



Guide to Taiwan's financial services industry

July 2023



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This publication was compiled by Damian Gilhawley, an industry specialist at PwC. The content is drawn from public information and is current as of 30 June 2023, unless otherwise stated.

Foreword

The financial services industry — encompassing a broad range of businesses that provide services related to banking, investing, insurance and other financial activities — is crucial to the functioning of economies worldwide as well as the well-being and livelihoods of people everywhere. It is also a fast-changing industry.

Recent years have seen significant upheavals across the global financial sector. The impact of new technology innovations and process disruptions and increased regulatory scrutiny and enforcement, among other things, have reshaped the industry's landscape. The knock-on effects of Covid-19 have further complicated matters.

At PwC, we focus on the future of financial services, working with clients as they re-evaluate their strategies in light of the pandemic, while advising on key issues such as the impact of risk and regulation, cyber and financial crime, new financial services technologies and fintech, and the changing face of the customer.

In Taiwan, our multi-disciplinary financial services practice provides one-stop services and solutions across assurance, tax, legal and advisory. We bring financial businesses fresh perspectives, a proven approach and dynamic experiences, so that your organisation can confidently lead with an agility that outpaces change.

Our professionals regularly share their insights on the latest trends and developments in financial services for the knowledge of our clients and others. This special publication provides a concise overview of the industry in Taiwan, covering all the main sectors as well as the financial innovations currently transforming the market.

We hope you will find this guide useful. If you would like more information or have questions about Taiwan's financial services industry and how PwC can be of help, please don't hesitate to contact us (see page 25).



Richard Watanabe

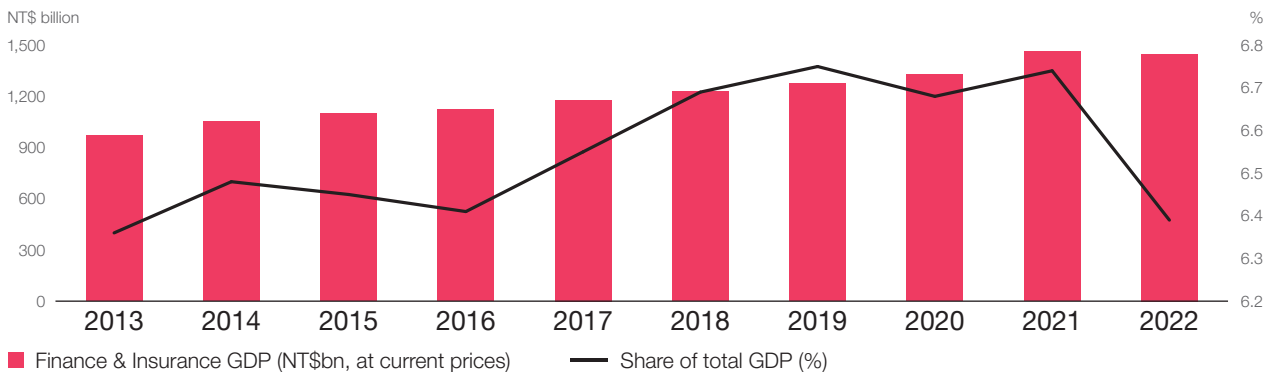
Financial Services Leader
PwC Taiwan



Financial services

The financial services industry is one of the most important sectors in Taiwan, generating 6.4% of GDP and employing an average of 430,000 people, or 3.8% of the total workforce, in 2022. The industry has a well-developed set of products and services across banking, securities, asset management and insurance, but it is highly fragmented and competitive, being dominated by a small number of financial holding companies.

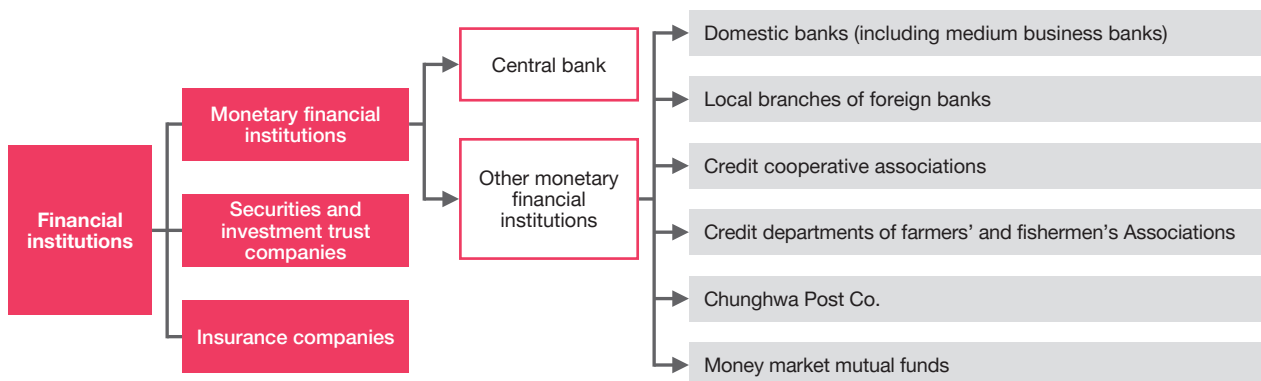
Figure 1: Financial services contribution to GDP in Taiwan, 2013-2022



Source: Directorate General of Budget, Accounting and Statistics, Executive Yuan.

At the end of 2022, Taiwan's financial industry consisted of 39 domestic banks, 31 local branches of foreign and Chinese banks, 135 securities and futures firms, 124 asset management companies, 52 insurers and 15 financial holding companies (FHCs), which together serve a population of 23.3m people. Market overcrowding, especially in the banking sector, has resulted in persistent pressure on returns and profit margins, while the government's efforts over the past twenty years to encourage consolidation have had only limited success.

Figure 2: Categorisation of financial institutions in Taiwan



Source: Central Bank of the Republic of China (Taiwan).

The first major set of reforms to reduce the number of financial institutions in Taiwan was the introduction of the Financial Institutions Mergers Act in 2000 and the Financial Holding Company Act a year later. These two laws prompted some industry consolidation in the early 2000s, but since then there has been relatively little financial M&A activity, with just 62 deals concluded between September 2004 and the latest one in May 2023. Most of these have involved a large FHC acquiring a smaller domestic bank, insurance company or bills finance firm.

The main challenges to increasing financial mergers and acquisitions, especially by government-run or state-controlled banks, have been labour union resistance and political hurdles. To facilitate greater consolidation, the Financial Institutions Merger Act was amended in 2015 to streamline M&A procedures and provide more tax incentive measures. Furthermore, the rules on mergers among private-sector FHCs were eased in 2018 to increase flexibility to simplify consolidation efforts, helping to facilitate hostile takeovers of these groups.

The increased regulatory clarity was a factor in the 2022 acquisition of Jih Sun Financial Holdings through a tender offer by its rival Fubon Financial Holdings, aimed at strengthening the latter's banking and securities businesses. The deal, estimated at around NT\$44bn (US\$1.4bn), was the first merger between Taiwan's FHCs, which own banks, securities firms, insurance companies and other financial businesses. It reduced the number of financial holding companies from 16 to 15, and has also set a precedent for more FHC mergers.

Regulatory oversight

The Financial Supervisory Commission (FSC) and Central Bank of the Republic of China (Taiwan) (CBC) are responsible for the authorisation and supervision of banks, insurers and other financial institutions in Taiwan.

The FSC is an independent agency that directly reports to the Executive Yuan, Taiwan's highest administrative agency. It has overall responsibility for supervising, regulating and facilitating the development of financial markets and financial services in Taiwan, and for conducting inspections and audits of financial institutions.

The FSC currently has four bureaux under its charge which focus on the following specific areas:

- Banking Bureau (BB) regulates and supervises banking-related activities;
- Securities and Futures Bureau (SFB) oversees the securities and futures markets;
- Insurance Bureau (IB) oversees the insurance market; and
- Financial Examination Bureau (FEB) conducts regular on-site inspections of financial institutions.

The CBC performs the functions of both a central bank and a financial regulator. It manages monetary policy, serves as the government's fiscal agent, issues the New Taiwan dollar (TWD) currency, regulates foreign-exchange activities, and monitors banks and other financial institutions, including offshore banking units.

Financial innovation developments

Financial institutions in Taiwan are strictly regulated and subject to licensing requirements, which reflects the regulators' cautious approach to prioritising financial stability over disruption. Nonetheless, in recent years, the FSC has been actively promoting initiatives to accelerate the development of financial innovation, mainly focusing on green finance, fintech, electronic and mobile payments, and internet-only banks and insurers.

Green finance

In 2017, the FSC began implementing a Green Finance Action Plan to complement Taiwan's commitments to energy transformation and reducing carbon emissions. The starting focus was on the environmental aspects of green finance, with financial institutions encouraged to lend to and invest in green energy industries. Banks also began to adopt the Equator Principles for evaluating the environmental and social risks of green projects.

The Plan was expanded in 2020 to cover environmental, social and governance (ESG) oriented finance, which prioritised the use of financial mechanisms to increase corporate and investor awareness of ESG issues. Key subsequent developments included the expansion of sustainability and climate change reporting and further promotion of green and sustainable financial markets — a Sustainable Bond Market was launched in 2021.

The FSC released a third version of its Green Finance Action Plan in 2022 in support of the government's new pathway to net-zero emissions by 2050. The updated plan encourages companies and financial institutions to incorporate sustainable economic activity recognition guidelines into their strategic planning and investment and financing evaluations. Large financial institutions will be the initial focus of sustainable finance evaluations.

Figure 3: Key points of Green Finance Action Plan 3.0



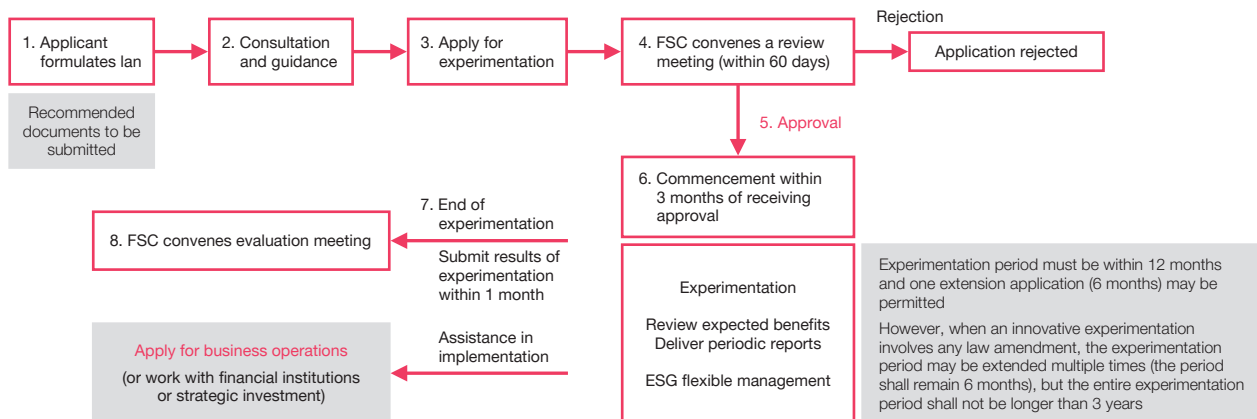
Source: Financial Supervisory Commission

Financial technology (fintech)

The FSC has pursued a series of initiatives since 2015 to develop Taiwan's financial technology (or fintech) ecosystem and promote related businesses which can serve the financial services needs of consumers in a different manner or via better technologies. One example is the Open Banking Initiative, launched in 2019, which encourages banks to cooperate with third-party service providers to deliver open banking services.

As the offering of financial services is subject to strict regulatory scrutiny in Taiwan, many fintech start-ups initially struggled to find ways to sustain operations. To assuage their concerns, the Financial Technology Development and Innovative Experimentation Act was legislated in 2018 to establish a so-called regulatory sandbox, which provides a controlled environment for testing innovative financial technologies, products and services. Approved applicants are exempt from legal restrictions for up to 18 months, or 3 years in some cases.

Figure 4: Procedures for fintech sandbox application



Source: Financial Supervisory Commission.

Depending on the results of the fintech sandbox experiments, the FSC may consider amending existing rules to permit such financial innovations going forward. A total of nine applications have been approved so far by the FSC. Among these, the successful development of small amount remittance services for migrant workers in Taiwan led to amendments in 2020 of the Electronic Payment Act, which now allow such workers to remit money overseas using electronic payments through mobile apps designed specifically for that purpose.

As part of efforts to promote bilateral exchanges on financial innovation, the FSC has to date signed five fintech cooperation agreements with foreign regulator counterparts, including Poland, the US state of Arizona, France, Canada and Israel. These provide for referral mechanisms, information sharing and potential joint innovation projects, etc., with the aim of enhancing collaboration on fintech development within each other's markets.

Electronic and mobile payments

The FSC has designated electronic and mobile payments as priority areas to support fintech development in Taiwan. To reduce dependence on cash, it launched a three-year plan in 2021 to expand the value of annual non-cash payment transactions to NT\$6tn (US\$212bn) by 2023, up from NT\$3.9tn (US\$130bn) in 2020. Non-cash payment methods comprise credit and debit cards, electronic stored-value cards, electronic and mobile payments. In addition, the FSC has set a goal of 90% mobile-payment penetration by 2025 (vs. 72% in 2021).

Taiwan is well equipped to adopt digital payment platforms and other mobile-based fintech applications, given excellent internet connectivity and high smartphone penetration. Though Taiwan has historically been a cash-driven society, there has been a gradual shift towards digital payments in recent years, supported by a well-banked population, high financial awareness, banks incentivising customers and government policies. Covid also highlighted the importance of non-cash payment methods, further driving the use of e-payments in Taiwan.

While banking businesses are highly regulated in Taiwan, laws and regulations enable non-banks to provide a variety of payment services. The Act Governing Electronic Payment Institutions was introduced in 2015 to remove restrictions on third-party payments, and later amended in 2020 to allow greater flexibility for market players. Central to the amendments was the establishment, in 2021, of a cross-platform e-payment system that allows money transfers across different providers without consumers needing to set up several accounts.

As of December 2022, Taiwan had 30 electronic payment institutions (including 11 non-banks) with a total of 21.9 million users. The market is led by e-wallet start-up Jkpay, which accounted for 27.1% of the total user base, followed by iPass (24.7%), PXPAY Plus (12.7%), EasyCard (9.4%) and E Sun Bank (7.9%).

Figure 5: Top ten electronic payment institutions in Taiwan, December 2022

Name of institution	Number of users		Payment transaction volume (NT\$m)
Jkoplay	5,929,697	27.1%	3,289.3
iPass Corp	5,402,511	24.7%	2,107.2
PXPay Plus	2,786,722	12.7%	2,747.0
EasyCard Corp	2,052,887	9.4%	219.4
E.Sun Commercial Bank	1,725,032	7.9%	1,608.8
icash Corp	1,026,651	4.7%	570.7
O'Pay Electronic Payment	1,019,702	4.7%	45.3
All Win Fintech	1,000,226	4.6%	507.4
Gama Pay	491,422	2.2%	386.4
CTBC Bank	254,866	1.2%	21.9
National total	21,881,494	100.0%	11,689.2

Source: Banking Bureau, Financial Supervisory Commission.

Internet-only banks and insurers

Taiwan may be overbanked, yet, in 2019, the FSC issued three licences for internet-only banks (i.e., without physical branches) to introduce greater market competition and promote digital transformation among oft-complacent incumbents — it was the first time that new banking licences had been issued since the 1990s. The regulations require that an internet-only bank must have at least one traditional bank or financial holding company as a key shareholder, but permit a non-financial company to take a majority stake of up to 60%.

The licences were awarded to three consortia, one led by Taiwan's dominant telecom operator Chunghwa Telecom, another by the Japanese messaging app Line, and the other by Japanese e-commerce giant Rakuten. They launched their digital banking services in 2021-22, but have struggled so far to turn a profit due to a saturated market and limitations on the services they are allowed to offer. Nevertheless, they have the potential to generate efficiency-inducing disruptions that may force traditional banks to raise their game.

In addition, the FSC announced in late 2021 the legal framework for internet-only insurance companies, with the aim of promoting the development of innovative and protection-type insurance products to boost the digital transformation of the sector and stimulate inclusive insurance. The FSC opened up its application process in the second half of 2022 but attracted just two applicants, both of which failed to win approval. It has therefore decided to evaluate whether to initiate another round of solicitation for internet-only insurers at the end of 2023.

Virtual currencies

Digital cryptocurrencies like Bitcoin are not currently financially regulated in Taiwan, but that is soon set to change. Spooked by a recent series of global crypto failures like FTX, which impacted local retail investors, the government announced in March 2023 that the FSC would be responsible for overseeing crypto-related investments and transactions, with plans to establish a self-regulating mechanism for service providers.

Historically, Taiwan has taken a hands-off approach to crypto regulation, although the authorities have been cautious about integrating digital assets with the existing financial system. The exceptions were security token offering regulations enacted in 2020, and anti-money laundering rules for designated crypto-related service providers that took effect in 2021 and are in line with the money laundering requirements for banks.

Local regulations have been relatively permissive about retail investor participation in crypto, and there are 27 domestic crypto exchanges registered with the FSC for anti-money laundering compliance. MaiCoin, the foremost exchange with about US\$30m in daily trading volume, announced plans in March 2023 to IPO on the local bourse in the next one or two years, which would make it Taiwan's first crypto firm to go public.

Regarding a central bank digital currency (CBDC), the CBC does not have a set timetable for issuing a digital Taiwan dollar, as its focus is on making sure the infrastructure and regulatory framework are well prepared. The central bank started working on its CBDC in 2019, and confirmed in June 2022 the completion of trials of a prototype platform for retail use. However, it is unclear when, or if, the scheme could roll out to the public.

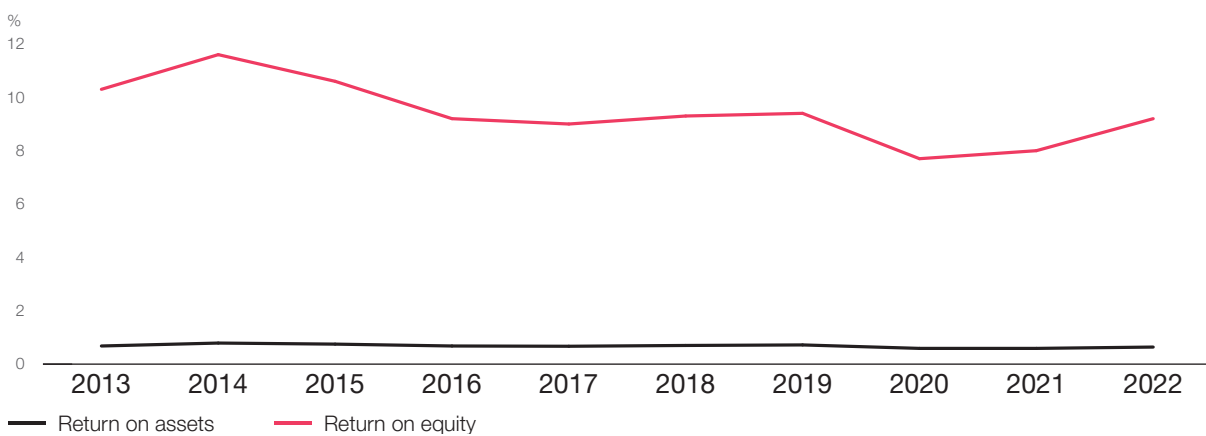
Banking

Taiwan's banking sector is largely stable and well-capitalised, though highly saturated with over 400 banking entities serving 23.3m people. The resulting intense competition among banks has undermined profitability in the sector, squeezing net interest margins to among the lowest levels in Asia. Government efforts to encourage bank consolidation, mainly aimed at forming a few big lenders, have so far made little progress on reducing overcrowding. The recent introduction of internet-only banks in Taiwan may heighten competition in the sector.

Sector overview

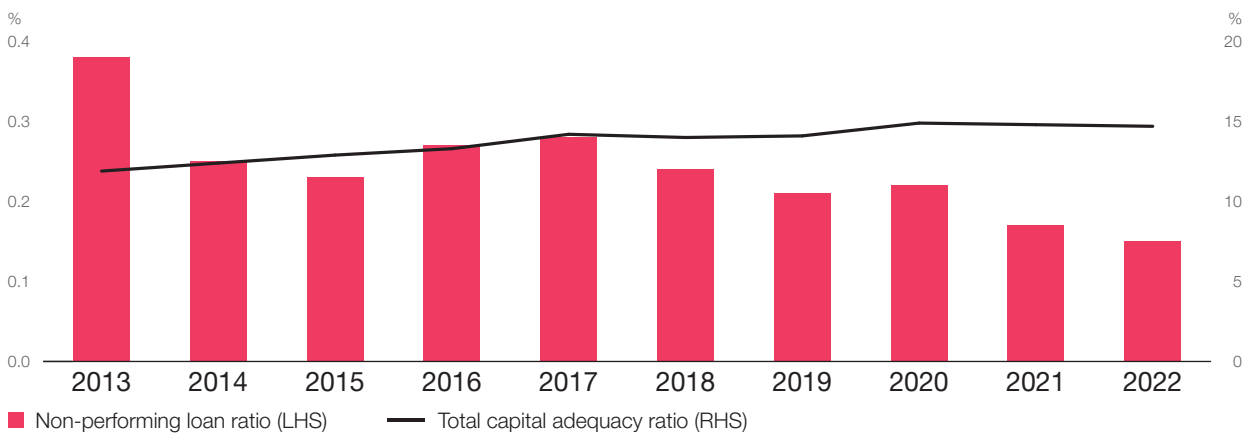
Financial institutions in Taiwan involved in indirect financing and money market activities include commercial banks, the postal savings bank, local branches of foreign banks, credit cooperatives, the credit departments of farmers' and fishermen's associations, and bills finance companies. Taiwan's banking sector had total assets of around NT\$80.3tn (US\$2.6tn) at the end of 2022, equivalent to 354% of GDP. Domestic banks accounted for 79% of sector assets, as well as 80% of total deposits accepted and 91% of all loans extended in Taiwan.

Figure 6: Financial performance ratios of domestic banks in Taiwan, 2013-2022



A combination of fierce competition, tight government regulations and a prolonged period of low interest rates has hampered local banking profitability over the years, with the sector's net interest margin currently hovering at around 1% and a return on average assets of about 0.6%. Yet, domestic banks have performed strongly on other key indicators, including an aggregate non-performing loan (NPL) ratio that has remained below 0.3% since 2013, and a total capital adequacy ratio of 14.7% at end-2022 that provides a sufficient capital buffer.

Figure 7: NPL and capital adequacy ratios of domestic banks in Taiwan, 2013-2022



The banking sector finances loans almost exclusively from deposits, which represented 154% of lending at the end of 2022. Loans to individuals accounted for 50% of banks' credit portfolios in 2022, with mortgages representing the largest portion at around 60%. Meanwhile, lending to private enterprises accounted for 44% of overall loans. In terms of industry, the manufacturing sector accounted for about 40% of the total credit extended to private enterprises, followed by the real estate, rental and leasing (20%) and trade (13%) sectors.

Also, offshore banking, which is regulated separately, is one of the major financial channels for the overseas operations of Taiwanese enterprises, including trade with China. At the end of 2022, there were 66 authorised banks and 57 offshore banking units conducting business in the Chinese renminbi (RMB) currency. They had total deposits worth RMB195bn (US\$28bn), loans of RMB16bn (US\$2bn) and remittances worth RMB172bn (US\$25bn). But Taiwan's banks are gradually reducing their exposure to China due to fraught cross-Strait ties.

Market participants

Taiwan had 413 banking institutions at the end of 2022, including 39 domestic banks (3,384 branches) and 31 local branches of foreign and Chinese banks (40 offices). In addition, the postal savings system had 1,298 branches. A second tier of non-bank lenders consisted of 23 credit cooperatives (288 branches), 311 credit departments of farmer's and fishermen's associations (847 branches) and 8 bill finance firms (30 branches).

Taiwan's domestic banks are relatively large in size — with 20 of them ranking among the top 500 banks in the world in 2023 in terms of Tier 1 capital, according to the *The Banker* — but their international footprint is very limited. Banking in Taiwan remains largely dominated by government-owned and controlled banks, which together have close to 50% of the banking sector's total assets, and private-sector financial holding groups.

Figure 8: Top ten domestic banks in Taiwan, end-2022

Bank	Assets (NT\$bn)	Net worth (NT\$bn)	Deposits (NT\$bn)	Loans (NT\$bn)	Domestic branches	Overseas branches
Bank of Taiwan	6,178.3	395.1	4,770.7	3,462.0	163	11
CTBC Bank	4,627.2	337.7	3,825.9	2,556.5	151	12
Taiwan Cooperative Bank	4,244.4	234.1	3,654.6	2,608.2	269	14
First Commercial Bank	4,011.9	230.9	3,289.9	2,318.3	186	20
Cathay United Bank	3,761.1	237.7	3,168.4	1,993.4	164	7
Mega International Commercial Bank	3,688.0	290.0	2,824.1	2,083.2	107	24
Hua Nan Commercial Bank	3,559.6	202.4	3,027.1	2,062.0	185	12
Land Bank of Taiwan	3,412.0	195.7	2,972.5	2,308.1	149	7
E.Sun Commercial Bank	3,381.4	191.3	2,872.3	1,899.9	138	8
Taipei Fubon Commercial Bank	3,334.8	235.8	2,709.4	1,705.7	134	5
Domestic banks total	63,293.8	4,272.9	52,345.7	36,607.1	3,384	153

Source: Banking Bureau, Financial Supervisory Commission.

Six domestic banks are currently designated by regulators as systemically important banks: Cathay United Bank, CTBC Bank, First Commercial Bank, Mega International Commercial Bank, Taipei Fubon Commercial Bank and Taiwan Cooperative Bank. They are subject to additional regulatory capital requirements and enhanced supervision measures, such as the regular reporting of contingency plans and stress test results.

The ranks of domestic banks include a few foreign-owned lenders with local incorporation, including Citibank, DBS Bank, HSBC Bank and Standard Chartered Bank. DBS acquired the Taiwanese consumer banking business of Citibank in 2022 for around US\$3.1bn, making the Singaporean lender the largest foreign bank in Taiwan by assets. Other foreign lenders have also increased their local branches over the past decade.

Bank consolidation

Taiwan's banking sector is very fragmented — a legacy of financial liberalisation in the 1980s and state bank privatisation in the 1990s — and in need of consolidation. The resulting fierce sector competition has capped profitability and, in turn, inhibited organic growth, leaving lenders with two choices: seek tie-ups or mergers, or expand abroad. At the same time, they face growing competition domestically from foreign financial players.

Taiwan is still overbanked despite a 20-year-old effort at consolidation. The implementation of the Financial Institutions Mergers Act and the Financial Holding Company Act in 2000-2001 prompted an initial wave of consolidation in the early 2000s, but bank M&A activity eventually slowed down in the following decades. The biggest challenges hampering consolidation have been labour union resistance and political opposition. Also, incumbent banks generally prefer to maintain their existing businesses independently rather than to merge.

Domestic consolidation is gradually becoming less of a priority for Taiwan's large financial groups, which are expanding their overseas presence (particularly in Southeast Asia) through international M&A deals, as a way of overcoming domestic constraints and the slowing offshore renminbi business amid challenging cross-Strait relations. At the end of December 2022, Taiwanese banks had 639 overseas bases (including branches, subsidiaries and representative offices), with 83% of these located in Asian countries, according to FSC data.

Oversight and legislation

The Financial Supervisory Commission (FSC) is the main regulator and supervisory authority for Taiwan's banking, securities and insurance sectors. Its Banking Bureau regulates and supervises banking-related activities, and its Financial Examination Bureau handles regular on-site examinations of financial institutions. In addition, the Central Bank of the Republic of China (Taiwan) retains the authority to conduct targeted examinations on issues related to monetary, credit and foreign exchange policies and the payment system.

The Banking Act is the main law governing the banking sector in Taiwan. It describes the business scope permitted for banks and details the requirements that must be met in order to establish a bank. It also sets key ratios, including required reserves and assets to liabilities ratios, and obliges banks to carry out internal controls. Other key laws include the Financial Holding Company Act, Central Bank Act, Offshore Banking Act, Deposit Insurance Act, Financial Consumer Protection Act, and the Money Laundering Control Act.

The Deposit Insurance Act mainly governs the bank depositor protection regime in Taiwan. All banks that are duly approved to accept deposits are required to participate in the deposit insurance programme of the government-owned Central Depositary Insurance Corporation (CDIC). If a bank is ordered to suspend its operations by the FSC, the CDIC will compensate each depositor up to NT\$3m (around US\$100,000).

Internet-only banks

Besides traditional banks, the FSC promulgated regulations in 2018 governing the establishment of internet-only banks, which are defined as banks without physical branches. A bank or financial holding company must hold a stake of 25% or more as a shareholder of these pure online banks, which are required to have a minimum paid-in capital of NT\$10bn — the same as required to establish a conventional commercial bank.

The FSC in 2019 issued three digital-banking licences to: Rakuten International Commercial Bank, operated by Japanese e-commerce firm Rakuten and Taiwan's IBF Financial Holdings; LINE Financial Taiwan, backed by a consortium comprising Japanese social media app LINE, Taipei Fubon Commercial Bank, CTBC Bank, Standard Chartered Bank and Union Bank of Taiwan; and Next Commercial Bank, led by Taiwan's dominant telecommunications operator Chunghwa Telecom. The three digital banks started operations in 2021-2022.

Figure 9: Overview of Taiwan's internet-only banks

Internet-only bank	Financial shareholders	Non-financial shareholders
Next Bank	Mega International Commercial Bank	Chunghwa Telecom - largest telecommunications company in Taiwan
	Shin Kong Financial Group	PX Mart - largest supermarket chain in Taiwan
	KGI Bank	Trade Van Information Services - customs clearance service provider
Rakuten Bank	IBF Financial Holdings	Rakuten Group - leading e-commerce platform in Taiwan
LINE Bank	Taipei Fubon Commercial Bank	LINE Corp - leading social media platform in Taiwan
	CTBC Bank	Taiwan Mobile - second largest mobile operator in Taiwan
	Standard Chartered Bank	FarEasTone Communications - third largest mobile operator in Taiwan
	Union Bank of Taiwan	

Source: Publicly available news.

The introduction of the digital lenders may heighten competition in the banking sector, putting more pressure on margins. But they will find it tough to dislodge the traditional incumbent banks, which have been beefing up their technology prowess and already provide a wide range of digital financial services. Furthermore, financial penetration levels in Taiwan are already very high, with 94% of adults having access to a bank account.



Capital markets

Well-developed capital markets are an important part of any economy's financial system. The two main types of capital markets are stock markets, for the trading of company shares, and bond markets, for trading the debt of companies and governments. Taiwan has a two-tier market for stocks and bonds, consisting of the Taiwan Stock Exchange (TWSE) and the Taipei Exchange (TPEX). It also has a well-established futures exchange.

Key exchanges

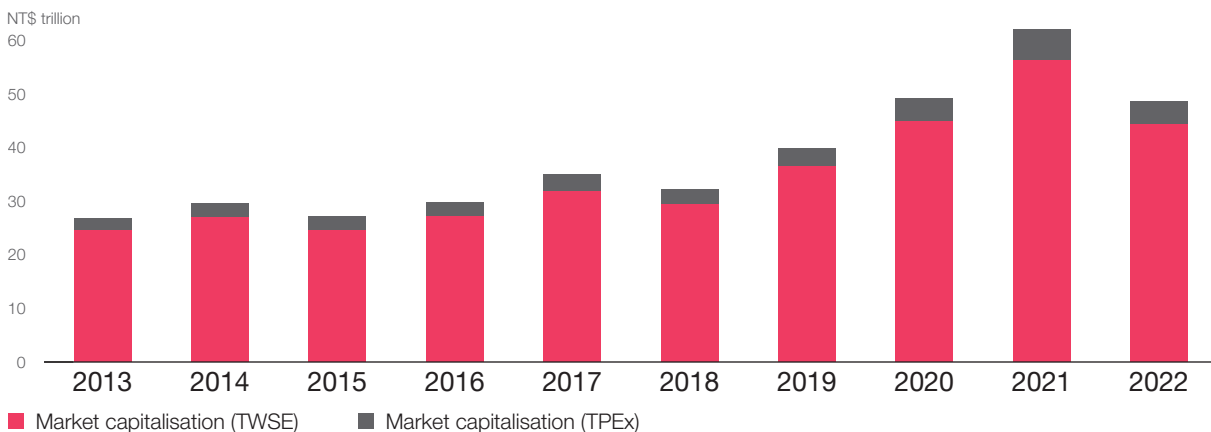
Taiwan Stock Exchange

The TWSE is the principal equity market for larger, more established public companies. At the end of 2022, it had 971 listed companies (including 76 overseas-based firms) with a total market capitalisation of NT\$44.3tn (US\$1.4tn), ranking 17th largest among the world's stock markets. TWSE also provides trading in exchange-traded funds, exchange-traded notes, beneficiary securities, warrants, depository receipts as well as bonds.

The TWSE is a very active market, with the total trading value of all securities reaching NT\$59.6tn (US\$2.0tn) in 2022, out of which stocks accounted for 94.1%. It is also highly liquid, with an average daily stock trading value of NT\$228bn (US\$7.7bn) in 2022 and a volume turnover rate of 110.4%. Taiwan's stock market has historically been dominated by individual investors, which represented 58.3% of total trading value in 2022.

The TWSE also operates the Taiwan Innovation Board (TIB), which was established in 2021 to facilitate the entry of innovative enterprises (including tech start-ups and biotechnology firms) into the capital market. The TIB follows relaxed guidelines, including a streamlined public offering process and lower minimum market capitalisation and revenue requirements for a listing, but the nascent board is limited to qualified investors.

Figure 10: Market capitalisation of companies on the TWSE and TPEX, 2013-2022



Source: Securities and Futures Bureau, Financial Supervisory Commission.

Taipei Exchange

The TPEX is the second-tier exchange, providing an over-the counter market for trading in stocks of small-cap and emerging companies, bonds, open-ended funds, exchange-traded funds, exchange-traded notes, gold and derivatives. At the end of 2022, a total of 808 companies (including 31 overseas-based companies) were listed on the main board of the TPEX, with a combined market capitalisation of NT\$4.4tn (US\$143bn).

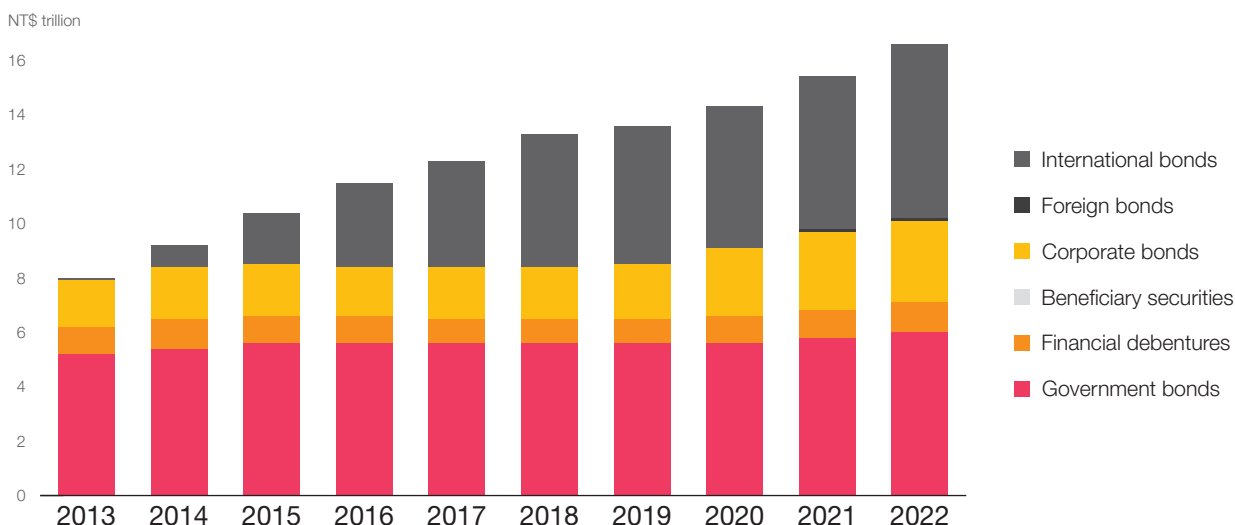
The TPEX also operates an Emerging Stock Market (ESM), which is a feeder exchange for firms that later list on the main board. It comprises the Emerging Stock Board (ESB) and the Pioneer Stock Board (PSB), which launched in 2021 alongside the TIB and caters for innovative business start-ups. At the end of 2022, there were a total of 299 firms registered on the ESM, with an aggregate market cap of NT\$905bn (US\$29bn).

In addition, under the TPEX, there is a Go Incubation Board for Start-up and Acceleration Firms (GISA), which fosters early-stage micro-enterprises, paving the way for going public and eventual listing on the primary bourse. It offers entrepreneurship counselling and capital raising functions, but not trading functions, to help innovative enterprises to acquire needed capital. At the end of 2022, 97 firms were registered on the GISA.

The TPEX is also the main trading platform for bonds, which represented about two-thirds of the exchange's total securities trading value of NT\$45.2tn (US\$1.5tn) in 2022. Almost all bonds publicly issued in Taiwan are

listed on the TPEX and their total outstanding value was about NT\$16.5tn (US\$537bn) at end-2022, including US\$208bn of foreign-currency-denominated bonds. Since 2013, the FSC has been aggressively promoting the issuance of international bonds in Taiwan, which has enhanced the breadth and depth of the bond market.

Figure 11: Total outstanding bonds on the TPEX market, 2013-2022



Source: Securities and Futures Bureau, Financial Supervisory Commission.

Taiwan Futures Exchange

The Taiwan Futures Exchange (TAIFEX) currently lists and trades around 300 products that enable investors to hedge their risks. It offers futures and options on equities, equity indices, interest rates, FX and commodities. Both foreign institutional and individual investors may invest in futures and options contracts traded on the TAIFEX. Its annual trading volume reached 384.5m contracts in 2022, mainly driven by single stock futures.

Market participants

On the investor side, the accumulated number of securities accounts opened in Taiwan stood at 21.4m at the end of 2022, while the number of investors with trading accounts and the number of investors with trading activities were 12m and 6.3m, respectively. In 2022, domestic individual investors and institutional investors accounted for 58.3% and 10.4% of total stock trading value, while foreign institutional investors had 31.2%.

Taiwan welcomes foreign portfolio investment in its capital markets. Foreign investors just need to register with the TWSE to obtain an “Investor ID” and a “Tax ID” before opening a trading account with a securities firm. Capital flows relating to foreign portfolio investment in Taiwan are fully liberalised. Also, foreign investors are not subject to an ownership ceiling, except in certain restricted companies, or any investment ceiling.

As for licensed market participants, Taiwan had a total of 120 securities firms (including 16 foreign brokers) and 15 futures companies at end-2022. All securities firms have to register with the Taiwan Securities Association (TSA), which is a self-regulatory organisation. Market concentration favours larger securities firms and those operating under financial holding groups, which had an aggregate brokerage share of around 60% in 2022.

Figure 12: Top securities brokers in Taiwan, 2022

Broker	Trading value (NT\$bn)	
Yuanta Securities	13,708	11.5%
KGI Securities	12,266	10.3%
UBS Securities, Taipei Branch	6,124	5.1%
Fubon Securities	5,792	4.9%
SinoPac Securities	5,545	4.7%
JP Morgan Securities (Taiwan)	5,306	4.5%
Merrill Lynch Securities (Taiwan)	4,732	4.0%
Morgan Stanley Taiwan	4,500	3.8%
Cathay Securities	4,388	3.7%
Capital Securities	4,003	3.4%
National total	119,147	100.0%

Source: Taiwan Stock Exchange.

Oversight and legislation

The Financial Supervisory Commission (FSC) is the main regulator for the capital markets and publicly issued companies. Its Securities and Futures Bureau (SFB) is responsible for the regulation and supervision of public offerings, issuance and trading of securities. Applications for listing on the TWSE and TPEx are subject to the review and approval of the respective stock exchanges, and then reported to the FSC for recordation.

Taiwan's capital market legislation mainly comprises the Company Act and the Securities and Exchange Act, as well as the rules and regulations set by the relevant regulatory authorities and the TWSE and TPEx. The Securities Exchange Act applies to public companies, and provides the rules for the issuing and trading of securities and the responsibilities of issuers, market discipline and securities firms operations, among others.

Corporate governance

The FSC has taken active steps over the past decade to improve Taiwan's corporate governance (CG) system, with the result that it now ranks the fourth best out of 12 regional markets, according to the Asia Corporate Governance Association. In 2020, the FSC issued its plan for the next phase of CG improvements, which aims to enhance the sustainable development of listed companies and build a comprehensive ESG ecosystem.

Certain listed companies have been required to compile and disclose sustainability reports (based on Global Reporting Initiative standards) since 2015, and the scope of companies subject to mandatory sustainability reporting has been progressively expanded in recent years. Also, listed companies will have to start disclosing climate-related information, including GHG emissions data, in a phased implementation from 2023 onwards.

Capital market roadmap

Also in 2020, the FSC launched a three-year Capital Market Roadmap in response to recent capital market developments worldwide and the main global trends of ESG, digital technologies and an aging society. The goal is to forge a forward-looking and globally competitive capital market, based on the plan's four broad objectives of sustainable development, financial inclusion, enhanced competitiveness and investor protection.

As part of the roadmap, the FSC in September 2022 announced new planned measures to strengthen capital market innovation, resilience and sustainability. These included, among others, the establishment of an ESG information platform in both the stock and futures markets, enhancements to TAIEX's new OTC derivatives clearing service (launched in July 2022), and lower listing requirements to stimulate investment in the TIB.



Asset & wealth management

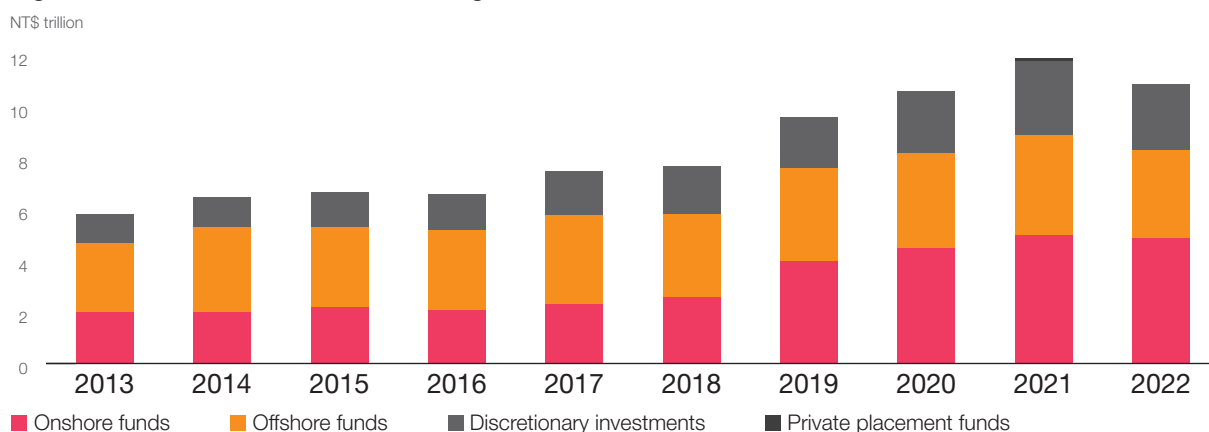
Taiwan's asset and wealth management sector is one of the largest in Asia. It benefits from a growing mass affluent population with high levels of savings (41.6% of GNI in 2022) and long-term pension needs. Retail mutual funds, which are structured as securities investment trusts in Taiwan, account for the largest share of total assets under management (AUM), with local investors currently preferring onshore over offshore funds.

Asset management sector

Taiwan has a well-developed domestic asset management sector which operates alongside offshore funds. Local asset managers offer funds that invest in Taiwan's stock, bond and money markets, as well as funds that invest internationally. In recent years, they have also rapidly increased the number of exchange traded funds (ETFs) being offered, which have been very popular with retail investors and insurance companies.

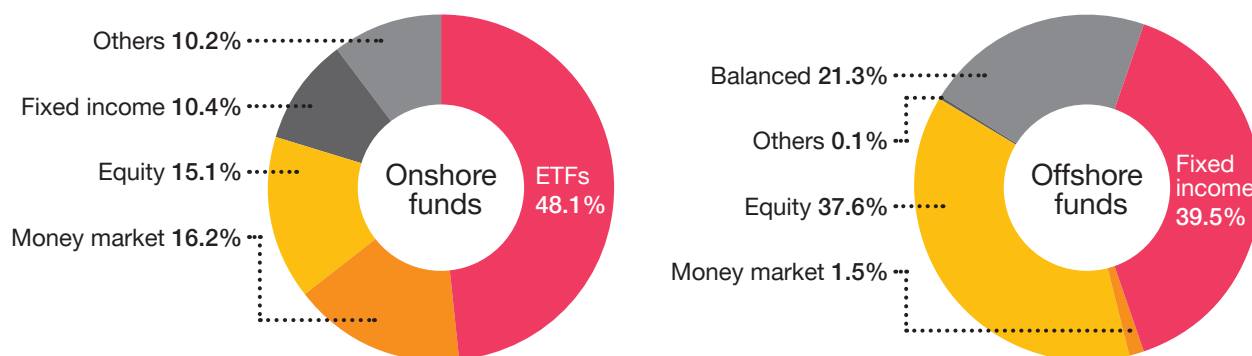
The total aggregate size of Taiwan's asset management sector was NT\$10.9tn (US\$355bn) at the end of 2022, according to data from the Securities Investment Trust and Consulting Association. This comprised NT\$4.9tn in 1,016 onshore domestic funds (representing 44.5% of total sector AUM), NT\$3.4tn in 781 offshore funds (31.6%), NT\$2.6tn in 877 discretionary investment mandates (23.6%) and NT\$32bn in 75 private funds (0.3%).

Figure 13: Total fund assets under management in Taiwan, 2013-2022



ETFs are the most popular type of onshore fund, with 217 funds worth NT\$2.3tn (US\$75bn) at the end of 2022, accounting for 48.1% of total onshore AuM, up from 9.2% five years earlier. Local investors have been drawn to the higher yields available through ETFs, particularly among younger investors. Other major sub-categories include 45 money-market funds with NT\$788bn AUM (16.2%), 341 equity funds with NT\$732bn AUM (15.1%), 196 fixed-income funds with NT\$507bn AUM (10.4%), and 51 multi-asset funds with NT\$181bn AUM (3.7%).

Figure 14: Asset allocation of onshore and offshore funds in Taiwan, 2013-2022



Source: Securities Investment Trust & Consulting Association.

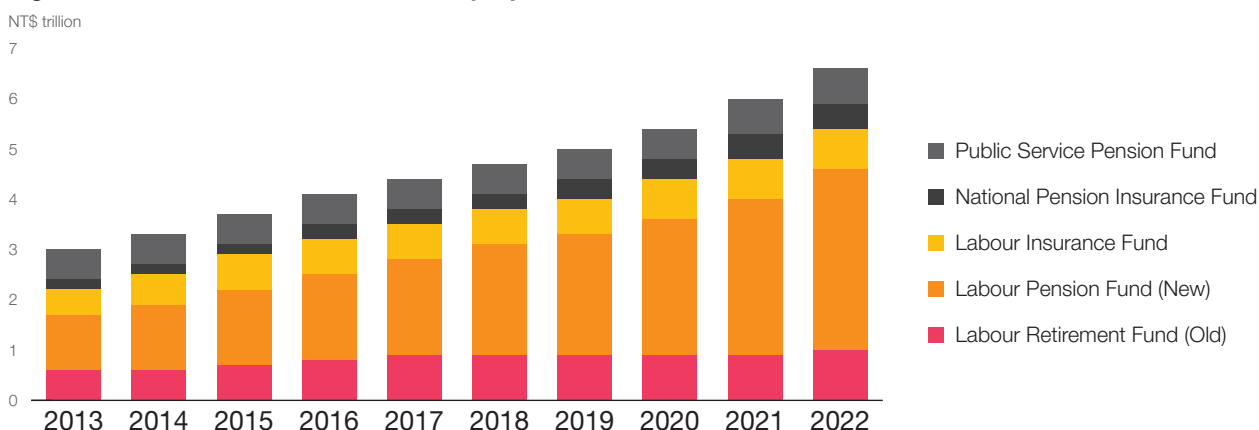
Offshore funds (i.e., funds domiciled outside of Taiwan) are registered for sale in Taiwan by domestic groups as well as by foreign managers with onshore subsidiaries. The vast majority of these offshore funds are either Dublin or Luxembourg UCITS products. Fixed-income and equity funds dominate the offshore market, with AuM of NT\$1.4tn (39.5% of total offshore AuM) and NT\$1.3tn (37.6%), respectively, at end-2022. Taiwan's offshore investors primarily invest in hybrid market funds, and the US is their preferred investment destination.

Public pension system

While Taiwan's retail mutual funds market has grown rapidly, its pension-fund sector remains underdeveloped. Despite it being one of the first in Asia to achieve nearly 100% pension coverage for all citizens, the terms are relatively modest, with many plans underfunded. Due to widespread concerns about inadequate retirement savings, the government made reforms to Taiwan's pension system in 2017 to help improve its operations.

Taiwan has five national pension schemes — Labour Retirement Fund (old fund), Labour Pension Fund (new fund) Public Service Pension Fund, Labour Insurance Fund and the National Pension Insurance Fund — each of which outsources part of its assets to international fund managers. The new LPF requires employers to pay 6% of workers' salaries into portable, individual pension accounts administered by the government.

Figure 15: Total AuM of Taiwan's five major pension funds, 2013-2022



Sources: Bureau of Labour Funds; Bureau of Public Service Pension Fund.

Note: The coverage of the Labour Insurance Fund only includes the Ordinary Insurance Fund since May 2022.

The Bureau of Labour Funds of the Ministry of Labour is Taiwan's largest pension body. It oversees eight pension and annuity funds, which had a combined AUM of NT\$6.0tn (US\$195bn) at the end of 2022. Also, the Bureau of Public Service Pension Fund is responsible for managing retirement funds for civil servants, education workers and military personnel, with a total AUM of NT\$707bn (US\$23bn) at the end of 2022.

Market participants

The licenced participants in Taiwan's asset management sector, at the end of 2022, consisted of 38 securities investment-trust enterprises (SITEs) and 86 securities investment consulting enterprises (SICEs). SITEs are allowed to organise, sell and manage mutual funds in Taiwan, while SICEs are permitted to sell and manage overseas mutual funds. Offshore funds that seek to market into Taiwan are required to engage a local SITE or SICE to act as their 'master agent' (i.e., official local representative) for fund distribution and sale in Taiwan.

Taiwan's asset management sector is dominated by local fund managers, which are mostly subsidiaries of financial holding groups. Yuanta SITE leads the market, holding an 18.9% share of the total AUM in 2022, followed by Cathay SITE (12.1%), Capital SITE (8.4%), Fubon SITE (8.1%) and CTBC Investments (6.8%). Allianz Global Investors (Germany) is the largest foreign player in Taiwan, holding a 4.4% market share.

Figure 16: Top ten investment trust managers in Taiwan, 2022

Manager	Fund value (NT\$bn)		No. of individual beneficiaries	No. of institutional beneficiaries
Yuanta Securities Investment Trust	919.2	18.9%	2,126,895	7,941
Cathay Securities Investment Trust	586.7	12.1%	1,766,017	4,878
Capital Investment Trust	409.5	8.4%	126,542	4,432
Fubon Asset Management	392.8	8.1%	1,116,523	4,282
CTBC Investments	330.4	6.8%	513,043	1,956
Fuh Hwa Securities Investment Trust	265.1	5.5%	282,601	3,901
Allianz Global Investors Taiwan	214.8	4.4%	57,846	3,073
KGI Securities Investment Trust	162.1	3.3%	15,816	890
Taishin Securities Investment Trust	128.9	2.7%	12,709	1,244
PineBridge Investments Management Taiwan	121.7	2.5%	16,301	3,553
National total	4,856.8	100.0%	6,864,001	64,463

Source: Securities Investment Trust & Consulting Association.

Fund distributors and sub-distributors in Taiwan include local and global banks, SITEs, SICEs, securities firms, insurance companies, and online fund distribution platforms which have grown rapidly in recent years. Banks with their large branch networks account for the large majority (55%) of the volume of funds sold. Insurers represent around 29% of fund sales when combining sales of mutual funds and unit-linked insurance policies.

Oversight and legislation

The Financial Supervisory Commission (FSC) is the main regulator for the financial services industry in Taiwan, with its Securities and Futures Bureau responsible for overseeing asset management companies. In addition, the Securities Investment Trust and Consulting Association (SITCA) is the self-regulating body for SITEs and SICEs in Taiwan, and supports the administrative operations entrusted by in-charge government agencies.

Taiwan's asset management sector is highly regulated and governed by a comprehensive set of laws and regulations, which include the Securities Investment Trust and Consulting Act, the Regulations Governing Securities Investment Trust Funds, and the Regulations Governing Offshore Funds. There are also a large number of additional regulations, rulings and interpretations issued under those three key bodies of laws.

Deep cultivation programme

Neither SITEs nor SICEs are subject to any foreign ownership limit. In practice, however, the FSC has adopted several administrative measures over the past decade to slow the rapid growth of offshore funds in Taiwan. In 2013, it introduced a "Deep Cultivation Plan" to encourage foreign fund houses to increase their investment in Taiwan and support the development of the domestic asset management sector. In return for adhering to and delivering on a number of "local commitments," the FSC provides them various preferential incentives.

The programme is reviewed annually by the FSC to assess the results achieved by foreign asset managers under three broad categories: Taiwan onshore presence; local assets under management; and cultivation of local talent. Fund managers meeting certain criteria may receive benefits for their on-the-ground businesses. These include the ability to introduce new types of funds, faster approval of funds, the ability to submit more products for approval at any one time, and a higher allowance for taking exposure to Chinese securities.

Wealth management sector

Taiwan is one of the most attractive wealth markets in Asia. Its high net worth individual (HNWI) population (those with assets of at least US\$1m) numbered 983,325 persons in 2021, the 11th largest in the world, and is projected to grow by 45% in the 2021-2026 period to 1,429,828, according to Knight Frank's 2022 Wealth Report. The total number of ultra-HNWIs (US\$30m+) was 7,857 in 2021 and is set to rise to 9,934 by 2026.

Most of the HNWI's are self-made entrepreneurs aged between 55 and 64, typically first or second-generation business owners, making retirement and inheritance planning an increasing preoccupation for them. Also, increasing GDP per capita (wealth of the average citizen) and a low Gini coefficient (signifying low inequality) is leading to a growing mass affluent segment similarly looking for investment opportunities and advice.

Another positive development is the government's efforts to build Taiwan into an Asian wealth management hub, as seen in the liberalisation of the local banking sector's OBU operations in recent years. In 2019-20, the FSC launched a "New Wealth Management Scheme" aimed at enabling new financial products and services for wealthy investors and giving financial institutions more room to engage in different types of business.

Financial robo-advisers

Wealth management is also undergoing a transformation with the traditional methods of providing financial advice being disrupted by new and innovative forms of technology. Robo-advisers are the name given to the relatively new fintech that has opened up avenues for cooperation with mass affluent clients. These provide automated, algorithm-driven financial planning and investment services with little to no human intervention.

Retail investors in Taiwan have tended to rely on bank consultants to help them make investment decisions, so robo-advisers represent a new, cheaper channel for investment advice. Taiwan's robo-advisory market has been growing rapidly since the FSC issued guidelines in 2017 on the provision of securities investment consulting services using automated tools. As of the end of March 2023, 16 financial firms were offering such services, with total AUM of NT\$6.9bn (US\$227m), while 167,000 local investors were using robo-advisers.

Presently, companies can self-regulate their robo-advisory services and related algorithms. But due to a rise in suspected robot-driven manipulation and the growing adoption of AI technology, the FSC indicated in April 2023 that it plans to tighten supervision of automated investment advisory services to better protect investors.



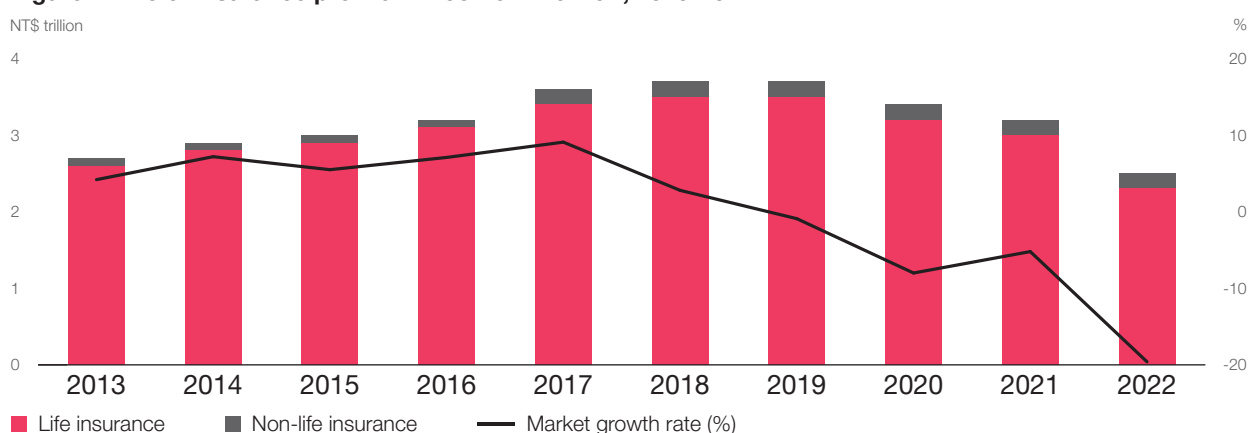
Insurance

Taiwan is one of the most heavily insured markets in the world, with an insurance penetration rate (premiums as a percentage of GDP) of around 11% (2022), reflecting its highly mature state. Nonetheless, opportunities remain for growth, as Taiwanese are risk conscious and like to buy insurance for both protection and savings purposes. In particular, a fast-ageing population is seen boosting demand for retirement savings solutions.

Sector overview

In 2022, Taiwan's insurance sector had aggregate assets of NT\$34.1tn (US\$1.1tn), which accounted for 34% of total assets of all financial institutions. Annual premium income totalled NT\$2.6tn (US\$86bn), with the life segment having a 91% share and non-life 9%. At the global level, based on 2022 harmonised data from the Swiss Re Institute, Taiwan ranks the 11th biggest insurance market (by total premium volume), the 16th largest in terms of insurance density (by premiums paid per capita), and the fifth highest by insurance penetration.

Figure 17: Total insurance premium income in Taiwan, 2013-2022



Source: Insurance Bureau, Financial Supervisory Commission.

Taiwan's life insurance segment is large and well developed, with a broad range of products on offer. These include traditional life and investment-linked products, as well as retirement and various later-in-life savings and annuity products. Individual life policies accounted for two-thirds of total life premiums in 2022, followed by individual health policies (17.5%), individual annuity policies (11.8%) and individual accident policies (2.6%)

The life market has underperformed since 2018, with annual premium income contracting at a -9.7% CAGR to NT\$2.3tn (US\$78bn) in 2022. This was mainly due to persistently low interest rates and capital market fluctuations that reduced yields from insurance investment products, lowering their demand. Growth in savings-type policies has also been affected by new rules since 2020 that require life insurers to raise death benefits.

The recent bout of monetary tightening in Taiwan and abroad has impacted the bottom line of life insurers as the value of fixed-income investments plunged amid rising interest rates. In response, in October 2022, the regulator allowed local life insurers to reclassify their assets under IFRS 9 to mitigate the effects of rate hikes on their financial ratios. In the longer term, higher interest rates will bolster the investment income of insurers.

Figure 18: Breakdown of life insurance premiums, 2022

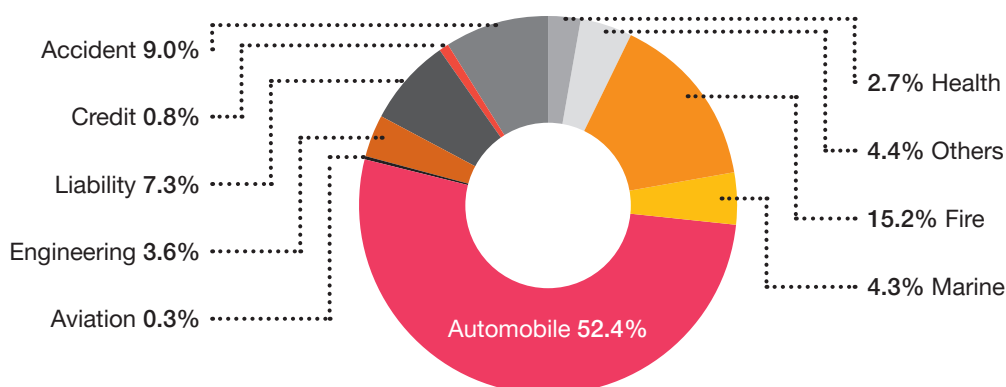


Source: Taiwan Insurance Institute.

By contrast, the non-life segment is relatively underdeveloped, as indicated by a penetration rate of just 1%. Nevertheless, it has enjoyed steady growth in recent years, with premium income increasing at a five-year CAGR of 7.1% to NT\$221bn (US\$7bn) in 2022, supported by the sustained growth of motor insurance and rising demand for health insurance, in particular recently for Covid-related policies. The largest lines of non-life insurance by premiums were motor (52%), fire (15%) and personal accident and health insurance (12%).

Non-life insurers saw the pandemic as a great opportunity to expand their health lines of business. But many ended up paying out significant claims on Covid-related insurance policies — totalling NT\$211bn (US\$7.1bn) in 2022 — due to generous policy terms and underestimating the extent of the disease. As a result, several non-life insurers were forced to raise fresh capital to bolster their financial positions. To help alleviate some pressure, new capital requirements for catastrophe risks for non-life insurers were postponed to end-2024.

Figure 19: Breakdown of non-life insurance premiums, 2022



Source: Insurance Bureau, Financial Supervisory Commission.

Insurance distribution channels are well evolved, with extensive use of agents, brokers, bancassurance (via bank branches and other alliance channels) and direct sales. Bancassurance and agencies are the dominant distribution channels, representing around 90% of the total market. Online sales continue to grow, and this channel is likely to expand further following the anticipated launch of internet-only insurers in the near future.

Market participants

Taiwan's insurance sector is highly saturated, consisting of 52 licensed insurance companies as of the end of 2022. These included 26 life insurers (23 domestic, 3 foreign), 23 non-life insurers (17 domestic, 6 foreign) and three domestic and foreign reinsurers. The leading domestic insurers are the arms of financial holding groups, which have the advantages of scale, branding, multi-channel distribution and access to low-cost capital.

Figure 20: Taiwan's major insurers by premium income, 2021-2022

Top ten life insurers (2022)			Total premiums (NT\$bn)			Top ten non-life insurers (2021)			Total premiums (NT\$bn)		
Cathay Life Insurance	480.4	20.6%				Fubon Insurance	50.9	24.5%			
Fubon Life Insurance	346.2	14.8%				Cathay Century Insurance	25.7	12.4%			
Nan Shan Life	295.1	12.6%				Shin Kong Insurance	21.7	10.5%			
Shin Kong Life Insurance	189.5	8.1%				Tokio Marine Newa Insurance	15.0	7.2%			
China Life Insurance	179.3	7.7%				Mingtai Fire & Marine Insurance	13.9	6.7%			
Taiwan Life Insurance	138.0	5.9%				Hotai Insurance	11.2	5.4%			
Mercuries Life Insurance	114.9	4.9%				South China Insurance	11.1	5.3%			
TransGlobe Life Insurance	89.8	3.8%				Union Insurance	10.7	5.1%			
Chunghwa Post	84.0	3.6%				Taian Insurance	9.1	4.4%			
Allianz Taiwan Life Insurance	74.3	3.2%				Taiwan Fire & Marine Insurance	8.7	4.2%			
Total life premiums	2,334.4	100.0%				Total non-life premiums	207.4	100.0%			

Source: Taiwan Insurance Institute.

Source: Taiwan Insurance Institute; Note: 2022 data not yet available.

Foreign insurers in Taiwan historically have faced difficult challenges due to the stricter standards imposed on them by regulators in their home countries, and further exacerbated locally by legacy negative spread issues, asset-liability mismatch problems and ongoing regulatory changes. As a result, a number of foreign life insurers have exited Taiwan's competitive market over the past decade or so. Most recently, in 2021, US insurer Prudential sold its Taiwan life business to local Taishin Financial Holdings for NT\$5.5bn (US\$199m).

Other notable insurance M&A deals in Taiwan of late include the domestic takeover in 2021 of China Life Insurance, the fifth largest life insurer in Taiwan, by China Development Financial Holdings via a tender offer and share swap. Also, in 2022, US insurer Chubb acquired the local life insurance operations of US health service provider Cigna, which marked the first consolidation of two insurers in Taiwan in the past few years.

Oversight and legislation

The insurance sector is one of the most heavily regulated industries in Taiwan and also subject to frequent changes in laws and regulations. Regulatory oversight of the industry is the responsibility of the Financial Services Commission (FSC), with its Insurance Bureau responsible for enforcing insurance regulations. The primary piece of legislation is the Insurance Act, which covers both insurance and reinsurance activities.

In the past few years, the FSC has undertaken several regulatory measures covering products, investments, and capital rules to enhance insurers' financial resilience. It has also been tightening regulations to prepare life insurers for the eventual adoption of International Financial Reporting Standards (IFRS) 17 on insurance contracts and migration to a new solvency framework — both scheduled for 2026 — which will help insurers to further build capital strength and improve the associated management of insurance and investment risks.

IFRS 17 and new solvency framework

Adoption of IFRS became applicable for all Taiwanese insurers in 2013. Five years later, IFRS 9 on financial instruments became compulsory, ushering in the measurement of assets at fair value. Adoption of the tighter IFRS 17, which will require all insurers to measure their assets and liabilities at fair value, has been delayed to 2026 to give local insurers time to adjust their accounting, actuarial, investment and risk control systems.

For Taiwanese life insurers, IFRS 17 will entail substantially larger capital commitments than are currently required. The transition date for local adoption will be 1 January 2025, and the implementation date will be 1 January 2026, three years after the global start. The changes will help resolve the current problem of asset-liability mismatches, and make the financial reports of insurers more relevant, comparable and transparent.

Taiwan will also implement in 2026 a New Generation Insurance Solvency Regime, based on the global risk-based Insurance Capital Standard 2.0 of the International Association of Insurance Supervisors. The new rules on insurers' solvency will be stricter than the current risk-based capital framework, and therefore force life insurance companies to adjust their insurance policies and investment strategies to achieve compliance.

Digital insurance developments

Insurtech is starting to take off in Taiwan. In 2020, the life insurance association launched an insurtech sharing platform, which adopted a consortium blockchain to consolidate insurance companies' customer information and provide one-stop services for renewing insurance policies and handling insurance claims. In 2022, the non-life association also launched a test run of a consortium blockchain among non-life insurance companies.

Another key development was the FSC's release in late 2021 of a legal framework for licensing internet-only life and non-life insurance companies. Unlike internet-only banking licences, which have a fixed quota, the FSC will not limit the number of licences to be issued to pure online insurers. However, they will be required to provide protection-type insurance policies, which conventional life insurers seldom highlight in their marketing.

Under the new rules, a virtual life insurer must have paid-in capital of at least NT\$1bn (US\$31m), while a virtual non-life insurer would need at least NT\$2bn. Also, a virtual insurer must be at least 40% owned by a financial institution, and of that stake, at least 25% should be owned by a life insurance company or a financial holding group with an insurance unit to ensure that the new venture is able to comply with insurance regulations.

The FSC opened up its application process for pure online insurance companies in the second half of 2022. It received only one valid application, from CTBC Insurance, but this was rejected, citing weak innovation and low feasibility. The FSC said it would assess whether to re-open for applications at the end of 2023.



Key industry links

Financial regulators

- Financial Supervisory Commission: www.fsc.gov.tw
 - Banking Bureau: www.banking.gov.tw
 - Securities and Futures Bureau: www.sfb.gov.tw
 - Insurance Bureau: www.ib.gov.tw
 - Financial Examination Bureau: www.feb.gov.tw
- Central Bank of the Republic of China: www.cbc.gov.tw

Banking

- Bankers Association of the Republic of China: www.ba.org.tw
- Central Deposit Insurance Corporation: www.cdic.gov.tw
- Financial Information Service Co., Ltd.: www.fisc.com.tw
- Joint Credit Information Centre: www.jcic.org.tw
- National Credit Card Center of R.O.C.: www.nccc.com.tw
- Taiwan Academy of Banking and Finance: www.tabf.org.tw

Capital markets

- Taiwan Stock Exchange: www.tse.com.tw
- Taipei Exchange: www.tpex.org.tw
- Taiwan Futures Exchange: www.taifex.com.tw
- Securities and Futures Institute: www.sfi.org.tw
- Securities and Futures Investors Protection Centre: www.sfipc.org.tw
- Taiwan Depository & Clearing Corporation: www.tdcc.com.tw
- Taiwan Securities Association: www.csa.org.tw

Asset & wealth management

- Bureau of Labor Funds: www.blf.gov.tw
- Public Service Pension Fund: www.fund.gov.tw
- Securities Investment Trust & Consulting Association: www.sitca.org.tw
- Taiwan Venture Capital Association: www.tvca.org.tw

Insurance

- Life Insurance Association of the Republic of China: www.lia-roc.org.tw
- Non-Life Insurance Association of Taiwan: www.nlia.org.tw
- Taiwan Insurance Institute: www.tii.org.tw
- Taiwan Insurance Guaranty Fund: www.tigf.org.tw



How PwC can help

We focus on the future of financial services, working with clients as they re-evaluate their strategies in light of the Covid-19 pandemic, while advising on key issues such as the impact of risk and regulation, cyber and financial crime, new financial service technologies and FinTech, and the changing face of the customer.

Banking & capital markets

Regulatory reforms, more stringent capital requirements, risk management considerations, disruptive technologies, a low interest rate environment, and enhanced reporting requirements were all challenges to growth in banking and capital markets, even before Covid-19 entered the picture. Sophisticated strategies and solutions will be required for financial institutions to navigate the pandemic and gain a competitive edge.

PwC professionals assist many of Taiwan's largest banks and securities firms with their most challenging issues in every segment of the financial industry: consumer/retail banking, commercial banking, wholesale banking, mortgage banking, securitisation, capital markets, insurance and investment management.

Asset & wealth management

PwC's asset and wealth management practice provides unique sector insights to traditional asset managers, hedge funds, real estate firms and private equity houses. Our knowledge and experience of working with asset managers in Taiwan can help you deal with the market issues that you may face today and tomorrow.

Insurance

The insurance sector is undergoing a fundamental transformation. Even before Covid, new regulations, new technology, accelerating shifts in consumer demand and mounting competition from InsurTech players were challenging insurers. We can help you to navigate this increasingly complex and uncertain market landscape and to look beyond the traditional boundaries of the insurance business to embrace new ways of working, new ways of interacting with customers, and whole new possibilities in what your business can deliver.

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