



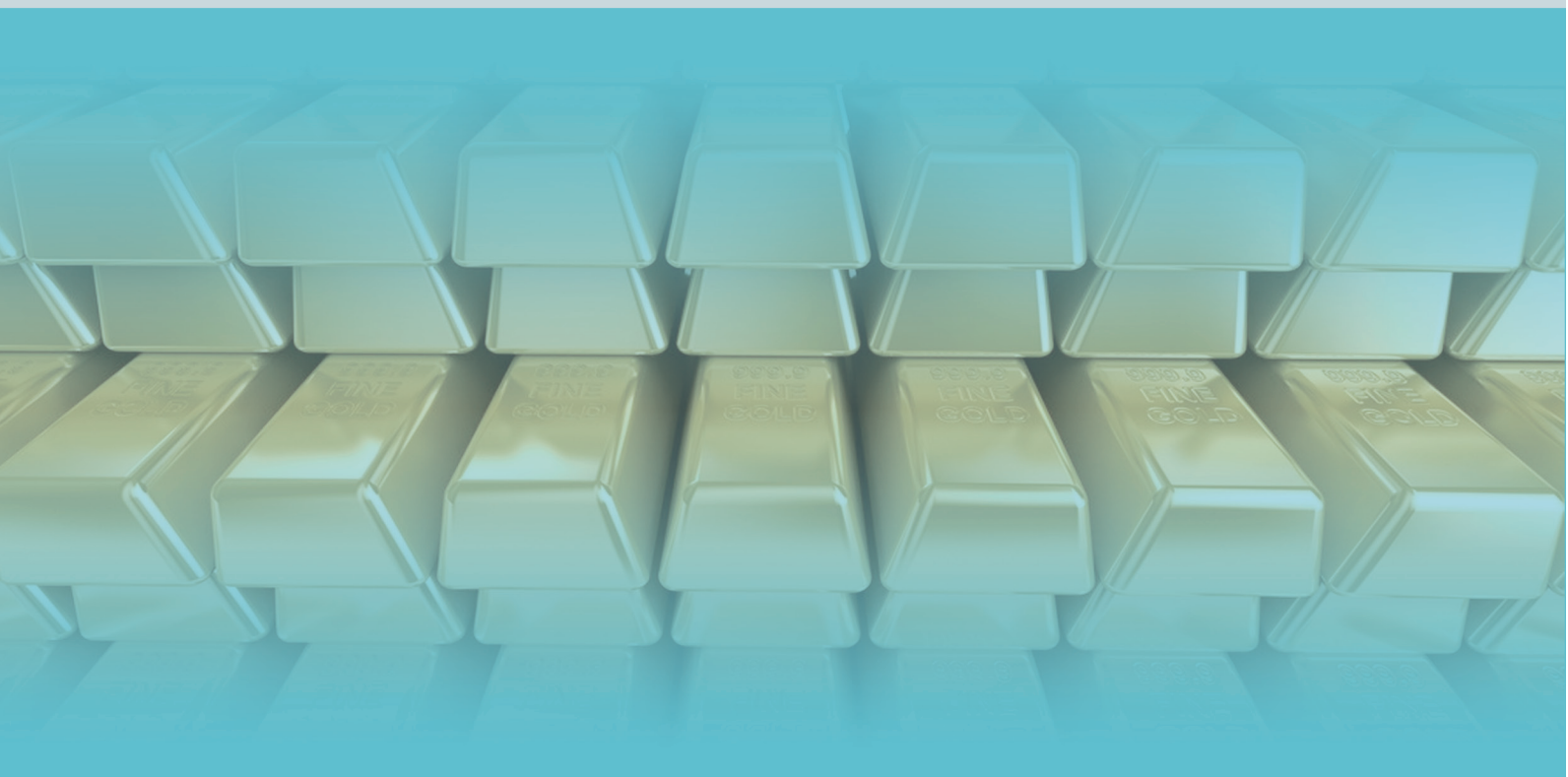
2013

Annual Report of
National Treasury Administration

National Treasury Administration, Ministry of Finance

July 2014

National Treasury Administration



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I. Preface

The National Treasury Administration (NTA) is in charge of the revenues and expenditures of the National Treasury and the administration of relevant affairs. Its functions cover a wide range of activities in relation to financial management, debt management, local governments finance, the public welfare lottery management, and tobacco and alcohol management. Its major missions are raising and handling fiscal revenue and designing Treasury and debt policies, the management of the payment of treasury, supervision of the issuance of the public welfare lottery, management of government-owned shareholdings, designing tobacco and alcohol policies, as well as to investigate and control tobacco and wine irregularities.

In reviewing of the work performed in 2013, the NTA under the guidance of the fiscal policy of Ministry of Finance(MOF), and joint efforts of all colleagues, Consecutively completed a number of major tasks including the completion of the preparation of FY 2014 Central Government General Budget Revenues to implement various government policies; completion of the amendment of the Public Debt Act, reasonably adjusted the debt ceiling of local governments to be in line with international standards; allocation of NT\$199.6 billion to the local governments through centrally-funded tax revenues to ease the fiscal pressure on the local governments; amendments to certain regulations of tobacco and alcohol administration to enhance the effectiveness and performance of tobacco and alcohol administration; continuously promoted the “Preferential Housing Loan for the Young”, and granted NT\$443 billion to assist 124,299 households to purchase their own house; supervision of the issuance and distribution of surpluses of the public

welfare lottery, the sales of the public welfare lottery amounted to NT\$138,141 million and the surplus amount was NT\$36.07 billion respectively; NT\$16,232 million was allocated for use in support of the national pension system, NT\$1,803 million was allocated for safety reserve of the national health insurance program, and NT\$18,035 million was allocated to local governments for social welfare.

Looking forward, the NTA not only will continue to strengthen the national treasury affairs in order to gather financial momentum so as to facilitate smooth promotion of major policies, but also will continuously implement and promote “The Sound Finance Program” in order to raise annual revenues and lay a solid financial structure to ensure sustainable economic development.

We hereby compile our tasks of the year into this annual report. For further information and the latest updates on our work, please visit our website at <http://www.nta.gov.tw>. We would appreciate your comments.

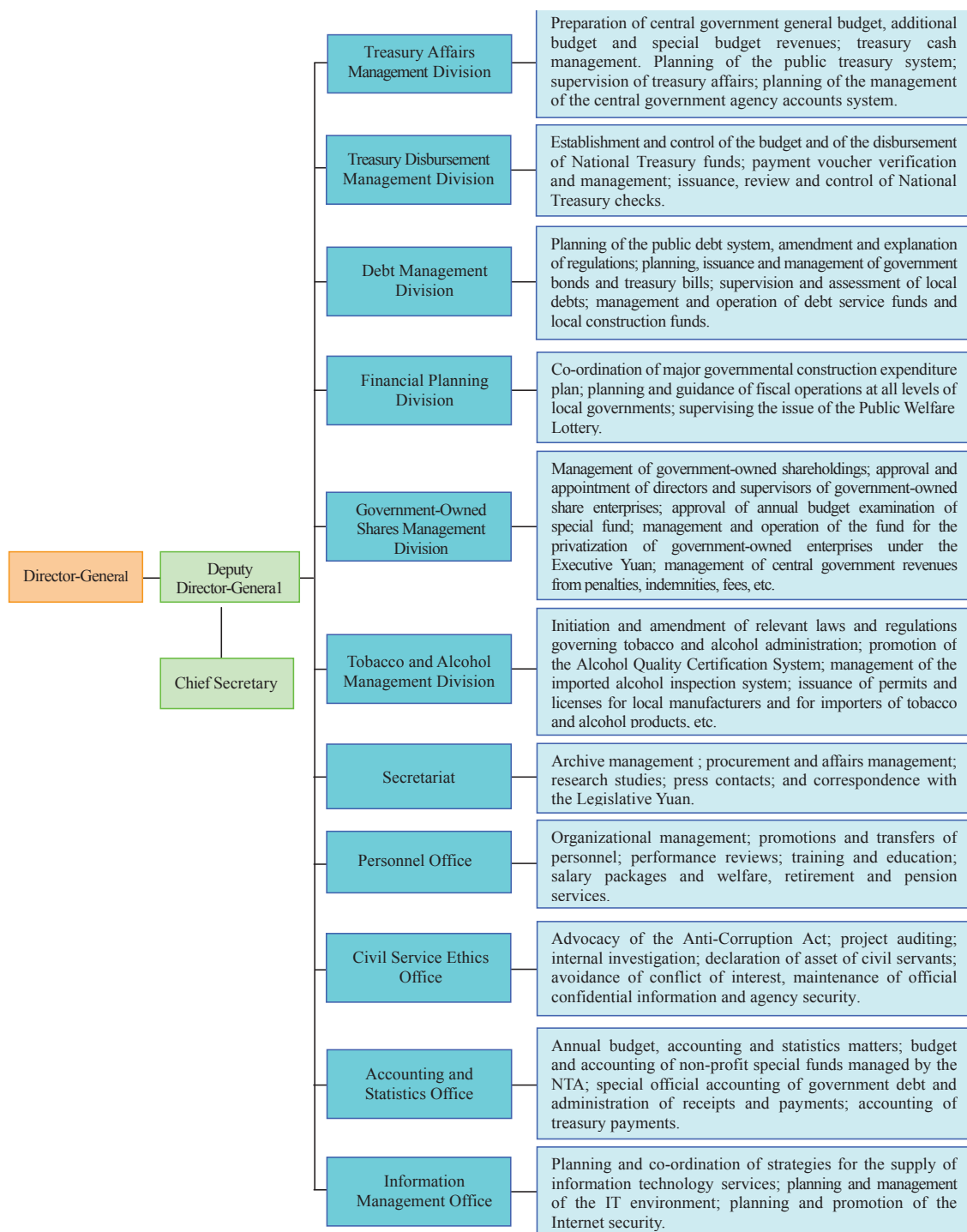


Director-General
National Treasury Administration

II. Organization and Functions

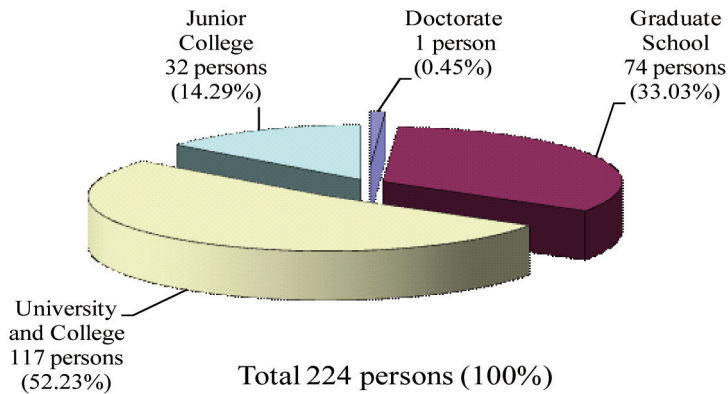
II. Organization and Functions

1. Organization Chart and Functions of the National Treasury Administration

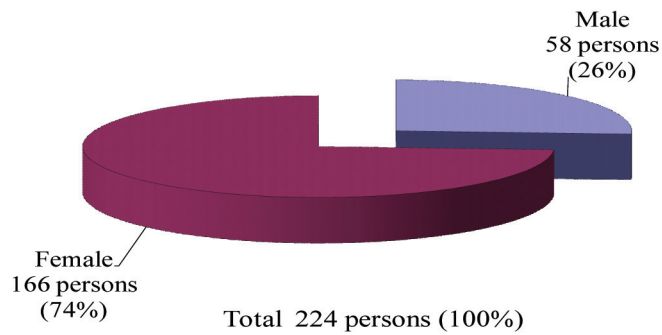


2. Personnel Overview

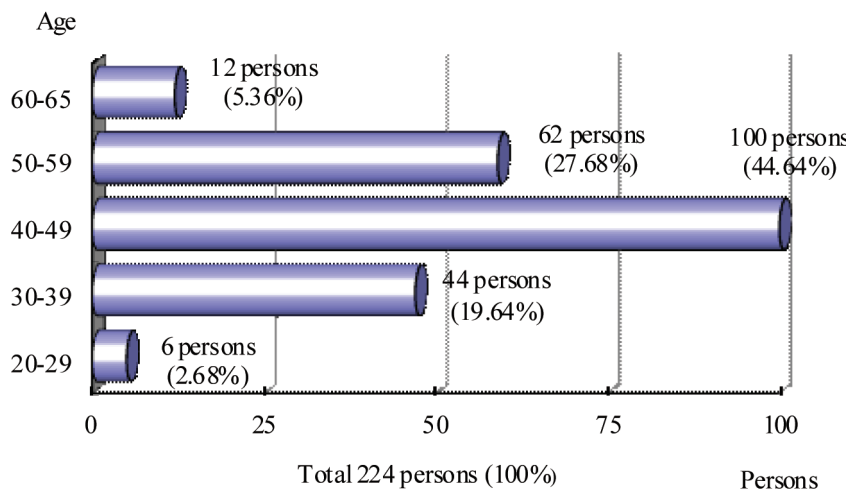
(1) Staff by Level of Education

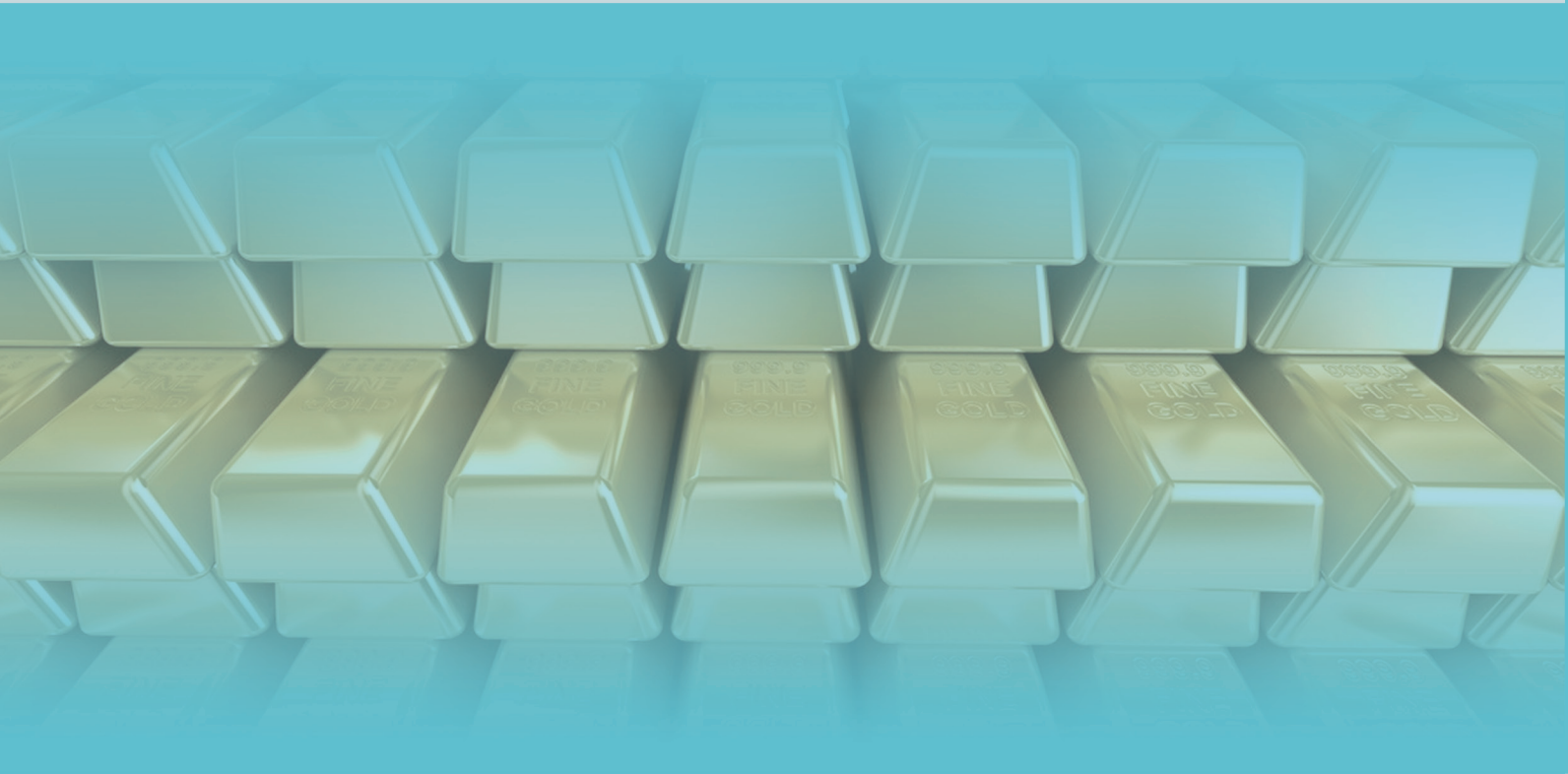


(2) Statistics of Gender



(3) Staff by Age Group





III. Business Overview

III. Business Overview

1. Major Business in 2013

(1) Improving the Administration of Treasury Affairs

A. Improving the administration of the government treasury; reviewing the laws and regulations pertaining to government treasury regulations continuously

(A) Promulgation of “The Directions for the National Treasury for the Management of Donations”

With the aim to make donations become public and transparent, and enhance the internal control system, the MOF promulgated “The Directions for the National Treasury for the Management of Donations” on 22nd July, 2013.

(B) Amendment to Articles 2, 6 and 10 of “The Regulations for the Handling of Revenue Refunded and Expenditure Regained of the National Treasury”

In response to the promotion of funds held in custody by all central government agencies to be included in the Treasury Single Account, provisions were added to allow all agencies to make refund operations through the accounts for custodial funds and commissioned funds. The MOF, the DGBAS and the NAO jointly promulgated the amendment to Articles 2, 6 and 10 of “The Regulations for the Handling of Revenue Refunded and Expenditure Regained of the National Treasury,” and the stipulations became effective as of 6th August, 2013.

(C) Partial amendment to articles of “The Handbook for Treasury Management”

The Handbook for Treasury Management was partially amended on 23rd February, 2013 and sent out to the Executive Yuan and its subordinate agencies as well as to schools to be adopted as reference so as to strengthen the internal fiscal control of all agencies. The MOF amended “The Common Operational Paradigm the Internal Control System in Treasury Exercises” on 15th March, 2013, to be adopted as reference by all organizations, agencies and schools under the Executive Yuan.

B. Strengthening of the internal fiscal control of all agencies

(A) In order to enhance the efficiency of the government in the handling of financial management, a seminar on “Internal Fiscal Control of National Treasury Management” was held at the Training Institute of MOF on 5th September, 2013.

(B) In order to act in concert with the policy of the promotion of the internal fiscal control system, the MOF implemented the visitation and inspection to gov't agencies with the aim to understand their operational procedures and propagated the relevant regulations of the newly amended “The Handbook for Treasury Management”.

C. Promotion of mechanism shorten the time and procedures of remittances to the National Treasury

On 5th June, 2013, a mechanism for the making of remittances to the National Treasury for individuals, manufacturers and organizations was implemented for non-tax revenue so as to shorten the time and procedures of such remittances to the National Treasury so as to improve the efficiency of government finance.

(2) Enhancement of Revenue Administration

A. Mobilization and co-ordination of the annual revenues and funding resources to support government administration

(A) Completion of the Preparation of the FY 2014 Central Government General Budget Revenues

In order to implement various government policies, the NTA worked in co-operation with the DGBAS to finish the preparation of the FY 2014 Central Government general budget revenues as scheduled, and the FY 2014 General Budget proposal of the Central Government was then passed by the Legislative Yuan. Total revenue drawn is NT\$1,706.9 billion, a decrease of NT\$26.4 billion, or -1.5% from the NT\$1,733.3 billion of the previous year. Total expenditure drawn is NT\$1,916.2 billion, an increase of NT\$8.6 billion, or +0.5% from the NT\$1,907.6 billion of the previous year. The difference is NT\$209.3 billion in FY 2014. Combined with the debt repayment of NT\$64 billion, the amount required for financing totals NT\$273.3 billion, which was covered entirely by government bonds and long-term borrowings. Please refer to Table 1.

Table 1 Preparation of the FY 2014 Central Government General Budget**Revenues**

Unit: NT\$100 million; %

Item	FY 2013 General Budget	FY 2014 General Budget		Comparison Between FY 2014 and FY 2013
	Amount	Amount	Amount of difference	Rate of Increase/ Decrease(%)
	(1)	(2)	(3)=(1)-(2)	(4)
I. Revenues	17,333	17,069	-264	-1.5
(I) Revenues from Taxes	12,803	12,713	-90	-0.7
i. Inland Taxes	11,814	11,734	-80	-0.7
ii. Customs Duties	989	979	-10	-1.0
(II) Non-Tax Revenues	4,530	4,356	-174	-3.8
i. Surplus of Public Enterprises & Public Utilities	2,533	2,586	+53	+2.1
ii. Revenues from Properties	736	859	+123	+16.7
iii. Fees and Revenues from Fines & Indemnities and Others	1,261	911	-350	-27.8
II. Expenditures	19,076	19,162	+86	+0.5
III. Deficit (II - I)	1,743	2,093	+350	+20.1
IV. Principal Repayment	770	640	-130	-16.9
V. Financing	2,513	2,733	+220	+8.8
(I) Government Bonds & Borrowing	2,513	2,733	+220	+8.8
(II) Surplus of Previous Fiscal Year	0	0	0	-

(B) The government financial situation has been improved

The ratio of the deficit of the central government budget (including General and Special Budgets) to GDP decreased from 3.5% in FY 2009 to 0.9% in FY 2013 (please refer to Table 2), and while the percentage of the ratio of the deficit showed a slight increase to 1.4% in FY 2014 due to a moderate increase in expenditure for the purpose of increasing the momentum in the stable growth of the domestic economy, we will continue to devote our efforts to maintaining sound finance, supporting economic development, raising funds to support the implementation of government policy and decreasing the budget deficit of the government. The net annual increase in outstanding debt of the central government budget (including General and Special Budgets) declined from NT\$410.4 billion in FY 2010 to NT\$212.6 billion in FY 2014 (please refer to Table 3). Due to appropriate elasticity in carrying out financial policy and the handling of foreign reserves and the promotion of stable economic development, Fitch, Standard & Poor's and Moody's declared that the outlook for Taiwan's foreign and local currency sovereign rating was stable with the same results as for the previous year at A+, as of 24th July; AA-, as of 29th August; and Aa3, as of 10th October, 2013, respectively.

Table 2 Analysis of the Central Government Budget Revenues and Expenditures (Including General and Special Budgets)

Unit: NT\$100 million ; %

Fiscal Year	Revenues		Expenditures		Deficit(-) (5)=(1)-(3)	Ratio of Deficit to Expenditures (6)=(5)/(3)	Deficit(-) as Percentage of GDP (7)
	Amount (1)	Rate of Increase/Decrease (2)	Amount (3)	Rate of Increase/Decrease (4)			
2009	15,538	-5.3	19,930	+14.0	-4,392	-22.0	-3.5
2010	14,977	-3.6	19,038	-4.5	-4,061	-21.3	-3.0
2011	16,715	+11.6	19,204	+0.9	-2,489	-13.0	-1.8
2012	16,684	-0.2	18,970	-1.2	-2,286	-12.1	-1.6
2013	17,307	+3.7	18,620	-1.8	-1,313	-7.1	-0.9
2014	17,069	-1.4	19,196	+3.1	-2,127	-11.1	-1.4

Note : 1. Fiscal years prior to FY 2012 : Final Accounts of the Central Government, edited by the National Audit Office, R.O.C (Taiwan). FY 2013 : Final Accounts of the Central Government edited by the Executive Yuan. FY 2014 : Figures of the General Budget of the Central Government. FY 2014 Special Budgets : Figures of Central Government General Budget Proposal.

2. Source of GDP : Announced by DGBAS on 18th February, 2013.

Table 3 Government Public Debt

Unit : NT\$ 100 million ; %

Fiscal Year	Debt Issue Amount			Mandatory Principle Payments	Net Debt Increase Amount/Rate		Outstanding Debt	
	Amount of Debts Included in Yearly Debt limit	Amount of Debts Excluded from Yearly Debt limit	Total Amount		Amount of Increase	Rate of Increase %	Amount of Outstanding Debt	Outstanding Debt /Average GDP for Last Three FY %
2010	2,247	2,517	4,764	660	4,104	9.94	45,377	35.81
2011	1,278	1,646	2,924	660	2,263	4.99	47,640	36.97
2012	2,885	522	3,407	940	2,467	5.18	50,107	37.82
2013	2,043	262	2,305	772	1,533	3.06	51,640	37.48
2014	2,733	33	2,766	640	2,126	4.12	53,767	38.09

Note : 1. Fiscal years prior to 2012 : Final Accounts of the Central Government, edited by National Audit Office, R.O.C (Taiwan). FY 2013: Final Accounts of the Central Government, edited by the Executive Yuan, R.O.C (Taiwan).

2. FY 2014: Final Accounts of the Central Government, edited by the Executive Yuan, R.O.C (Taiwan) (Except amount of debts excluded from yearly debt limit).

(C) The Execution of the Revenues of the Central Government General Budget in FY 2013

Compared to the same period of the Audit Report in FY 2012, the amount of the annual revenues of the FY 2013 Central Government general budget increased by NT\$62.1 billion to NT\$1,730.4 billion. Of this figure, the amount of revenues from taxes decreased by NT\$4.1 billion to about NT\$1,218 billion, mainly due to lower income tax. The revenues from the earnings of public enterprises decreased by NT\$11.4 billion to NT\$251.1 billion, mainly due to a decrease in investment income. The revenues from regulatory fees, punitive fines and indemnities, properties and other income increased by NT\$77.6 billion to NT\$261.3 billion, mainly due to the income from the license fees derived from the auction of the 4G mobile bandwidth which totaled NT\$118.7 billion. For details, please refer to Table 4.

B. Active mobilization of the collection of non-tax revenue

The Administration co-operated with the DGBAS to complete the preparation of the FY 2014 Central Government General Budget of the Surplus of Public Enterprises & Public Utilities and of the Revenues from Administrative Businesses and Properties of the Central Government, which was passed by the Legislative Yuan. The annual revenues of the former totaled NT\$258.6 billion, and those of the latter totaled NT\$176.9 billion.

Table 4 Execution of the Revenues of the Central Government General Budget in FY 2013

Unit: NT\$100 million; %

Items	Budget for FY 2013 (1)	Final Accounts, FY 2013		Final Accounts, FY 2012	Comparison Between FY 2013 and FY 2012	
		Amount (2)	Rate of Realization of the Budget (2)/(1)	Amount (3)	Amount of difference (4)=(2)-(3)	Rate of Increase / Decrease (4)/(3)
Total Revenues	19,846	19,333	97.42	19,764	-431	-2.18
Annual Revenues	17,333	17,304	99.83	16,683	621	3.72
Revenues from Taxes	12,803	12,180	95.14	12,221	-41	-0.33
Earnings of Enterprises	2,533	2,511	99.11	2,625	-114	-4.37
Fees and Revenues from Properties, Fines, Indemnities and Others	1,997	2,613	130.85	1,837	776	-42.24
Sources of Financing	2,513	2,029	80.75	3,081	-1,052	-34.12
Issuance of Bonds and Borrowing	2,513	2,029	80.75	2,881	-852	-29.56
Surplus of Previous Fiscal Year	0	0	0	200	-200	-100

Note: Certain of the details may not add up to the total due to rounding up of the figures.

(3) Improvement of the Management of the Payment of Treasury Funds

A. Centralized payment operations of the National Treasury

In compliance with the e-government policy and the spirit of the sharing of financial information between agencies, the NTA actively promoted the automation services to provide agencies with more secure and faster e-payment services so that the payees could receive payments earlier and the payment procedures for each agency and the NTA were also simplified. The National

Treasury's centralized payment operations, as shown in Table 5, are as follows:

(A) Number of agencies receiving funds through centralized disbursement

In 2013, the number of agencies receiving funds through centralized disbursement totaled 728 (544 from the main office and 184 from the central region office), an increase of 3, about 0.4%, as compared with the number of 725 agencies in 2012.

(B) Electronic payment

As of the end of 2013, there were 665 government agencies using the electronic payment service of the National Treasury. Funds issued via electronic payment accounted for nearly 90% of the total funds disbursed, resulting in a reduction of over four million sheets of paper in the amount used in payment vouchers, budget account lists, payee lists, uniform invoice lists and inter-bank remittance records each year.

(C) Number of vouchers processed

In 2013, a total of 2,182,373 vouchers (including payments, transfers, lists, and so forth) were processed, a decrease of 60,032 vouchers, or -2.68%, compared with the 2,242,405 vouchers processed in 2012. The numbers of vouchers from different agencies also decreased due active promotion of the use of petty cash to pay for small expenses and the consolidation payments of expenses.

(D) National Treasury checks issued and deposits made

In 2013, the number of National Treasury checks issued and the deposits made totaled 1,802,417 entries, a decrease of 60,734 entries, or -3.26%, compared with the 1,863,151 entries in 2012. The reasons for reduction are the same as those for the decrease in the numbers of vouchers.

**Table 5 Yearly Statistics and Analysis of Centralized Treasury Fund
Disbursement Operations**

Year	Implementing Agencies		Vouchers		Checks Issued & Account Crediting		Amount of Payment	
	No. of Units	Growth Index	No. of Items	Growth Index	No. of Sheets	Growth Index	Amount	Growth Index
1971	61	100	44,961	100	41,597	100	272	100
1976	222	364	243,211	541	230,533	554	1,366	502
1981	278	546	336,562	749	315,511	759	3,616	1,329
1986	320	525	622,100	1,384	461,042	1,138	5,784	2,126
1991	356	584	781,146	1,737	758,052	1,822	9,660	3,551
1996	448	734	1,032,125	2,295	1,039,471	2,498	13,195	4,851
2001	896	1,469	1,421,132	3,161	1,171,230	2,816	22,119	8,132
2006	841	1,379	1,723,179	3,833	1,404,746	3,377	25,107	9,231
2007	827	1,356	1,827,789	4,065	1,463,990	3,519	24,415	8,976
2008	779	1,277	1,859,648	4,136	1,536,887	3,695	26,000	9,559
2009	735	1,205	1,983,925	4,413	1,656,566	3,982	31,707	11,657
2010	690	1,131	2,241,482	4,985	1,860,671	4,473	30,033	11,042
2011	722	1,184	2,283,585	5,079	1,886,728	4,536	30,538	11,227
2012	725	1,189	2,242,405	4,987	1,863,151	4,479	31,910	11,732
2013	728	1,193	2,182,373	4,854	1,802,417	4,333	30,942	11,376

Note : 1. The growth index, which includes the number of implementing agencies, vouchers, checks issued and account crediting and the amount of payment, is derived by dividing the quantity in the current year with the quantity of the 60-year base period.

2. Vouchers including those for payment, transfer, expenditure collection, canceled payment, tax receipts, and lists.

3. Five years was adopted as the interval before 2006; the data in this table include those being calculated out during the period of the calculation of the income and expenditure accounts.

(E) National Treasury funds disbursed

In 2013, a total of NT\$3.0942 trillion was disbursed, a decrease of NT\$96.8 billion, or -3.03%, compared with NT\$3.191 trillion in 2012. The reason is the amounts of annual agency budgets, Treasury bonds issued and short-term loan principal repayments, expenditures of financing and special budgets were less than in the year before.

B. Promotion of automated payment services

(A) Establishment of a central government agency automatic mechanism for e-approval on data matching

To reinforce agency approval data control, an automated document approval data matching system was established by replacing manual seal confirmation with scanning for computerized matching. The files on the official seals of over 720 agencies using centralized payment service were transmitted via designated lines to the main office and the Central Region Office to provide data updates, facilitate payment service for each agency, enhance the function of electronic payment services and speed up the payment process to achieve the goal of providing convenient government services.

(B) Establishment of an option menu to the expenditure purpose column on the payment voucher and a mechanism for computerized filing and retrieval of the vouchers used in the transfer of funds

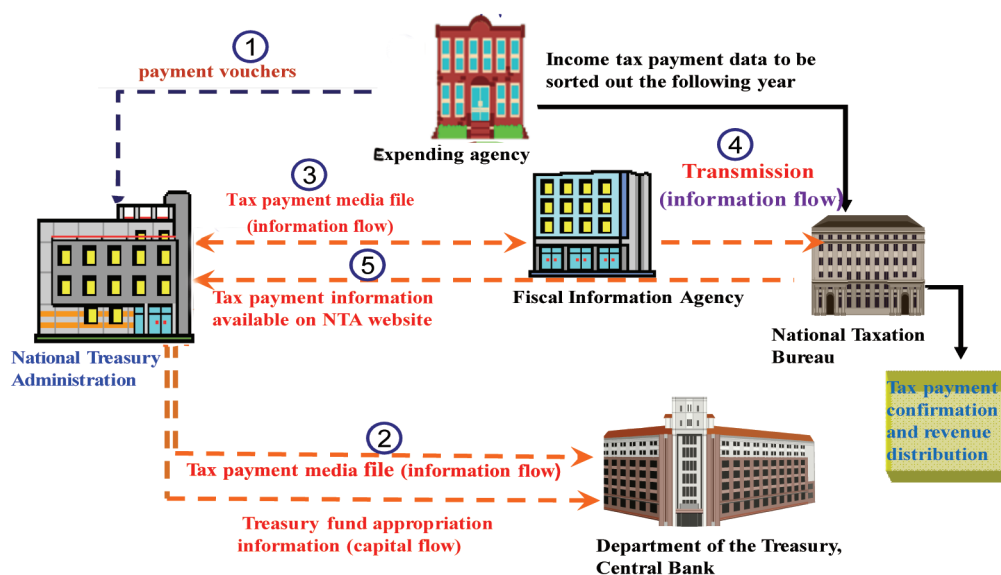
To improve electronic review of payment vouchers, an option menu was established to the expenditure purpose column on payment vouchers processed via the Government Budget Accounting Information Management System of the Directorate-General of Budget, Accounting

and Statistics to simplify the registration of the purpose of the expenditure in over one million of payment vouchers. Terminology was also made uniform to facilitate calculation of various payments with the use of codes for automated matching and review. At the same time, a mechanism for automated filing and retrieval of fund transfer vouchers was also set up to replace manual operation and make payment work more efficient.

(C) Promotion of payment of various types of income tax withheld by central government agencies

To accelerate collection of tax payments and improve the tax payment process between different agencies and the National Taxation Bureaus, a mechanism for payment of various types of income tax withheld by central government agencies was set up to allow the agencies to transmit related data (instead of National Treasury checks) and tax payment media files to the Department of the Treasury of the Central Bank via the Online National Treasury Fund Collection and Disbursement System at the end of the day. At the same time, tax payment detail files were also transmitted via the network of the Fiscal Information Agency to different branches offices of the National Taxation Bureau for tax revenue distribution and payment confirmation. The use of this facility has helped reduce time necessary for processing of each payment by at least 2.5 days, the number of National Treasury checks issued by 2,000 annually; and related costs by over NT\$60,000 each year. It was in compliance with the objective of energy saving and carbon reduction and economization of National Treasury spending.

Flow Chart of Payment of Various Types of Income Tax Withheld by Central Government Agencies



(D) Improvement of fund appropriation and remittance process

To simplify the process of fund appropriation and remittance from the National Treasury, information technology was adopted to set up a remittance record review system to replace inter-bank remittance paperwork completely and eliminate the manual work needed to print, hold and deliver, scan, file and retrieval of inter-bank remittance records. Treasury fund appropriation process was shortened and inventory pressure was alleviated. At the same time, data check-up security was reinforced and payment performance was elevated. Each year, use of paper was cut down by close to three hundred thousand sheets, saving over NT\$70,000 each year on paper and toner cartridge expenses.

(E) Improvement of payment of utility bills for government agencies

In September 2013, the National Treasury started to pay the telephone, electricity and water bills for central government agencies by appropriating the full amounts at the end of the day instead of transferring the amount

for each bill. An automated capital flows system was also set up to make economies in the spending of funds from the National Treasury as well as to simplify handling of utility bills and improve service.

- (F) Establishment of a mechanism for the periodic settlement of fees for enquires payable to financial institutions by central government agencies

To simplify the operations of central government agencies and financial institutions, the NTA consulted with the Bankers Association of the Republic of China and the Administrative Enforcement Agency of the Ministry of Justice and set up a mechanism for the periodic payment of fees for enquiry payable to financial institutions by central government agencies. That is, the fees for enquiries presented by central government agencies either via the Administrative Enforcement Agency of the Ministry of Justice or directly to financial institutions is paid on a monthly basis after all of the total amounts are calculated. Moreover, in the case of payment vouchers to a value of less than NT\$10,000, the amount is paid from petty cash in order to reduce National Treasury spending.

- C. Promotion of Consolidated Fund Appropriation

To upgrade the functions of the petty cash system and also to simplify the appropriation of National Treasury fund to ensure consistency in the use of operating procedures among government agencies for the appropriation of consolidated fund, the NTA announced “The Guidelines for the Appropriation of Consolidated Fund” on 25th October, 2013 via Tai-Tsai-Ku-Tzu No.10203752310 which took effect on 1st January, 2014.

- D. Uncashed National Treasury checks audit and return to Treasury

To simplify the operating procedures of inter-agency affairs administrative

operating procedures, the amended Regulations for the Management of Treasury Checks was promulgated via Tai-Tsai-Ku-Tzu No.10203604170 on 31st July, 2013. Starting on 1st January, 2013, the period for Treasury checks remaining uncashed to be returned to the National Treasury was reduced from 15 years to 5 years. On 31st July, 2013, a full audit of Treasury and Provincial treasury checks remaining uncashed for over 5 years from date of issuance was completed and a total of 841 Treasury checks amounting to a total of NT\$9.02 million were returned to the National Treasury.

E. The National Treasury Fund Payment Services Workshop

To expand the payment service as well as publicize the NTA's important new services, reduce the numbers of rejected payment vouchers and returned remittances, ensure smooth centralized payment after government restructuring, and enhance timeliness and security in the payment of Treasury funds, seven sessions of the National Treasury Fund Payment Services Workshop were held at the Training Institute of the MOF between 17th October to 22nd October, 2013, and 1,116 people from 603 agencies attended.

F. Inspections of electronic payment operations

To strengthen the security measures of electronic payment systems of government agencies, publicize new services, and urge government agencies to reduce the numbers of rejected payment vouchers and returned remittances and anomalies in the transmission of files, the NTA staff members visited 94 agencies to perform onsite inspections and also administer a questionnaire survey to gather opinions to serve as reference in promotion of related services in the future.

(4) Strengthening of the Management of Debt

A. Government Public Debt Planning and Management

(A) Strengthening of the management of the public debt of all levels of government

Pursuant to the provisions of the Public Debt Act on the debt ceiling of all levels of government and the rectification measures stipulated in “The Guidelines on Reducing/Suspending Grants to Municipal and County Governments for Failing to Make Debt Relief in Accordance with Article 8 of the Public Debt Act”, the NTA aimed to improve its supervision of the management of debt by local governments. In addition, the NTA continued to compile and disclose statistics of the debt of all levels of government to further enhance efficiency in the management of debt.

(B) Management of the debts of all levels of government

According to Article 4 of the Public Debt Act, the unpaid balance of the debt of all levels of government with a maturity of one year and above shall not exceed 48% of the average of nominal GNP for the previous three years, of which 40% and 8% are allocated to the central government and all local governments, respectively. The outstanding amount of the short-term debt maturing within one year, for the purpose of counterbalancing treasury revenues and expenditures, against the sum of general and special budget of total annual expenditures shall not exceed 15% for the central government and 30% for the local governments. For details, please refer to Table 6.

Table 6 Outstanding Debt of All Levels of Government with a Maturity of One Year and Above

Unit: NT\$ 100 million; %

FY	Outstanding Debts of All Levels of Government					Amount of Total Outstanding Debt/Average GNP for Last Three Years(%)
	Central Govt.	Special Municipalities	Counties/Cities	Townships/Towns	Total	
2004	33,621	3,055	2,014	94	38,784	36.59
2005	35,499	3,110	2,316	84	41,009	36.82
2006	36,230	3,040	2,519	77	41,866	36.10
2007	37,187	3,046	2,678	68	42,978	35.50
2008	37,788	3,102	2,798	62	43,750	34.70
2009	41,274	3,129	2,975	61	47,439	36.74
2010	45,380	3,154	3,306	44	51,884	39.84
2011	47,646	5,290	1,870	18	54,824	41.31
2012	50,116	5,698	1,869	16	57,699	42.28
2013	51,223	5,090	1,834	12	58,159	40.95

Note: 1. "Outstanding Debt," as defined in the Public Debt Act, refers to the outstanding public debt extending over more than one year as taken out by the central and local governments, on the general budgets, special budgets and budgets in the form of extraordinary funds beyond the operating funds and trust funds. However, self-redeeming public debt shall be excluded.

2. FY 2004-2012: Final audit accounts for all levels of government, edited by the Ministry of Audit, Control Yuan. FY 2013: Final audit accounts for the central government, final accounts for special municipalities and counties/cities; actual accounts for townships/ towns.

3. In line with the adjustment of the administrative divisions of the local governments on 25th December, 2010, the special municipalities in 2011 included Taipei City, Kaohsiung City, New Taipei City, Taichung City, and Tainan City.

B. Promotion of the amendment of the Public Debt Act

(A) Completion of the amendment of the Public Debt Act

In response to the adjustment of administrative divisions and the needs of local government policies, the MOF reviewed the base used to calculate the debt ceiling in order to be in line with international standards and to provide a reasonable adjustment to the debt ceiling for all levels of the government. Moreover, for the purpose of maintaining fiscal discipline, the draft amendment added a complete set of measures, including debt repayment, debt alert system and control mechanisms, and full disclosure of debt information, among others. This amended act passed the third reading in the Legislative Yuan on 27th June, 2013, and was promulgated by the President on 10th July, 2013. It was enforced on 1st January, 2014 on the approval of the Executive Yuan.

(B) Development and elaboration of supporting measures

In response to the amendments of the Public Debt Act, the NTA announced “The Ceiling of outstanding amount of debt with a maturity of one year and above of special municipalities in 2014” on 12th August, 2013. The MOF amended “The Directions for the Reduction or Suspension of the Centrally-Funded Tax Revenues to Municipal or County Governments in the Case of Non-Compliance in the Regulation of Debt” on 27th December, 2013. It also completed the organizational by-laws and criteria for the review of the Debt Management Committee, drafted a mechanism for debt disclosure that meets international standards, and established the Central Debt Management Commission. The regulations shall be observed by all levels of government units.

C. Planning of public debt policy

In order to establish an indicator for interest rates, the bonds and treasury bills are issued regularly in moderate amounts, and a two-stage form of announcement is adopted, too. With a predictable and transparent issuance plan, the bond market has become more stable and efficient.

(A) First-stage: Announcement of the type of bond (New or reopen bond: strippable or general bond) and the years of maturity as well as the maturity days for treasury bills for each month for the coming year. The information was published on 23rd December, 2012. (Allowance is also made for one or two day's announcement in advance in case of a holiday).

(B) Second-stage: Announcement of detailed information seasonally for the next quarter (three months), such as the issue amount, auction date, and issue date, etc. The information was published on 23rd March, 23rd June and 23rd September, 2013 respectively (with announcement one or two day's in advance in case of a holiday).

D. Enhancement of the transparency of government debts

(A) Disclosures of all levels of government debt

In order to enhance debt transparency and strengthen the effectiveness of debt management, the MOF compiled public debt tables, including the long and short-term self-redeeming and non-self-redeeming debts of ordinary funds and non-operating special funds for the fiscal year of 2012 of all levels of government, and posted the preliminary accounts of these tables on the website of the NTA in June, 2013, and later, the final accounts in December, 2013 which fully disclosed the status of compliance of all levels of government according to the definitions set out in the Public Debt

Act. In addition, to provide more comprehensive and updated information for the public, the MOF starting from October, 2011, releases statistics of the central and local governments by the month. The above measures are not only to enhance the transparency of government debts but also to improve sound finance at local government level.

(B) The National Debt Clock

Setting up of the web pages of the “National Debt Clock”: According to the resolution of the Legislative Yuan, starting from the December of 2010, on the 7th day of each month, the MOF shall publish figures showing the latest amounts of the national debt on the homepage and electronic billboards, with the content of the “Central Government Outstanding Balance of Short and Long-Term Debt,” and the “Average Amount of the Debt Burden per person.” In order to further strengthen the disclosure of information on debt, after the consideration of the contents and method for the disclosure of information on debt by the U.S. Department of the Treasury website, the Ministry integrated a series of type of information on the debt the central government and set-up the web pages of the “National Debt Clock” in June of 2012, and the content includes 14 items of information on the debt including the Central Government Outstanding Debt as a Percentage of GDP, the timetable of the issuance of government bonds and national treasury bills, details of short and long-term borrowings and of principal and interest payments to disclose information on the national debt in a complete way.

(C) The Local Debt Clock

The MOF has worked in co-ordination with special municipalities,

county and city governments to arrange for the release of debt information on the websites of all levels of government every month on the 10th since July 2012. The information includes the balance of short and long-term and self-redeeming public debt of the previous month as well as debt burden per person. The NTA has also set up the web page of the “Latest Local Debt Clock” which links to the web pages showing the debt of the local governments.

(D) Setting up the “National Debt Clock” and the “Latest Local Debt Clock” in public places

Starting from December of 2012, more central and local government debt information has been disclosed in subordinate agencies of the MOF, such as the National Taxation Bureaus, National Property Administration and Customs Administration, and the Executive Yuan with public bulletins in all railway stations and bus stations, motor vehicles offices (stations), medical institutions which belong to the Ministry of Health and Welfare, and the LED Marquee in the National Freeway Service Areas, altogether about 1,900 public places, which shows a substantial increase in locations for presenting the National Debt Clock and the Latest Local Debt Clock.

(E) Implicit contingent liabilities

The NTA set up a link to the web page of the DGBAS and has released the implicit contingent liabilities of all levels of government since November 2012, to completely disclose the overall debt status of the government so as to facilitate public supervision and enhance the performance of government financial operations.

E. The issuance of government bonds and treasury bills

(A) The issuance and tender of government bonds

The substantial interest rates of government bonds are incorporated with market rates through the auction procedure. The use of auctions not only produces medium and long-term interest rate indexes of the capital market, but also reduces the cost of government debt. The bonds were issued in nineteen terms with a total amount issued of NT\$641.8575 billion in FY 2013 (by way of book-entry and of uniform-rate auction). For details, please refer to Table 7.

“The Operational Directions for the Issuance of Type B Government Bonds of the Non-Profit Special Fund” were revised. Type B government bonds will be included in a two-stage announcement with regular issuance to reduce the overall financing costs of the government and to promote the development of the bond market.

Table 7 Issuance of Central Government Bonds

Unit: NT\$; %

Term	Amount of Issue (NT\$100 million)	Date of Issue	Maturity	Coupon Rate	Competitive Bid (NT\$100 million)			Non-Competitive Bid (NT\$100 million)	Accepted Bid Rate (%)	Premium (Discount) (NT\$)	Remarks(NT\$)
					Amount (1)	Total Amount (2)	Times (2)/(1)	Sold by Post Office			
2013A1	400	2013.01.09	15	1.375	399.996	542.00	1.36	0.004	1.488	-603,665,130	
2013A2	400	2013.01.15	5	0.875	399.983	714.50	1.79	0.017	0.911	-70,073,312	
2013A3	400	2013.01.28	20	1.500	400.000	566.50	1.42	0.000	1.605	-713,674,044	
2013A4	400	2013.02.08	2	0.625	399.996	678.50	1.70	0.004	0.735	-87,039,219	
2013A5	350	2013.02.26	30	1.750	349.990	455.50	1.30	0.010	1.795	-362,893,091	
2013A6	400	2013.03.06	10	1.125	399.983	713.50	1.78	0.017	1.215	-337,067,524	
2013B1	400	2013.03.21	20	1.750	399.990	504.00	1.26	0.010	1.847	-643,903,589	
2013A2R	400	2013.01.15	5	0.875	399.998	738.50	1.85	0.002	1.017	-263,326,666	Re-open on 2013.4.10
2013A3R	300	2013.01.28	20	1.500	299.966	430.50	1.44	0.034	1.840	-1,677,677,708	Re-open on 2013.4.26
2013A5R	350(actual 289.029)	2013.02.26	30	1.750	349.971	383.00	1.09	0.029	1.990	-1,547,918,687	Re-open on 2013.5.20, and 6.0971billion outbid
2013A6R	350	2013.03.06	10	1.125	349.970	534.00	1.53	0.030	1.460	-1,052,686,822	Re-open on 2013.6.28
2013A7	300	2013.07.19	2	0.625	299.994	564.00	1.88	0.006	0.716	-54,019,145	
2013A8	300(actual 120.014)	2013.07.26	20	2.000	299.986	387.00	1.29	0.014	2.100	-194,359,427	17.9986 billion outbid
2013A9	300(actual 263.02)	2013.08.02	30	2.500	299.980	403.00	1.34	0.020	2.500	0	3.698 billion outbid
2013A10	400	2013.09.18	10	1.750	399.975	759.50	1.90	0.025	1.799	-177,924,664	
2013A11	300	2013.10.15	5	1.250	299.993	755.00	2.52	0.007	1.150	144,960,726	Strippable
2013A8R	300(actual 296.512)	2013.07.26	20	2.000	299.988	496.00	1.65	0.012	2.150	-710,830,882	Re-open on 2013.10.25, and 0.3488 billion outbid
2013A9R	300	2013.08.02	30	2.500	299.990	593.00	1.98	0.010	2.430	438,386,370	Re-open on 2013.11.29
2013A10R	350	2013.09.18	10	1.750	349.966	651.50	1.86	0.034	1.673	240,646,172	Re-open on 2013.12.4

(B) The issuance and tender of treasury bills

In order to establish the short-term interest rate indicator, treasury bills were issued in thirteen terms (all issued in the form of bookentry) in FY 2013. The total issue amount was NT\$324.55 billion. The implementation of book-entry treasury bills can lower short-term capital costs, prevent risk in settlement and liquidation in relation to transactions in the treasury bills market, and achieve the goal of de-materialization for the entirety of central government securities. For details, please refer to Table 8.

Table 8 Issuance of Treasury Bills

Unit: NT\$; %

No	Term	Days	Date of Issue	Date of Maturity	Amount of Issue (NT\$100 million)	Accepted Bid Rate (%)	Interest Expenses (NT\$)
1	F2013-1	182	2013.01.21	2013.07.22	250	0.630	78,525,000
2	F2013-2	273	2013.02.07	2013.11.07	200	0.663	99,180,000
3	F2013-3	364	2013.03.28	2014.03.27	200	0.629	125,460,000
4	F2013-4	91	2013.04.24	2013.07.24	300	0.430	32,160,000
5	F2013-5	28	2013.05.02	2013.05.30	150	0.320	3,675,000
6	F2013-6	182	2013.07.12	2014.01.10	250	0.480	59,825,000
7	F2013-7	91	2013.07.23	2013.10.22	200	0.398	19,840,000
8	F2013-8	273	2013.07.25	2014.04.24	350	0.488	127,750,000
9	F2013-9	364	2013.08.14	2014.08.13	300	0.647	193,560,000
10	F2013-10	182	2013.08.29	2014.02.27	200	0.450	44,880,000
11	F2013-11	273	2013.09.04	2014.06.04	245.5	0.500	91,817,000
12	F2013-12	273	2013.11.06	2014.08.06	250	0.445	83,200,000
13	F2013-13	364	2013.12.27	2014.12.26	350	0.538	187,775,000

F. Short-term and long-term loans

In order to flexibly balance the treasury revenues and expenditures and elevate the efficiency in funding of the National Treasury, in accordance with Article 1, paragraph 3 of the Treasury Bills and Short-Term Loans Act, the MOF, in a search to balance the treasury revenues and expenditures, may negotiate for loans with a maturing of less than one year, and the outstanding short-term debt shall not exceed 15% of the total annual expenditures against the central government general budget and special budget of the current fiscal year. In line with the requirement to balance the National Treasury and in cooperation with the date of issuance of treasury bills, the short-term loans may be made or repaid at any time through price negotiation with the purpose to save interest expenses. Given the requirement to balance the National Treasury in FY 2013, there were five terms of short-term loans to a total of NT\$85 billion. Given the requirement to balance the National Treasury and the finance of the Debt Service Fund in 2013, there were seventeen terms of long-term loans to a total of NT\$207.93 billion.

G. Principal and interest payments, auditing and settlement, government bonds and treasury bills

(A) The repayment of government bonds

The principal of Type A bonds totaling NT\$320 billion and the interest totaling NT\$ 106 billion were paid as scheduled in 2013. The total amount was NT\$ 426 billion.

(B) The repayment of treasury bills

The principal and interest totaling NT\$304.9 billion was paid as scheduled.

(C) Auditing and settlement of bond certificates

For the redeemed bond certificates entrusted to financial institutions for the handling of the principal and interest payments of central government bonds, the principal and interest payment of government bonds in 2013 was NT\$465.1 billion, and the principal and interest payment of the treasury bills was NT\$304.9 billion.

H. Operational finances and savings on interest expenses of bonds

Treasury bills were bought back one time in FY 2013. The total par amount accepted was NT\$150 million, and the interest expenditure saved was NT\$0.31 million. The buy-back of treasury bills can help reduce the interest expenditure and balance the funds of the National Treasury. In September and November of FY 2013, the use of significant amounts of tax revenue the national treasury surplus funds, the early repayment of short-term borrowings, and the interest expenditure saved was NT\$27.7 million.

(5) Strengthening of the Management of Funds

A. The Fund for Privatization of Government-Owned Enterprises under the Executive Yuan

(A) The purpose of the establishment of the privatization fund is to employ partial funds from the privatization to finance the shortage as requested by a government-owned enterprise experienced by financial difficulties for the payment of the expenses borne by such government-owned enterprise for privatization; to finance the shortage as requested by a government-owned enterprise experiencing financial difficulties for the payment of severance pay to its employees laid off as a result of any special project

prior to privatization and/or in connection with the winding-up of the government-owned enterprise; and to pay the additional six-month salary and the compensation for various losses provided in the Act of Privatization of Government-Owned Enterprises and the expenses borne by the government for privatization so as to accelerate the promotion of privatization.

(B) From its establishment in 2001 to the end of December 2013, the total payment for the privatization of government-owned enterprises of the MOF, Ministry of Economic Affairs Ministry of Transportation and Communications, Ministry of Culture, and the Veterans Affairs Commission was NT\$96,343 million. Please refer to Table 9.

(C) In order to strengthen the transparency of the disclosure of the financial information of the government, the administration has drafted the basic principles for the Privatization Fund Actuarial Assumptions to be the bases for competent authorities in conducting actuarial calculations, and urged the competent authorities to actively expedite the processing of actuarial operations and make timely disclosure of the relevant expenses in the 2013 financial statements of the Fund for Privatization of Government-Owned Enterprises under the Executive Yuan.

B. Operation of the Central Government Debt Service Fund

The main function of the Debt Service Fund is to strengthen debt management, increase financial performance, and reduce the debt pressure. Debt refinancing smoothes the annual debt service and improves the debt structure. In 2013, the Fund refinanced NT\$714.8 billion of debts, and together with the NT\$77 billion mandatory principle payments credited to the total budget,

Table 9 Expenditure Paid by the Fund for the Privatization of Government-Owned Enterprises under the Executive Yuan

Unit: NT\$ million

Item	Institution	August, 2001 to December 2012		2013	
		Sub-total	Total	Sub-total	Total
In response to financial difficulties, payments to insufficient privatization funds for severance pay or seniority settlement pay	MOC	1,192	10,631	0	0
	MOTC	4,725		0	
	MOEA	3,826		0	
	MOF	530		0	
	VAC	358		0	
Retirement pay and holiday bonuses for those who retired before privatization; financial aid for those taking early retirement	MOC	55	54,992	4	7,414
	MOTC	51,238		6,552	
	MOEA	523		31	
	MOF	504		3	
	VAC	2,672		797	
For privatized businesses, the six-month lay-off pay and compensation for loss for retained staff laid off within five years	MOC	458	10,167	0	165
	MOTC	3,918		34	
	MOEA	995		127	
	MOF	4,709		3	
	VAC	87		1	
For privatized businesses, compensation pay based on voluntary service and seniority for retained staff still in place on 5 th June, 1998	MOC	0	3,436	0	0
	MOTC	190		0	
	MOEA	1,742		0	
	MOF	1,504		0	
In response to financial difficulties, payments to insufficient privatization funds for staff laid off before privatization or for compensation for shutdown	MOEA	5,526	9,537	0	0
	VAC	4,011		0	
Total			88,763	75.79	-

and NT\$0.2 billion of the interest revenue of the Fund, a total of NT\$792 billion outstanding debts (due and undue) were repaid. A total of NT\$272 million in debt interest was saved by repayment of outstanding undue debts in 2013.

C. The Local Construction Fund

The Local Construction Fund is a type of “operational fund” based on Article 4, Paragraph 1 of the Budget Act and its budget is a subordinate unit budget.

The objectives of the Local Construction Fund are to offer loans with special rates to local governments so that they can engage in important local infrastructure projects and investments, repaying the loans either by “compensation” or by yearly budgets, and to meet the temporary funding needs of the central government when allocating general tax payments to local governments to help their local investments and developments.

In year 2013, the business budget for the Local Construction Fund was NT\$9 billion. The Local Construction Fund Management Committee held four meetings, at which a total 15 cases for the year were approved to a total amount of NT\$3.15 billion. This figure comprised 34.95% of the NT\$9 billion business budget. Up to the end of 2013 the net value of the Local Construction Fund was NT\$28.83 billion. All outstanding loans consisted of an amount of NT\$25.09 billion and NT\$7.61 billion that was approved but not paid-out. In year 2013, a surplus of NT\$0.19 billion was paid to the Treasury.

(6) Assistance to Local Governments Finance

A. Promotion the draft amendment of the Act Governing the Allocation of Government Revenues and Expenditures

The draft amendment of the Act Governing the Allocation of Government Revenues and Expenditures was sent to the Legislative Yuan on 23rd February, 2012. The Finance Committee of the Legislative Yuan held meetings to complete the review of the amended articles. In order to establish a sustainable legal system for the local finance, the MOF will be consistent in dedicating itself to the process of the passing of the related amendments.

B. Conduct of local finance training classes and holding of seminars

In order to enhance the professional ability of local government employees and to promote the use of financial strategies, the MOF conducted two finance training classes for local finance on 31st October and 1st November and on 14th and 15th November, 2013. The finance training classes included the introduction of regulations of local finance and financial strategies. Local governments were invited to share their experiences. Attendees are enthusiastic about the classes and gained fruitful results. In addition, the MOF also held a seminar to discuss the effective practices of broadening the sources of revenue and economizing on expenditure on 5th February, 2013. This seminar served as a platform of learning which will facilitate the exchange of experience and knowledge between the participants.

C. Conduct of the assessment of local performance

The MOF promulgated “The Program for Assisting Local Government Finance” to carry out reviews of performance in six major areas, including public treasury management, financial management, debt management, management of public properties, utilization of the surplus from the Public Welfare Lottery and the Promotion of Image and Crack down on Inferior Tobacco and Alcohol Products. The Minister convened the “Meeting on Local

Finance” on 23rd December, 2013 to present merit awards to outstanding agencies to express encouragement. In addition, the local performance assessment was completed in October 2013 and the result was delivered to the Directorate-General of Budget, Accounting and Statistics, Executive Yuan as reference for the addition or subtraction of general grants.

D. Holding of the “2013 Meeting on Local Finance”

To strengthen the fiscal operations of local governments, and allow for coordination and experience-sharing between central and local governments, the MOF invited the heads of the local financial authorities to attend the “Meeting on Local Finance” on 23rd December, 2013. In addition, four outstanding county (municipal) governments, Taipei City, Taitung County, Kinmen County and Penghu County were invited to present a review of their work in the meeting. The discussion of the cases and the sharing of experiences can help local governments create financial resources and improve their financial performance. Most attendants were satisfied with this meeting.



▲ 2013 Meeting on Local Finance

E. Establishment of the system of computing the Centrally-Funded Tax Revenues

The NTA established the system of computing the Centrally-Funded Tax Revenues in August 2013. Instead of manual data input, review and calculation, the system automatically computes and cross-checks the data submitted by the local governments online. This computerized system not only reduces administration work and time, but also enhances the quality of calculation and benefits the financial planning of local governments.

F. Overview the distribution of Centrally-Funded Tax Revenues

The centrally-funded tax revenues are allocated by the central government to local governments as their tax revenues. Once the centrally-funded tax revenues exceed the amount forecast, the exceeding amounts shall be distributed to local governments. However, if there is a shortfall in the forecast centrally-funded tax revenues, they shall not be made up by the central government. During the period from July 1999 to 2003, the actual centrally-funded tax revenues were lower than the forecast amount owing to a sluggish economy and tax exemptions. Also, there was a shortfall in 2009 due to the severe impact of the global financial tsunami. Apart from above-mentioned years, the actual centrally-funded tax revenues have been higher than the forecast amount. They were about 0.3% higher than forecast in 2013. This higher amount is expected to help ease the fiscal pressure on local governments. For details, please refer to Table 10.

Table 10 Amount of Distribution from the General Centrally-Funded Tax Revenues

Unit: NT\$100 million; %

Year	2004				2005			
	Notified Amount of Allocation	Actual Amount	Over-(Short) Levy		Notified Amount of Allocation	Actual Amount	Over-(Short) Levy	
			Amount	%			Amount	%
County City								
Total	1,399	1,545	147	10.50	1,489	1,728	239	16.04
Municipal City	607	654	47	7.80	640	739	99	15.45
County City	622	709	86	13.85	670	783	112	16.76
Country Town	169	183	13	7.80	179	206	28	15.45
Year	2006				2007			
	Notified Amount of Allocation	Actual Amount	Over-(Short) Levy		Notified Amount of Allocation	Actual Amount	Over-(Short) Levy	
			Amount	%			Amount	%
County City								
Total	1,553	1,729	176	11.35	1,735	1,830	95	5.46
Municipal City	669	742	73	10.88	752	790	37	4.95
County City	697	780	83	11.93	772	820	47	6.10
Country Town	187	207	20	10.88	210	220	10	4.95
Year	2008				2009			
	Notified Amount of Allocation	Actual Amount	Over-(Short) Levy		Notified Amount of Allocation	Actual Amount	Over-(Short) Levy	
			Amount	%			Amount	%
County City								
Total	1,816	1,854	38	2.09	1,966	1,588	(378)	(19.24)
Municipal City	500	513	12	2.42	875	703	(173)	(19.72)
County City	1,092	1,112	20	1.86	847	689	(158)	(18.60)
Country Town	224	229	5	2.42	244	196	(48)	(19.72)
Year	2010				2011			
	Notified Amount of Allocation	Actual Amount	Over-(Short) Levy		Notified Amount of Allocation	Actual Amount	Over-(Short) Levy	
			Amount	%			Amount	%
County City								
Total	1,636	1,748	112	6.86	1,760	1,890	130	7.38
Municipal City	725	763	39	5.33	1,129	1,204	75	6.62
County City	709	772	63	8.87	464	508	44	9.42
Country Town	202	213	11	5.33	167	178	11	6.84
Year	2012				2013			
	Notified Amount of Allocation	Actual Amount	Over-(Short) Levy		Notified Amount of Allocation	Actual Amount	Over-(Short) Levy	
			Amount	%			Amount	%
County City								
Total	1,924	1,931	7	0.36	1,990	1,996	6	0.30
Municipal City	1,235	1,233	(2)	(0.16)	1,279	1,270	(9)	(0.70)
County City	506	516	10	1.97	523	539	16	3.05
Country Town	182	181	(1)	(0.55)	188	187	(1)	(0.53)

Note: 1. The above-mentioned information does not include special grants provided in accordance with Article 11 of the Value-Added and Non Value-Added Business Tax Act.

2. The figures in the table contain the net interest of the specific account in that year.

(7) Supervision of the Issuance of the Public Welfare Lottery

A. Issuance of the public welfare lottery to infuse the surplus into social welfare activities

The NTA Implemented a sound public welfare lottery industry promotion program to stabilize the finance for social welfare activities. As of 31st December, 2013 total sales stood at NT\$138,140 million, representing an increase of 31.26% over the same figure for 2012. The surplus amount of the public welfare lottery was NT\$36,072 million, representing an increase of 32.56% over the same figure for 2012. From amongst the amount, NT\$16,232 million was distributed to the Ministry of Health and Welfare, NT\$1,804 million to the National Health Insurance Administration, and NT\$18,036 million to the local governments. The said surplus was used for the national pension system, the safety reserve of the national health insurance program, and social welfare. For details, please refer to Table 11.

Table 11 The Accumulated Sales and Amounts of Distributed Surpluses of the Public Welfare Lottery

Unit: NT\$ million

Item Year	Amounts of Distributed Surpluses				Amounts of Sales
	Local Governments (Social Welfare) 50%	Ministry of Health and Welfare (National Pension System) 45%	National Health Insurance Administration (National Health Insurance Safety Reserve) 5%	Total	Public Welfare Lottery (PWL)
2000	3,622	1,652	277	5,551	24,894
2001	1,100	990	110	2,200	9,013
Liquidation Surplus	257	231	26	514	-
Total (2000-2001)	4,979	2,873	413	8,265	33,906
2002	14,833	13,350	1,483	29,666	99,074
2003	11,305	10,174	1,130	22,609	80,184
2004	12,420	11,177	1,242	24,839	86,399
2005	10,175	9,158	1,018	20,351	71,885
2006	10,181	9,163	1,018	20,362	74,024
Liquidation Surplus	1,392	1,253	139	2,784	-
Total (2002-2006)	60,306	54,275	6,030	120,611	411,566
2007	7,767	6,990	777	15,534	55,934
2008	10,407	9,366	1,041	20,814	75,048
2009	9,827	8,844	983	19,654	71,098
2010	10,605	9,545	1,061	21,211	78,689
2011	11,729	10,556	1,173	23,458	89,954
2012	13,606	12,245	1,360	27,211	105,246
2013	18,036	16,232	1,804	36,072	138,141
Accumulated Total	147,262	130,927	14,642	292,831	1,059,583

B. Issuing and planning of the 4th public welfare lottery

In response to the expiration of the issuing of the 3rd public welfare lottery on 31st December, 2013, and to ensure the stable issuance of the lottery, the screening for the agency to issue the 2014 lottery started in early 2012. The result of the screening was announced at the end of October 2012 and CTBC Bank was chosen as the 4th agent to issue the lottery, and the period of issuance will be from 1st January, 2014 to 31st December, 2023.

In order to enable a smooth transition of the operation of the issuance, the NTA supervised carefully the agenda of the planning of CTBC Bank, as well as its progress in handling related affairs, including the approval of 15 management criteria items, as include in the “4th Lottery Dealer Selection and Management Points.” All preparatory work was completed and the 4th lottery was launched on schedule on 1st January, 2014.

C. Supervision of local governments to use allotted revenues for designated purposes

The MOF collaborated with the Ministry of Health and Welfare and the representatives of social welfare groups and the Public Welfare Lottery Supervisory Committee to conduct reviews of the utilization of surplus earnings from the public welfare lottery to ensure that the funds are being utilized for designated purposes. As of the end of November, we had completed the paper reviews, initial reviews and review of the cases submitted for a second review, and the results of the reviews were presented to the Public Welfare Lottery Supervisory Committee on 31st December, 2014.

D. Propagation of the core value of the lottery, and enhancement of its image

The NTA, for the purpose of propagating the core values of the lottery and

enhancing its image, advised the Taiwan Lottery Co., Ltd. to hold the “2013 MOF press conference on the outcomes of the expenditure of lottery earnings” in the Huashan Cultural and Creative Industry Park on 13rd November, 2013 by use of the media-press conference format show the results of the use of the earnings from the lottery and of the donations from lottery winners, to allow the public to learn more about the outcomes of the implementations of a caring community that converts public earnings into social welfare policies.



▲ 2013 MOF press conference on the outcomes of the expenditure of lottery earnings

(8) Strengthening of the Financial Strategies for Major Public Infrastructure Projects

A. The MOF actively promoted the “Strengthening of the Financial Plan for Major Public Infrastructure Projects” to enhance the self-liquidation rate of projects and to make proper use of financial resources in response to the needs of national development.

In responding to people's needs for public services while subject to the limited scale of the government and human resources, the MOF continues to promote the “Strengthening of the Financial Plan for Major Public Infrastructure Projects” to assist all authorities to strengthen their overall planning for public infrastructure projects with regard to external benefits and increasing the amount of self-liquidation finance, and to reinforce the use of the public private partnership (PPP) model by actively guiding the private sector to participate in public infrastructure projects to reduce the financial burden of government and accelerate the completion of major infrastructure projects. With the joint efforts of the Council for Economic Planning and Development (CEPD), the Public Construction Commission of the Executive Yuan, the DGBAS and other related agencies, the performance are shown in Table 12.

Table 12 Report of the Performance in “Strengthening the Financial Planning for Major Public Infrastructure Projects” in 2013

Unit: NT\$ billion

Strategy		Sound Budget Preparation and Financial Planning (Overall)	Sound Budget Preparation and Financial Planning (By Project)	Increase in the Self-Liquidation Rate of Projects and Encourage of Private-Sector Investments	Exploration of Sources of Revenue	Enhancement of the utilization of Medium and Long-Term Funds	Accumulated Total
Results of Implementation	Increase in Revenues			28.7	0.13	23.4	52.23
	Reduction in Expenditures	287.5	2.6	135.3			425.4
	Other Results	Holding of three workshops, with a total of more than 260 attendees	Review of 166 cases of individual public infrastructure projects and requests for evaluations of the projects and of self-liquidation results	1. Mobile project activation projects and consultation services-19 projects 2. Public infrastructure investments by the private sector-103 projects		Postal Savings invested in infrastructure projects totaling NT\$ 71.6 billion	

Note: The results shown were compiled based on the information provided by the CEPD, the Public Construction Commission, the DGBAS, and the National Administration, MOF

B. Promotion of the concept of improving the efficiency of government finance and financial planning for public infrastructure projects to achieve the effect of “raise public finance with construction, support construction with public finance”

In order to assist central government agencies to cut down uneconomical expenditures, increase treasury revenues and improve financial efficacy, and accelerate public infrastructure developments effectively, the MOF continues to promote the “Program for Improving the Efficiency of Government Finance”. The adoption program has resulted in revenue totaling NT\$233.7 billion, with revenue produced as an effect of fiscal efficacy totaling NT\$107.4 billion, while at the same time achieving a reduction in uneconomical expenditures by NT\$341.1 billion for the year 2013. The MOF has been promoting continuously to assist the various government agencies for the planning of construction projects with creative new ideas, and the propagation of the concept of the use of financial strategies such as value-added, cost-reduced, integration of available resources and long-term financial planning to expand efficacy in the construction of public infrastructure. We hope to achieve the effect of “raise public finance with construction, support construction with public finance.”

(A) Conducting Workshops

In 2013, the MOF conducted two workshops on “The Policy to Improve the Efficiency of Government Finance and Enhance Financial Planning for Public Infrastructure Projects” and invited a total of 141 personnel of central authorities and local governments in charge of undertaking public construction projects to participate.

The MOF hosted both programs with a view to the fact that the financial planning of public construction is also a part of the strengthening of the financial performance of the government. In addition to inviting experts and scholars in the field of the planning of public construction and relevant government units to participate, the MOF also provided an outline of the theory and practice of the use of financial strategies in the area of public construction, and further provided information on successful cases and arranged for an exchange of views in an effort to promote the planning of public infrastructure projects in the direction of cross-domain collaboration, with the addition of added value in the development of public land and the internalization of external benefits into material financial revenue, so as to accelerate the promotion of all kinds of public infrastructure and promote the idea of innovation in financial performance.

(B) Participation in the review of major infrastructure projects

In co-operation with the preliminary work for FY 2014 public infrastructure by the Council for Economic Planning And Development, Executive Yuan, the NTA reviewed the entire 196 projects submitted by various departments and ministries in terms of the ability of total resources, the importance of the administrative implementations, and the urgency, priority, feasibility and current executive performance of each project during May and June in 2013. As a result of the review, the total budget was reduced from the original figure of NT\$250.9 billion to NT\$192.5 billion, showing a significant reduction in the overall budget amount.

(C) Assistance to public infrastructure authorities to follow through the “Financial Planning Project for Cross-Domain Value-add of Public Works”

for improving overall economic and financial benefits of the projects

According to the “Financial Planning Project for Cross-Domain Value-add of Public Works” approved by the Executive Yuan on 24th July, 2012, the public infrastructure projects should be planned according to the concept of integration. The MOF will continue to promote the relevant content by way of project reviews and seminars, and assist all agencies to implement the concept in the project planning stage, that is, by using the strategy of creating added value in infrastructure projects to reduce the financial pressure on the government.

The MOF is in charge of the drafting of Tax Increment Financing (TIF) mechanism under the overall plan. Under the premises of respecting local autonomy, with no requirement to raise taxes and with no requirement to amend current laws and regulations, the MOF drafted “Tax Increment Financing Mechanism Operation Procedure and Cooperation”, with the contents covering matters such as the operation process of TIF, Cooperation among government agencies and tax revenue estimation. In addition, in order to ensure the financial resources for future repayment, it is planned to let the local governments enact self-governing and relevant regulations, or to provide the documents of agreement passed by the legislative assembly and to set-up special funds for the purpose of repayment.

(9) Strengthening of the Management of Government-Owned Shareholdings

For status of government-owned share enterprises under the MOF and

shareholding conditions, please refer to Table 13 and Table 14. The performance of the strengthening of the management of government-owned shares in 2013 is as follows:

A. Completion of some of the requirements in “The Regulations Governing the Evaluation of the Performance of the Representatives of Government-Owned Share Enterprises under the MOF”

A significant gap exists between the models of the scheduled evaluation under “The Regulations Governing the Evaluation of the Performance of the Representatives of Government-Owned Share Enterprises Under the MOF”, and “The Guidelines for the Management of the Representatives, Managers, Directors, and Supervisors of Government-Wholly-or-Partially-Owned Enterprises Appointed by the MOF”. Such situation is not equitable, thus certain of the provisions of “The Regulations Governing the Evaluation of the Performance of the Representatives of Government-Owned Share Enterprises Under the MOF” were amended in March 2013 to strengthen the sense of responsibility of each business chairman and president in actively enhancing the operating results.

B. The formulation of “The Principles for the Strengthening of the Securities-Related Business of the Financial Institutions with Government-Owned Shareholdings” on 25th March, 2013

In order to understand and review the circumstances of the securities-related business investment and the internal control mechanisms of the financial institutions with government-owned shareholdings, the NTA held the “The Meeting for the Review of the Internal Audit and Control Systems in Securities, Investment Trust and Other Related Business of the Financial

Institutions with Government-Owned Shareholdings” on 25th March, 2013, and formulated “The Principles for the Strengthening of the Securities-Related Business of the Financial Institutions with Government-Owned Shareholdings” for the relevant departments of the financial institutions with government-owned shareholdings to follow.

C. Review of the performance of government-owned share enterprises under the MOF in 2013

(A) Float capitalization: The MOF makes direct investment and has dominant position in nine financial institutions, including Taiwan Financial Holdings, First Financial Holdings, Mega Financial Holdings, Hua Nan Financial Holdings, Land Bank of Taiwan, Taiwan Cooperative Holdings, Chang Hwa Bank, Taiwan Business Bank, and The Export-Import Bank of the Republic of China, and in three non-financial institutions, including Taiwan Tobacco and Liquor Corporation, Financial Information Service, and Trade-Van Information Services. As of 2013, the float capitalization of 12 institutions held by the MOF was up to NT\$588,008 million.

(B) Pre-tax surplus: In 2013, the surplus of the aforementioned 12 institutions was approximately NT\$110,507 million.

(C) Payments to the treasury: In 2013, the afaresaid 12 institutions paid NT\$19,356 million to the treasury.

D. Completion of the election of the board of directors in government-owned share enterprises in 2013

Hua Nan Financial Holdings Co., Ltd. (HNFHC) abolished its supervisor system and set up an audit committee at the beginning of the term following the election of the fifth board of directors, and the number of seats on the

board of directors was reduced as of this new term of appointment. In order to obtain the most favorable board seats, the MOF actively solicited the support of other government-related units with government-owned shares in favor of the nominees for directors representing the government-owned shares or recommended candidates for the positions of independent directors. The HNFHC of the government-owned shareholders under the MOF also publicly solicited proxies as needed. The election of the HNFHC board of directors of 2013 was held smoothly and successfully and the results were in line with the expectation of the MOF in that the interests of government-owned shareholdings were well-protected.

E. Continuous Administration of the Preferential Housing Loan for the Young

In order to assist young people to purchase their own houses, the MOF launched the “Preferential Housing Loan for the Young” offered by the eight banks with government-owned shareholdings with their own capital from 1st December, 2010. The period of the implementation of this plan extends to the end of 2014 in principle. At the end of December 2013, the above-mentioned preferential loan had been granted to 124,299 households to the amount of NT\$443 billion.

Table 13 Introduction of Enterprises with Government-Owned Shareholdings under the MOF

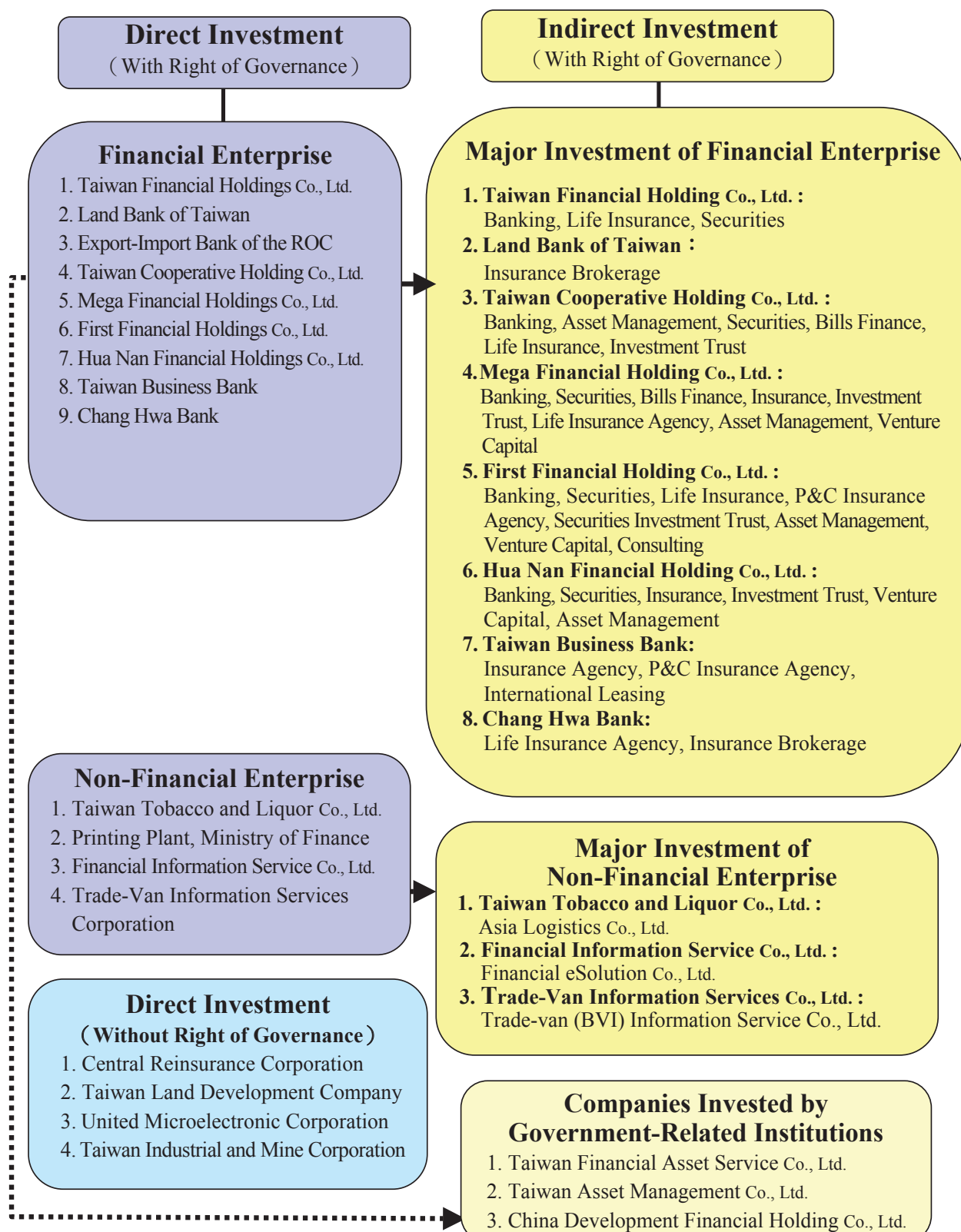


Table 14 Ratios of Government-Owned Shareholdings by Institutions(Date: 31st December, 2013)

Institutions	Holding Ratio (%)		
	MOF	MOF, State-Owned/ Institutions	Including shareholdings of Government-Related/ institutions
1.Taiwan Financial Holdings Co., Ltd.	100.00	100.00	100.00
2.Land Bank of Taiwan	100.00	100.00	100.00
3.Export-Import Bank of the Republic of China	100.00	100.00	100.00
4.Mega Financial Holding Co., Ltd.	9.18	19.07	19.12
5.First Financial Holding Co., Ltd.	13.35	22.10	25.02
6.Hua Nan Financial Holdings Co., Ltd.	1.70	28.96	31.40
7.Taiwan Cooperative Holdings Co., Ltd.	30.39	33.01	33.29
8.Taiwan Business Bank	2.21	21.86	34.41
9.Chang Hwa Bank	12.19	14.94	18.61
10.Central Reinsurance Corporation	22.68	22.68	22.68
11.Financial Information Service Co. Ltd.	37.00	41.97	51.75
12.Trade-Van Information Services Corporatin	36.11	36.11	40.59
13.Taiwan Land Development Company	0.075	0.075	0.075
14.Taiwan Tobacco & Liquor Corporation	100.00	100.00	100.00
15.The Printing Plant, MOF Finance	100.00	100.00	100.00
16.United Microelectronic Corporation	0.07	0.07	0.07
17.Taiwan Industrial and Mine Corporation	0.47	0.47	0.47

(10) Enhancement of the Performance and Management of Special Funds

A. Participation in the reviews of budget, planning, and law of the state-owned enterprises and non-profit special funds

In 2013, the number of the enterprise funds and non-profit special funds totaled 122 units, under which 107 sub-budgets were compiled. The NTA coordinated with other departments to call fund-related meetings, and participated in several public construction project reviews and meetings on the amendment of fund-related regulations. Furthermore, the NTA, in coordination with the Executive Yuan during the preparation of the FY 2014 Special Fund budget, participated in ten sessions of the 2014 Annual Central Government Special Fund Budget Review Meetings, with the principle of increasing revenue and decreasing expenditure, raising the financial performance of special funds, increasing the surplus of the public enterprises and public utilities to the National Treasury and injecting revenues into the National Treasury in an effective way.

B. Co-ordination with special funds to submit profits into the treasury in advance in line with the requirements of the financings of the National Treasury

In 2013, this Agency coordinated with the Central Bank of the Republic of China, Taiwan Financial Holdings Co., Ltd, Taiwan Tobacco and Liquor Co., the Land Bank of Taiwan and the Port Construction Funds, etc, to meet the requirements for the financing of the National Treasury with a total of NT\$89.547 billion submitted in advance to the Treasury.

C. Improving the financial planning of the funds and proper disclosure of the potential liability

To facilitate the operation of the Fund for the Privatization of Government-Owned Enterprises under the Executive Yuan, the MOF actively planned and requested co-operation with relevant ministries and departments to engage in the release of shares, and successfully obtained an appropriation of NT\$7.014 billion for the fund from the FY 2014 Central Government general budget of the Executive Yuan, which allowed for a significant improvement in the financial conditions of the fund. In addition, in regard to the potential for the occurrence of liabilities about which concern has been expressed by the Legislative Yuan and Control Yuan, the MOF had previously compiled actuarial valuation reports from the relevant ministries and departments, and made timely disclosure of the relevant expenses in the 2013 financial statements of the Fund for Privatization of Government-Owned Enterprises under the Executive Yuan.

(11) Implementation of the Management of Fees and Charges

A. Review of the Relevant Regulations and Items for Service Fees and Charges

In 2013, the review of the relevant regulations of central government service fees, to a total of 67 regulations, with 371 charges newly-added and 62 adjustments to previously existing charges, and the additional review of the relevant regulations of local government service fees, to a total of 49 regulations, were completed. The summaries of the related figures from 2009 to 2013 are shown as in Table 15.

Table 15 Comprehensive Figures of the Revenues from Administration and Properties of the Central Government for the years 2009 to 2013

Unit: NT\$100 million; %

Year	2009	2010	2011	2012	2013	
Item	Final Audit Accounts	Final Audit Accounts	Final Audit Accounts	Change between Budget and Final Accounts Edited by the Executive Yuan	Final Accounts Edited by the Executive Yuan	
Revenues from Fines and Indemnities	232.23	256.82	243.56	492.34	251.37	
Revenues from Fees	548.38	558.95	566.79	589.25	1,757.85	
Revenues from Others	516.31	218.81	581.36	153.87	116.98	
Revenues from Public Properties (Current)	70.38	81.92	82.66	90.89	129.87	
Revenues from Public Properties (Capital)	466.65	385.31	557.30	510.37	392.52	
Total	Amount	1,833.95	1,501.82	2,031.66	1,836.72	2,612.59
	Rate of Growth (%)	26.84	(18.11)	35.28	(9.60)	42.24

Notes: 1. Revenues from fines and indemnities for 2012 include the reparations from counter-parties for the breaching of purchase contracts with the Ministry of the National Defense, R.O.C.

2. Revenues from fees for 2013 include the issuance of the special licenses for the operation of the 4G broadband of the National Communications Commission to a total of NT\$118.65 billion.

3. Revenues from others for 2009 include the value of parts of the stocks of Taiwan Sugar Corporation; for 2011 include a payment to the Treasury from the National Financial Stabilization Fund and the value of the conversion of asset from properties held by the Taoyuan International Airport Corporation under the Ministry of Transportation and Communication.

B. Enhancement of the Forms of the Relevant Regulations and of the Implementation of the Routine Review of the Standards of Fees and Charges

The Administration required that the relevant executive authorities-in-charge of the matters concerned with the relevant standards of central government service fees which have not yet been fully set in the forms of regulations or are not in accord with the rule of Item 2 of Article 11 of the Charges and Fees Act subject such regulations to a routine review at least once every three years; and, moreover, the Administration shall notify the executive authorities-in-charge of the related matters by the quarters to request that they carry out an examination of their current practices and implement the review of the standards of charges and fees on a routine basis by undertaking a comprehensive consideration of the factors of the trends in the fluctuation of costs and expenses and the changes in the consumer price index. The Administration informed a total of 393 executive authorities-in-charge of the review of the relevant regulations of their services to carry out an examination of their practices and to implement the amendment as needed.

(12) Improving the Administration of Tobacco and Alcohol

A. Amendment to the Relevant Tobacco and Alcohol Administration Regulations

For the purpose of improving the effectiveness and performance of tobacco and alcohol administration, the relevant regulations are amended from time to time in regard to both the regulatory and implementation aspects:

(A) To reduce the risk of the illegal use of denatured ethyl alcohol in the making of alcohol products, and to avoid the risk of the accusation of persecution when determining the occasion of such use, the amendment

to the “Standard Chart of Ethyl Alcohol Denaturants” on 22nd November, 2012 was enforced as of 22nd May, 2013 to comply with the abolition on 25th April, 2013 of the use of methyl ethyl ketone as a denaturant under Article 11 of “The Regulations Governing Undenatured Ethyl Alcohol” promulgated by the MOF by Order Tai-Tsai-Ku-Tzu No. 09403511590 on 30th June, 2005 as enforced on the same day.

- (B) To effectively implement the provision of the Consumer Protection Act in order to protect consumers, to ensure the advancement of the standardized contract of tobacco and alcohol products gift checks, to uphold the rights of alcohol and tobacco consumers, and to reduce the difficulties faced by the issuers of these contracts when they act in compliance with the relevant regulations, the NTA made amendment to the “The Notifiable and Non-Notifiable Matters in Relation to the Standard Contracts of Tobacco and Alcohol Products Gift Checks,” on 11th September, 2013 to provide that the issuers shall give the details of the standardized contract on the gift checks clearly so as to ensure the correctness of the content, no matter what method of guarantee is adopted in the contract. Moreover, the NTA also added one more component to the rules to be enforced as of 1st March, 2014, to stipulate that issuers who are not capable of providing the said products directly may not be deemed as the issuers of gift checks so as to avoid disputes between consumers and issuers who are not practical providers.
- (C) In consideration that the hygiene of alcohol products is relevant to the safety of the consumption, the MOF and the Ministry of Health and Welfare jointly made amendment to the Articles 5 and 6 of “The Hygiene

Standards for Alcohol Products” on 11th September, 2013 to improve the effectiveness of alcohol hygiene administration. The amendments regulate that alcoholic beverages or the usage of additives in alcohol products shall not contain toxic or any other substances or matter which are harmful to human health, or have never been used in food or beverages and which have not yet been proven to be unharmed to human health.

(D) In order to protect the rights of consumers, the MOF promulgated an interpretation on 31st October, 2013, stipulating that manufacturers or importers should comply with Article 32 of the Tobacco and Alcohol Administration Act to the effect that the labeling on the containers of cigarettes shall be clear, legible, and easily distinguishable, and that the labeling of either the storage life or the period of validity reckoned from the date of expiration on the containers of the cigarettes shall not exceed 18 months. This interpretation comes into effect as of 1st May, 2014.

(E) To strengthen the standards of the plastic alcohol containers of products, the NTA, in co-ordination with the Ministry of Health and Welfare made amendments to Article 6 and to the appendix of Article 5 of “The Hygiene Standards for Alcohol Products Containers” on 4th December, 2013. The amendments are to be enforced after six months from the date of promulgation.

B. Review of the Interpretation and Order of the Tobacco and Alcohol Administration Act

Since the promulgation of the Tobacco and Alcohol Administration Act in 2000, it has been revised three times. In order that the applications of the Act among local governments may be kept consistent, the NTA conducted the

handling of the compilation of related decrees by inviting scholars, experts and local government representatives to form a task force and to have nine review meetings, as well as completing the compilations of 217 interpretations of related decrees. These interpretations of the decrees are edited into a handbook and sent to the relevant agencies to provide a useful reference for the public.

C. Issuance of Licenses for Manufacturers and Importers of Tobacco and Alcohol

The manufacturing and the repackaging for sale of alcohol products deregulated on 1st January, 2002 upon implementation of the Tobacco and Alcohol Administration Act, and subsequently, the manufacturing and repackaging for sale of tobacco products were also deregulated on 1st January, 2004. At the same time, the manufacturers or importers were required to obtain a license issued by the MOF prior to the commencement of any business operation. As of 31st December, 2013, the MOF had issued 3,353 licenses (374 more than in 2013) to tobacco and alcohol importers, 381 (nine less than in 2013) to alcohol manufacturers, and three (one more than in 2013) to tobacco manufacturers.

D. Continuous Promotion of the Alcohol Quality Certification System

In an effort to eradicate the sales of privately-produced or inferior alcohol products to ensure the safety of consumers, the MOF introduced the Alcohol Quality Certification System in 2003. In 2013, the MOF actively assisted manufacturers to apply for the certification, with the result that five manufacturing lines and 33 alcohol products were certified. As of 31st December, 2013, 16 manufacturers of rice spirits and cooking wine alcohols (42 alcohol products), 13 manufacturers of sorghum spirits (119 alcohol products), eight manufacturers of grape wine (27 alcohol products), two manufacturers

of fruit wine (four alcohol products), one manufacturer of fruit reprocessed alcoholic beverages (one alcohol product), one manufacturer of grain spirits other than rice spirits and sorghum spirits (two alcohol products), three manufacturers of beer (30 alcohol products) and one manufacturer of alcoholic beverages brewed from grains (one alcohol product) had been certified.

To be in co-ordination with the implementation of the Alcohol Quality Certification System, and in addition to the promulgation of “The MOF Standard for Evaluation of the Certification of Alcohol Quality-Alcoholic Beverages Brewed from Grains,” the NTA also completed the relevant amendments to “The Directions for the Operation of the Certification Logo on Certified Alcohol,” “The Directions for the Establishment of the Committee for the Certification System of Alcohol Products,” “The Directions for Handling the Subsequent Inspection of Alcohol Products under the Certification System,” “The Directions for Handling the use of the Certification Logo on Certified Alcohol,” and “The Meaning of the Certification Logo on Certified Alcohol Products.” Such certification ensures the quality of alcohol products, and through promotion by the public sector, and quality control by manufacturers, with the enhancement of the knowledge of consumers, the certification system will not only create a positive influence on the domestic alcohol industry and serve to advance alcohol production technology, but also raise the market value of the certification so as to produce a win-win situation for producers and consumers of alcohol products.

E. Adoption of the Imported Alcohol Products Inspection System

With the aim of enhancing the safety of alcohol products for consumers, Article 39 of the Tobacco and Alcohol Administration Act prescribes that

alcohol products may only be imported after being inspected by the central competent authority in accordance with the hygiene requirements. An Imported Alcohol Products Inspection System was therefore put into practice in its entirety as of 1st July, 2006. In the year of 2013, 55,650 applications for importation inspection were processed under the system. The system functions smoothly and has helped to strengthen the hygiene management of alcohol products and to realize the protection of safety for consumers. The yearly amounts of domestically-produced and imported tobacco products as well as alcohol products are shown separately in Tables 16 to 18.

**Table 16 Total Amounts of Domestic and Imported Cigarettes for the years
2002 to 2013**

Unit: One thousand pcs.

Year	Cigarettes								
	Domestic			Domestic			Domestic		
	Quantity	Ratio of Structure %	Rate of Growth %	Quantity	Ratio of Structure %	Rate of Growth %	Quantity	Ratio of Structure %	Rate of Growth %
2002	18,628,741.46	53.68	-	16,073,466.52	46.32	-	34,702,207.98	100.00	-
2003	20,218,296.32	49.64	8.53	20,514,129.78	50.36	27.63	40,732,426.10	100.00	17.38
2004	16,931,639.80	43.23	-16.26	22,238,443.13	56.77	8.41	39,170,082.93	100.00	-3.84
2005	17,090,821.32	39.63	0.94	26,038,134.29	60.37	17.09	43,128,955.61	100.00	10.11
2006	16,718,856.76	40.24	-2.18	24,827,182.15	59.76	-4.65	41,546,038.91	100.00	-3.67
2007	16,933,339.24	40.34	1.28	25,040,630.00	59.66	0.86	41,973,969.24	100.00	1.03
2008	17,698,116.70	39.91	4.52	26,652,234.74	60.10	6.44	44,350,351.44	100.00	5.66
2009	18,686,149.57	49.05	5.58	19,409,453.41	50.95	-27.18	38,095,602.98	100.00	-14.10
2010	18,699,195.72	49.35	0.07	19,190,512.57	50.65	-1.13	37,889,708.29	100.00	-0.54
2011	20,705,285.40	55.47	10.73	16,619,221.76	44.53	-13.40	37,324,507.16	100.00	-1.49
2012	21,967,404.11	58.87	6.10	15,347,216.68	41.13	-7.65	37,314,620.79	100.00	-0.03
2013	22,038,542.02	57.31	0.32	16,418,957.29	42.69	6.98	38,457,499.31	100.00	3.06

Table 17 Total Amounts of Domestic and Imported Non-Cigarette Products for the years 2002 to 2013 (tobacco slices, cigars, snuff, chewing tobacco, and other tobacco products)

Unit: Kilogram

Year	Non-Cigarettes Products (Tobacco slices, cigars, snuff, chewing tobacco, and other tobacco products)								
	Domestic			Imported			Sub-total		
	Quantity	Ratio of Structure %	Rate of Growth %	Quantity	Ratio of Structure %	Rate of Growth %	Quantity	Ratio of Structure %	Rate of Growth %
2002				387,140.96	100.00	-	387,140.96	100.00	-
2003				506,092.19	100.00	30.73	506,092.19	100.00	30.73
2004				46,595.17	100.00	-90.79	46,595.17	100.00	-90.79
2005		-	-	59,253.10	100.00	27.17	59,253.10	100.00	27.17
2006		-	-	45,328.75	100.00	-23.50	45,328.75	100.00	-23.50
2007	-	-	-	40,470.32	100.00	-10.72	40,470.32	100.00	-10.72
2008	-	-	-	51,263.87	100.00	26.67	51,263.87	100.00	26.67
2009	360.00	0.15	-	233,544.79	99.85	355.57	233,904.79	100.00	356.28
2010	60,480.00	3.92	16,700.00	1,483,888.97	96.08	535.38	1,544,368.97	100.00	560.26
2011	-	-	-100.00	3,065,519.28	100.00	106.59	3,065,519.28	100.00	98.50
2012	-	-	-	3,580,394.55	100.00	16.80	3,580,394.55	100.00	16.80
2013	2,877.30	0.08	-	3,586,125.38	99.92	0.16	3,589,002.68	100.00	0.24

Table 18 Total Amounts of Domestic and Imported Alcohol Products for the years 2002 to 2013

Unit: kiloliter

Year	Alcohol Products								
	Domestic			Imported			Sub-total		
	Quantity	Ratio of Structure %	Rate of Growth %	Quantity	Ratio of Structure %	Rate of Growth %	Quantity	Ratio of Structure %	Rate of Growth %
2002	437,006.60	72.06	-	169,452.76	27.94	-	606,459.36	100.00	-
2003	451,714.68	72.63	3.37	170,247.86	27.37	0.47	621,962.53	100.00	2.56
2004	463,928.52	73.56	2.70	166,793.42	26.44	-2.03	630,721.94	100.00	1.41
2005	463,637.73	73.09	-0.06	170,690.17	26.91	2.34	634,327.90	100.00	0.57
2006	497,903.74	75.24	7.39	163,883.02	24.76	-3.99	661,786.77	100.00	4.33
2007	472,405.27	72.10	-5.12	182,768.81	27.90	11.52	655,174.08	100.00	-1.00
2008	462,820.28	72.33	-2.03	177,023.82	27.67	-3.14	639,844.10	100.00	-2.34
2009	503,041.28	73.80	8.69	178,585.03	26.20	0.88	681,626.30	100.00	6.53
2010	513,432.94	71.64	2.07	203,295.32	28.36	13.84	716,728.26	100.00	5.15
2011	509,947.98	70.00	-0.68	218,577.54	30.00	7.52	728,525.53	100.00	1.65
2012	544,971.27	70.95	6.87	233,133.45	29.05	2.08	768,104.71	100.00	5.43
2013	503,572.47	69.27	-7.60	233,396.78	30.73	0.12	726,969.26	100.00	-5.36

F. Organizing workshops and conferences for enterprises

(A) To improve the development of the alcohol industry and to promote the Alcohol Quality Certification System, the MOF held “The Conference on the Alcohol Quality Certification System and Practical Techniques for Alcohol Manufacturers in Taiwan” on 24th June, 2013, in which a number of experts and scholars were invited to give presentations about topics covering the marketing of alcohol products and the future development of the industry. In addition, the manufacturers expressed ideas to ensure that related policies would help to strengthen their concerns and the marketing capacity of domestic alcohol manufacturers as well as to enhance the upgrading of the industry. The Alcohol Quality Certification System and its effectiveness were demonstrated to the domestic alcohol manufacturers, and it is expected that the manufactures will not only learn more about the system, but will also join the Alcohol Quality Certification System. Such conferences thus provided a precious opportunity for the public sector to have communication with domestic alcohol manufacturers so as to help increase the visibility and the value of the system.

(B) To strengthen the professional knowledge and capabilities of the related persons of tobacco and alcohol administrations, of the central and local governments, the MOF held the “Workshop on the Chemical Theorem of Alcohol Production” on 11th and 12th July, 2013.

G. Promotion the administration of alcohol and tobacco

In order to maintain the production and marketing of the alcohol and tobacco in good order and to protect consumer rights, 14 promotion activities for alcohol and tobacco administration were organized in 2013 via various

media including television, newspapers, magazines, and posters.

H. Strengthening of the protection for alcohol and tobacco consumers and seizing of illegal alcohol and tobacco

(A) To protect the rights of alcohol and tobacco consumers and the health of the public, the NTA has established an emergency reporting system for the damage caused by unlawful alcohol and it held an annual safety drill to assist local governments in ways to conduct crisis management in a timely manner so as to minimize possible damage, and, at the same time, relevant information and the regulations regarding alcohol and tobacco management were provided via various media and websites to the public. The NTA also worked together with the Consumer Protection Commission, Executive Yuan, and local governments to hold 35 activities related to the promotion of consumer protection with the aim to encourage the public to help monitor illegal activities collectively.

(B) To curb unlawful businesses from smuggling or producing unlicensed or disqualified tobacco and alcohol products, the NTA actively reinforces regulations for the control of alcohol and tobacco, and, moreover, the NTA is also devoted to the stabilization of the production and market order of alcohol and tobacco products, and “The Central Task Force for the Inspection and Seizure of Alcohol and Tobacco Products” is charge of the supervision and co-ordination among relevant agencies to combat major illegal alcohol and tobacco cases. By working together, the member of the task force can solve the problems that may occur between the central and the local competent authorities when dealing with the unlawful alcohol and tobacco activities in an effective way.

(C) To conserve production and market stability of alcohol and tobacco products, to reduce the impact of unlawful tobacco and alcohol on tax revenues and the market, and to protect the rights of legal enterprises and consumers, “The Project for the Seizure of Unlawful Tobacco and Alcohol Products” was therefore introduced pursuant to the Tobacco and Alcohol Administration Act and relevant regulations. The MOF keeps illegal activities in rein, in addition to supporting local governments with personnel resources for the seizure operations, reviewing and examining of the sales of ethyl alcohol, collecting the data of the consumption and sales of alcohol products, and executing tinspections of low-priced tobacco and alcohol products, moreover, rewards and administrative honors are awarded to those individuals and relevant authorities who with excellent performance under “The Regulations on the Evaluation of Seizures of Unlawful Tobacco and Alcohol Products by the Central Government.” Furthermore, an annual evaluation is conducted to assess the effectiveness



▲ Participants of the 2013 Conference on the Seizure of Illegal Tobacco and Alcohol Products

of seizure operations and the results of which are used as reference for future plans. The project is announced via different media and websites, so that the public may take a share in acting against unlawful activities to protect the safety of consumers and to keep the industry in good order.

(D) As of 31st December, 2013, a total of 2,673 cases involving illegalities had been successfully handled by the MOF. A total of 21.29 million packs of illegal tobacco and a total of 0.53 million of illegal alcohol products were seized, valued at NT\$ 1,063 million in total. The Total amounts of unlawful tobacco and alcohol products seized in the years from 2002 to 2013 are shown in Table 19.

Table 19 Total Amounts of Illegal Alcohol Products and Cigarettes Seized for the years 2002 to 2013

Unit: million

Year	Item	Amount of Cigarettes (Packs)	Amount of Alcohol (Liters)
2002		26.50	1.81
2003		26.25	1.15
2004		22.03	0.48
2005		12.48	1.49
2006		6.61	0.62
2007		10.90	0.74
2008		4.46	0.96
2009		10.28	1.07
2010		15.41	0.61
2011		11.09	0.74
2012		13.44	0.54
2013		21.29	0.53

Note: The amounts in this table include products seized by the Coast Guard Administration, the National Police Agency, the Customs Administration, and local governments.

(13) Participation in International Affairs

A. Participation in Asia-Pacific Economic Cooperation (APEC) meetings

In 2013, APEC held the Senior Finance Officials', Finance Deputies' and Ministers' meetings in succession, and the NTA dispatched representatives to participate and join in the discussions on treasury reform, which was beneficial to the promotion of our international affairs. In addition, the NTA was actively involved in the seminar “Workshop on Treasury and Budget Reform” hosted by APEC in July, 2013. Through the participation in such meetings and seminars, we may learn the experience of other countries and strengthen the interaction with the other member economies to improve our country's visibility, and thus achieve the goal of fiscal diplomacy.

B. Participation in the affairs of international institutions

The MOF dispatched representatives to attend the annual meetings of the Asian Development Bank and of the Central American Bank for Economic Integration held during the period from April to May, 2013, in order to strengthen the interaction with the other member economies and other organizations. The Republic of China (Taiwan) has the largest shareholdings among non-regional members. The MOF dispatched representatives as an observer to attend the annual meetings of the Inter-American Development Bank (IDB) held in March 2013 in order to strengthen the interaction with the other member economies and other organizations. European Bank for Reconstruction and Development (EBRD) Annual Meetings were held in April and May of 2013. The MOF assigned representatives to attend the meetings to strengthen the relationship with the member states.

To maintain the co-operative relationship with the EBRD, and to assist domestic banks and companies to expand in the market in Central-Eastern Europe, the MOF has successfully made application to the EBRD for the employment of a Taiwanese financial officer every year since 2003. The MOF proceeded to assign an officer to work in the TFP department of the EBRD in 2013. Such secondment will aid in the continuous improvement of the exchange of international financial experience and help domestic companies to fully seize business opportunities released by the EBRD.

C. Participation in tobacco and alcohol related international forums and negotiations

To raise attention to the influence generated by the illicit trade in tobacco products world-wide, and especially in the Asia-and-Pacific region, representatives of the NTA participated in the International Conference to Combat Illicit Trade in Tobacco Products held by the International Tax and Investment Center (ITIC) in Singapore, 24th-26th September, 2013. It is expected that the goal of improved tackling of the illicit trade in tobacco products can be reached by international co-ordination and the sharing of experience, thus leading to more tax revenues, a lower crime rate, and less negative impact on the legal trade of such products as well as on the health policy.

In the 38th Taiwan-Japan Economic and Trade Consultation Conference held in Tokyo late September 2013, the NTA, to enhance the bilateral relationship and communication, provided full explanations and shared views with its Japanese counterpart on various issues, including the implementation of the hygiene standards of alcohol products, about which matter Japan had expressed its concerns.

And in order to better understand the advancement achieved in the management scheme governing imported alcohol products in the related nations, the NTA dispatched delegates to attend the APEC Wine Regulatory Forum: 2013 Technical Workshop and the annual conference of the World Wine Trade Group held consecutively in Washington D.C. from 4th-7th November. The delegates of the NTA, in addition to actively participating in different group discussions and communicating with the delegates from different nations, provided presentations in the Workshop to allow the participants to have a broader understanding of the NTA scheme for the management of imported alcohol products, the ease and convenience in accession to the system, and the related measures adopted.



▲ Participation in the 2013 International Conference to Combat Illicit Trade in Tobacco Products in Singapore

(14) Strengthening of the Treasury Affairs Information Management System

A. Improvements in the functions of the Treasury Affairs Information Management System

- (A) In accordance with the Organizational Reform of the Executive Yuan, we modified “The Mid-Term Plan for the Upgrading of the Hosts of the Treasury Centralized Payment System and Building of the Remote Backup Center (2013-2015)” according to the results of the examination by the Legislative Yuan, and conducted “The Program for the Upgrading of the Hosts and the Revision of the Applications of the Treasury Centralized Payment System and the Building of the Remote Backup Center” to reduce the risk of overuse of the hosts.
- (B) To make sure that the information service operates without interruption and to be in compliance with the Information Security Management System, we performed drills for the backup operation of the Tobacco and Alcohol Administration Information System and the emergency response and online backup of the Inter-Bank Remittance System Service to reduce the risk in the carrying out of the information operations of the Agency.
- (C) To strengthen the management of the National Treasury website and to integrate the content of the site for consistency, correctness and timeliness, the National Treasury website is revised continuously, and a site appraisal was held in the Administration in order to maintain the stable service of the website.

B. Continuous enhancement of the Information Security Management System

In response the Organizational Reform of the Executive Yuan, we consolidated the operating procedures and document of the Information Security Management System (ISMS) to ensure the confidentiality, integrity and availability of the information. We also conducted risk assessment to implement risk management, and provided information security training to colleagues to create a consensus on information security in the Administration. To further implement information security management system and to provide a trustworthy information service environment, the NTA applied for re-evaluation and the performance of the system was judged to meet the standard in September 2013 by the British Standards Institution (BSI) for ISO / IEC 27001.



▲ The NTA passed the re-evaluation by the British Standards Institution (BSI) for ISO / IEC 27001 in 2013.

2. Future Prospects

(1) Promotion of “The Sound Finance Program”

In order to form a solid financial structure to ensure sustainable economic development, the MOF has been drafting “The Sound Finance Program,” which will be submitted to the Executive Yuan. With a view to implement the program, the MOF and the authorities of all agencies shall actively promote the program through the control of the scale of the debt; the restructuring of expenditures; the enhancement of the operational efficiency of state-owned enterprises and the review of the policy of privatization and stock release; the revitalization of state-owned assets; the implementation of a user-charge and fee system and the adjustment of the tax system to accumulate financial resources so as to support major policies and to accelerate the momentum of sustainable economic growth.

(2) Promotion of the draft amendments of the Act Governing the Allocation of Government Revenues and Expenditures and of the Tobacco and Alcohol Administration Act

In order to improve the fiscal condition of local governments, the draft amendment of the Act Governing the Allocation of Government Revenues and Expenditures was sent to the Legislative Yuan on 23th February, 2012. The Finance Committee of the Legislative Yuan held meetings to make a complete review of the amended articles. In order to establish a sustainable legal system for the local finance, the MOF will be consistent in dedicating itself to the process of the passing of the related amendments.

The draft amendment to the Tobacco and Alcohol Administration Act was presented firstly to the Legislative Yuan by the Executive Yuan on 22nd November, 2012 and then it was referred the Finance Committee for examination. The MOF

will continue to promote the legislation so as to contribute to the strengthening of the administration of the production, labeling, advertisement and import of tobacco and alcohol products, as well as to improve the efficiency of seizure and to curb unlawful or disqualified products, and, furthermore, to maintain the rights of consumers and the health of the public.

(3) Amendment of the Government Treasury Act

In order to strengthen the management of the treasury and the effectiveness of government financial administration, the NTA consolidated the opinions of relevant authorities and drew up a draft amendment of the Government Treasury Act, so as to facilitate the passing of revisions.

(4) Continuous promotion of the financial management information system

To enhance the efficiency of the management of the cash flows of the treasury we plan to build the Treasury Financial Management Information System (FMIS), based on the financial management information system architecture of the World Bank with the intention first to integrate related systems within the MOF and then to establish the automated the exchange of information to enable the future management of treasury cash flows to be more precise.

(5) Review of the existing procedure for the handling of petty cash of the treasury

To carry out a sound management system for the treasury petty cash, the NTA made a comprehensive survey of the petty cash of the authorized agencies, and planned control measures to assist and urge the authorities to complete relevant operations, so as to strengthen internal financial control mechanisms and enhance the efficiency of government financial management.

(6) Promotion of the Internet format electronic payments service

To tighten security in the making of centralized payments from the National Treasury in line with renewal of the mainframe for centralized payment operations of the NTA, and the upgrade of the application system and the remote of the backup center installation plan, hardware operation workshops will be held to help agencies learn to use the National Treasury's Internet format electronic payment system and to conduct website searches.

(7) Promotion of the withholding and payment of 2nd Generation NHI premiums by central government agencies

The National Health Insurance Administration of the Ministry of Health and Welfare began to collect 2nd Generation NHI premiums in 2013. To simplify the operation of the payment of premium by government agencies, a mechanism was set up for withholding and payment of the premiums. The mechanism is designed to extend the coverage of e-service, improve the quality of service and reduce the use of treasury checks.

(8) Establishment of an electronic mechanism for each agency for the processing of the data of remittances returned to National Treasury

To simplify processing of the data on returned remittances for each agency, the National Treasury's electronic payment system, online platforms, intranet and operating systems will be consolidated and an electronic mechanism will be installed for each agency for the processing the data on returned remittances from the National Treasury to upgrade the handling of related in good time and the quality of service as well as protect the rights and interests of payees.

(9) Establishment of the Public Debt Administration Committee

“The Organization Regulations Governing the Public Debt Administration Committee” and “The Regulations Governing the operation of the Public Debt Administration Committee” were formulated. The work of the Public Debt Administration Committee is targeted at the supervision and consideration of self-redeeming public debt, debt improvement plans and schedules and related matters, so as to control the balance of the debt in an effective way.

(10) Transparency of government debt in accordance with international standards

In accordance with Clause 4 of Article 10 of the Public Debt Act, the NTA collected the debt statistics compiled by international organizations, and invited scholars and central and local authorities for discussions, in order to establish standards for the disclosure of debt that are suitable for Taiwan and that facilitate international comparisons.

(11) Co-ordination of the review of various pension systems

In response to the review and adjustment of the social insurance and retirement systems, the Ministry will actively co-ordinate with the relevant authorities in charge of operations, to see if, after review, whether there is a need to raise the insurance premium or the set aside rate, and, for the part of the increase which falls under the burden of the government, the Ministry will raise the funds to meet the needs.

(12) Continuous supervision the issuing agent to strengthen the management of order in the sales of public welfare lottery tickets

To prevent the problem of dummy dealers, the NTA requested the issuing agency, CTBC Bank, to establish management standards for dealer agents (such as the management of the agents, capita account checks and prevention mechanisms), as well as a mechanism for periodic and random check for the management of the 4th lottery tickets. In addition to the continuous supervision on CTBC Bank to carry out checks and management in the future, if any acts are found in violation of the Public Welfare Lottery Issuance Act or other related rules and regulations such as where the dealer leases or lends his or her dealer permit or sells lottery tickets to minors under 18 years old, such acts shall be punished in accordance with law to safeguard order in the sale of the public welfare lottery.

(13) Continuation to carrying out of reviews of the utilization of earnings from the public welfare lottery and contributions from the issuing agency

Ever since the public welfare lottery was launched in 1999, it had yielded close to NT\$292.8 billion in earnings and NT\$12.5 billion of contributions from the issuing agency as of 31st December, 2013. The earnings and contributions are set aside to cover funding for the National Pension Fund, the National Health Insurance Liability Reserve and social welfare costs for all county and city governments and related agencies, and the MOF aims to ensure that earnings from operation of the public welfare lottery are ultimately received by those in need and to demonstrate the effectiveness in the utilization of these earnings through strengthening the use of performance indicators and by conducting site visits.

(14) Continuous promotion of the flexible use of financial strategies to accelerate the developments of public infrastructure

In order to strengthen the nation's development and competitiveness, the government should continue advance the development of all kinds of major infrastructure; however, as the financial resource of the government are limited, the MOF will continue to promote the flexible use of the concepts and practices of financial strategies to assist all authorities to improve the financial planning of projects in a hope to increase the self-liquidation rate of projects so as to attract the participation of the private sector and special funds so that the development of the infrastructure may be advanced in an effective way and the financial burden of the government may be eased.

In addition, for public welfare and urgently-needed infrastructure with a low rate of self-liquidation, the Executive Yuan had previously asked the Promotion of Private Participation, MOF to study and promote the use of the PFI (private finance initiative) system. The Ministry of the Interior and the Ministry of Economic Affairs will respectively select cases from among construction projects such as sewage facilities, long-term care facilities and sea water desalination facilities as reference in a hope to introduce private sector resources to accelerate the implementation of infrastructure projects, and the NTA will work out financial strategies in timely manner in order to accelerate the provision of public services.

(15) Continuation of the Strengthening and Promotion of Assistance in local government finance

In order to help the local governments create financial resources, the MOF issued “The Program for Assisting Local Government Finance” to evaluate the fiscal operations of the local governments. The MOF holds seminars and invites

outstanding performers to share their experiences. As a result of the propagation of the program in the past four years, the local governments have paid attention to the concepts in the program, and the effects of the active application of financial strategies to improve fiscal performance resulted in progress. The MOF will continue to promote the financial performance of local governments by way of educational training, evaluation and assistance and the sharing of experience, so as to streamline the fiscal operations of local governments and to improve financial efficacy.

(16) Assistance for the promotion of the consolidation of financial institutions with government-owned shareholdings

Whereas the Financial Supervisory Commission is planning to establish at least one influential bank in Asia, the MOF will continue to co-operate with and assist the Financial Supervisory Commission to promote its policy goal, and supervise the financial institutions with government-owned shareholdings in improving the value of their enterprises in accordance with the maintenance of the national interest. In order to expand the size and operational efficiency of the financial institutions with government-owned shareholdings, any merger and acquisition should be made on the basis of four main premises, the protection of the national interest, the enhancement of competitiveness, the exploitation of complementary advantage, and the creation of synergy.

(17) Improving the financial status of the Fund for Privatization of Government-Owned Enterprises under the Executive Yuan

To facilitate the operation of the Fund for Privatization of Government-Owned Enterprises under the Executive Yuan, at present, the MOF actively plans and requests co-operation from relevant ministries and departments to

implement the release of shares and calls for the Legislative Yuan to support the proposal for the price deregulation of the sale of shares. In addition, the MOF shall, in proper time, request the Executive Yuan to make appropriations for the fund in the future annual Central Government general budget so as to improve the financial status of the fund.

(18) Enhancement of the routine review of the regulations of fees and charges

In the case where the relevant standards of the central government service fees are not in accord with Item 2 of Article 11 of the Charges and Fees Act and in that such standards shall be subject to routine review at least once every three years, the Administration will continuously notify the executive authorities-in-charge of the matters concerned by the quarter to review the standards of charges and fees on a routine basis so to enhance the implementation of the system of the fees and charges.

(19) Strengthening of the Imported Alcohol Inspection Management System

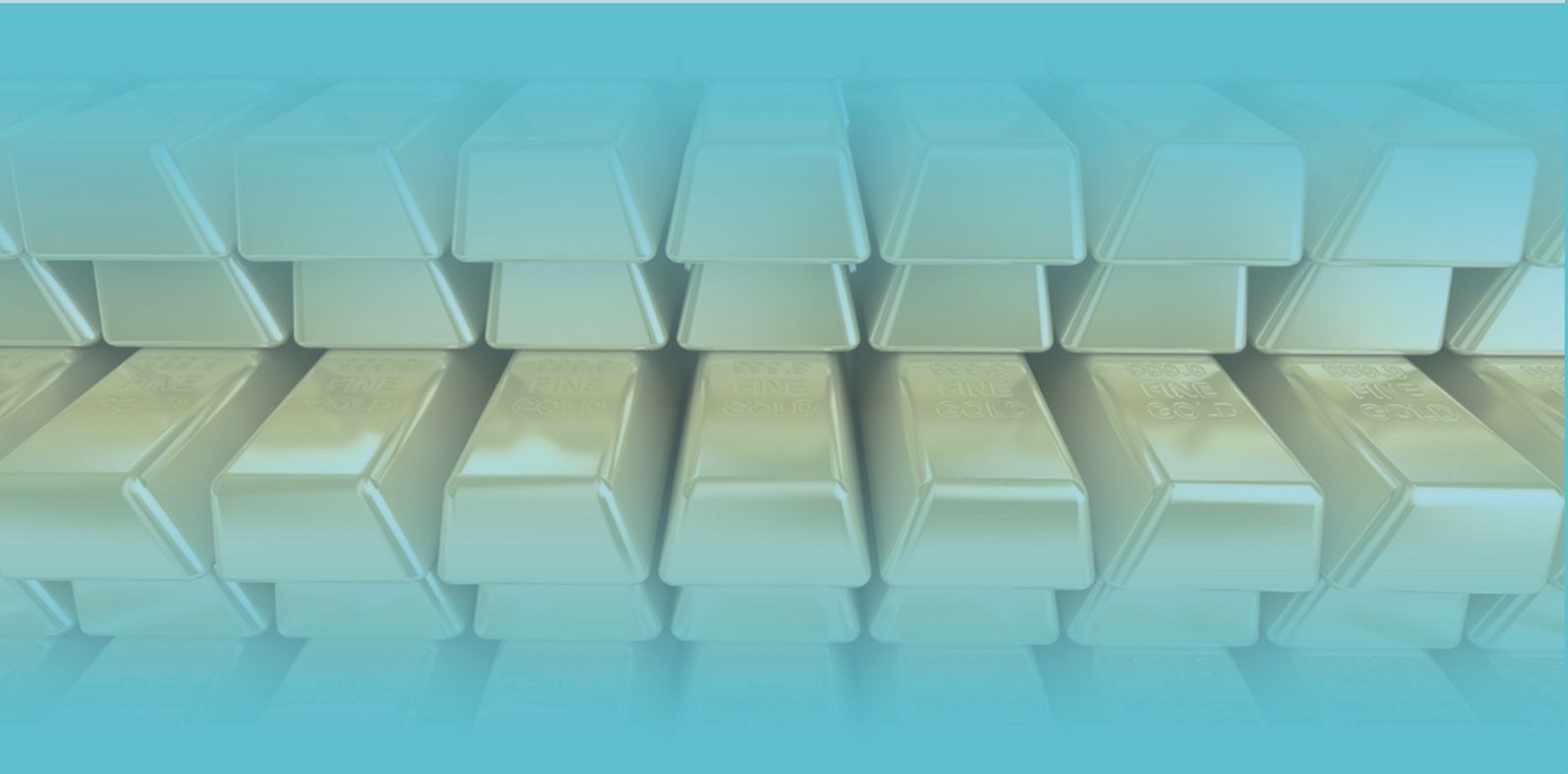
In co-ordination with the goal to enhance the management of the inspection of imported alcohol products, the NTA advanced the functions of its inspection management system in 2013 by adopting measures focusing on unqualified alcohol products and those imported by importers whose products failed to qualify during the importation procedure in order to protect the safety of consumers.

(20) Construction of a System for the Investigation and Seizure of Inferior Tobacco and Alcohol Products

To enhance the response to the intelligence on the violation of the laws in cases of inferior alcohol and tobacco product cases, in addition to the tracking of intelligence on the violation of the laws and enhancement of the control and inspection of sources, the Administration strengthened the Investigation and Seizure of Inferior Tobacco and Alcohol Products System, adding a link to the Customs Import Inspection Data to execute the control and management of imported alcohol (including denatured) and tobacco, and a link to the database of the Fiscal Information Agency to screen possible illegal wine production, imported tobacco or suspected tax evasion according to the import data and the flow of sales by screening out abnormal cases and by tracking or performing audits so as to prevent the use of denatured alcohol as a material used in the production of alcohol products and to reduce the smuggling of tobacco products.

(21) Continuous Promotion of the Alcohol Quality Certification System

To enhance the development of the local alcohol industry, the NTA promoted the Alcohol Quality Certification System so as to help advance the technology used for the improvement of the quality of alcohol production. In 2014, the MOF expects to conduct 85 visits to the sites of alcohol manufacturers to help them comply with the standards required for the certification of alcohol products, and an additional four manufacturers are also expected to be certified. The NTA also plans to conduct 150 visits to the sites of certified alcohol manufacturers for auditing. Furthermore, it also plans to promote the Alcohol Quality Certification System and the certification logo through the use of advertising.



IV. Summary of Important Performance in 2013

IV. Summary of Important Performance in 2013

No.	Item	Effects	Date of Completion
1	Conduct Adjustment of the base stock deposit of the national treasury to NT\$ 38.0 billion for 2013	Reasonable reflection of the cost of the national treasury to maintain the rights of the government treasury	2013.01
2	Amendment of “The Central Task Force for the Inspection and Seizure of Alcohol and Tobacco Products”	Enhancement of inspection and seizure to promote the function of the task force in strengthening tobacco and alcohol administration	2013.01
3	Abolition of Tai-Tsai-Ku-Tzu Decree of MOF No. 0900351445 issued on 31 st December, 2001	Co-ordination with the coming into effect of the amendment of Article 46 of the Tobacco and Alcohol Administration Act	2013.01
4	Promulgation of “The standard of the fees for the Export Certification of Alcohol Products and Alcohol Products Containers”	Establishment of the standard of the fees for implementation	2013.01
5	Promulgation of “The MOF Standard for Evaluation of the Certification of Alcohol Quality- Alcoholic Beverages Brewed from Grains”	Expansion of the range of the Alcohol Quality Certification System and improvement in its efficiency	2013.01
6	Holding of a seminar on the issue of broadening the sources of revenue and economizing on expenditure	The MOF invited the heads of local financial authorities to attend the seminar which provided an opportunity for the sharing of experience between the participants and thus helped the local governments improve their financial performance	2013.02

No.	Item	Effects	Date of Completion
7	Partial Amendment of the articles of “The Handbook for Treasury Management”	Carrying out of the procedures for the control of the internal financial affairs of all agencies 2. Strengthening of the management of petty cash 3. Adoption of supervision of each level	2013.02
8	Amendment of “The Common Operational Paradigm the Internal Control System in Treasury Exercises”	1. Enhancement of the control of public money 2. Strengthening of petty cash management 3. Carrying out of the inspection mechanism	2013.02
9	Admission of the amendment of “The Meaning of the Certification Logo on the Certified Alcohol Products”	Amendment of the relevant regulations to meet the practical needs in the management of alcohol quality certification to improve the effectiveness of certification	2013.03
10	Abolition of the use of methyl ethyl ketone as a denaturant under Article 11 of “The Regulations Governing Undenatured Ethyl Alcohol” by the MOF by Order Tai-Tsai-Ku-Tzu No.0940351-1590 on 30 th June, 2005 as enforced on 22 nd May, 2013	Reduction in the risks of the illegal uses of denatured ethyl alcohol and avoiding the difficulties when deterring such uses	2013.04
11	Admission of the amendment to “The Directions for handling the Use of the Certification Logo on Certified Alcohol”	Amendment of the relevant regulations to meet the practical needs in the management of alcohol quality certification to improve the effectiveness of certification	2013.04

No.	Item	Effects	Date of Completion
12	Establishment of “The System for the Notification and Verification of Large Disbursements.”	1.The MOF set up “The System for the Notification and Verification of Large Disbursements” 2.The new system provides online registration for treasury payments of over NT\$100 million via the NTA website 3.The simplified procedures will replace the use of faxes in payment and of manual check so as to improve the financial efficiency of the government	2013.05
13	Establishment of a mechanism for periodic settlement of enquiry fees payable to financial institutions by central government agencies	Simplification of the operations of government agencies, financial institutions and the NTA, reduction of spending of treasury funds, advocacy of the energy-saving and carbon reduction policy, and improvement of inter-agency administrative performance	2013.05
14	Establishment of the electronic system for the distribution of taxes and finalization	Reduction of revenue distribution and taxation error correction work at national Taxation Bureau in each region, and of manual registration at the agent bank of the National Treasury to facilitate the utilization of Treasury funds	2013.05
15	Revision of the National Treasury website	Strengthening of the management of the National Treasury website in order to ensure that the content of website is consistent, correct, updated and safe	2013.05
16	Performance of the emergency response drill of the Inter-Bank Remittance System Service semi-annually	Strengthening of the Inter-Bank Remittance System disaster response capabilities in order to achieve information services without interruption	2013.05

No.	Item	Effects	Date of Completion
17	Full promotion of the withholding and payment of insurance premiums of central government agencies and public school employees (retirees)	<ol style="list-style-type: none"> 1. Expedition of appropriation and payment of the insurance premiums of public employee 2. Alleviation of the burden of agencies to make insurance premium payments at a bank and that of the Department of Government Employees' Insurance of Bank of Taiwan in performing the verification work, with economics in the spending of funds 3. Optimization of the sharing of resources and a reduction in the issuance Treasury checks and of the printing and mailing costs of treasury checks 	2013.05
18	Promotion of the nontax revenue remittance mechanism	<p>The results of the implementation of this policy for the period from June to December 2013 are as follows :</p> <ol style="list-style-type: none"> 1. 2,542 remittances were made to a total value of NT\$173.78 billion 2. The costs of the treasury debt were reduced by NT\$19.33 million 	2013.06
19	Amendment of Article 3 of "The Directions for Use of Inter-Bank Remittances for Centralized Treasury Fund Disbursement"	Improvement of Treasury fund appropriation and remittance operations	2013.06
20	The MOF and the MOI jointly amended and promulgated "The Regulations for the Allocation and Utilization of the Specifically Selected Goods and Services Tax Revenues"	Through the listing of the detailed general budget of the central government and support of the finance of national pension insurance fund, to present the scale of the overall budget of the government and the proportion of social welfare expenditure of the budget, as well as ensuring the function of fixed sums for fixed purposes	2013.06

No.	Item	Effects	Date of Completion
21	Release of the table of “The Public Debts of All Levels of Government for 2012” (preliminary accounts)	Strengthening of the mechanism for the disclosure of information related to debt	2013.06
22	Admission of the amendment of “The Directions for Handling of the Subsequent Inspection of Alcohol Products under the Certification System”	Amendment of the relevant regulations to meet the practical needs in the management of alcohol quality certification to improve the effectiveness of certification	2013.06
23	Amendment of “The Directions for Using of Certification Logo on Certified Alcohol”	Strengthen the subsequent inspection of alcohol quality certification system to ensure the credibility of certification	2013.06
24	Integration of the network architecture to construct a platform for the sharing of payment-related information	Integration of the network architecture between the Financial Building and the Yangde Building in order to strengthen the Treasury Affairs Information Management System	2013.06
25	Promulgation of “The Directions for the National Treasury for the Management of Donations”	1. Carrying out of public services policy 2. Promoting public and transparent management of donations 3. Enhancing internal control system	2013.07
26	Amendment of the “Operation Guidelines for Payment of Withholding Tax from the Central Government Agencies and School Employees' Salary and Various Categories of Incomes Withholding Tax”	Promotion of various types of income tax for the handling of the withholding and payments by each central government agency	2013.07

No.	Item	Effects	Date of Completion
27	Collection and return of uncashed Treasury checks issued between 1998 and 2007	Reduction in the use of the inter-agency administrative procedure of reminding payees to collect Treasury checks and of the operational costs necessary to upgrade the performance of the financial service of the National Treasury	2013.07
28	Amendment of partial articles of “The Regulations for Management of the Treasury Checks”	Simplification of the procedures for government creditors to apply for funds from the National Treasury and the of work processes of related agencies	2013.07
29	Promulgated of “The Public Debt Act”	<ol style="list-style-type: none"> 1. Adjustment of the basis of the calculation of the debt limit to conform to the international standard; redistribution of a rational debt limit to all levels of government in accordance with the needs of government policies; establishment of balanced finances with the precondition of stable finance for all levels of government and balanced regional development 2. Revision of the system of mandatory debt and debt alert; bringing of fiscal effort into the management of the annual flow of debt limit; encouragement to local governments to be self-responsible and improve debt conditions 3. Revision of the system of the announcement of debt information according to international standards with the disclosure of working capital so as to increase the transparency of information related to debt 	2013.07

No.	Item	Effects	Date of Completion
30	Holding of the “Workshop on the Chemical Theorem of Alcohol Production”	<ol style="list-style-type: none"> 1.Enhancement of the professional knowledge of tobacco and alcohol administration personnel 2.Improvement in the efficiency of tobacco and alcohol administration 	2013.07
31	Completion of the preparation of the FY 2014 General Government Budget Proposal revenues as scheduled	The MOF worked in co-operation with the DGBAS to finish the preparation of the FY 2014 Central Government General Budget Proposal revenues as scheduled, with submission of the proposal to the Executive Yuan for approval, and the sending of the proposal to the Legislative Yuan for review, and thus successfully achieved the goal of raising sufficient funding to support policy objectives	2013.08
32	Amendment of Articles 2, 6 and 10 of “The Regulations for the Handling of Revenue Refunded and Expenditure Regained of the National Treasury”	<ol style="list-style-type: none"> 1.Improvement in the safety of treasury revenue and expenditure 2.Expedition in the disbursement of treasury expenditure 3.Simplification of related the administrative procedures 	2013.08
33	Establishment of the mechanism for the various income tax withholding and payments	<ol style="list-style-type: none"> 1.Acceleration of the transfer of tax payments into the National Treasury and distribution and clearance of taxes. 2.Reduction of the trouble of each government agency to make tax payments at a bank, the tax form preparation work at the five regional offices of the National Taxation Bureau, and fund spending 3.Optimization of the sharing of resources with a reduction in the issuance of Treasury checks and Treasury check printing and mailing costs 	2013.08

No.	Item	Effects	Date of Completion
34	Establishment of the electronic system for review of inter-bank remittance records	<ol style="list-style-type: none"> 1. Acceleration of the appropriation of funds and payments from the National Treasury and improvement in payment services and to upgrade the performance of the operation of the payments system. 2. Reduction of inventory pressure in compliance with the policy of reducing carbon emissions to save energy. 	2013.08
35	Conducting of workshops on “Improving the Efficiency of Government Finance and Enhancing the Financial Planning for Public Infrastructure Projects”	The MOF conducted two workshops on “Improving the Efficiency of Government Finance and Enhancing the Financial Planning for Public Infrastructure Projects” to assist all agencies to adopt creative new ideas in planning public infrastructure projects. With alleviation the pressure in raising construction funds by the government, and promote the idea of creative financial performance	2013.08
36	Holding of the seminar on the “Internal Fiscal Control of National Treasury Management”	<ol style="list-style-type: none"> 1. Enhancement of the sound internal fiscal control of the National Treasury Management System 2. Enhancing the professional knowledge of personal handling treasury management affairs 3. Improving the efficiency of government finance 	2013.09
37	Amendment of “The Notifiable and Non-Notifiable Matters for the Standard Contracts of Tobacco and Alcohol Products Gift Certificates” to come into enforce on 1 st March, 2014	Enhancement of the protection of the rights of consumers and reduction in the application problems faced by the issuers	2013.09

No.	Item	Effects	Date of Completion
38	Amendment of “The Notice for Delivery of Remaining Cash of Unknown Legatees to the Treasury”	Streamlining and improvement in the efficiency of the government treasury	2013.09
39	Establishment of the all-agency approval data automatic matching and uniform expenditure terminology	Strengthen of the operation of automated payment services and efficiency to enhance electronic review functions so as to boost in the making of payments	2013.09
40	The limit for electronic payments to the National Treasury payment was raised to NT\$3 million	The ratio of the operation of electronic payments will be increased to 95.71% to cut down on the cost of transferring the operation of printing the payment forms and sheets and also to enable government creditors to obtain payment one to three days earlier, thus improving the image of the government and the quality of service	2013.09
41	Compilation of telephone bills of all central government agencies were paid by remitting the total amount at day-end	Improvement in payment service, of the National Treasury's, provision of a completely automated service for the movement of payment to Chunghwa Telecom, and save expenses of the public treasury	2013.09
42	Amendment of the Articles 5 and 6 of “The Hygiene Standards for Alcohol Products”	Maintenance of the rights of consumers sanitation and health	2013.09
43	Passing of the ISO / IEC 27001 re-evaluation	Implementation of the information security management system (ISMS) and strengthening of risk management and of the information security operating environment	2013.09

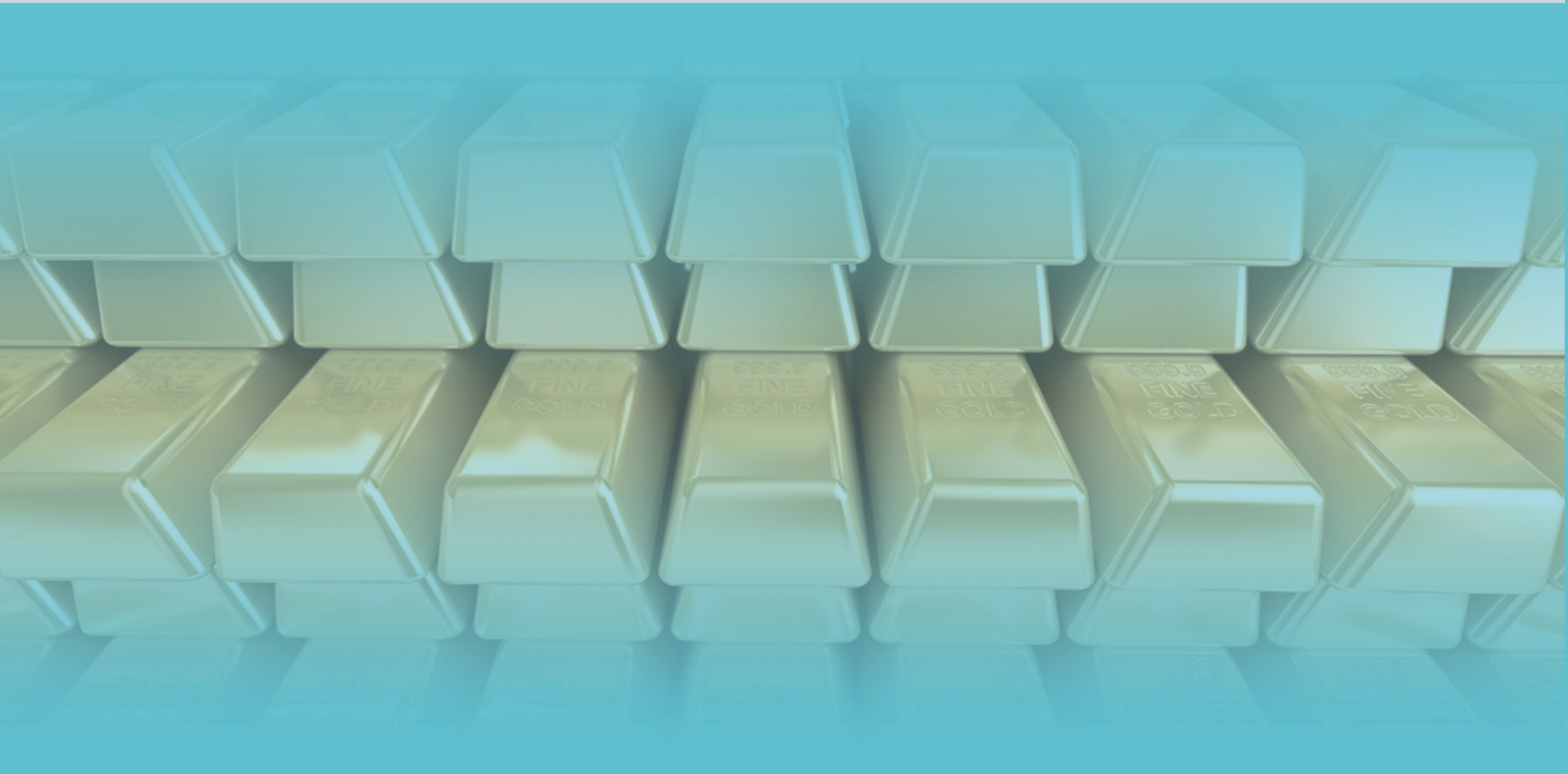
No.	Item	Effects	Date of Completion
44	Expansion of the implementation of “The System for the Notification and Verification of Large Disbursements”	Expansion of the implementation of the “The System for the Notification and Verification of Large Disbursements.” The new system provides online registration for a cumulative total of treasury payments of over NT\$500 million a day via the NTA website, The simplified procedures allow for improvement in the financial efficiency of the government	2013.10
45	Promulgation of “The Guidelines for the Appropriation of Consolidation and Fund”	Promotion of the consolidated the appropriation and payment of funds in each agency, improvement of the functions of the petty cash system and simplify procedure of the National Treasury for the appropriation of funds.	2013.10
46	Compilation of electricity bills of all central government agencies were paid by remitting the total amount at day-end	Improvement in payment service, of the National Treasury's, provision of a completely automated service for the movement of payment to Taiwan Power Company, and save expenses of the public treasury	2013.10
47	Promulgation of the interpretation of the labeling of storage life on containers of cigarettes	Prevention of the overlong storage of cigarettes with the possible resultant danger posed by the presence of mildew so as to safeguard the interests of consumers	2013.10
48	Performance of the emergency response of the Inter-Bank Remittance System Service semi-annually	Strengthening of the Inter-Bank Remittance System disaster response capabilities in order to achieve information services without interruption	2013.11
49	Amended partial provisions of the “Operation Guidelines for Centralized Treasury Fund Disbursement”	Cancellation of the electronic payment document attestation system, saving over NT\$3 million in government spending	2013.12

No.	Item	Effects	Date of Completion
50	Compilation of all central government agencies were paid by remitting the total amount at day-end	Improvement in payment service, of the National Treasury's, provision of a completely automated service for the movement of payment to Taipei Water Department, and save expenses of the public treasury	2013.12
51	Regular issuance of Treasury Bills	In order to establish a short-term interest rate indicator, the treasury bills continued to be issued regularly in moderate amounts in 2013. Treasury bills were issued for thirteen terms with a total issue amount issued of NT\$324.55 billion in 2013	2013.12
52	Regular issuance of government bonds	To effectively construct the government bond yield curve and promote a regular issuance of government bonds, the government bonds continued to be issued regularly with moderate amounts in 2013, and a "two-staged announcement" adopted, too. The bonds were issued nineteen terms with a total issue amount of NT\$641.8575 billion in 2013	2013.12
53	Release of the table of "The Public Debts of All Levels of General Government for 2012" (Final audit accounts)	Strengthening of the mechanism for the disclosure of information related to debt	2013.12
54	Amendment of "The Directions for the Reduction or Suspension of the Centrally-Funded Tax Revenues to Municipal or County Governments in the Case of Non-Compliance in the Regulation of Debt"	Adoption of supervision of debt; prompting of local government acting in violation of the law to comply with the principles and regulations to be followed in the Public Debt Act.	2013.12

No.	Item	Effects	Date of Completion
55	Amendment of “The Regulations for Establishment of the Ministry of Finance Public Welfare Lottery Supervisory Committee”	In accordance with the needs of social welfare at local government level and of the legislative purpose of the strengthening the fiscal operations of local governments welfare lottery. This amendment takes into account the assessment of the performance of the utilization of earnings so as to improve the use of the earnings by the local government	2013.12
56	Overseeing of The Chinatrust Commercial Bank (the 4 th issuer of the Public Welfare Lottery) to process all its relevant implementations on schedule	Smooth transition of the issue of welfare lottery, stabilize the injection of social welfare fund, and increase the employment opportunity of the disadvantaged	2013.12
57	Holding of “The 2013 Meeting on Local Finance”	To strengthen the fiscal operations of local governments, co-ordination and experience-sharing between central and local governments, the MOF invited chiefs of local financial authorities to attend the “Meeting on Local Finance” on 23 rd December, 2013. In addition, four outstanding county (municipal) governments were invited to present the review of their work in the meeting. The discussion of the cases and the successful sharing of experience can help the local governments create financial resources and improve financial performance. Most attendants were satisfied with this meeting	2013.12
58	Review of the interpretation and order of the Tobacco and Alcohol Administration act	Compiling of interpretations of decrees related to the Tobacco and Alcohol Administration Act to allow for further reference by the public	2013.12

No.	Item	Effects	Date of Completion
59	Continuous promotion of Preferential Housing Loan for the Young	1.Simplification of the application requirements with a decrease in the credit interest in order to alleviate the pressure experienced in repayment by borrowers 2.As of the end of December 2013 the preferential loan administered by the state-owned banks has been granted to 124,299 households in the amount of NT\$443 billion	2013.12
60	Review of the relevant regulations and items of central and local government service fees and charges	In 2013, the review of the relevant regulations of central government service fees to a total of 67 regulations, and the additional review of the relevant regulations of local government service fees to a total of 49 regulations were completed	2013.12
61	Amendment of “The Directions for the Establishment of the Committee for the Certification System of Alcohol Products”	Amendment to the relevant regulations to meet the practical needs in the management of alcohol quality certification so as to improve efficiency thereof	2013.12
62	Amendment of Article 6 and of the appendix of Article 5 of “The Hygiene Standards for Alcohol Products Containers” to be enforced after six months from the date of promulgation	Strengthening of the hygiene management of alcohol products plastic containers in order to protect the drinking safety of consumers	2013.12
63	Building of NTA open data and completion of the inventory of the date of National Treasury website	Co-ordination of the MOF and the Research, Development and Evaluation Commission (RDEC) open data policy to make it convenient to use government information and to expand the value of information	2013.12

No.	Item	Effects	Date of Completion
64	Performance of the drill for the backup operation of the Tobacco and Alcohol Administration information Systems (including the Tobacco and Alcohol Seizure System, the Imported Alcohol Inspection System, the Trade Facilitation System and The National Treasury world wide website) quarterly	Ensurance that the Tobacco and Alcohol Administration information Systems (including the Tobacco and Alcohol Seizure System, the Imported Alcohol Inspection System 、the Trade Facilitation System and the National Treasury world wide website) work consistently, implementation of the information security management system and reduction in the risk of information operations	2013.12
65	Completion of the first phrase of “The Program for the Upgrading of the Hosts and Revision of the Applications of the Treasury Centralized Payment System and the Building of the Remote Backup Center (2013-2015)”	Achievement of the goals for 2013 of “The Plan for the Upgrading of the Hosts of the Treasury Centralized Payment System and the Building of the Remote Backup Center.”	2013.12



V. Summary of Major Events and Other References Tables

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1. Summary of Major Events

Date	Event
2013.01.01	Amendment of “The Principles of Preferred Loans for Youth by Government-Owned Banks,” with and extension of date of the effectiveness to the end of 2014
2013.01.01	New versions of ISMS documents were implemented in line with the structure of institutions government
2013.01.02	Abolition of Tai-Tsai-Ku-Tzu Decree of MOF No. 0900351445 on 31 st December, 2001
2013.01.03	Convening of “1 st Meeting on the Allocation of Surpluses from the Public Welfare Lottery to Local Governments.”
2013.01.09	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 4 th January and to issue on 9 th January NT\$40 billion of 15-year Central Government Development Bonds at a 1.375% p.a. coupon rate
2013.01.14	Promulgation of “The MOF 2013 Project for the Seizure of unlawful Tobacco and Alcohol Products”
2013.01.15	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 10 th January and to issue on 15 th January NT\$40 billion of 5-year Central Government Development Bonds at a 0.875% p.a. coupon rate
2013.01.16	Adjustment of the base stock deposit of National Treasury for 2013 to NT\$38.0 billion, with a retroactive effect from 1 st January, 2013
2013.01.16	The MOF submitted a report on the NT\$ 33.39 million in public donations by the received by the National Treasury in 2013 to the Executive Yuan
2013.01.20-26	Invitation by the Interchange Association of Japan to attend a meeting on treasury management in Japan

Date	Event
2013.01.21	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 18 th January and to issue on 21 st January NT\$25 billion of 182-day Treasury Bills at a 0.63% discount rate
2013.01.22	Announcement of “The Standard of the Fees for Export Certification of Alcohol Products and Alcohol Products Containers.”
2013.01.23	Amendment of “The Central Task Force for the Inspection and Seizure of Alcohol and Tobacco Products”
2013.01.23	Promulgation of “The MOF Standard for Evaluation of the Certification of Alcohol Quality-Alcoholic Beverages Brewed from Grains.”
2013.01.28	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 23 rd January and to issue on 28 th January NT\$40 billion of 20-year Central Government Development Bonds at a 1.50% p.a. coupon rate
2013.01.28-30	The national simultaneous seizure of illegal tobacco and alcohol products was launched during the period of the Chinese New Year
2013.02.05	Holding of a seminar on the issue of broadening the sources of revenue and economizing on expenditure
2013.02.07	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 6 th February and to issue on 7 th February NT\$20 billion of 273-day Treasury Bills at a 0.663% discount rate
2013.02.08	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 5 th February and to issue on 8 th February NT\$40 billion of 2-year Central Government Development Bonds at a 0.625% p.a. coupon rate
2013.02.23	Amendment of partial articles of “The Handbook for Treasury Management”
2013.02.26	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 22 nd February and to issue on 26 th February NT\$35 billion of 30-year Central Government Development Bonds at a 1.75% p.a. coupon rate
2013.02.26-27	Attendance at “The APEC Finance Deputies and Central Banks Deputy Governors' Meeting” in Jakarta, Indonesia

Date	Event
2013.03.04	Amendment of “The Regulations for Allocation of Centrally-Funded Tax Revenues”
2013.03.06	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 1 st March and to issue on 6 th March NT\$40 billion of 10-year Central Government Development Bonds at a 1.125% p.a. coupon rate
2013.03.14-17	Attendance at “The Fifty-Fourth Annual Meeting of the Inter-American Development Bank”
2013.03.15	Amendment of “The Common Operational Paradigm of the Internal Control System in Treasury Exercises”
2013.03.18	Convening of “The 41 st Meeting on the Utilization of the Public Welfare Lottery Rebate”
2013.03.21	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 18 th March and to issue on 21 st March NT\$40 billion of 20-year Type B Central Government Development Bonds at a 1.75% p.a. coupon rate
2013.03.21	Admission of the amendment to the “Meaning of the Certification Logo on the Certified Alcohol Products.”
2013.03.22	Announcement of the plan for issuance of government bonds and treasury bills for the 2 nd quarter of FY 2013
2013.03.22	Amendment of “The Regulations Governing the Evaluation of the Performance of the Representatives of Government-Owned Share Enterprises under the MOF”
2013.03.25	The NTA passed re-evaluation for ISO / IEC 27001:2005 in an external audit by the British Standards Institution (BSI)
2013.03.26	Convening of “The 54 th Meeting of the MOF Public Welfare Charity Supervisory Committee”
2013.03.28	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 27 th March and to issue on 28 th March NT\$20 billion of 364-day Treasury Bills at a 0.629% discount rate

Date	Event
2013.03.28	Holding of the a training program for staff in the northern Taiwan region on the identification of tobacco products in co-operation with the Tobacco Institute of the Republic of China
2013.04.08	Convening of “The 2 nd Meeting on the Allocation of the Surpluses from The Public Welfare Lottery to Local Governments”
2013.04.10	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 3 rd April and to issue on 10 th April NT\$40 billion of 5-year Reopened Central Government Development Bonds at a 0.875% p.a. coupon rate
2013.04.10	Admission of the amendment to “The Directions for the Handling the Use of the Certification Logo on Certified Alcohol.”
2013.04.10-12	“The First Randomly-Scheduled National Simultaneous Seizure of Illegal Tobacco and Alcohol Products” was launched
2013.04.23	Central government agencies were requested in writing to describe the reasons in the column purpose of expenditure on payment vouchers for less than NT\$10,000 in order to reduce payment of small amounts from the National Treasury and make good use of petty cash
2013.04.23-28	Attendance at “The Fifty-Third Annual Meeting of the Central American Bank for Economic Integration”
2013.04.24	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 23 rd April and to issue on 24 th April NT\$30 billion of 91-day Treasury Bills at a 0.43% discount rate
2013.04.25	Abolition of the use of methyl ethyl ketone as a denaturant under Article 11 of “The Regulations Governing Undenatured Ethyl Alcohol” by the MOF by Order Tai-Tsai-Ku-Tzu No.09403511590 on 30 th June, 2005 as promulgated on 22 nd May, 2013
2013.04.26	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 23 rd April and to issue on 26 th April NT\$ 30 billion of 20-year Reopened Central Government Development Bonds at a 1.5% p.a. coupon rate
2013.04.29	Convening of “The 26 th Meeting of the Local Construction Fund Committee”

Date	Event
2013.05.01	Full promotion of the withholding and payment of insurance premiums of central government agencies and public school employees (retirees)
2013.05.02	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 30 th April and to issue on 2 nd May NT\$15 billion of 28-day Treasury Bills at a 0.32% discount rate
2013.05.02-06	Attendance at “The Forty-Sixth Annual Meeting of the Asian Development Bank”
2013.05.13-22	Holding of “The Alcohol Review for the First Half of 2013.”
2013.05.20	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 15 th May and to issue on 20 th May NT\$ 28.9029 billion of 30-year Reopened Central Government Development Bonds at a 1.75% p.a. coupon rate
2013.05.21	Central government agencies were notified to pay from petty cash or adopt periodic settlement for fees payable to financial institutions or to the courts regarding access to customer information or court seizure cases
2013.05.22-23	Attendance at “The APEC Senior Finance Officials' Meeting” in Saint Manado, Indonesia
2013.05.23	“The System for the Notification and Verification of Large Disbursements” began to provide to online registration for treasury payments of over NT\$100 million via the NTA website
2013.05.24	The regional offices of the National Taxation Bureau were notified to use the National Treasury Electronic Payment System for the distribution of taxes and finalization
2013.05.24	The reversion of National Treasury website
2013.05.29-31	The national simultaneous seizure of illegal tobacco and alcohol products was launched during the period of the Dragon Boat Festival
2013.05.30	Release of the table of “The Public Debts of All Levels of Government for 2012” (Preliminary accounts)
2013.06.05	Promotion of The non-tax revenue remittance mechanism

Date	Event
2013.06.10	Admission of the amendment of Articles 6 and 16 of “The Directions for Handling the Subsequent Inspection of Alcohol Products under the Certification System”
2013.06.18	Amendment of Article 3 of “The Operation Directions for Use of Inter-Bank Remittances for Centralized Treasury Fund Disbursement”
2013.06.18	Amendment of Article 15 of the “Directions for Using Certification Logo on Certified Alcohol”
2013.06.21	Announcement of the plan for issuance of government bonds and treasury bills for the 3 rd quarter of FY 2013
2013.06.21	Completion of election of the board of directors (including independent directors) of the HNFHC
2013.06.25	Convening of “The 55 th Meeting of the MOF Public Welfare Charity Supervisory Committee”
2013.06.26	Convening of “The 27 th Meeting of the Local Construction Fund Committee”
2013.06.27	The Legislative Yuan passed the promulgated of “The Public Debt Act” after the third reading
2013.06.28	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 25 th June and to issue on 28 th June NT\$ 35 billion of 10-year Reopened Central Government Development Bonds at a 1.125% p.a. coupon rate
2013.06.28	Holding of “The 35 th Commissioners' Meeting of the Central Taskforce Seizure of Illegal Tobacco and Alcohol Products,” with the issuance of year-end assessment medals
2013.07.02	Convening of “The 42 nd Meeting on the Utilization of the Public Welfare Lottery Rebate”
2013.07.02-03	Attendance at “The Workshop on Treasury and Budget Reform” in Lombok, Indonesia
2013.07.04	Amendment of “The Regulations Governing the Performance Review of the Enterprises Under the MOF” in 2013

Date	Event
2013.07.08-29	Full investigation of National Treasury and Provincial Treasury checks remaining uncashed for over five years from date of issuance was conducted and such checks were returned to the National Treasury
2013.07.10	The President announced the amendment of “The Public Debt Act”
2013.07.11	The MOF announced that the total amount of public donations was NT\$ 321,050 from 1 st January to 30 th June, 2013
2013.07.11-12	Holding of “The Workshop on the Chemical Theorem of Alcohol Production.”
2013.07.12	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 11 th July and to issue on 12 th July NT\$25 billion of 182-day Treasury Bills at a 0.48% discount rate
2013.07.16	Holding of “The Regional Workshop on Tobacco and Alcohol Seizure” with participants from six local governments, including Kaohsiung City, Pingtung County, Taitung County, Penghu County, Kinmen County and Tainan City
2013.07.18	Holding of “The Regional Workshop on Tobacco and Alcohol Seizure” with participants from nine local governments, including Taipei City, New Taipei City, Ilan County, Taoyuan County, Hsinchu County, Hualien County, Lianjiang County, Keelung City and Hsinchu City
2013.07.19	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 16 th July and to issue on 19 th July NT\$ 30 billion of 2-year Central Government Development Bonds with a 0.625% p.a. coupon rate
2013.07.22	Promulgation of “The Directions for the National Treasury for the Management of Donations”
2013.07.23	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 22 nd July and to issue on 23 rd July NT\$20 billion of 91-day Treasury Bills at a 0.398% discount rate
2013.07.24	Holding of “The Regional Workshop on Tobacco and Alcohol Seizure” with participants from seven local governments, including Miaoli County, Nantou County, Changhua County, Yunlin County, Chiayi County, Taichung City and Chiayi City
2013.07.25	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 24 th July and to issue on 25 th July NT\$35 billion of 273-day Treasury Bills at a 0.488% discount rate

Date	Event
2013.07.25	Holding of a training program for staff in the central Taiwan region on the identification of tobacco products in co-operation with the Tobacco Institute of the Republic of China
2013.07.26	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 23 rd July and to issue on 26 th July NT\$ 12.0014 billion of 20-year Central Government Development Bonds at a 2% p.a. coupon rate
2013.07.31	Amendment of partial articles of “The Regulations for Management of Treasury Checks”
2013.07.31	Promulgation of “The Terms for the Financing of the Local Construction Fund Provided for the Non-Profit Funds of the MOF.”
2013.08.01	The review of paper-based inter-bank remittance records were abolished and the electronic review of such records was adopted
2013.08.02	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 30 th July and to issue on 2 nd August NT\$ 26.302 billion of 30-year Central Government Development Bonds at a 2.5% p.a. coupon rate
2013.08.06	The MOF, the DGBAS and the NAO jointly promulgated the amendment of Articles 2, 6 and 10 of “The Regulations for the Handling of Revenue Refunded and Expenditure Regained of the National Treasury”
2013.08.06	Convening of “The 43 rd Meeting on the Utilization of the Public Welfare Lottery Rebate”
2013.08.06-07	Holding of “The First Seminar of 2013 on Tobacco and Alcohol Administration” for tobacco and alcohol taskforces in county and city governments at the Training Institute, MOF
2013.08.07-08	Holding of “The First workshop on the Policy to Improve the Efficiency of Government Finance and Enhance Financial Planning for Public Infrastructure Projects” at the Training Institute, MOF
2013.08.08-09	Holding of “The Second Seminar of 2013 on Tobacco and Alcohol Administration” for tobacco and alcohol taskforces in county and city governments at the Training Institute, MOF

Date	Event
2013.08.11-15	The Minister of Finance led a visit to Vietnam to implement the Action Plan in 2013 based on the Memorandum of understanding (MOU) on Financial Co-operation with Vietnam
2013.08.12	Announcement of “The ceiling ratio of outstanding amount of debt with a maturity of one year and above of special municipalities in 2014”
2013.08.12	Amendment of “The Table of Public Debt with Maturity of One Year and Above” and “The Table of Public Debt with Maturity within One Year” of special municipalities, counties (and county-level cities), and townships (and township-level cities)
2013.08.14	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 13 th August and to issue on 14 th August NT\$30 billion of 364-day Treasury Bills at a 0.647% discount rate
2013.08.14	Amendment of “The Regulations for Allocation of Centrally-Funded Tax Revenues”
2013.08.14-15	Holding of “The Second workshop on the Policy to Improve the Efficiency of Government Finance and Enhance Financial Planning for Public Infrastructure Projects” at the Training Institute, MOF
2013.08.16	Holding of the meeting concerning “The Affairs Regarded to the Disclosure of Debt of All Levels of governments According to International Standards, and of the Adjustment and Use of Moneys Held in Funds”
2013.08.22	The MOF worked in co-operation with the DGBAS to finish the preparation of the FY 2014 Central Government General Budget Proposal revenues as scheduled, with submission of the proposal to the Executive Yuan for approval, and the sending of the proposal to the Legislative Yuan
2013.08.29	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 28 th August and to issue on 29 th August NT\$20 billion of 182-day Treasury Bills at a 0.45% discount rate
2013.09.01	The limit for electronic payments to the National Treasury payment was raised to NT\$3 million
2013.09.04	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 3 rd September and to issue on 4 th September NT\$24.55 billion of 273-day Treasury Bills at a 0.50% discount rate

Date	Event
2013.09.4-6	The national simultaneous seizure of illegal tobacco and alcohol products was launched during the period of the Mid-Autumn Festival
2013.09.05	Holding of the seminar of “Internal Fiscal Control of National Treasury Management”
2013.09.05	The Executive Yuan authorized the Public Debt Act, promulgated on 10 th July, 2013 and implemented as of 1 st January, 2014
2013.09.11	Holding of “The Forum for the National Dealer Groups of the public Welfare Lottery”
2013.09.11	Amendment of Articles 5 and 6 of “The Hygiene Standards for Alcohol Products.”
2013.09.11	Amendment of “The Notifiable and Non-Notifiable Matters for the Standard Contracts of Tobacco and Alcohol Products Gift Checks” to be enforced on 1 st March, 2014
2013.09.12	Amendment of “The Notice for Delivery of Remaining Cash of Unknown Legatees to the Treasury”
2013.09.12-13	Holding of “The 7 th Conference on the Current Status of Smuggling and the Marketplace of Tobacco Products in Taiwan” in co-operation with the Tobacco Institute of the Republic of China
2013.09.14	Compilation of the telecommunication charges of central government agencies into one single remittance at the end of day
2013.09.14	Convening of “The 56 th meeting of the MOF Public Welfare Charity Supervisory Committee”
2013.09.17-20	Attendance at “The 20 th APEC Finance Ministers' Meeting and Related Meeting” in Nusa Dua Bali, Indonesia
2013.09.18	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 14 th September and to issue on 18 th September NT\$ 40 billion of 10-year Central Government Development Bonds at a 1.75% p.a. coupon rate
2013.09.23	Announcement of the plan for issuance of government bonds and treasury bills for the 4 th quarter of FY 2013

Date	Event
2013.09.24-26	Attendance at “The Participated in the International Conference to Combat Illicit Trade in Tobacco Products” in Singapore
2013.09.27	Coding and bar-coding of the purpose of expenditure were adopted on payment vouchers
2013.10.01	Promotion of the payment of various types of income tax withheld by central government agencies
2013.10.01	Convening of “The 26 th Meeting of the Local Construction Fund Committee”
2013.10.01-11	Holding of “The Alcohol Review for the Second Half of 2013.”
2013.10.15	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 9 th October and to issue on 15 th October NT\$30 billion of 5-year Strippable Central Government Development Bonds with at a 1.25% p.a. coupon rate
2013.10.16	The MOF held a conference to discussing the draft of “The Organization Regulations Governing the Public Debt Administration Committee” and “The Regulations Governing the operation of the Public Debt Administration Committee”
2013.10.17-22	Seven sessions of “The National Treasury Payment Service Workshop” were conducted at the Training Institute of the MOF
2013.10.18	The System for the Notification and Verification of Large Disbursements” provide online registration for a cumulative total of treasury payments of over NT\$500 million a day via the website
2013.10.25	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 22 nd October and to issue on 25 th October NT\$ 29.6512 billion of 20-year Reopened Central Government Development Bonds at a 2.0% p.a. coupon rate
2013.10.30	Compilation of the electricity charges of central government agencies into one single remittance by the end of day
2013.10.31	Promulgation of the an interpretation of the labeling of the storage life on containers of cigarettes
2013.10.31-11.01	Holding of “The Local Finance Training Classes”

Date	Event
2013.11.01	Examples of Common errors found on payment and fund transfer vouchers were printed and distributed among government agencies for reference
2013.11.04-07	Participation in the APEC Wine Regulatory Forum: 2013 Technical Workshop held in Washington D.C. and also the annual conference of the World Wine Trade Group
2013.11.06	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 5 th November and to issue on 6 th November NT\$25 billion of 273-day Treasury Bills at a 0.445% discount rate
2013.11.12	The NTA passed the ISO / IEC 27001:2005 external audit replacement retrial and the Certification Renewal Ceremony was held by British Standards Institute (BSI) on 12 th November
2013.11.14-15	Holding of “The Local Finance Training Classes”
2013.11.18	The Government Certification Authority was requested in writing to improve the quality of electronic payment cards
2013.11.26	Amendment of Articles 3, 5 and 15 of “The Regulations for the Examination of the Utilization of Public Welfare Lottery Surpluses, and of the Management and Utilizing of Recovered Public Welfare Lottery Surpluses”
2013.11.27	Holding of “The Ceremony for the Presentation of Award Under the Alcohol Quality Certification System of the MOF in 2013.”
2013.11.27	Holding of the a training program for staff in the southern Taiwan region on the identification of tobacco products in co-operation with the Tobacco Institute of the Republic of China
2013.11.27-28	Attendance at “The 38 th Taiwan-Japan Economic and Trade Consultation Conference” in Tokyo, Japan
2013.11.29	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 26 th November and to issue on 29 th November NT\$ 30 billion of 30-year Reopened Central Government Development Bonds at a 2.5% p.a. coupon rate
2013.11.29	Holding of “The 2013 Meeting on the Seizure of Illegal Tobacco and Alcohol Products.”

Date	Event
2013.12.02	Amended partial provisions of the “Operation Guidelines for Centralized Treasury Fund Disbursement”
2013.12.02	Amendment of Articles 3, 4 and 10 of “The Regulations for the Establishment of the Ministry of Finance Public Welfare Lottery Supervisory Committee”
2013.12.04	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 29 th November and to issue on 4 th December NT\$ 35 billion of 10-year Reopened Central Government Development Bonds at a 1.75% p.a. coupon rate
2013.12.04	Amendment of Article 6 and the appendix of Article 5 of “The Hygiene Standards for Alcohol Products Containers” to be enforced after six months from the date of promulgation
2013.12.05	Release of the table of “The Public Debts of All Levels of Government for 2012” (final audit accounts)
2013.12.09-11	Holding of “The Second Randomly-Scheduled National Simultaneous Action for Seizure of Illegal Tobacco and Alcohol Products.”
2013.12.16	Compilation of the payment of water charges of the Taipei Water Department for all central government agencies into one single remittance by the end of day
2013.12.17	Convening of “The 8 th Meeting on The Review Committee for Administrative Dispositions Under the Tobacco and Alcohol Administration Act of the NTA of the MOF.”
2013.12.19	Convening of “The 44 th Meeting on the Utilization of the Public Welfare Lottery Rebate”
2013.12.23	Announcement of the plan for the issuance of FY 2014 bonds and treasury bills and the schedule for one of issuance of bonds and treasury bills for the first quarter (January to March)
2013.12.23	Holding of “The 2013 Meeting on Local Finance”
2013.12.25	Convening of “The 57 th Meeting of the MOF Public Welfare Charity Supervisory Committee”
2013.12.27	The MOF commissioned the Central Bank of the Republic of China (Taiwan) to sell through public tender on 26 th December and to issue on 27 th December NT\$35 billion of 364-day Treasury Bills at a 0.538% discount rate

Date	Event
2013.12.27	Amendment of “The Directions for the Reduction or Suspension of the Centrally-Funded Tax Revenues to Municipal or County Governments in the Case of Non-Compliance in the Regulation of Debt”
2013.12.27	Holding of the meeting concerning “Affairs Regarding the Disclosure of Debt of All Levels of governments According to international standards, and of the Adjustment and use of Monies Held in Funds.”
2013.12.30	Convening of “The 29 th meeting of the Local Construction Fund Committee”
2013.12.30	Completion of the 4 th system independent certification test report review of the public welfare lottery, and granted the issuer to issue the 2014 public welfare lottery authorized by the MOF
2013.12.30	Convening of “The 36 th Commissioners' Meeting of the Central Taskforce for the Inspection and Seizure of Illegal Tobacco and Alcohol Products.”
2013.12.31	Part of “The Plan for the Upgrading of the Hosts of the Treasury Centralized Payment System and the Building of the Remote Backup Center” for 2013 was completed
2013.12.31	The building of NTA open data and the completion of the National Treasury website data inventory were carried out

2. Other Reference Tables

Table 1 Table of Promulgated Laws and Regulations

1. Laws (1) (criteria: approved by the Legislative Yuan and promulgated by the President)

As of 31st December, 2013

Title	Type	Org. of Promulgation	Date of Promulgation	Doc. No. of Promulgation
The Public Debt Act	Amendment	Office of the President	2013.07.10	President-Hua-Zong-Tze No.10200131121

2. Regulations (10) (criteria: Complete promulgation)

Title	Type	Org. of Promulgation	Date of Promulgation	Doc. No. of Promulgation
Regulations for Allocation of Centrally-Funded Tax Revenues	Amendment	MOF	2013.03.04	Tai-Tsai-Ku-Tzu Decree No.10203624420
Regulations for Allocation and Utilization of Specifically Selected Goods and Services Tax Revenues	Amendment	MOF MOI	2013.06.28	Tai-Tsai-Ku-Tzu Decree No.10203678940 Tai-Nei-She Decree No.1020237756
Regulations for the Handling of the Treasury Checks	Amendment	MOF	2013.07.31	Tai-Tsai-Ku-Tzu Decree No.10203697300
Articles 2, 6 and 10 of “The Regulations for the Handling of Revenue Refunded and Expenditure Regained of the National Treasury”	Amendment	MOF DGBAS NAO	2013.08.06	Tai-Tsai-Ku-Tzu Decree No.10203683830 Zhu-Kuai-Gong-Tzu Decree No.102053363 ATai-Shen-Bu-San-Tzu Decree No.1020001775
Regulations for Allocation of Centrally-Funded Tax Revenues	Amendment	MOF	2013.08.14	Tai-Tsai-Ku-Tzu Decree No.10203704760

Title	Type	Org. of Promulgation	Date of Promulgation	Doc. No. of Promulgation
Notifiable and Non-Notifiable matters for Standard Contracts of Tobacco and Alcohol Products Gift Checks	Amendment	MOF	2013.09.11	Tai-Tsai-Ku-Tzu Decree No.10203729720
Articles 5 and 6 of “The Hygiene Standards for Alcohol Products”	Amendment	MOF MOHW	2013.09.11	Tai-Tsai-Ku-Tzu Decree No.10203701800 Bu-Shou-Shi-Tzu Decree No.1021350345
Regulations for the Examination of the Utilization of Public Welfare Lottery Surpluses, and of the Management and Utilizing of Recovered Public Welfare Lottery Surpluses”	Amendment	MOF MOHW	2013.11.26	Tai-Tsai-Ku-Tzu Decree No. 10203751760 Tai-Tsai-Ku-Tzu Decree No.1020851276
Articles 3, 4 and 10 of “The Regulations for the Establishment of the Ministry of Finance Public Welfare Lottery Supervisory Committee	Amendment	MOF	2013.12.02	Tai-Tsai-Ku-Tzu Decree No.10200704610
Article 6 and of the appendix of Article 5 of “The Hygiene Standards for Alcohol Products Containers”	Amendment	MOF MOHW	2013.12.04	Tai-Tsai-Ku-Tzu Decree No.10203758210 Bu-Shou-Shi-Tzu Decree No.1021351402

3. Administrative Rules (12) (criteria: promulgation)

Title	Type	Org. of Promulgation	Date of Promulgation	Doc. No. of Promulgation
The Central Task Force for the Inspection and Seizure of Alcohol and Tobacco Products	Amendment	MOF	2013.01.23	Tai-Tsai-Ku-Tzu Decree No.10203610800

Title	Type	Org. of Promulgation	Date of Promulgation	Doc. No. of Promulgation
The MOF Standard for Evaluation of the Certification of Alcohol Quality-Alcoholic Beverages Brewed from Grains	Amendment	MOF	2013.01.23	Tai-Tsai-Ku-Tzu Decree No.10203004520
Handbook for Treasury Management	Amendment	Executive Yuan	2013.02.23	Yuan-Shou-Tsai-Ku-Tzu Decree No.10200524650
Article 3 of “The Directions for Use of Inter-Bank Remittances in Centralized Treasury Fund Disbursement”	Amendment	MOF	2013.06.18	Tai-Tsai-Ku-Tzu Decree No.10203677240
Directions for using Certification Logo on Certified Alcohol	Amendment	MOF	2013.06.18	Tai-Tsai-Ku-Tzu Decree No.10203674570
Directions for the National Treasury for the Management of Donations	Promulgation	MOF	2013.07.22	Tai-Tsai-Ku-Tzu Decree No.10203695010
Guidelines for Handling of the Payment of Withholding Tax from the Salaries of the Employees of Central Government Agencies and Schools and other Various Categories of Incomes	Amendment	MOF	2013.07.25	Tai-Tsai-Ku-Tzu Decree No.10203695960
The Terms for the Financing of the Local Construction Funds Provided for the Non-Profit Funds of the MOF	Promulgation	MOF	2013.07.31	Tai-Tsai-Ku-Tzu Decree No.10203697100
The Guidelines for the Consolidation, Appropriation and Payment of Funds	Promulgation	MOF	2013.10.25	Tai-Tsai-Ku-Tzu Decree No.10203752310
The interpretation of the labeling of storage life on containers of cigarettes	Promulgation	MOF	2013.10.31	Tai-Tsai-Ku-Tzu Decree No.10203753370

Title	Type	Org. of Promulgation	Date of Promulgation	Doc. No. of Promulgation
Operation Guidelines for Handling of the Centralized Disbursement of Treasury Fund	Amendment	MOF	2013.12.02	Tai-Tsai-Ku-Tzu Decree No.10203769210
Directions for use in the Reduction or Suspension of Centrally-Funded Tax Revenues to Municipal or County Governments in the Case of Non-Compliance in the Regulation of Debt	Amendment	Executive Yuan	2013.12.27	Yuan-Shou-Tsai-Ku-Tzu Decree No.10203778890

Table 2 Study and Amendment of the Law

As of 31st December, 2013

Name of Act	Major Content	Progress	Effects
Act Governing the Allocation of Government Revenues and Expenditures	<ol style="list-style-type: none"> 1.Expansion in the scale of centrally-funded tax revenues 2.Unification of criteria used in the allocation of revenues to municipality and county (city) 3.Reduction in the differences between expenditure and revenue in the budget of local government 4.Strengthening of use of financial incentives mechanism in fiscal efforts 5.Regulation of the rewards and control mechanism to strengthen local fiscal discipline 	<p>The draft amendment of the Act Governing the Allocation of Government Revenues and Expenditures was sent to the Legislative Yuan on 23rd February, 2012. The Finance Committee of the Legislative Yuan held meetings completing the review of the amended articles. In order to establish a sustainable legal system for local finance, the MOF will dedicate itself to the amendment in a consistent way</p>	<ol style="list-style-type: none"> 1.Enhancement of the autonomy of local finance 2.Response to the reform of upgrading local governments 3.Correspond obligations and financial resources

Name of Act	Major Content	Progress	Effects
The Tobacco and Alcohol Administration Act	<ol style="list-style-type: none"> 1. Strengthening of the management of undenatured alcohol 2. Enhancement of the management of the tobacco and alcohol industry 3. Provision of clarification of the regulations on tobacco and alcohol labeling, advertisements and sales promotion 4. Launching of actions to act against inferior tobacco and alcohol to increase the effectiveness of investigation and seizure of inferior alcohol and tobacco 5. Deregulation of laws and regulations, streamlining of administrative procedures 6. Rationalization of penalties 	<p>The draft amendment of the Tobacco and Alcohol Administration Act was submitted to the Legislative Yuan by the Executive Yuan on 22nd November, 2012. The Legislative Yuan adopted it for discussion 7th December, 2012 and sent the draft to the Finance Committee for examination</p>	<ol style="list-style-type: none"> 1. Enhancement of efficiency of management of tobacco and alcohol and promotion of the sound development of the tobacco and alcohol industry 2. Curbing of inferior alcohol and tobacco products to safeguard the health of the general public and protect the interests of legitimate business 3. Provision of clarification on specification for labeling on alcohol and tobacco products to protect the interests of consumers 4. Improvement in benefits to be gained in the execution of the investigation of inferior alcohol products and seizure to allow for sound the order in the tobacco and alcohol industry

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