

## Chronology of Major Events of the CBC (1991-2007)

Date		Events
1991	Jan. 2	The Bank agreed to allow Qualified Foreign Institutional Investors (QFIIs) to directly invest in Taiwan's stock market with the following restrictions: (1) The ceilings on the shareholdings of an individual QFII and QFIIs as a whole in each listed company were set at 5 percent and 10 percent, respectively; (2) The ceiling and floor on total investment made by an individual QFII were US\$50 million and US\$5 million, respectively. The ceiling on total investment made by QFIIs as a whole was US\$ 2.5 billion.
	Feb. 8	An on-line link was established between the Taipei Foreign Currency Call-loan Market and a money broker in Singapore to handle foreign currency call-loan business.
	Mar. 1	The Legal Affairs Office of the Bank was established.
	Mar. 11	The <i>Regulations Governing the Audit and Adjustment of Deposit Reserves of Banks</i> were revised. The scope of deposit reserves of small and medium business banks, credit cooperatives, and the credit departments of farmers' and fishermen's associations was broadened to include deposits in the special accounts of interbank clearing fund approved by the Bank.
	Mar. 15	The Bank modified the <i>Regulation Governing the Foreign Exchange Settlement of Private Sector Inward Remittances</i> and the <i>Regulation Governing the Foreign Exchange Settlement of Private Sector Outward Remittances</i> . The ceiling on outward remittances made by a company, a firm, an individual and an association per year was lowered from US\$5 million to US\$3 million. The ceiling on inward remittances per person per year was raised from US\$2 million to US\$3 million.
	May	The <i>Guidelines on Information Exchange between the Bank and the Ministry of Finance</i> became effective.
	May 3	The Bank appropriated NT\$10 billion to refinance banks to

Major events before 1991 can be found in appendix 9 of *The Central Bank of China: Purposes and Functions (1961-1991)*.

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	provide low-interest loans for the purchase of locally-manufactured automated machinery and equipment.
May 29	The Bank agreed on Taiwan Depository Receipts (TDRs) to be listed on the stock exchange to provide the public with a local channel to purchase foreign stocks.
June 23	The Bank, together with the Ministry of Finance, convened the third National Financial Conference.
Jul. 15	The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 37.5 basis points each to 7.375 percent, 8.375 percent, and 11.625 percent, respectively.
Jul. 25	Authorized banks were permitted to conduct foreign currency margin trading.
Aug. 1	The Interbank Remittance System began operation, enabling government agencies to transfer funds with financial institutions.
Aug. 7	The Bank additionally appropriated US\$2 billion as seed funds for the Taipei Foreign Currency Call-loan Market, making the total of the funds US\$7 billion.
Aug. 14	The Bank revised the <i>Directions for the Central Bank of the Republic of China (Taiwan) Accommodations to Banks</i> to maintain appropriate monetary supply growth.
Aug. 20	An on-line link was established between the Taipei Foreign Currency Call-loan Market and a Hong Kong money broker.
Sep. 10	The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 50 basis points each to 6.875 percent, 7.875 percent, and 11.125 percent, respectively.
Sep. 11	The Bank lowered the required reserve ratios by 0.75 of a percentage point on demand savings deposits, demand deposits and checking deposits, and on trust funds.
Sep. 21	1. The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 25 basis points each to 6.625 percent, 7.625 percent, and 10.875 percent, respectively.
	2. The Bank lowered the required reserve ratios by 0.75 of a

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	percentage point on time deposits and time savings deposits.
Oct.	The Bank introduced a book-entry system for certificates of deposit (CDs) and negotiable certificates of deposit (NCDs). All CDs and NCDs issued by the Bank are no longer in physical form.
Oct. 1	The interbank call-loan market and the short-term accommodation market were merged to become the Financial Institutions Call-loan Center, which incorporates banks, investment and trust companies, bills finance companies, and securities finance companies.
Oct. 11	The Bank allowed authorized banks to conduct foreign currency cross currency swaps.
Nov. 1	The Bank adopted an accrual basis in calculating a bank's foreign exchange positions, which consist of spot and forward positions, to activate the forward foreign exchange market.
Nov. 9	The Bank enacted the <i>Guidelines for Authorized Banks in Conducting Negotiation of Drafts by Taiwan-Area Firms for Exports from Mainland China</i> .
Nov. 18	<ol style="list-style-type: none"> <li data-bbox="588 1128 1552 1357">1. The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 37.5 basis points each to 6.25 percent, 7.25 percent, and 10.5 percent, respectively.</li> <li data-bbox="588 1357 1552 1563">2. The Bank lowered required reserve ratios by 0.5 of a percentage point on demand savings deposits, demand deposits and checking deposits, and by 0.375 of a percentage point on trust funds.</li> <li data-bbox="588 1563 1552 1751">3. The Bank introduced an automated auction and central government bond dealer mechanism to broaden participation in the sale of government bonds and to enable the Treasury to finance with a cost closer to market prices.</li> </ol>
Dec.19	The Bank selected the M2 monetary aggregate as the intermediate target from 1992 on, and set the target zone for M2 growth for 1992 at 10 to 15 percent.
1992	<ol style="list-style-type: none"> <li data-bbox="588 1908 1552 2036">1. The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 37.5 basis points</li> </ol>

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	<p>each to 5.875 percent, 6.875 percent, and 10.125 percent, respectively.</p> <p>2. The Bank lowered the required reserve ratios by 0.375 of a percentage point on time deposits and time savings deposits and by 0.75 of a percentage point on trust funds.</p>
Jan. 18	Postal savings redeposits were allowed to be disposed of in two ways: deposits with any banks (including the Bank), or purchases of government bonds, treasury bills, securities issued by the Bank and bank debentures.
Feb. 23	The Bank additionally appropriated NT\$15 billion to refinance bank to provide low-interest loans for the purchase of locally-manufactured automated machinery and equipment.
Mar. 16	An on-line link was established between the Taipei Foreign Currency Call-loan Market and a money broker in Tokyo.
Apr.	The Open Market Operation System began operation.
Apr. 1	The Bank agreed on domestic public and private enterprises to issue Global Depository Receipts (GDRs) overseas.
May 9	The Bank raised the discount rate and the rate on accommodations with collateral by 25 basis points each to 6.125 percent and 7.125 percent, respectively.
Jun. 11	The Bank modified the scope of selective credit control, suspending unsecured and sub-secured loans for purchase of land.
Sep. 15	The Program for the Division of Duties on Bank Examinations among Competent Authorities revised by the Ministry of Finance and the Bank was sent to the Executive Yuan for approval.
Sep. 16	The Ethics Office of the Bank was established.
Oct. 5	The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 50 basis points each to 5.625 percent, 6.625 percent, and 9.625 percent, respectively.
Oct. 9	1. The Bank modified the <i>Regulation Governing the Foreign Exchange Settlement of Private Sector Inward Remittances</i> and the <i>Regulation Governing the Foreign Exchange Settlement of Private Sector Outward Remittances</i> . The ceiling on outward remittances made by a company, a firm,

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		<p>an individual and an association per year was raised from US\$3 million to US\$5 million. The ceiling on inward remittances per person per year was raised from US\$3 million to US\$5 million.</p> <p>2. The Bank released the first issues of NT\$50 coins into circulation.</p>
	Dec. 18	The Bank modified the <i>Directions for Handling Legally Required Reserves against Re-deposited Deposits of Grassroots Financial Institutions</i> .
	Dec. 30	The Bank set the intermediate target zone for M2 growth for 1993 at 10 to 15 percent.
1993	Jan. 8	Authorized banks were allowed to decide whether to collect margins from clients when conducting foreign currency margin trading.
	Jan. 16	The ceiling on investment in local securities made by an individual QFII was raised from US\$50 million to US\$100 million.
	Feb. 10	The Bank raised the ceiling on the foreign liabilities of authorized banks by US\$400 million.
	Mar. 9	Residents of Mainland China bearing traveling certificates were permitted to sell foreign exchange within US\$5,000 per transaction. Original exchange memos are requested upon repurchase of foreign exchange.
	Apr. 19	The Bank's New York Representative Office was established.
	Apr. 30	The Bank and related government agencies allowed overseas branches of domestic banks to do business with foreign banks' branches in China, overseas branches of China-based banks, and overseas legal entities, groups, institutions and individuals from China.
	May 15	The Bank relaxed selective credit controls, abolishing the restriction that prevented small and medium-sized enterprises from obtaining a loan to purchase land for regular operations.
	May 17	The Bank raised the ceiling on the foreign liabilities of authorized banks by about US\$700 million.
	Jun. 23	The Bank additionally appropriated NT\$10 billion to refinance banks to provide low-interest loans for the purchase of locally-manufactured automated machinery and equipment.

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Jul. 8	The Bank additionally appropriated NT\$5 billion to refinance banks to provide low-interest loans for the purchase of locally-manufactured automated machinery and equipment.
Jul. 20	The Bank promulgated and implemented the <i>Regulations Governing Accommodations by Banks to Manufacturing Enterprises for Capital Expenditure</i> , requiring banks to increase the ratio of their manufacturing industry capital expenditure accommodations to total deposits year by year.
Jul. 30	The Bank lowered the rate on accommodations with collateral by 50 basis points to 6.125 percent.
Aug. 10	The Bank raised the ceiling on the foreign liabilities of authorized banks by about US\$500 million.
Aug. 11	The <i>Regulation Governing the Foreign Exchange Settlement of Private Sector Inward Remittances</i> was modified, making the quota of inward remittances by a company, a firm and an association US\$5 million per year.
Aug. 14	The Bank abolished the restriction by selective credit controls that limit the total amount of outstanding credit extended to investment companies.
Aug. 19	The Bank agreed to raise the ceiling on investment in local securities made by QFIIs as a whole from US\$2.5 billion to US\$5 billion.
Sep. 3	Authorized banks were permitted to conduct foreign currency interest rate swaps.
Sep. 17	<ol style="list-style-type: none"> <li data-bbox="587 1413 1552 1644">1. The Bank lowered the required reserve ratios by 1 percentage point on demand deposits, demand savings deposits and checking deposits, and by 0.75 of a percentage point on time deposits, time savings deposits and trust funds.</li> <li data-bbox="587 1644 1552 1789">2. The Bank approved financial institutions using earmarked NT dollar trust funds and foreign currency trust funds to invest in foreign securities.</li> </ol>
Sep. 18	The Bank set the required redeposit ratios on foreign currency demand deposits and foreign currency time deposits at 24.25 percent and 10.125 percent, respectively.
Sep. 22	The Bank approved the first foreign exchange brokerage company in Taiwan, the Taipei FOREX Company.

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Oct. 14	The Bank permitted domestic enterprises to repatriate and convert into NT dollars the fund they raised by issuing ECBs and GDRs overseas within the limit of US\$3 billion.
Nov. 5	The Bank lowered the discount rate by 12.5 basis points and the rate on accommodations with collateral by 25 basis points to 5.5 percent and 5.875 percent, respectively.
Nov. 19	The Bank agreed to raise the ceiling on investment in local securities made by an individual QFII from US\$100 million to US\$200 million.
Dec. 17	Authorized banks were allowed to conduct foreign exchange options.
Dec. 23	Authorized banks were permitted to conduct foreign currency forward rate agreements and foreign currency interest rate options.
Dec. 28	The Bank set the intermediate target zone for M2 growth for 1994 at 10 to 15 percent.
1994 Jan. 1	The ceiling on inward/outward remittances by a company and a firm was raised from US\$5 million to US\$10 million.
Jan. 5	The Bank raised the ceiling on the foreign liabilities of authorized banks by about US\$600 million.
Feb. 16	The Bank's London Representative Office was established.
Mar. 3	Authorized banks were allowed to offer approved new financial products upon notifying the Bank. Prior approvals from the Bank were no longer required.
Mar. 14	The Bank allowed cargo carriers and property and casualty insurance companies to hedge their exchange rate risk in respect of freightage or insurance receipts and outlays in the forward foreign exchange market.
Apr. 1	<ol style="list-style-type: none"> <li data-bbox="587 1601 1556 1749">1. The Bank lowered the required redeposit ratios on foreign currency demand deposits and foreign currency time deposits to zero.</li> <li data-bbox="587 1749 1556 1939">2. The Bank abolished the regulation that required authorized banks to collect a margin of no less than 10 percent from importers for issuing letters of credit, leaving the collection at the discretion of banks.</li> <li data-bbox="587 1939 1556 2031">3. The Bank lowered the required margin on forward foreign exchange contracts from 7 percent to 3 percent. Reliable</li> </ol>

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	<p>collateral besides cash were also accepted as the margin.</p> <p>4. The Bank allowed authorized banks to extend foreign currency loans to finance merchanting trade, excluding the merchanting trade with Mainland China or with other countries where the destination was Mainland China.</p>
Apr. 13	The amendment of the <i>Central Bank of the Republic of China (Taiwan) Act</i> , prepared by the Bank, was submitted to the Legislative Yuan after ratification by the Executive Yuan.
Apr. 19	The Bank agreed to raise the ceiling on investment in local securities made by QFIIs as a whole from US\$5 billion to US\$ 7.5 billion.
May 31	The Bank drew up the <i>Regulations for Funds to be Re-Deposited by and Accommodated to the Credit Cooperatives</i> , effective from June 11, 1994.
Jun. 3	<p>1. Based on the <i>Credit Cooperatives Act</i>, the Bank modified the <i>Directions for Handling Legally Required Reserves against Re-deposited Deposits of Grassroots Financial Institutions</i>.</p> <p>2. The Bank allowed firms to hedge the exchange rate risk in respect of the proceeds from and payments for merchanting trade through the use of forward contracts.</p>
Jul. 2	The Bank raised the ceiling on the foreign liabilities of authorized banks by about US\$600 million.
Jul. 7	Authorized banks were allowed to conduct foreign currency commodity swaps.
Jul. 15	The Bank revised the <i>Guidelines Assessing the Audit Tasks of Financial Institutions</i> .
Jul. 22	The Bank allowed individuals to apply for loans secured against vacant plots of land in cities to pay inheritance tax.
Aug. 2	The Bank allowed banks to extend the duration of loans secured against land used to construct golf courts from 3 to 4 years.
Aug. 22	The Bank increased its provision of seed funds in the Taipei Foreign Currency Call-loan Market. Seed funds in US dollars were raised from US\$7 billion to US\$10 billion, those in Deutsche Marks from DM\$0.5 billion to DM\$1 billion, and an additional Japanese Yen 10 billion was set aside for the market.



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Aug. 31	The Bank allowed foreign investors to invest in local foreign exchange brokerage firms.
Sep. 1	The Bank promulgated and implemented the <i>Directions Governing the Central Bank of the Republic of China (Taiwan) Special Financial Accommodations to the Central Deposit Insurance Corp. Ltd.</i>
Sep. 13	The Bank allowed non-resident foreign individuals and legal entities to make foreign exchange settlement without prior approval, if the amount of each remittance is within US\$100,000.
Sep. 16	The Bank raised the ceiling on the foreign liabilities of authorized banks by about US\$500 million.
Sep. 30	The Bank modified the <i>Regulations Governing the Audit and Adjustment of Deposit Reserves of Banks</i> , adjusting the reserve maintenance period from 10 days to one month, effective from November 1, 1994.
Oct. 1	The Bank modified the <i>Directions for Handling Legally Required Reserves against Re-deposited Deposits of Grassroots Financial Institutions</i> , effective from November 1, 1994.
Oct. 18	The Bank revised the <i>Directions for the Central Bank of the Republic of China (Taiwan) Accommodations to Banks</i> , effective from November 1, 1994.
Oct. 26	The Post Savings System was permitted to join the Interbank Call-loan Market.
Nov. 1	1. The Bank allowed financial institutions to post interest rates on large-denomination deposits and introduced an interest rate online reporting system.
	2. Securities finance companies were required to withdraw from the Interbank Call-loan Market.
Nov. 24	Foreign currency accommodations interest rates were linked to the 6-month US dollar LIBOR.
Dec. 28	The Bank set the intermediate target zone for M2 growth for 1995 at 10 to 15 percent.
Dec. 31	Authorized banks were allowed to exclude medium- and long-term foreign currency loans for capital expenditure purposes in calculating foreign liabilities, on a case-by-case

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	basis and with the Bank's approval.
1995	<p data-bbox="384 297 1552 443">Jan. 5</p> <p data-bbox="384 443 1552 539">1. The Bank was designated by the Executive Yuan as the agency responsible for developing Taipei into a regional financial center.</p> <p data-bbox="384 443 1552 539">2. The Bank raised the ceiling on the foreign liabilities of authorized banks by about US\$900 million.</p>
	<p data-bbox="384 539 1552 826">Jan. 15</p> <p data-bbox="384 539 1552 826">The Bank amended the <i>Regulation Governing the Foreign Exchange Settlement of Private Sector Inward Remittances</i> and the <i>Regulation Governing the Foreign Exchange Settlement of Private Sector Outward Remittances</i>, shortening the required waiting period of a remittance of more than US\$1 million from 10 business days to 3 business days.</p>
	<p data-bbox="384 826 1552 1162">Jan. 16</p> <p data-bbox="384 826 1552 1162">The Bank allowed firms to hedge the exchange rate risk in respect of the proceeds from and payments for dividends, commissions, rewards for technical services, and foreign direct or portfolio investments through the use of forward contracts. In addition, foreign direct or portfolio investments approved by the government were also allowed to be hedged through the use of swap contracts.</p>
	<p data-bbox="384 1162 1552 1357">Jan. 18</p> <p data-bbox="384 1162 1552 1357">The Bank implemented the <i>Regulations Governing the Central Bank of the Republic of China (Taiwan) Administration of Accommodations Extended by Banks to Securities Finance Companies or Securities Firms</i>.</p>
	<p data-bbox="384 1357 1552 1503">Feb. 27</p> <p data-bbox="384 1357 1552 1503">The Bank raised the discount rate by 30 basis points and the rate on accommodations with collateral by 12.5 basis points to 5.8 percent and 6.0 percent, respectively.</p>
	<p data-bbox="384 1503 1552 1599">Mar. 3</p> <p data-bbox="384 1503 1552 1599">The Bank agreed to remove the ceiling on US\$7.5 billion on investment made by QFIIs as a whole in local securities.</p>
	<p data-bbox="384 1599 1552 1886">Mar. 22</p> <p data-bbox="384 1599 1552 1886">The Bank raised the ceiling on an individual authorized bank's cumulative overbought and oversold foreign exchange positions. The new overbought position limits comprised 3 levels— US\$20 million, US\$30 million and US\$50 million. The new oversold position limits consisted of 2 levels— US\$6 million and US\$10 million.</p>
	<p data-bbox="384 1886 1552 2027">Apr. 29</p> <p data-bbox="384 1886 1552 2027">The Bank increased its provision of seed funds in Japanese Yen from Japanese Yen 10 billion to Japanese Yen 15 billion in the Taipei Foreign Currency Call-loan Market.</p>

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May 1	<p>1. The CBC Interbank Fund-transfers Settlement System (CIFS) was brought into operation. The CIFS enabled its participants to electronically transfer funds. Through the CIFS, participating institutions make large-value payments to adjust reserve account balances at the Bank, and payments associated with interbank call loans, bill and bond transactions, and settlements of interbank net clearing balances from the clearing houses and the Financial Information Service Co. Ltd.</p> <p>2. The Bank allowed authorized banks to engage in cross-currency swaps involving the NT dollar, enabling market participants to hedge against interest rate and exchange rate risks, and to lower their cost of borrowing.</p>
May 18	The Bank raised the ceiling on the foreign liabilities of authorized banks by about US\$1.4 billion.
May 26	The Bank allowed authorized banks to accept L/Cs issued by non-China owned banks or their overseas branches and subsidiaries and accordingly reopen back-to-back L/Cs to a third country, from where the merchandise would be exported to Mainland China.
Jun. 30	The Bank's government information service system formally kicked off and was made available to the public.
Jul. 6	The Bank allowed authorized banks to conduct non-delivery forwards (NDFs) involving the NT dollar.
Jul. 8	The Bank agreed to raise the ceilings on the shareholdings of an individual QFII and QFIIs as a whole in each listed company to 6 percent and 12 percent, respectively.
Jul. 19	The Ministry of Finance and the Bank ruled that total investment in time deposits, money market instruments and government bonds made by an individual QFII should not exceed 30 percent of its net inward remittance.
Jul. 20	The Bank promulgated the <i>Regulations Governing Import and Export Financing by Banks in the Taiwan Area for Indirect Trade with Mainland China</i> , allowing OBUs to engage in transactions of import and export related negotiations and bills collection indirectly with the overseas branches of Mainland China's banks.

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Jul. 25	The Bank lowered the discount rate by 30 basis points and the rate on accommodations with collateral by 12.5 basis points to 5.5 percent and 5.875 percent, respectively.
Aug. 5	The Bank abolished the declaration requirement for settlement of a single foreign exchange receipt and disbursement or transaction with the amount less than NT\$500,000.
Aug. 12	<ol style="list-style-type: none"> <li data-bbox="587 539 1552 633">1. The Bank raised the ceiling on the foreign liabilities of authorized banks by about US\$2.6 billion.</li> <li data-bbox="587 633 1552 831">2. The Bank lowered the required reserve ratios by 1 percentage point on demand deposits, demand savings deposits and checking deposits, and 0.5 of a percentage point on time deposits and time savings deposits.</li> </ol>
Aug. 14	The <i>Directions for Auditing Liquid Reserves of Financial Institutions</i> were amended. The debit balance of interbank call loans and under 1 year redeposits at designated banks held by credit co-operative associations were permitted to be accepted as liquid reserves.
Aug. 23	The Bank modified the <i>Standard of the Credit Cooperative Associations to Join the Interbank Call-loan Market</i> , allowing more cooperative associations to join the interbank call-loan market.
Aug. 30	The Bank promulgated the <i>Regulations Governing the Declarations of Foreign Exchange Receipts and Disbursements or Transactions</i> , and abolished the <i>Regulation Governing the Foreign Exchange Settlement of Private Sector Inward Remittances</i> and the <i>Regulation Governing the Foreign Exchange Settlement of Private Sector Outward Remittances</i> . The waiting period for large-amount foreign exchange settlements was cancelled and direct investors were allowed to make remittances directly with approved documents.
Sep. 4	The Bank agreed to lift the restriction on the period of repatriation of securities investment capital of QFIIs, effective from January 3, 1996.
Sep. 13	The Bank agreed to raise the ceilings on the shareholdings of an individual QFII and QFIIs as a whole in each listed company to 7.5 percent and 15 percent, respectively.
Sep. 25	The Bank lowered the required reserve ratios by 1 percentage

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	point on demand deposits, demand savings deposits and checking deposits, and 0.5 of a percentage point on time deposits and time savings deposits.
Oct. 5	The Bank simplified the remittance procedure for passengers at the airport making remittances within US\$3,000.
Oct. 17	The Bank auctioned the zero coupon bonds for the first time to increase options available to investors.
Oct. 23	The Bank issued the circulated commemorative NT\$10 coins to mark the 50 <sup>th</sup> anniversary of Taiwan's retrocession from Japan.
Nov. 7	The Bank lowered the required reserve ratios by 0.5 of a percentage point on demand deposits, demand savings deposits and checking deposits, and 0.25 of a percentage point on time deposits and time savings deposits.
Nov. 10	The Bank released NT\$100 billion in postal savings re-deposits to refinance bank loans to first-time home buyers, and NT\$15 billion to refinance bank loans to construction companies.
Dec. 4	The Bank joined the Society for World-wide Interbank Financial Telecommunications.
Dec. 5	The Bank raised the ceiling on an individual authorized bank's cumulative overbought and oversold foreign exchange positions. The new overbought/oversold position limits comprised 4 levels—US\$20 million, US\$30 million, US\$40 million and US\$50 million.
Dec. 27	The Bank amended the <i>Regulations Governing the Declaration of Foreign Exchange Receipts and Disbursements or Transactions</i> . Remittances of foreign exchange receipts and disbursements of portfolio investment approved by the competent authority were allowed to be settled directly through the authorized banks with approved documents. The revised regulation became effective on Jan. 1, 1996.
Dec. 28	The Bank set the intermediate target zone for M2 growth for 1996 at 9 to 14 percent.
Dec. 29	The Bank agreed to raise the ceiling on investment in local securities by an individual QFII from US\$200 million to US\$400 million.
Dec. 30	The Bank amended the <i>Regulation on the Establishment of</i>

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		<i>Foreign Exchange Brokers</i> , allowing all foreign money brokers to establish branches in Taiwan with any share holding ratio in their branches or joint venture companies.
1996	Jan. 1	1. The ceiling on inward/outward remittances by a company and a firm was raised from US\$10 million to US\$20 million per year.
		2. The Bank abolished the ceiling of US\$3 billion for all domestic enterprises together on the total amount of euro convertible bonds (ECBs) and global depository receipts (GDRs) that could be converted into NT dollars. The repatriated funds were subject to the following purposes: (1) Feasible investment plans for the construction of factories in Taiwan; (2) Investment in state-planned manufacturers and high-tech industries.
	Jan. 4	The Bank amended the scope of forward foreign exchange trading in which authorized banks were allowed to engage to a negative listing approach.
	Jan. 29	Authorized banks were allowed to conduct foreign currency structured deposits, foreign currency equity forward contracts, foreign currency commodity forward contracts, foreign currency commodity options and foreign currency equity options.
	Feb. 1	The Bank issued a new version of the NT\$50 coins.
	Mar. 4	1. Taiwan's securities market was further opened up to overseas Chinese and foreign nationals (i.e. general foreign individual investors, or GFIs). Each offshore natural person and offshore juristic person were allowed to invest up to US\$5 million and US\$20 million, respectively, per year in the securities market.
		2. The Bank agreed to raise the ceiling on the shares of each listed company held by QFIIs and GFIs as a whole to 20 percent.
	Mar. 8	The Bank lowered the required reserve ratios by 1.25 percentage points on demand deposits, demand savings deposits and checking deposits, and 0.35 of a percentage point on time deposits and time savings deposits.

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Mar. 13	The Bank allowed the holders of Reserve Account B to obtain a pledge from the Bank when necessary.
Mar. 21	The Bank revised the <i>Directions Governing the Central Bank of the Republic of China (Taiwan) Special Financial Accommodations to the Central Deposit Insurance Corp. Ltd.</i>
Apr. 11	1. The <i>Financial Supervision Improvement Project</i> proposed by the Bank and the Ministry of Finance was approved by the Executive Yuan.
	2. The Bank amended the <i>Regulations Governing the Issuance of Gold and Silver Coins and Commemorative Notes and Coins.</i>
May 24	The Bank lowered the discount rate and the rate on accommodations with collateral by 25 basis points each to 5.25 percent and 5.625 percent, respectively.
Jun. 3	The Bank agreed to abolish the restriction that prevented foreigners and overseas Chinese from lending money to a local enterprise by the amount that exceeded three times the capital that they had invested in that enterprise.
Jun. 28	The Bank removed the limitations on duration of foreign exchange forward contracts.
Jun. 29	1. The <i>Regulations Governing the Central Bank of the Republic of China (Taiwan) Commissioning the Central Deposit Insurance Corporation with the Examination of Community Financial Institutions</i> was enacted. According to the new system, grassroots financial institutions would be examined by the Central Deposit Insurance Corporation.
	2. The Bank fully liberalized inward remittances of domestic enterprises that converted the fund raised by issuing ECBs and GDRs into NT dollars for medium- and long-term investment purposes.
Jul. 1	The Bank allowed authorized banks to set their individual foreign exchange oversold and overbought positions subject to the approval of the Bank.
Jul. 8	The Bank expanded the scope and range of consigned overseas portfolio investment made by financial institutions engaged in management of earmarked trust funds.
Jul. 9	The Bank allowed the savings departments of commercial

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	banks to apply for approval to engage in authorized foreign exchange banking businesses.
Aug. 9	The Bank lowered the discount rate and the rate on accommodations with collateral by 25 basis points each to 5 percent and 5.375 percent, respectively.
Aug. 12	The Bank revised the <i>Directions for the Central Bank of the Republic of China (Taiwan) Accommodations to Banks</i> .
Aug. 24	The Bank lowered the required reserve ratios by 0.5 of a percentage point on demand deposits, demand savings deposits and checking deposits, and 0.125 of a percentage point on time deposits and time savings deposits.
Aug. 28	1. Authorized banks were permitted to conduct foreign currency equity swaps.
	2. Authorized banks were allowed to offer foreign currency derivatives in the OTC market upon notifying the Bank.
Sep. 1	The Bank abolished the selective credit controls with regard to obtaining unsecured loans for purchase of land and loans secured against land that were used to construct golf courts.
Sep. 4	The Bank agreed to exempt outright purchase of government bonds from the regulation that funds allocated in time deposit, money market instruments and government bonds shall not exceed 30 percent of the net inward remittance of an individual QFII.
Oct. 5	The Financial Institutions Online Reporting System began operation.
Oct. 16	The Bank allowed domestic enterprises to obtain foreign currency loans from foreign financial institutions and convert these funds into NT dollars for medium- and long-term investments in Taiwan.
Nov. 14	The Board meeting of the Bank approved the proposal of the reserve requirement system reform.
Nov. 15	The Bank launched a Chinese-English website on the World Wide Web.
Nov. 20	The Bank agreed to raise the ceilings on investment in the shares of each listed company held by an individual QFII and GFII and by QFIIs and GFIIIs as a whole to 10 percent and 25 percent, respectively.



Date	Events
Dec. 16	The Bank removed the remaining restrictions regarding the scope of forward foreign exchange transactions.
Dec. 18	The Bank abolished the regulation that banks' deposits at the Bank of Taiwan could serve as their reserves against deposits. The new rule became effective on January 4, 1997.
Dec. 19	The Bank agreed to raise the securities investment ceiling on an individual QFII from US\$400 million to US\$600 million.
Dec. 31	1. The Bank revised the <i>Directions for Auditing Liquid Reserves of Financial Institutions</i> , regulating that banks' eligible liquid assets for liquidity requirements should exclude any banker's acceptances and commercial paper guaranteed or accepted by them. The revised regulation took effect from July 1, 1997.
	2. The Bank set the intermediate target zone for M2 growth for 1997 at 9 to 14 percent.
1997 Jan. 29	Authorized banks were allowed to engage in cross currency swaps involving the NT dollar without delivery of principal at both the beginning and end of the period.
Jan. 31	The Bank initiated foreign exchange swaps involving the NT dollar with authorized banks.
Feb. 5	The Bank consented to the Ministry of Finance's proposal that foreign enterprises could list their stocks on the Taiwan Stock Exchange or the OTC market, and that domestic listed companies could issue their stocks overseas. This regulation took effect on June 30, 1997.
Mar. 11	The Financial Examination Committee was set up to substitute for the Financial Examination Affairs Review Committee as the platform between the Bank and the Ministry of Finance to coordinate and cooperate in financial examination affairs.
Mar. 31	The Bank enacted the <i>Directions for the Central Government Bond Principal and Interest Payment and Stop Payment System</i> to promote the efficiency of redemption, interest payment and stop payment request operation.
Apr. 14	The Bank abolished the <i>Guidelines for the Establishment of the Central Bank of the Republic of China (Taiwan) Special Fund for Medium- and Long-term Credit</i> .
Apr. 23	The Bank and the Ministry of Finance jointly abolished the

Date	Events
	<i>Regulations Governing Accommodations by Banks to Manufacturing Enterprises for Capital Expenditure.</i>
May 2	The Bank amended the <i>Regulations Governing Indirect Remittances to Mainland China by Financial Institutions in the Taiwan Area</i> , allowing OBUs to engage in indirect cross-Strait remittances.
May 8	The Bank permitted authorized banks to conduct currency options involving the NT dollar in the OTC market upon notifying the Bank.
May 20	From 1997 on, the balance of payments statistics published by the Bank would be compiled in accordance with the fifth edition of the <i>Balance of Payments Manual</i> issued by the International Monetary Fund.
May 21	<ol style="list-style-type: none"> <li data-bbox="587 884 1549 1115">1. The Bank amended articles 23 and 44 of the <i>Central Bank of the Republic of China (Taiwan) Act</i>. The amendment lowered the ceilings and cancelled the floors on required reserve ratios on each type of deposits and set the ceilings on the other liabilities.</li> <li data-bbox="587 1122 1549 1346">2. In order to coordinate with the domestic credit rating system, the Bank modified the <i>Directions for Attending on Depository of Trust Fund Reserves of Investment and Trust Companies</i>, adding corporate bonds above certain ranks to be accepted as reserves of trust funds.</li> </ol>
May 22	The Bank abolished the restriction on the foreign liabilities of authorized banks.
May 30	The Bank abolished the <i>Regulation Governing the Central Bank of the Republic of China (Taiwan) Accommodations of the Foreign Exchange Needed by Manufacturers for the Importation of Machinery</i> and the <i>Regulation Governing the Accommodations of the Funding Needs of the Major Exporting Industries and Technology-intensive Industries with a Total Credit Line of US\$600 Million</i> .
Jun. 1	The ceiling on inward/outward remittances by a company and a firm was raised from US\$20 million to US\$50 million per year. Single remittances not exceeding NT\$500,000 were exempted from the annual ceiling.
Jun. 2	The Bank agreed to raise the ceiling on investment made by an

Date	Events
	offshore juristic person from US\$20 million to US\$50 million per year in the securities market.
Jun. 11	<p>The Bank amended articles 4 and 6 of the <i>Regulations Governing the Declaration of Foreign Exchange Receipts and Disbursements or Transactions</i>. Settlements involving foreign exchange receipts and disbursements or transactions shall not be processed until evidence was verified by authorized banks in the following cases:</p> <ul style="list-style-type: none"> <li>(1) A single remittance by a company or a firm with an amount over US\$1 million;</li> <li>(2) A single remittance by an association or an individual with an amount over US\$500,000.</li> </ul>
Jun. 30	The Bank allowed both domestic juristic persons and natural persons to engage in foreign exchange swaps involving the NT dollar without providing documents.
Jul. 2	The Bank promulgated the <i>Regulations Governing Foreign Exchange Control</i> .
Aug. 1	The Bank raised the discount rate and the rate on accommodations with collateral by 25 basis points to 5.25 percent and 5.625 percent, respectively.
Aug. 6	The Bank enacted the <i>Directions for the Operation of Book-Entry Central Government Bonds</i> as the guideline for book-entry government bond related operations.
Aug. 13	The bank modified articles 2, 4, 9 and 10 of the <i>Regulations Governing the Audit and Adjustment of Deposit Reserves of Banks</i> .
Sep. 1	The Bank established a large-value transaction reporting system to monitor capital movements more effectively. Authorized banks were required to report each forward transaction with a value of US\$1 million or above in writing to the Bank.
Sep. 4	The <i>Guidelines Assessing the Audit Tasks of Financial Institutions</i> ceased to apply.
Sep. 13	Each spot transaction with a value of US\$1 million or above by a company or a firm and US\$500,000 or above by an individual or an association should be reported to the Bank by facsimile.

Date	Events
Sep. 23	The Bank introduced the Book-Entry Central Government Bonds System. All government bonds are no longer issued in physical form.
Sep. 25	The Bank lowered the required reserve ratios by 0.75 of a percentage point on demand deposits, demand savings deposits and checking deposits, and 0.15 of a percentage point on time deposits and time savings deposits.
Oct. 8	<p>1. The Bank amended the <i>Offshore Banking Act</i> as follows:</p> <ul style="list-style-type: none"> <li>(1) Expanding the operating scope of OBUs: OBUs were allowed to receive foreign currency deposits from residents and act as broker, agent, custodian or advisor in transactions involving foreign currency securities for both residents and non-residents;</li> <li>(2) Strengthen the risk management of OBUs: The Bank set the Regulations for OBUs, and applied the Banking Act <i>mutatis mutandis</i> to OBUs' credit business;</li> <li>(3) Adjusting OBUs' tax status: OBUs' revenue and income from business with residents were subject to the Business Tax Law and Business Income Tax Law. Interest payments made to residents by OBUs were also subject to the same taxation as those by domestic banking units(DBUs).</li> </ul> <p>2. The Bank extended the maximum period for QFIIs to complete inward remittances for approved investment in local securities from 6 months to 1 year, including inward remittances for settlement and inward remittances of investment principal previously remitted outwards.</p>
Oct. 16	The Bank lowered the required reserve ratios by 1.5 percentage points on demand deposits, demand savings deposits and checking deposits, and 0.5 of a percentage point on time deposits and time savings deposits.
Oct. 17	The Bank revised the <i>Directions for the Central Bank of the Republic of China (Taiwan) Accommodations to Banks</i> to make the interest rates on the accommodations provided by the Bank more reasonable.
Nov. 5	The <i>Regulation for Funds to be Re-deposited by and Accommodated to the Credit Cooperatives</i> was revised.

Date	Events
	Nov. 29 The Ministry of Finance and the Bank jointly drafted the Financial Regulation and Supervision Improvement Plan and sent it to the Executive Yuan for approval.
	Dec. 8 1. The Bank drew up the <i>Guidelines on Managing the Time Deposits of Central Government Agencies</i> . The new guidelines became effective from January 1, 1998. 2. The <i>Guidelines Regarding the Audit of the Liquid Reserves of Financial Institutions</i> were amended. The amended version stipulated that bonds or bills that had been used as collateral be deducted from liquid reserves. In addition, the scope of bank liabilities subject to liquidity asset requirements was also adjusted.
	Dec. 31 1. The Bank set the intermediate target zone for M2 growth for 1998 at 6 to 12 percent. 2. The Bank began to publish a report on the operating performance of domestic banks on a quarterly basis.
1998	Jan. 7 The Bank agreed to raise the ceiling on investment in the shares of each listed company held by an individual QFII and GFII to 15 percent and that held by QFIIs and GFII as a whole to 30 percent.
	Mar. 18 The Bank relaxed remittance procedures for residents under the age of 20.
	Apr. 15 1. The Bank amended the <i>Regulation Governing the Registration of Private Enterprises' Medium- and Long-term Foreign Debt</i> to become the <i>Regulation Governing the Reporting of Private Enterprises' Medium- and Long-term Foreign Debt</i> . 2. The Bank simplified foreign exchange remittance procedures regarding the repayment of principal and interest on private enterprises' medium- and long-term foreign loans.
	May 22 The Bank drafted the <i>Directions for the Management and Sale of Central Government Bonds</i> , and abolished the <i>Guidelines on the Sales of Central Government Bonds by the Central Bank of the Republic of China (Taiwan)</i> , the <i>Guideline for Bidding on Central Government Bonds</i> , and the <i>Regulations for Supervising the Dealers of Central Government Bonds</i> .

Date	Events
May 25	<p>The Bank introduced the following measures with regard to the foreign exchange market:</p> <ul style="list-style-type: none"> <li>(1) Authorized banks were prohibited from using joint accounts to engage in foreign exchange margin trading;</li> <li>(2) Authorized banks and individuals were suspended from engaging in foreign exchange swaps involving the NT dollar;</li> <li>(3) Trading in non-delivery forwards (NDFs) by local juristic persons was suspended.</li> </ul>
May 26	The Bank approved Cosmos Foreign International Co., Ltd.'s application to become a foreign exchange brokerage company.
May 27	The Bank prohibited authorized banks from engaging in transactions of synthetic instruments involving the NT dollar.
Jun. 6	The Bank promulgated the <i>Directions for Banking Enterprises while Assisting Customers to Declare Foreign Exchange Receipts and Disbursements or Transactions</i> .
Jul. 1	The Bank and the Ministry of Finance jointly announced the abolition of the <i>Regulations Governing the Ministry of Finance and the Central Bank of the Republic of China (Taiwan)'s Joint Commissioning the Central Deposit Insurance Corporation with the Examination of Community Financial Institutions</i> .
Jul. 14	The Bank agreed to allow overseas Chinese and foreigners to invest in Taiwan Stock Index Futures for hedging up to a maximum of 30 percent of the remitted funds for domestic portfolio investment.
Aug. 3	The Bank lowered the required reserve ratios by 0.5 of a percentage point on demand deposits, demand savings deposits and checking deposits, and 0.2 of a percentage point on time deposits and time savings deposits.
Aug. 20	The Bank appropriated NT\$30 billion in postal savings re-deposits to assist banks in extending mortgage loans to first-time home buyers.
Sep. 1	The Bank allowed the portion of postal savings re-deposits deducted for special loan purposes to be exempted from reserve requirements.
Sep. 22	General information of financial institutions was posted on the Bank's website.

Date	Events
Sep. 29	1. The Bank lowered the required reserve ratios by 0.5 of a percentage point on demand deposits, demand savings deposits and checking deposits, and 0.2 of a percentage point on time deposits and time savings deposits.
	2. The Bank lowered the discount rate and the rate on accommodations with collateral by 12.5 basis points each to 5.125 percent and 5.50 percent, respectively.
Oct. 7	To strengthen the risk management of financial institutions, the Bank drafted reports on risk management for financial derivatives as well as on the accounting treatment and examination of financial derivatives. Eighty-six authorized banks were invited to review the reports.
Nov.1	The Bank closed a branch of the Treasury Department of the Bank, and simplified procedures with regard to Treasury receipts and payments.
Nov. 5	The Bank appropriated NT\$30 billion in postal savings re-deposits to assist banks in extending project loans for small- and medium-sized business.
Nov. 11	The Bank lowered the discount rate and the rate on accommodations with collateral by 12.5 basis points each to 5.0 percent and 5.375 percent, respectively.
Nov. 16	The Bank raised the remuneration rate on B Accounts of required reserves by 0.3 of a percentage point from 2.4 percent to 2.7 percent.
Nov. 20	The Bank announced the qualifications for setting up book-entry government bond clearing banks, and opened for new applications.
Nov. 25	In order to protect investors' interests, the Bank required that the earmarked trust funds of financial institutions investing in overseas mutual funds should meet certain requirements and that approval should be obtained in advance from the Securities and Futures Commission.
Nov. 27	The Bank amended the <i>Guidelines Regarding Requests for Credit Information in Relation to Bills Transactions</i> .
Dec. 8	The Bank lowered the discount rate and the rate on accommodations with collateral by 25 basis points each to 4.75 percent and 5.125 percent, respectively.

Date	Events
Dec. 23	The Bank's website was established.
Dec. 24	1. The Bank set the intermediate target zone for M2 growth for 1999 at 6 to 11 percent.
	2. The Bank appropriated NT\$30 billion in postal savings re-deposits to assist banks in extending project loans to industries.
Dec. 25	The Bank circulated a pamphlet entitled <i>The Birth of the Euro — 50 Questions &amp; Answers</i> for authorized banks' reference.
Dec. 28	The Bank standardized the definitions of a bank's deposit/loan ratio and net deposit/loan ratio.
Dec. 30	The Bank enacted the <i>Directions for the Conversion of Physical Central Government Bonds to Book-Entry Central Government Bonds</i> for the launch of the conversion operation on Jan. 15, 1999.
Dec. 31	1. The Bank informed authorized banks of the <i>Guidelines Relating to Foreign Exchange Business Involving the Euro</i> .
	2. The Bank released a report on Y2K compliance prepared by the U.S.'s Federal Financial Institutions' Examination Committee (FFIEC) to authorized banks for their reference.
1999 Jan. 1	The Bank appropriated NT\$150 billion from postal savings re-deposits to assist banks in extending preferential housing loans, of which NT\$60 billion was for first-time home buyers, NT\$89.8 billion for the buyers of new housing units, and NT\$0.2 billion for first-time home buyers who are aborigines.
Jan. 7	The Bank raised the remuneration rate on B Accounts of required reserves by 0.5 of a percent point from 2.7 percent to 3.2 percent.
Feb. 2	The Bank lowered the discount rate and the rate on accommodations with collateral by 25 basis points each to 4.5 percent and 4.875 percent, respectively.
Feb. 20	The Bank lowered the required reserve ratios by 3.75 percentage points on demand deposits, demand savings deposits and checking deposits, and 0.35 of a percentage point on time deposits and time savings deposits.
Feb. 25	The Executive Yuan approved the new plate formats of NT\$100, NT\$200, NT\$500, NT\$1,000, and NT\$2,000 notes.



Date	Events
Mar. 18	The Bank promulgated the <i>Directions for the Central Bank of the Republic of China (Taiwan) to Regulate the Acceptance of Re-Deposits from Banks</i> .
Mar. 31	The Bank agreed to raise the ceiling on investment in the shares of each listed company held by an individual QFII and GFII or by QFIIs and GFIIIs as a whole to 50 percent.
Apr. 15	The Bank allowed futures companies to establish branches to engage in brokerage of foreign futures contracts.
May 14	The Bank approved banks' application for offering trade and financial back office services for other authorized banks.
May 15	The amended version of the <i>Central Bank of the Republic of China (Taiwan) Act</i> was passed by the Board of the Bank and was sent to the Executive Yuan for review on May 17, 1999.
May 18	The Bank approved the branches of authorized banks, which were permitted to engage in foreign currency notes and traveler's check business, to prolong business hours subject to approval by the Ministry of Finance.
June	<ol style="list-style-type: none"> <li>1. The Y2K Compliance Plans were posted on the Bank's Internet website.</li> <li>2. The Bank introduced 14-day and 28-day CD/NCDs. Direct purchases were made at the rate and volume set by the Bank, which served as signals of the Bank's current monetary policy stance.</li> </ol>
Jun. 15	The Bank issued the NT\$50 polymer notes to commemorate the 50th anniversary of the issuance of NT Dollar.
Jul. 1	In line with the task of streamlining the provincial government, the treasury operation of the Taiwan provincial government was transferred to the national Treasury.
Jul. 3	The Bank discussed with executives from 15 domestic banks who were in charge of interest rate pricing on the interest rate spread between deposits and loans and on interest rate risk control.
Jul. 7	The amended version of article 23 of the <i>Central Bank of the Republic of China (Taiwan) Act</i> passed by the Executive Yuan on May 21, 1997 took effect.
Jul. 9	The Bank agreed to abolish the restriction on the uses of the inward remittances made by natural persons with regard to

Date	Events
	GDRs issued overseas by local enterprises.
Jul. 13	The Bank conducted target examinations on financial institutions regarding the progress of financial institutions' compliance to the Y2K procedure.
Jul. 21	The Bank released the <i>Year 2000-Related Fraud Prevention</i> and the <i>Year 2000-Related Fraud Advisory</i> , both prepared by the U.S. Federal Financial Institutions' Examination Committee (FFIEC), to domestic banks for their reference.
Jul. 28	The Bank modified the full text of the <i>Regulations Governing the Audit and Adjustment of Deposit Reserves of Banks</i> , and renamed it as the <i>Regulations Governing the Audit and Adjustment of Deposit and Other Liability Reserves of Financial Institutions</i> .
Aug. 6	The Bank enacted the <i>Directions Governing Designated Dealers for Open Market Operations</i> .
Aug. 20	The Bank issued 4-month NCDs for the first time with a 4.90 percent interest rate.
Aug. 25	The Bank issued 5-month NCDs for the first time with a 4.95 percent interest rate.
Sep. 21	After the September 21 earthquake, the Bank appropriated NT\$100 billion, NT\$10 billion, NT\$5 billion and NT\$2 billion from postal savings re-deposits to assist banks in extending loans to house reconstruction borrowers, schools, hospitals and religious institutions, respectively, in the quake-hit area.
October	The Bank conducted the second Y2K-compliance rehearsal with domestic financial institutions and the general public.
Oct. 7	To meet the liquidity needs of small- and medium-sized businesses with regard to earthquake reconstruction, the Bank amended the guidelines for appropriation of postal savings re-deposits and for banks to extend project loans.
Oct. 28	The Bank approved the authorized banks' application for offering trade and financial back office services to other OBUs.
Nov. 12	In response to the Y2K crisis, the Bank provided authorized banks with sufficient foreign exchange liquidity through foreign exchange call loans or currency swaps.
Nov. 20	The Bank agreed to raise the ceiling on investment made by an individual QFII from US\$0.6 billion to US\$1.2 billion.

Date		Events
	Nov. 29	In compliance with the financial statistics of the Bank for International Settlements, the Bank invited domestic banks and branches of foreign banks to discuss issues regarding the country risk exposure statistics.
	December	The Bank set up the Y2K Contingency Center.
	Dec. 3	The Bank drew up the guidelines regarding the financing needs arising from the Y2K crisis. The implementation period was from December 3, 1999 to the end of February 2000.
	Dec. 20	The Bank allowed authorized banks to deal with foreign exchange business not involving NT dollars during prolonged business hours as approved by the Ministry of Finance.
	Dec. 23	The Bank set the intermediate target zone for M2 growth for 2000 at 6 to 11 percent.
	Dec. 28	The Bank required domestic banks and branches of foreign banks to submit statistics regarding country risk exposure on a quarterly basis.
	Dec. 31	To encourage capital movement in terms of both inflows and outflows, the Bank allowed local securities investment trust companies to use funds raised from the domestic market to invest in foreign securities.
2000	Jan. 4	The Bank agreed to allow an NT\$60 billion annual quota (divided into NT\$30 billion for the first and latter half of the year) for domestic securities investment trust companies to raise funds from the domestic market to invest in foreign securities.
	Jan. 17	All fund transfers between the Bank and participating banks due to open market operations, the discount window, foreign currency trading and other businesses shall be made online through the CIFS network.
	Jan. 26	<i>The Regulations Governing the Issuance of New Taiwan Dollar by the Central Bank of the Republic of China (Taiwan)</i> was promulgated. The Bank no longer delegated issuance of the NT dollar to the Bank of Taiwan.
	Feb. 5	In compliance with the <i>Temporary Statute for 921 Earthquake Post-Disaster Reconstruction</i> , the Bank drew up the <i>Scope, Method, and Procedures for Applications for Subsidies by Financial Institutions Assuming Disaster-Area Resident Homes</i>

Date	Events
	<i>and Land.</i>
Feb. 16	The Bank amended the <i>Directions for Issuance of Certificates of Deposit</i> . The Bank started to issue CD/NCDs with maturities of 91-, 182-, 364-days, and 2-years.
Feb. 18	The procedure of foreign exchange purchase and sale for passengers at international airports was simplified. For exchanges not exceeding US\$5,000, the passengers were only required to show their passports.
Mar. 4	The Bank agreed to raise the quota that domestic securities investment trust companies were allowed to raise from the domestic market to invest in foreign securities for the first half of the year from NT\$30 billion to NT\$45 billion. The annual quota remained NT\$60 billion.
Mar. 24	The Bank raised the discount rate and the rate on accommodations with collateral by 12.5 basis points to 4.625 percent and 5 percent, respectively.
Apr. 1	The Bank modified the <i>Directions for the Central Bank of the Republic of China (Taiwan) to Regulate the Acceptance of Re-Deposits from Banks</i> .
Apr. 15	<ol style="list-style-type: none"> <li data-bbox="584 1167 1552 1361">1. The Bank promulgated the <i>Regulations Governing the Entrustment to the Bank of Taiwan of Matters Associated with the Issuance of the New Taiwan Dollar by the Central Bank of the Republic of China (Taiwan)</i>.</li> <li data-bbox="584 1361 1552 1559">2. The Bank amended the <i>Regulations Governing the Issuance of Gold and Silver Coins and Commemorative Notes and Coins</i> and the <i>Regulations Governing the Issuance of the New Taiwan Dollar in the Kinmen and Matsu Area</i>.</li> </ol>
May 8	The Bank reallocated NT\$3 billion from special loans to small- and medium-sized enterprises to special loans for manufacturing enterprises. After the reallocation, the credit line for special loans extended to small- and medium-sized enterprises became NT\$27 billion, while that extended to manufacturing enterprises was NT\$33 billion.
Jun. 1	Domestic branches of authorized banks, through delegation by their own OBUs, were allowed to do foreign exchange business relating to exports and imports for offshore customers.
Jun. 21	The Bank revised liquid asset requirements for banks by

Date	Events
	dividing eligible assets into three categories.
Jun. 27	The Bank raised the discount rate and the rate on accommodations with collateral by 12.5 basis points to 4.75 percent and 5.125 percent, respectively.
Jul. 3	<ol style="list-style-type: none"> <li data-bbox="587 439 1546 495">1. The Bank issued a new version of the NT\$1,000 notes.</li> <li data-bbox="587 495 1546 680">2. The <i>Guideline on the Procedure of Book-Entry Central Government Bonds</i> was revised. Qualifications for foreign banks applying to become clearing banks for book-entry central government bonds were clearly defined.</li> </ol>
Jul. 17	The bank raised the remuneration rate on B Accounts of required reserves by 0.8 of a percentage point from 3.2 percent to 4 percent.
Aug. 1	The durations of re-deposits in the Bank deposited by the Postal Savings System were changed to 2 years for both matured re-deposits and newly-added re-deposits.
Aug. 14	The Ministry of Finance, the Ministry of the Interior and the Bank jointly initiated a preferential housing loan package worth NT\$320 billion to help boost the real estate market and relieve the mortgage burden on home buyers.
Aug. 16	The Bank modified articles 8 and 17 of the <i>Regulations Governing the Audit and Adjustment of Deposit and Other Liability Reserves of Financial Institutions</i> .
Sep. 13	The Bank revised the <i>Regulations for Funds to be Re-deposited by and Accommodated for the Credit Cooperatives</i> .
Oct. 1	In line with the reasonable structure of reserve requirements, the Bank lowered the required reserve ratio on checking deposits by 1.5 percentage points and on time deposits by 0.75 of a percentage point, and raised the required reserve ratio on demand savings deposits by 1 percentage point.
Oct. 20	<ol style="list-style-type: none"> <li data-bbox="587 1644 1546 1744">1. The Bank agreed to raise the ceiling on investment made by an individual QFII from US\$1.2 billion to US\$1.5 billion.</li> <li data-bbox="587 1744 1546 2029">2. The Ministry of Finance and the Bank jointly promulgated the <i>Directions for the Extension of Special Loans and Special Credit Guarantees to Traditional Industries by Financial Institutions</i>, effective on October 25, 2000. The upper limit of funds for local banks as a whole for this purpose was NT\$450 billion.</li> </ol>

Date	Events
Nov. 1	The Bank revised the <i>Directions for Bidding Certificates of Deposit Issued by the Central Bank of the Republic of China (Taiwan)</i> . The price bid submitted in the tender procedure was replaced by the interest rate bid.
Nov. 3	The Bank modified the <i>Directions for Handling Legally Required Reserves against Re-deposited Deposits of Grassroots Financial Institutions</i> .
Nov. 13	The <i>Guidelines for the Central Bank of the Republic of China (Taiwan) Allocating Postal Savings Re-deposits for Banks to Provide Special Loans to Small and Medium-sized Enterprises</i> were revised. The timeframe for banks to extend such loans was prolonged by one year to November 5, 2001.
Nov. 21	The Bank agreed to raise the ceiling on investment made by an individual QFII from US\$1.5 billion to US\$2 billion.
Nov. 24	The Bank revised the approved business scope of financial institutions using earmarked trust funds to invest in foreign securities and restricted financial institutions doing such business from being involved in the sale of foreign mutual funds.
Dec. 8	<ol style="list-style-type: none"> <li data-bbox="587 1173 1552 1547">1. The Bank revised the <i>Regulations Governing the Audit and Adjustment of Deposit and Other Liability Reserves of Financial Institutions</i>. Regulations concerning the definition of savings deposits and the Bank's right of punishment were added. The reserve requirements of foreign currency deposits of financial institutions were defined as limited only to those deposited with the Foreign Exchange Department of the Bank.</li> <li data-bbox="587 1547 1552 1688">2. The Bank imposed a 5 percent reserve requirement on newly-taken foreign currency deposits held by the DBUs of financial institutions.</li> </ol>
Dec. 15	The Bank issued a new version of the NT\$500 notes.
Dec. 28	The Bank set the intermediate target zone for M2 growth for 2001 at 5 to 10 percent.
Dec. 29	<ol style="list-style-type: none"> <li data-bbox="587 1852 1552 1980">1. The Bank lowered the discount rate and the rate on accommodations with collateral by 12.5 basis points to 4.625 percent and 5 percent, respectively.</li> <li data-bbox="587 1980 1552 2027">2. The required reserve ratio on newly-taken foreign currency</li> </ol>

Date		Events
		deposits held by the DBUs of financial institutions was raised from 5 percent to 10 percent.
2001	Jan. 1	1. The Bank promulgated the <i>Guidelines Governing Financial Institutions in Kinmen and Matsu Engaging in Remittances with Mainland China Regarding Inbound and Outbound Goods and Staff</i> and the <i>Regulations Governing Settlements of Purchase and Sale of Foreign Currency Notes and Traveler's Checks by Mainland Residents</i> .
		2. Except for a few specific industries, the Bank agreed to remove the ceiling on investment in the shares of each listed company held by an individual QFII and GFII or by QFIIs and GFII as a whole.
	Jan. 8	Residents of Mainland China bearing travel documents may sell foreign exchange with the amount of each transaction not exceeding US\$100,000.
	Feb. 2	The Bank lowered the discount rate and the rate on accommodations with collateral by 25 basis points to 4.375 percent and 4.75 percent, respectively.
	Feb. 23	The Bank promulgated the <i>Directions for Electronic Bidding for Central Government Bonds and Treasury Bills</i> .
	Mar. 1	The Electronic Bidding System was introduced to bond auctions to enhance operational efficiency.
	Mar. 6	The Bank lowered the discount rate and the rate on accommodations with collateral by 12.5 basis points to 4.25 percent and 4.625 percent, respectively.
	Mar. 30	The Bank lowered the discount rate and the rate on accommodations with collateral by 12.5 basis points to 4.125 percent and 4.5 percent, respectively.
	Apr. 18	The Bank amended article 7 of the <i>Regulations Governing the Audit and Adjustment of Deposit and Other Liability Reserves of Financial Institutions</i> . The amendment took effect on April 23, 2001.
	Apr. 20	The Bank amended the scope for financial institutions to use earmarked trust funds to invest in foreign securities. The funds may not invest in China-owned companies listed in Hong Kong or companies with more than 35 percent shares owned by the government or enterprises in Mainland China.

Date	Events
Apr. 23	The Bank lowered the discount rate and the rate on accommodations with collateral by 12.5 basis points to 4 percent and 4.375 percent, respectively.
May 1	The Bank agreed to extend the timeframe for inward remittances of approved equity funds by QFIIs from 1 year to 2 years.
May 16	The Bank allowed authorized banks to engage in foreign currency (not involving NT dollars) derivatives business upon submitting the following documents: (1) compliance declaration, (2) legal paper approved by the board of domestic banks or authorized by the head office of foreign banks, (3) risk disclosure statements, and (4) qualified and experienced personnel lists.
May 18	1. The Bank lowered the discount rate and the rate on accommodations with collateral by 25 basis points to 3.75 percent and 4.125 percent, respectively. The rate on accommodations without collateral was also lowered from 9.625 percent to 6.0 percent.
	2. To streamline the application procedure for electronic banking business involving foreign currencies, authorized banks were allowed to directly submit the operation plans to the Bank for approval.
Jun. 1	The Bank amended the <i>Directions for the Management and Sale of Central Government Bonds</i> . Domestic insurance companies were thus allowed to apply as central government bond dealers.
Jun. 26	1. The Bank amended the <i>Regulations Governing Approvals of Banks to Engage in Financial Activities between the Taiwan Area and the Mainland China Area</i> , allowing OBUs to conduct financial activities with foreign banks' branches in Mainland China, overseas branches of China-based banks, and overseas legal entities, groups, institutions and individuals from Mainland China.
	2. Upon approval, domestic banks were allowed to set up representative offices in Mainland China to gain a better understanding of their borrowers with investments in Mainland China and to provide consultation to Taiwanese



Date	Events
	businesses in Mainland China.
Jun. 27	In line with the new rule of check credit record management effective on July 1, 2001, the Bank revised the <i>Regulations Governing the Administration of Negotiable Instrument Clearing Business by the Central Bank of the Republic of China (Taiwan)</i> .
Jun. 29	<ol style="list-style-type: none"> <li>1. The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 25 basis points to 3.5 percent, 3.875 percent and 5.75 percent, respectively.</li> <li>2. The Bank agreed to allow life insurance companies to invest in foreign securities by conducting swaps or cross currency swaps.</li> </ol>
Jul. 1	The Bank implemented a new rule of check credit record management. The new system was governed by checking account agreements among clearing houses, banks, and the account holders, which define the rights and obligations of each party with regard to keeping and handling records of dishonored checks and dishonored accounts.
Jul. 2	The Bank issued a new version of the NT\$100 note.
Jul. 9	The Bank issued NT\$20 coins for the first time.
Jul. 17	The Ministry of Finance accepted the Bank's proposal to issue NT\$40 billion of central government bonds with a maturity of 30 years.
Aug. 1	The Bank revised the <i>Guideline on the Procedure of the Book-Entry Central Government Bonds</i> , and promulgated the <i>Directions for the Sale and Buyback of Treasury Bills</i> .
Aug. 20	The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 25 basis points to 3.25 percent, 3.625 percent and 5.5 percent, respectively.
Aug. 27	The total amount of funds for local banks as a whole to extend preferential housing loans was increased from NT\$320 billion to NT\$520 billion.
Sep. 19	The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 50 basis points to 2.75

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	percent, 3.125 percent and 5 percent, respectively.
Oct. 4	<ol style="list-style-type: none"> <li data-bbox="587 309 1552 488">1. The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 25 basis points to 2.5 percent, 2.875 percent and 4.75 percent, respectively.</li> <li data-bbox="587 495 1552 730">2. The Bank lowered the required reserve ratio on checking deposits, demand deposits, demand savings deposits, time deposits, time savings deposits, and foreign currency deposits to 10.75 percent, 9.775 percent, 5.5 percent, 5 percent, 4 percent, and 5 percent, respectively.</li> <li data-bbox="587 736 1552 875">3. The Bank lowered the remuneration rate on B Accounts of required reserves by 1.5 percentage points from 4 percent to 2.5 percent.</li> </ol>
Oct. 5	Treasury bills were incorporated into the Central Government Securities Settlement System (CGSS) and issued in a book-entry form for the first time. The auction procedure for Treasury bills was changed from a multiple price auction to a single interest rate auction.
Oct. 19	The total amount of funds for local banks as a whole to extend preferential loans and credit guarantees to traditional industries was increased from NT\$450 billion to NT\$750 billion.
Nov. 2	Domestic branches of banks were allowed to act on behalf of their OBUs to make outward remittances for nonresidents.
Nov. 4	The Bank lowered banks' minimum portion of required reserves kept in B Accounts from 60 percent to 55 percent.
Nov. 5	The timeframe for banks to extend special loans to small- and medium-sized enterprises was extended by one year to November 4, 2002.
Nov. 8	<ol style="list-style-type: none"> <li data-bbox="587 1610 1552 1794">1. The foreign exchange settlements relating to the borrowings of domestic companies from their overseas subsidiaries and the repayments thereof were excluded from the US\$50 million annual remittent ceiling set by the Bank.</li> <li data-bbox="587 1800 1552 1984">2. The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 25 basis points to 2.25 percent, 2.625 percent and 4.5 percent, respectively.</li> <li data-bbox="587 1991 1552 2029">3. The Bank lowered the required reserve ratio on foreign</li> </ol>

Date	Events
	currency deposits to 2.5 percent.
Nov. 13	The Bank agreed to raise the securities investment ceiling on an individual QFII from US\$2 billion to US\$3 billion.
Nov. 16	The Bank amended the <i>Regulations Governing Approvals of Banks to Engage in Financial Activities Between the Taiwan Area and the Mainland China Area</i> , allowing overseas branches of domestic banks and OBUs to conduct financial activities directly with China-based banks, and legal entities, groups, institutions and individuals in Mainland China. OBUs are therefore able to offer services directly to the Taiwanese businesses in Mainland China.
Dec. 7	For domestic securities investment trust companies that applied by the end of 2002 to raise funds from the domestic market to invest in foreign securities, the Bank agreed to set the aggregate ceiling at NT\$60 billion.
Dec. 27	The Bank set the intermediate target zone for M2 growth for 2002 at 3.5 to 8.5 percent.
Dec. 28	The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 12.5 basis points to 2.125 percent, 2.5 percent and 4.375 percent, respectively.
Dec. 31	The Bank amended articles 2 and 6 of the <i>Regulations Governing the Declaration of Foreign Exchange Receipts and Disbursements or Transactions</i> regarding the definition of declarers, the competent appointment of proxies, and the declaration of foreign nationals and foreign legal entities without obtaining residential certificates or registration from the government.
2002 Jan. 1	Authorized banks were required to report online the forward transactions valued at above US\$1 million and the large-value spot transactions of foreign exchange by individuals (above US\$0.5 million) and companies (above US\$1 million) to the Bank to enhance efficiency and to detect abnormal transactions or dishonest declaration.
Jan. 2	The Bank issued the NT\$200 note for the first time.
Jan. 11	The Bank amended the <i>Directions for the Management and Sale of Central Government Bonds</i> , relaxing the qualifications

Date	Events
	of central government bond dealers who can participate in central government bond tender sales and placements.
Feb. 15	The Bank allowed banks to conduct direct remittances and trade-related business between Taiwan and Mainland China.
Mar. 30	The Bank amended articles 3, 6, 6-1 and 6-2 of the <i>Regulations Governing the Declaration of Foreign Exchange Receipts and Disbursements or Transactions</i> . Qualified declarers were allowed to use the internet via authorized banks to file foreign exchange transactions.
Apr. 11	The total amount of funds for local banks as a whole to extend preferential housing loans was increased from NT\$520 billion to NT \$720 billion.
Apr. 26	<ol style="list-style-type: none"> <li>1. The Bank issued a new version of the NT\$50 coin.</li> <li>2. The Bank allowed foreign exchange brokers to conduct NT dollar derivatives transactions.</li> </ol>
Jun. 5	The newly added articles 18-1, 18-2 and 18-3 and amended articles 32 and 35 of the <i>Central Bank of the Republic of China (Taiwan) Act</i> were promulgated by the President.
Jun. 7	The Taipei Clearing House adopted automated clearing house (ACH) system.
Jun. 13	The Bank allowed the Taipei FOREX Company and the Comos Foreign Exchange International Co., Ltd. to conduct interbank NT dollar interest rate swap (IRS) brokerage business.
Jun. 28	<ol style="list-style-type: none"> <li>1. The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 25 basis points to 1.875 percent, 2.25 percent and 4.125 percent, respectively.</li> <li>2. The Bank lowered the required reserve ratio on foreign currency deposits from 2.5 percent to 0.125 percent.</li> </ol>
Jul. 1	The Bank issued the NT\$2,000 note for the first time.
Jul. 2	<ol style="list-style-type: none"> <li>1. The Regional Clearing and Central Settlement System was launched to shorten the time of processing checks. Under this system, physical checks are cleared in regional centers first.</li> <li>2. The Bank agreed to approve an additional amount of NT\$100 billion for domestic securities investment trust companies to raise funds from the domestic market and</li> </ol>

Date	Events
	invest in foreign securities.
Jul. 8	The Bank revised the <i>Directions for the Central Bank of the Republic of China (Taiwan) to Govern Electronic Interbank Funds Transfer and Settlement</i> , the <i>Directions for Auditing Liquid Reserves of Financial Institutions</i> and the <i>Directions for the Central Bank of the Republic of China (Taiwan) Accommodations to Banks</i> . The Bank also enacted the <i>Directions for the Conduct of Intraday Overdrafts of the Central Bank of the Republic of China (Taiwan)</i> . All directions mentioned above took effect on September 16, 2002.
Jul. 12	The Bank modified the <i>Directions for Attending on Depository of Trust Fund Reserves of Investment Trust Companies</i> . The major amendment was that the NCDs issued by the Bank and banks' subordinated debentures rated over a certain rank were allowed to serve as reserves of trust funds.
Jul. 31	In line with the revised the <i>Central Bank of the Republic of China (Taiwan) Act</i> and the reorganization of 16 district clearing houses into a single juristic person, the Bank revised <i>Regulations Governing the Administration of Negotiable Instrument Clearing Business by the Central Bank of the Republic of China (Taiwan)</i> .
Aug. 2	The Ministry of Finance and the Bank allowed local banks and Taiwan Post Co. to conduct four additional items in direct remittances between Taiwan and Mainland China. The OBUs of local banks were also allowed to conduct loan and factoring business with Taiwanese businesses in China.
Aug. 7	The <i>Directions for Auditing Liquid Reserves of Financial Institutions</i> were amended. Bank's funds raised via repurchase agreements should be treated as part of reservable liabilities. The subordinated debentures held by banks were permitted to be treated as liquid reserves.
Aug. 15	Foreign investors were authorized to invest in domestic equities through private placement, including the equities of exchange-listed companies, OTC-listed companies, and Emerging Stock Board companies. Foreign investors were also permitted to invest in the above companies' privately placed overseas corporate bonds, global depository receipts, and

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	stocks listed in foreign markets. The new system took effect on October 1, 2002.
Aug. 16	The Bank raised the US dollar seed fund for the Taipei Foreign Currency Call-loan Market from US\$10 billion to US\$20 billion.
Sep. 16	<ol style="list-style-type: none"> <li data-bbox="587 488 1552 633">1. The Bank operated the CBC Interbank Funds Transfer System (CIFS) through a new real-time gross settlement (RTGS) mechanism.</li> <li data-bbox="587 633 1552 824">2. The total amount of funds for local banks as a whole to extend preferential loans and credit guarantees to traditional industries was increased from NT\$750 billion to NT\$1,050 billion.</li> </ol>
Sep. 19	The Ministry of Finance and the Bank allowed domestic securities investment trust companies to extend the investment scope of discretionary accounts to include foreign securities.
Oct. 15	The Bank amended the <i>Regulations Governing the Issuance of Gold and Silver Coins and Commemorative Notes and Coins</i> and promulgated the <i>Regulations on the Handling of Counterfeit, Altered, and Imitation New Taiwan Dollar Notes and Coins by Financial Institutions</i> .
Nov. 1	The Bank assisted 16 district clearing houses to consolidate into a single juridical person. To complete the legal procedure, the Taiwan Payments Clearing System Development Foundation and the Taiwan Clearing House (TCH) were established. The TCH continued the regional check clearing business.
Nov. 4	The Bank agreed to allow authorized banks to conduct foreign currency structured loans.
Nov. 12	<ol style="list-style-type: none"> <li data-bbox="587 1597 1552 1798">1. The Bank lowered the discount rate, the rate on accommodations with collateral and the rate on accommodations without collateral by 25 basis points to 1.625 percent, 2.0 percent and 3.875 percent, respectively.</li> <li data-bbox="587 1798 1552 1933">2. The Bank lowered the remuneration rate on B Accounts of required reserves by 0.25 percentage points from 2.5 percent to 2.25 percent.</li> </ol>
Nov. 22	The Bank allowed financial institutions to broaden the investment scope of earmarked trust funds to include foreign

Date	Events
	exchange traded funds (ETFs) and depository receipts.
Dec. 16	The book-entry central government securities were allowed to serve as collateral lodged at the Court.
Dec. 26	To keep abreast of the diversification and innovation of financial products, the Bank set the target zones for both M2 and M2 plus bond funds to facilitate a more comprehensive reference. The Bank set the target zones for M2 growth at 1.5 percent to 5.5 percent, and for M2 plus bond funds growth at 3.0 percent to 7.0 percent for the year 2003.
2003	Jan. 3 The Bank agreed to allow authorized banks to conduct foreign currency structured products comprising foreign currency derivatives and NT dollar derivatives.
	<p>Jan. 7</p> <ol style="list-style-type: none"> <li>1. The Bank agreed to allow foreign investment institutions to trade NT dollar interest rate derivatives should they already have cash positions in government bonds, time deposits and money market instruments.</li> <li>2. The Bank agreed to abolish the requirement for foreign investors that the total market value of their open positions of futures contracts should not exceed 30 percent of the market value of their spot positions.</li> </ol>
	Jan. 14 The total amount of funds for local banks as a whole to extend preferential housing loans was increased from NT\$720 billion to NT\$920 billion.
	Feb. 14 The Bank lifted supporting document requirements for firms conducting NT dollar/foreign currency cross currency swap transactions with the exchange of principals both at the outset and maturity.
	Feb. 17 The Bank agreed to allow credit departments of farmers' associations and fishermen's associations to engage in the purchase and sale of foreign currency notes and traveler's checks.
	Feb. 26
	<ol style="list-style-type: none"> <li>1. The Bank agreed to allow foreign investors to trade options on convertible bonds but the amount of premium must comply with the regulation that funds allocated in time deposit, money market instruments and government bonds shall not exceed 30 percent of the net inward remitted capital of a single foreign investor.</li> </ol>

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	2. The Bank agreed to allow foreign investors to invest in securities of exchange-listed companies, OTC-listed companies, and Taiwan Emerging Stock Board listed companies, via tender offer.
Mar. 1	The Bank lowered the fixed interest rate on the 921 earthquake mortgage loans from 3 percent to 2 percent.
Mar. 21	The Bank lowered the remuneration rate on B Accounts of required reserves from 2.25 percent to 1.75 percent.
Apr. 10	The Bank introduced a new reopen system for additional issues of outstanding government bonds to establish a benchmark yield curve to increase bond market liquidity.
Apr. 28	The Bank established an online network system for its open market operations with designated dealers.
Apr. 30	The Bank amended the <i>Regulations Governing the Declaration of Foreign Exchange Receipts and Disbursements or Transactions</i> to integrate all the regulations related to the declaration of foreign exchange settlements.
May 7	In line with the amendment of the <i>Regulations Governing the Declaration of Foreign Exchange Receipts and Disbursements or Transactions</i> , the <i>Guidelines for Authorized Banks on Assisting Customers to Declare Foreign Exchange Receipts and Disbursements or Transactions</i> were renamed as the <i>Directions for Banking Enterprises while Assisting Customers to Declare Foreign Exchange Receipts and Disbursements or Transactions</i> and its full text was amended.
May 16	The Bank amended the <i>Directions Governing Designated Dealers for Open Market Operations</i> , effective June 16, 2003. The designated dealers for open market operations are classified into two categories, general designated dealers and primary dealers in the central government bond market.
May 29	The Bank agreed to allow authorized banks to act as agents on behalf of their OBUs to conduct offshore foreign currency loans to provide more efficient services to overseas Taiwanese businesses.
Jun. 12	The Bank agreed to relax the restrictions on foreign enterprises to raise funds in Taiwan by issuing the Taiwan Depositary Receipts (TDRs).



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Jun. 27	<p>1. The Bank lowered the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 25 basis points to 1.375 percent, 1.75 percent and 3.625 percent, respectively.</p> <p>2. The Bank agreed to allow QFIIs to participate in the domestic securities lending market.</p>
Jul. 9	<p>The Bank consented to adopt the following measures related to the liberalization of foreign portfolio investments:</p> <p>(1) Abolishing the US\$3 billion investment cap on an individual QFII;</p> <p>(2) Abolishing the 2-year mandatory validity for inward remittances of QFIIs' approved investment quota;</p> <p>(3) Abolishing the asset scale limit in the required qualifications of QFIIs.</p>
Jul. 23	<p>The Bank promulgated the <i>Regulations Governing Foreign Exchange Business of Banking Enterprises</i>. The definition of banking enterprises in this regulation includes banks, credit cooperatives, credit departments of farmers' and fishermen's associations, and the Taiwan Post Co. Meanwhile, the Bank may take actions pursuant to the provisions of the <i>Administrative Execution Law</i> against any banking enterprise that fails to operate in accordance with the provisions of the aforementioned Regulations.</p>
Aug. 6	<p>The Bank allowed banks' OBU's to engage in the business of renminbi non-deliverable forwards and renminbi non-deliverable options.</p>
Aug. 22	<p>The total amount of funds for local banks as a whole to extend the preferential housing loans was increased from NT\$920 billion to NT\$1,200 billion.</p>
Aug. 25	<p>The Bank agreed to remove the ceiling on the total amount of funds raised by local securities investment trust companies from Taiwan to invest in overseas securities.</p>
Sep. 1	<p>The total amount of funds for local banks as a whole to extend the preferential loans and credit guarantees to traditional industries was increased from NT\$1,050 billion to NT\$1,400 billion.</p>
Sep. 9	<p>The Bank agreed to allow the initial principal of principal</p>

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	guaranteed funds raised by local investment trust companies to be invested in overseas securities.
Sep. 15	The Bank modified the <i>Regulations Governing the Audit and Adjustment of Deposit and Other Liability Reserves of Financial Institutions</i> .
Sep. 29	Under the guidance of the Bank, the Taiwan Clearing House (TCH) established the first eCheck system in Asia.
Oct. 2	The Bank agreed to abolish the QFII system and adopt a new registration-based scheme to streamline the administration of foreign portfolio investment. Foreign investors investing in domestic securities were reclassified into Foreign Institutional Investors (FINIs) and Foreign Individual Investors (FIDIs). Each FIDI may invest up to US\$5 million, while FINIs are not subject to any ceiling.
Oct. 22	The Bank agreed to allow securities investment trust companies to launch foreign currency-denominated funds in the domestic market.
Nov. 1	The Bank lowered the fixed interest rate on the 921 earthquake house-repairing loans from 3 percent to 2 percent.
Dec. 26	The Bank agreed to allow local securities investment trust companies investing abroad to trade foreign currency options for the purpose of hedging.
Dec. 29	The Bank set the intermediate target zones for M2 growth at 2.5 percent to 6.5 percent, and for M2 plus bond funds growth at 4 percent to 8 percent for the year 2004.
2004 Feb. 3	The Bank agreed to allow foreign investors to invest in money market mutual funds. This investment amount, plus the investment amount of repos, other money market instruments, and margins on futures and time deposits, shall not exceed 30 percent of total remittances.
Mar. 29	The Bank lowered the remuneration rate on B Accounts of required reserves from 1.75 percent to 1.5 percent.
Apr. 2	The Bank assisted the Ministry of Finance to set up the Bills Central Depository Clearing-Settlement System with a direct link to the CBC Interbank Fund-transfers Settlement System (CIFS).

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Apr. 7	The Bank amended the <i>Directions for Banking Enterprises while Assisting Customers to Declare Foreign Exchange Receipts and Disbursements or Transactions</i> . The directions regarding the remittance documents to be certified by banking enterprises were revised.
Apr. 12	The Bank amended the <i>Directions for Electronic Bidding for Central Government Bonds and Treasury Bills</i> . The bidding certification was changed to IC cards.
May 12	The Bank revised the <i>Directions for Issuance of Certificates of Deposit by the Central Bank of the Republic of China (Taiwan)</i> .
May 21	The Bank agreed to allow local financial institutions to offer intra-day overdraft facilities and temporary advances to foreign investors.
May 26	The Bank amended the <i>Regulations Governing Foreign Exchange Business of Banking Enterprises</i> to allow authorized banks to conduct 33 items of foreign exchange derivatives business not involving the NT dollar by notifying the Bank after such business has commenced.
May 30	The total amount of funds for local banks as a whole to extend the preferential housing loans was increased from NT\$1.2 trillion to NT\$1.5 trillion.
Jun. 8	The Bank amended the scope and range of consigned overseas portfolio investment made by financial institutions engaging in management of earmarked trust funds. The minimum rating grade requirement for investable foreign bonds was lowered from A to BBB.
Jun. 17	1. The Bank amended the <i>Directions for the Management and Sale of Central Government Bonds</i> to change the bond auction system from the multiple-price format to the single-price format. All successful bidders were required to pay at the price equivalent to the highest accepted yield.
	2. The Bank no longer reviews the remittance of investment principal and returns on domestic securities of foreign institutional investors.
	3. The Bank agreed to allow foreign investors to hedge their futures positions and repatriate proceeds from selling borrowed securities.

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Jun. 30	The Bank released Taiwan's International Investment Position (IIP) Statistics in accordance with the Special Data Dissemination Standard (SDDS) of the International Monetary Fund from June 2004 onwards. Yearend IIP data will be regularly released at the end of next June.
Jul. 1	The Financial Supervisory Commission of the Executive Yuan was established. The Bank will no longer undertake the responsibilities of financial supervision except for those related to the Bank's monetary, credit and foreign exchange policies.
Jul. 20	Foreign investors were allowed to authorize their local agents to open foreign exchange deposit accounts with local financial institutions in the name of exclusive depository accounts. Balance of the foreign exchange deposit account was excluded in calculating inward remittances of principal by foreign investors.
Sep. 3	The <i>Procedures and Enforcement for Financial Institutions Violating the Regulations Issued by the Central Bank of the Republic of China (Taiwan)</i> was issued.
Sep.8	Securities investment trust enterprises only needed to apply to the Bank when raising foreign currency denominated mutual funds in Taiwan for the first time.
Sep.22	Foreign investors were authorized to broaden the scope of securities borrowing and lending for strategic trading, including stock index securities investment trust funds.
Oct. 1	The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 25 basis points to 1.625 percent, 2 percent and 3.875 percent, respectively.
Oct. 13	The Bank allowed DBUs to act on behalf of their OBUs in foreign currency deposits and foreign exchange inward remittances businesses.
Oct. 20	<ol style="list-style-type: none"> <li data-bbox="587 1753 1546 1888">1. The Bank allowed authorized banks to apply for offering discretionary foreign exchange-related margin trading services.</li> <li data-bbox="587 1888 1546 2024">2. The Bank allowed authorized banks to remit directly to Mainland China with a ceiling on US\$0.1 million per transaction.</li> </ol>

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Oct. 26	The Bank allowed authorized banks to apply for permission to trade weather options.
Nov. 8	1. The total amount of funds for local banks as a whole to extend the preferential loans and credit guarantees to traditional industries was increased from NT\$1.4 trillion to NT \$1.85 trillion.
	2. The Bank affirmed that banking enterprises engaging in purchase and sale of foreign currency notes and traveler's checks should not refuse to accept foreign currencies. Banking enterprises should enhance the counterfeit discriminating capabilities of their employees.
Dec. 15	The Bank amended the <i>Directions for the Operation of Book-Entry Central Government Securities</i> for the future issuance of exchangeable bonds.
Dec. 21	Foreign investors were authorized to broaden the scope of securities borrowing and lending for strategic trading, including domestic and overseas exchangeable corporate bonds, the arbitrage/hedging of government exchangeable bonds, stock index securities investment trust funds, and borrowing securities during the transition period from convertible bonds to stocks.
Dec. 30	The Bank set the intermediate target zone for M2 growth for 2005 at 3.5 to 7.5 percent
Dec. 31	1. The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 12.5 basis points to 1.75 percent, 2.125 percent and 4 percent, respectively.
	2. The Bank collaborated with the Financial Supervisory Commission and the Central Deposit Insurance Corporation to set up a single window for domestic banks, local branches of foreign banks and bills finance companies to submit banking supervision data.
2005 Jan. 3	The Bank shifted to a negative listing approach for the regulation of authorized banks' foreign exchange derivatives business.
Jan. 12	The Bank allowed domestic companies to transfer their DBU credit lines secured by domestic stocks, real estate or other NT

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	dollar assets to their related enterprises outside Mainland China for applying foreign currency loans from OBUs.
Jan. 13	The Bank allowed securities investment trust enterprises to invest in domestic markets by offshore private placement or in overseas markets by local private placement.
Jan. 24	The Bank allowed securities brokerages to act as agents to trade foreign bonds.
Jan. 28	The Bank allowed authorized banks to engage in foreign exchange credit default swaps (CDSs) and credit default options (CDOs).
Feb. 3	The Bank amended the <i>Directions for Allocation and Operations of Emergency Home Reconstruction Loan Funds for Victims of the 921 Earthquake</i> to extend the deadline of loan approval to Feb. 4, 2006.
Feb. 4	The scope for financial institutions to invest in foreign securities with earmarked trust funds was expanded. The ceiling on the Hong Kong or Macao H stocks and red chip stocks as a proportion of the overseas fund assets was raised from 5 percent to 10 percent.
Mar. 3	The Bank amended the <i>Regulations Governing Approvals of Banks to Engage in Financial Activities Between the Taiwan Area and the Mainland Area</i> to meet the need of cross-strait financial activities. The ceiling on the credit granted to Taiwanese enterprises in Mainland China by OBUs and overseas branches of a bank in the Taiwan area is raised to 30 percent of the combined net assets of the bank's OBUs plus its overseas branches, with any unsecured credit not exceeding 10 percent of such net assets.
Mar. 4	The Bank amended the <i>Regulations Governing the Establishment and Administration of Foreign Currency Exchange Bureaus</i> , allowing convenience stores, administrative offices of national scenic areas, sightseeing services centers, railway stations, temples, and museums to establish foreign currency exchange bureaus.
Mar. 7	The Bank amended the <i>Directions for Banking Enterprises while Assisting Customers to Declare Foreign Exchange Receipts and Disbursements or Transaction</i> . Permitted

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	outward remittance items to Mainland China were increased from 12 items to 15 items.
Mar. 9	The Bank amended the <i>Regulations Governing Foreign Exchange Business of Banking Enterprises</i> to allow Taiwan Post Co. to engage in the purchasing and selling of foreign currency notes and traveler's checks. The Bank also established the Large Foreign Exchange Transaction Reporting System for local internet banks.
Mar. 15	The Bank amended the <i>Directions for Auditing Liquid Reserves of Financial Institutions</i> . All types of NT dollar-denominated liabilities of financial institutions shall be subject to a minimum liquid reserve requirement, effective April 1, 2005.
Mar. 16	The Bank allowed authorized banks to engage in structured products involving the NT dollar or foreign currency time deposits, with whole or partial principal guarantee, linked to swaps or options on foreign hedge fund indices.
Mar. 21	The Bank revised the <i>Directions Governing Designated Dealers for Open Market Operations</i> , the rights and obligations of general designated dealers are specified, effective April 1, 2005.
Mar. 24	The Bank allowed securities firms to engage in foreign currency interest rate and bond derivatives.
Mar. 25	The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 12.5 basis points to 1.875 percent, 2.25 percent and 4.125 percent, respectively.
May 13	The Bank agreed to allow foreign investors to conduct securities borrowing and lending transactions beyond strategic trading and hedging. Offshore mortgages were allowed to serve as margin for securities borrowing.
May 18	1. The Bank allowed insurance enterprises to invest in foreign securities through specified purpose pecuniary trusts or by obtaining the Bank's permission for outward remittances.

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	2. The Bank and the Financial Supervisory Commission jointly promulgated the <i>Regulations Governing the Currency Issued by the Mainland China Area to be Carried Into or Out of the Taiwan Area</i> , effective May 24, 2005. The regulations forbid the use of renminbi for transaction and currency exchange in Taiwan.
May 19	The scope of investment for specified purpose pecuniary trusts was amended to include funds denominated in foreign currencies raised by domestic securities investment trust enterprises.
May 20	The total amount of funds for local banks as a whole to extend the preferential housing loans was increased from NT\$1.5 trillion to NT\$1.8 trillion.
Jun. 3	The Bank amended the <i>Directions for the Central Bank of the Republic of China (Taiwan) to Regulate the Acceptance of Re-Deposits from Banks</i> and the <i>Directions for Handling Legally Required Reserves against Re-deposited Deposits of Grassroots Financial Institutions</i> . The excess liquidity of credit departments of farmers' and fishermen's associations should be re-deposited in the newly established Agricultural Bank of Taiwan.
Jun. 24	The Bank allowed insurance enterprises to issue foreign currency investment-linked insurance policies.
Jul. 1	<p>1. The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 12.5 basis points to 2 percent, 2.375 percent and 4.25 percent, respectively.</p> <p>2. The Bank auctioned the first strippable bond with a 5-year maturity.</p>
Jul. 20	<p>1. The Bank issued the new NT\$500 and NT\$1,000 notes with enhanced security features.</p> <p>2. The Bank amended the <i>Directions for the Operation of Book-Entry Central Government Securities</i> to allow book-entry central government securities to be held in trust.</p>
Aug. 16	The Bank released the regulations related to offshore funds and allowed securities firms and investment trust companies to serve as general representatives for public offshore funds.



Date	Events
	Banks, securities firms and investment trust companies may also serve as central depository companies for private offshore funds.
Aug. 26	<ol style="list-style-type: none"> <li data-bbox="587 398 1552 533">1. The Bank allowed banks and securities firms to engage in wealth management services involving foreign exchange transactions.</li> <li data-bbox="587 533 1552 633">2. The Bank accepted re-deposits from Agricultural Bank of Taiwan for the first time.</li> </ol>
Sep. 16	The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 12.5 basis points to 2.125 percent, 2.5 percent and 4.375 percent, respectively.
Sep. 19	The Bank broadened the scope of investment in foreign securities made by specified purpose pecuniary trusts.
Sep. 21	The Bank allowed banks to engage in structured products involving gold transactions, including book-entry gold accounts and book-entry gold accounts linked to foreign currency deposits or gold options.
Sep. 26	The scope of investment in foreign securities made by specified purpose pecuniary trusts provided by OBUs was amended.
Oct. 3	The Bank allowed branches of banks located in Kinmen and Matsu to engage in purchasing and selling RMB banknotes. Taiwan and China area residents traveling between Mainland China and Kinmen or Matsu could each time exchange renminbi up to RMB 20,000.
Oct. 6	The Bank amended the <i>Regulations Governing the Establishment and Administration of Foreign Currency Exchange Bureaus</i> to allow currency exchange bureaus at craft stores and jewelry stores.
Nov. 7	The Bank amended the <i>Directions for the Operation of Book-Entry Central Government Securities</i> to launch the Separate Trading of Registered Interest and Principal of Securities (STRIPS) system.
Dec. 6	The Bank amended the <i>Directions for Banking Enterprises while Assisting Customers to Declare Foreign Exchange Receipts and Disbursements or Transaction</i> . Minors were

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	thereof allowed to remit up to NT\$500,000 per transaction.
Dec. 14	The Bank referred to the IMF guidelines for compiling financial soundness indicators to draw up the Financial Soundness Indicators Reporting Items and Explanations.
Dec. 22	The Bank set the intermediate target zone for M2 growth for 2006 at 3.5 to 7.5 percent.
Dec. 23	The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 12.5 basis points to 2.25 percent, 2.625 percent and 4.5 percent, respectively.
Dec. 28	<ol style="list-style-type: none"> <li data-bbox="587 734 1552 969">1. The Bank amended the <i>Directions for the Central Bank of the Republic of China (Taiwan) to Govern Electronic Interbank Funds Transfer and Settlement</i> to urge clearing institutions to further improve their corporate governance, effective Jan. 2, 2006 for the safety of the payment system.</li> <li data-bbox="587 969 1552 1261">2. The Bank amended the <i>Organic Regulations of the Departments and Offices of the Central Bank of the Republic of China (Taiwan)</i>. The duties and organizational structure of the Department of Financial Inspection were adjusted to be responsible for the evaluation of financial stability.</li> </ol>
Dec. 30	The Bank amended the <i>Directions for Displaying Interest Rates by Financial Institutions</i> . Effective on Jan. 1, 2006, the base rate will be used as a reference point for the posted interest rates on NT dollar deposits and loans.
2006 Jan. 25	The Bank allowed futures enterprises that engage in consigned trading in overseas futures markets to make remittances directly with approval documents.
Jan. 27	The Bank amended the <i>Offshore Banking Act</i> regarding credit lines limits and tax exemption regulations, allowing the OBUs to conduct business with more flexibility.
Feb. 9	The Bank agreed to allow the Taiwan Futures Exchange (TAIFEX) to launch three new US dollar-denominated products: Gold Futures contracts, MSCI Taiwan Index Futures and MSCI Taiwan Index Options, effective March 27, 2006.
Feb. 24	The Bank agreed to allow foreign investors to invest in warrants during the underwriting period before their initial

Date	Events
	public offering.
Mar. 21	The Bank allowed banks to use their qualified asset-backed securities as liquid reserve assets.
Mar. 23	The Bank agreed to allow foreign investors to trade domestic futures and options and excluded these transactions from foreign investors' investment cap (30 percent of total inward remittances), effective March 27, 2006.
Mar. 27	<ol style="list-style-type: none"> <li data-bbox="587 589 1552 969">1. In line with the liberalization of Taiwan futures market, the permission for foreign investors to engage in transactions for non-hedging purposes and to trade through omnibus accounts, and the launch of foreign currency-denominated futures products, the Bank amended the <i>Directions for Banking Enterprises while Assisting Customers to Declare Foreign Exchange Receipts and Disbursements or Transactions</i>.</li> <li data-bbox="587 969 1552 1261">2. The Bank agreed the Taiwan Securities Central Depository Co., Ltd and the Debt Instruments Depository and Clearing Co., Ltd. Taiwan to merge into the Taiwan Depository &amp; Clearing Corporation (TDCC), and allowed the TDCC to use the CBC Interbank Fund-transfers Settlement System for funds settlements.</li> </ol>
Mar. 31	The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 12.5 basis points to 2.375 percent, 2.75 percent and 4.625 percent, respectively.
Apr. 14	The Bank expanded the scope of foreign investments for the Taiwan Post Co. to invest in foreign government bonds with credit ratings equal to or higher than Taiwan's long-term sovereign rating, and mortgage backed securities issued by American Government-Sponsored Enterprises (GSEs).
May 15	<ol style="list-style-type: none"> <li data-bbox="587 1693 1552 1839">1. The Bank allowed more branches of banks located in Kinmen and Matsu to engage in purchasing and selling RMB notes and simplified associated remittance processes.</li> <li data-bbox="587 1839 1552 1935">2. The Bank allowed credit cooperatives to invest in the Bank's certificates of deposit and to serve as the eligible bidders.</li> </ol>
May 16	The Bank allowed foreign investors to invest in securities investment trust funds through private placements.

Date	Events
May 30	The Bank amended the <i>Directions for Displaying Interest Rates by Financial Institutions</i> to allow financial institutions to post differential rates by types.
Jun. 16	The Bank amended the <i>Directions for the Central Bank of the Republic of China (Taiwan) to Govern Electronic Interbank Funds Transfer and Settlement</i> to extend the pending acceptance period for designated-time transfers from six months to one year, effective June 26, 2006.
Jun. 20	The Bank allowed foreign investors to take secured loans from securities firms for settlement needs.
Jun. 30	The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 12.5 basis points to 2.5 percent, 2.875 percent and 4.75 percent, respectively.
Jul. 4	The Bank agreed the GreTai Securities Market to provide clearing services for foreign currency securities through an electronic platform and to apply for foreign currency loans from banks for their settlement needs.
Jul. 5	The Bank set the qualifications for securities firms that hope to provide underwriting service for foreign currency-denominated bonds and stocks traded in the domestic market.
Jul. 7	The Bank excluded remittances associated with foreign currency-denominated futures transactions and international humanitarian assistance made by domestic charity organizations from their annual foreign exchange remittance quotas.
Aug. 4	The Bank agreed foreign investors to invest in foreign currency funds issued by local securities investment trust enterprises.
Aug. 9	The Bank agreed foreign investors to take secured loans from securities finance enterprises for their settlement needs, effective September 13, 2006.
Aug. 13	The Bank agreed overseas Chinese and foreign investors to borrow securities from securities firms, effective August 18, 2006.

Date	Events
Aug. 16	<p>1. The Bank amended the <i>Directions Governing Designated Dealers for Open Market Operations</i> to allow a financial institution or the Taiwan Post Co. to act as both a general designated dealer and a primary dealer in the central government bond market, upon the Bank's approval.</p> <p>2. The Bank agreed foreign investors to invest in foreign currency-denominated international bonds issued by foreign issuers and listed in the GreTai Securities Market. The first foreign currency-denominated international bond was issued on November 1, 2006.</p>
Sep. 19	The Bank allowed authorized banks to operate structured NT dollar deposits linked with dbX-Harmony II of hedge fund index with the constant proportion portfolio insurance (CPPI) technique.
Sep. 29	<p>1.The Bank amended the <i>Directions for the Extension of Housing Loans by Financial Institutions Under the Preferential Housing Loan Program</i> to extend its effective period until the loan quota is used up.</p> <p>2.The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 12.5 basis points to 2.625 percent, 3.0 percent and 4.875 percent, respectively.</p>
Oct. 25	The Bank agreed authorized banks to engage in several new credit derivatives businesses, including Basket Default Swaps, First-to-Default Swaps, N-to-Default Swaps, and Structured Basket Default Swaps.
Nov. 15	The Bank approved the <i>Operation Guideline for Member Banks Providing NT Dollar Loans to Foreigners without Domicile in Taiwan</i> stipulated by the Bankers Association of the Republic of China, allowing local financial institutions to extend NT dollar loans to foreigners without domicile in Taiwan.
Dec. 1	The Bank simplified enterprises' overseas investment application procedures. Investment projects under US\$20 millions will not be required to obtain the Bank's approval.
Dec. 8	The Bank agreed banks to engage in NT dollar swaps linked to ABN AMRO CQII index and structured products composed of

Date	Events
	NT dollar time deposits linked to ABN AMRO CQII index.
Dec. 28	The Bank set the intermediate target zone for M2 growth for 2007 at 3.5 to 7.5 percent.
Dec. 29	The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 12.5 basis points to 2.75 percent, 3.125 percent and 5.0 percent, respectively.
2007 Jan. 5	The Bank financed the Chinese Bank through the discount window to meet an emergency need of liquidity.
Jan. 7	The Bank provided a special lending facility to the Central Deposit Insurance Corp., Ltd. (CDIC) for taking over the Chinese Bank from Jan. 6.
Jan. 25	In line with the practice of anti-money laundering, the Bank amended the <i>Regulations Governing the Establishment and Administration of Foreign Currency Exchange Bureaus</i> to enhance the management of such bureaus.
Jan. 26	The Bank allowed securities firms to engage in the foreign exchange derivatives business linked to equities, bonds or interest rates.
Jan. 30	The Financial Supervisory Commission (FSC) and the Bank allowed those enterprises which managed futures to conduct discretionary foreign currency margin trading.
Feb. 15	The Bank amended the <i>Directions Governing the Central Bank of the Republic of China (Taiwan) Special Financial Accommodations to the Central Deposit Insurance Corp., Ltd.</i> to revise terms of accommodations and to simplify application procedures.
Mar. 1	The Bank set up the Financial Stability Assessment Committee.
Mar. 21	The FSC and the Bank allowed foreign privately placed mutual funds and unit trusts to borrow securities.
Mar. 27	The Bank approved Deutsche Bank, Taipei Branch to engage in structured products which linked NT dollar time deposits to the dbx-Diversified Alpha Index with adjustable ratios for the three underlying hedge funds by the use of a constant proportion portfolio insurance (CPPI) technique.

Date	Events
Mar. 30	The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 12.5 basis points to 2.875 percent, 3.25 percent and 5.125 percent, respectively.
Apr. 14	The FSC and the Bank allowed foreign investors to engage in OTC equity-linked derivatives. Each foreign investor's related premiums, aggregated with its investment in short-term money market instruments, shall not exceed 30 percent of its net inward remittance.
Apr. 16	The Bank allowed authorized banks to conduct foreign exchange derivatives business linked to domestic equities.
Apr. 23	The Bank promulgated the <i>Regulations Governing Foreign Exchange Business of Insurance Enterprises</i> to regulate foreign exchange business conducted by insurance companies.
May 2	The Bank amended the <i>Regulations Governing the Audit and Adjustment of Deposit and Other Liability Reserves of Financial Institutions</i> to revise reserve adjustment procedures and to add penalties for financial institutions that do not comply with the Bank's legal requirements. The amendment took effect on June 1, 2007.
May 9	The Bank approved the Bankers Association's revision of the <i>Operating Guidelines for Banks Conducting NT Dollar Loans to Aliens without Residence in Taiwan</i> , which conformed the credit limits, terms and collaterals of such loans to the Banking Act and other related laws. The amendment took effect on July 12, 2007.
May 11	The FSC and the Bank exempted the Taiwan 50 Index component stocks from the restriction that the short sale price may not be lower than the previous day's closing price.
May 14	The Bank incorporated the funds transfers involved in transactions from the Taiwan Stock Exchange (TSE) and the GreTai Securities Market (GTSM) into the CBC Interbank Funds Transfer System, effective on July 23, 2007.
Jun. 15	The FSC and the Bank allowed foreign investors to borrow securities from securities finance enterprises.

Date	Events
Jun. 22	1.The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 25 basis points to 3.125 percent, 3.5 percent and 5.375 percent, respectively.
	2.The Bank raised the required reserve ratio on foreign currency deposits from 0.125 percent to 5 percent.
Jun. 25	The FSC and the Bank eased the remittance caps on foreign investors' earnings from NT dollar-denominated futures. The former caps of NT\$100 million and NT\$200 million for direct and omnibus accounts were both raised to NT\$300 million. In addition, a foreign investor may convert up to NT\$5 million of its foreign exchange capital into NT dollars to pay the net difference upon settlements, futures brokers' commissions, and taxes.
Jul. 1	The FSC, the Ministry of Finance, and the Bank issued a joint directive, requiring the CDIC to raise the maximum coverage for the depositors of covered institutions from NT\$1 million to NT\$1.5 million.
Jul. 11	The Bank allowed Taiwan's OBUs to accept NT dollar collaterals for extending foreign currency loans. This does not apply to cross-Strait loans, which are governed by the <i>Regulations Governing Approval of Banks to Engage in Financial Activities between the Taiwan Area and the Mainland Area</i> .
Jul. 30	The FSC and the Bank allowed foreign investors to consign their domestic investments to securities investment trust enterprises, securities investment consulting enterprises, trust enterprises, and securities firms.
Aug. 1	1. Reserve requirements were extended to apply to all outstanding amounts of foreign currency deposits.
	2. The Bank amended the <i>Directions Governing Banking Enterprises for Operating Foreign Exchange Business</i> to ease regulations on remitters' information and settlement methods of indirect trade between Taiwan and Mainland China.



Date	Events
Aug. 20	The Bank amended the <i>Directions for the Central Bank of the Republic of China (Taiwan) to Regulate the Acceptance of Re-Deposits from Banks</i> . The interest rate on the re-deposits should be a fixed rate or a floating rate, and may be determined by the issuing interest rate on certificates of deposit for the Bank's open market operations, effective on July 11, 2007.
Aug. 24	<p>1. The FSC and the Bank allowed the short sale or the sale of borrowed stocks below the previous day's closing price for the component stocks of the Taiwan Mid-Cap 100 Index and the Taiwan Technology Index.</p> <p>2. The Bank required banking enterprises to verify the settlement information and to provide related reports on a monthly basis when handling foreign exchange settlements related to overseas portfolio investments by domestic investors. The regulation took effect on January 2, 2008.</p>
Sep. 5	The Bank amended the <i>Directions for Issuance of Certificates of Deposit by the Central Bank of the Republic of China (Taiwan)</i> and the <i>Directions for Bidding Certificates of Deposit issued by the Central Bank of the Republic of China (Taiwan)</i> .
Sep. 21	The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 12.5 basis points to 3.25 percent, 3.625 percent and 5.5 percent, respectively.
Nov. 13	The Bank allowed borrowers of preferential mortgage loans to extend the maturity to 30 years.
Nov. 20	The Bank amended the <i>Regulations Governing the Central Bank of the Republic of China (Taiwan) Administration of Accommodations Extended by Banks to Securities Finance Companies or Securities Firms</i> . The amendment raised the cap on the aggregate outstanding financing from all banks in support of a securities firm's margin trading services from 1.5 times of the securities firm's net worth to 2.5 times of it.
Dec. 20	1. The Bank approved Deutsche Bank, Taipei Branch to conduct structured products composed of foreign currency loans linked to the Diversified Municipal Arbitrage (DMA) Index.

Date	Events
	2. The Bank set the intermediate target zone for M2 growth for 2008 at 3 to 7 percent.
Dec. 21	The Bank raised the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 12.5 basis points to 3.375 percent, 3.75 percent and 5.625 percent, respectively.
Dec. 25	The Bank amended the <i>Directions for Auditing Liquidity of Financial Institutions</i> to revise relevant rules on qualified liquid reserve assets and to incorporate cash flow management into liquid reserve asset management. The amendment took effect on July 1, 2008.