

6. Fiscal Agency Functions

The Bank, as the fiscal agent of the government, offers services for the national treasury, such as 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 provide 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 4,746 national tax collection agencies set in financial institutions. In 2021, the Bank received a total of NT\$4,197.9 billion in treasury deposits, an increase of NT\$264.7 billion or 6.73% over the previous year. Payments made on behalf of the national treasury were NT\$4,183.5 billion, increasing by NT\$245.7 billion or 6.24% from 2020. At the end of 2021, the TDA balance was NT\$67.7 billion, an increase of NT\$14.3 billion or 26.78% from the end of 2020.

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 2021, the balance of central government agencies' deposits with the Bank amounted to NT\$184.2 billion, a slight increase of NT\$0.8 billion or 0.44% over 2020. Deposits with other delegated banks were NT\$657.5 billion at the end of 2021, increasing by NT\$38.9 billion or 6.29%.

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 2021, the Bank conducted 20 issues of central government bonds in book-entry form worth

NT\$617.0 billion. Of this amount, 10-year bonds accounted for the lion's share of 34.04%, with NT\$210.0 billion, followed by 20-year bonds, representing a share of 21.07% with an amount of NT\$130.0 billion.

In addition, the Bank paid NT\$467.0 billion in principal and NT\$88.1 billion in interest for central government bonds. At the end of 2021, the outstanding amount of central government bonds was NT\$5,674.5 billion, an increase of NT\$150.0 billion or 2.72% from the previous year end.

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 2021, the Bank conducted 10 issues of book-entry treasury bills with a total amount of NT\$320.0 billion. The majority of the issuance went for 91-day bills with NT\$165.0 billion, or a share of 51.56%. At the end of 2021, the outstanding amount of treasury bills was NT\$115.0 billion, a decrease of NT\$10.0 billion or 8.00% from the end of 2020.