTech Taipei 2024" and the "FinTech Taipei Awards."</li><li>● Complete the review of 10 or more applications by insurers and Fintech firms to take part in cross-industry cooperative business trials aimed at developing innovative insurance products, services, and processes. Also, amend various items of related legislation to facilitate progress in carrying out these matters.</li><li>● Upgrade the FinTech Proficiency Certification Mechanism.</li><li>● Expand cooperation among academia, businesses, and incubators.</li><li>● Elevate legislation related to robo-advisor services to a higher level in the hierarchy of the law.</li><li>● Supervise financial industry associations in amending and enhancing cybersecurity self-regulatory rules.</li><li>● Conduct financial cybersecurity offensive and defensive exercises.</li></ul>





Q1	Q2	Q3	Q4
<ul style="list-style-type: none"> <li>● Amend the "Implementation Regulations for the Risk Spreading Mechanism of Residential Earthquake Insurance" to raise the risk assumption limit of residential earthquake insurance.</li> <li>● Establish a database on the village coverage ratio of residential earthquake insurance.</li> <li>● Issue amendment to the "Premium Table of Compulsory Automobile Liability Insurance for Car" and the "Policy Period of Compulsory Automobile Liability Insurance."</li> <li>● Supervise implementation by financial institutions of fraud prevention measures.</li> <li>● Encourage financial institutions to use technology to prevent fraud.</li> <li>● Instruct the Bankers Association to emphasize the importance of OTPs (one-time passwords) in the e-book for dummies on prevention of online credit card fraud.</li> <li>● Request credit card issuers to strengthen risk management of transactions verified by OTP.</li> <li>● Strengthen collection of illegal online investment advertisements.</li> </ul>	<ul style="list-style-type: none"> <li>● Push the Bankers Association to discuss strengthening the identity verification mechanism for binding credit cards to mobile device applications of contracted merchants.</li> <li>● Request card issuers to change the currency code of the consumption amount in an OTP verification SMS from English into Chinese.</li> </ul>	<ul style="list-style-type: none"> <li>● Hold the inaugural Award Ceremony on Financial Education Contribution.</li> <li>● Complete 2024 Treating Customers Fairly (TCF) assessments and announce the results. (assessed year: 2023)</li> <li>● Request the Taiwan Insurance Institute to establish a special insurance education section on its website.</li> <li>● Review compulsory automobile liability insurance premium rates.</li> <li>● Review the "Table of Years of Manufacture and Premium Code Coefficients for Automobiles Insured Under Optional Automobile Insurance and Automobile Physical Damage Insurance."</li> </ul>	<ul style="list-style-type: none"> <li>● Draft amendment to the "Securities Investors and Futures Traders Protection Act."</li> <li>● Announce the "2026 System for Assessment of Implementation by Financial Services Enterprises of the Principles for Fair Treatment of Consumers."</li> <li>● Continue implementing the Basic Financial Education Project in cooperation with the Ministry of Education.</li> <li>● Strengthen education and awareness programs on compulsory insurance.</li> </ul>