17. Participating in International Organizations

Governor Fai-nan Perng of the Bank represented the R.O.C.'s President, Mr. Shui-Bian Chen to attend the 8th Asia-Pacific Economic Cooperation (APEC) Economic Leaders Meeting held in Brunei Darussalam's capital Bandar Seri Begawan on November 15 and 16. Through full discussion with participant leaders, not only did the R.O.C. gain an up-to-date view on global and regional economies, but it also further enhance its presence in the international community. The R.O.C. is currently a full member of the Asian Development Bank (ADB), the Central American Bank for Economic Integration (CABEI), and the Conference of Governors of South East Asian Central Banks (SEACEN). The Bank attends the annual meetings, provides training courses, and hosts conferences so as to strengthen financial cooperation and relations with other member countries. In addition, the Bank also plays an active and extensive role in the Inter-American Development Bank (IDB), the European Bank for Reconstruction and Development (EBRD), and the Bank for International Settlements (BIS), among other international financial organizations.

Furthermore, with the prospect of the R.O.C.'s accession to the World Trade Organization (WTO) in the near future, the Bank has adopted the following measures: (1) the Bank signed the Special Exchange Agreement with the WTO, which restricts member economies from profiting from the manipulation of exchange rates, and from confining or delaying the payment and transfer of the current account, and requires immediate reporting to the WTO in the case of reinforcing existing capital account controls or imposing new ones; (2) the limit on the foreign liabilities of authorized foreign exchange banks is lifted and management by reserve requirement is implemented instead; (3) foreign financial brokerage firms are allowed to freely establish branches, subsidiaries or affiliates in Taiwan; (4) a monitoring system for irregular inflows and outflows of foreign capital is established; (5) the total amount of investment by foreign investors in the local money market, including time deposits, repo of government bonds, and margin for futures contracts should not exceed 30 percent of total foreign capital inflows; (6) foreign investors holding domestic securities for more than one year and over 70 percent of their remittances are allowed to apply for an extra amount of investment.