

6. Fiscal Agency Functions

The Bank, as the fiscal agent of the government, provides services for the national treasury, including handling the treasury deposit account (TDA), managing central government agency deposit accounts, and undertaking the issuance, transfer and registration, redemption, and interest payment of central government bonds and treasury bills.

Managing the Treasury Deposit Account

The Bank manages the TDA on behalf of the Ministry of Finance, processing receipts and disbursements of the central government. In order to offer convenient services for government agencies and the general public, the Bank delegates the handling of treasury business to 14 financial institutions and their 367 branches, including three overseas branches located in New York, Los Angeles, and Paris. In addition, there are another 4,740 national tax collection agencies set in financial institutions. In 2020, the Bank received a total of NT\$3,933.2 billion in treasury deposits, increasing by NT\$398.7 billion or 11.28% from 2019. Payments made on behalf of the national treasury were NT\$3,937.8 billion, an increase of NT\$441.7 billion or 12.63% over the previous year. At the end of 2020, the TDA balance was NT\$53.4 billion, a decline of NT\$4.6 billion or 7.93% from the end of 2019.

Handling Central Government Agency Deposits

Central government agencies are required to make their deposits with the Bank or other delegated banks. At the end of 2020, the balance of central government agencies' deposits with the Bank amounted to NT\$183.4 billion, increasing by NT\$2.0 billion or 1.10% over the previous year. Deposits with other delegated banks were NT\$618.6 billion at the end of 2020, an increase of NT\$32.7 billion or 5.58%.

Increasing a Service Option to Deposit Bid Bonds into the TDA Online

To facilitate tenderers' depositing of bid bonds for central government procurement projects, the Bank, in cooperation with the Public Construction Commission of the Executive Yuan, the Ministry of Finance, and the Bank of Taiwan, established a mechanism to allow tenderers to deposit bid bonds into the TDA online. In this mechanism, the Bank's TDA was added to the options of receiving accounts for the online bid bonds payment service on the Government e-Procurement System. Central government agencies could make use of this mechanism as a convenient payment channel for tenderers when collecting bid bonds through designated accounts of which disbursements are made centrally from the TDA.

Managing Central Government Bonds

As a fiscal agent, the Bank provides services related to the issuance, transfer and registration, redemption, and interest payment of central government bonds. The Bank also conducts the auctions of central government bonds. There are 57 domestic dealers qualified to directly participate in the auctions, including 23 banks, 19 securities companies, eight bills finance companies, six insurance companies, and Chunghwa Post.

In 2020, the Bank conducted 18 issues of central government bonds in book-entry form worth NT\$535.0 billion. Of this amount, 10-year bonds accounted for the lion's share of 32.71%, with NT\$175.0 billion, followed by 5-year bonds, representing 27.10% with an amount of NT\$145.0 billion.

In addition, the Bank paid NT\$493.8 billion in principal and NT\$97.6 billion in interest for central government bonds. At the end of 2020, the outstanding amount of central government bonds was NT\$5,524.5 billion, an increase of NT\$41.2 billion or 0.75% from the end of 2019.

Managing Treasury Bills

The Bank also handles the auctions of treasury bills. Currently, direct bidders include banks, insurance companies, securities companies, bills finance companies, and Chunghwa Post.

In 2020, the Bank conducted 11 issues of book-entry treasury bills with a total amount of NT\$336.6 billion. The majority of the issuance went for 91-day bills with NT\$150.0 billion, or a share of 44.56%. At the end of 2020, the outstanding amount of treasury bills was NT\$125.0 billion, increasing by NT\$60.0 billion or 92.31% from the previous year end.