

6. Fiscal Agency Functions

As banker to the central government, the Bank fulfills its responsibilities by managing the treasury deposit account (TDA), handling 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 365 branches, including three overseas branches located in New York, Los Angeles, and Paris. In addition, there are another 4,703 national tax collection agencies set in financial institutions. In 2023, the Bank received a total of NT\$4,745.0 billion in treasury deposits, increasing by NT\$108.2 billion or 2.33% from 2022. Payments made on behalf of the national treasury were NT\$4,828.5 billion, an increase of NT\$268.1 billion or 5.88% over the previous year. At the end of 2023, the TDA balance was NT\$60.5 billion, decreasing by NT\$83.6 billion or 58.02% from the end of 2022.

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 2023, the balance of central government agencies' deposits with the Bank amounted to NT\$232.3 billion, an increase of NT\$33.4 billion or 16.79% over 2022. Deposits with other delegated banks were NT\$793.6 billion at the end of 2023, increasing by NT\$30.2 billion or 3.96%.

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 56 domestic dealers qualified to directly participate in the auctions, including 23 banks, 18 securities companies, eight bills finance companies, six insurance companies, and Chunghwa Post.

In 2023, the Bank conducted 17 issues of central government bonds in book-entry form worth NT\$478.0 billion in total. Of this amount, 10-year bonds accounted for the lion's share of 41.42%, worth NT\$198.0 billion, followed by 5-year bonds, representing a share of 30.33% with an amount of

NT\$145.0 billion.

In addition, the Bank paid NT\$365.0 billion in principal and NT\$80.2 billion in interest for central government bonds. At the end of 2023, the outstanding amount of central government bonds was NT\$5,912.5 billion, an increase of NT\$113.0 billion or 1.95% from the end of 2022.

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 2023, the Bank conducted eight issues of book-entry treasury bills with a total amount of NT\$260.0 billion. The majority of the issuance went for 91-day and 182-day bills, each with a value of NT\$100.0 billion and accounting for a respective share of 38.46%. At the end of 2023, the outstanding amount of treasury bills was NT\$30.0 billion, the same as the previous year end.