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Taiwan

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Taiwan FACT SHEET: Country Overview

Criteria	Data/Stats		Source/Year
National Land	36,009 km ²		Ministry of Interior (2013)
Climate/Weather	Taipei	Average Yearly Temp.: 23 °C Annual Rainfall: 2,405 mm	Central Weather Bureau (2013)
Population	23,434 (Thousand)		Ministry on Interior (2014)
Young Population (0-14)	3,277 (Thousand, 14.0%)		
Productive Population (15-64)	17,348 (Thousand, 74.0%)		
Elderly Population (Over 65)	2,809 (Thousand, 12.0%)		
# of Households and Ave.ppl/h.h	8,383 (Thousand) / 2.80 ppl		National Statistics (2014)
Average Life Expectancy	Male: 76.91 / Female: 83.36		Ministry of Interior (2013)
Total Fertility Rate (*)	1.065		Ministry of Interior (2013)
GDP (Nominal GDP)	529.5 (USD Billion)		National Statistics (2014)
GDP per Capita	22.6 (USD Thousand)		National Statistics (2014)
Social Security Program	National Pension Insurance (Elderly / Disability / Survival), Health Insurance		
Remarks	<ul style="list-style-type: none"> ▪ Seek to Join TPP/RCEP/AIIB ▪ 2010 ECFA (Cross-Straits Economic Cooperation Framework Agreement) ▪ While Cross-Strait Agreement on Trade in Services still under discussion 		

(*) TFR: The average number of children that would be born to a woman over her reproductive life (15~49).

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2013 LIFE INSURANCE INDUSTRY FAST FACTS

(Thousand Policies, US\$ Million)

(Policies, US\$)

Type	New Business		Policy In-Force		Average Policy per Person	
	# of Policies	S	# of Policies	S	# of Policies	S
Individual	—	—	—	—	—	—
Indiv. Annuity	—	—	—	—	—	—
Group	—	—	—	—	—	—

Criteria	FY2011	FY2012	FY2013
# of Life Insurers	30	30	28
Net Premium Income	70,005	78,928	82,278
Payment of Insurance Claim	45,102	39,778	39,933
Total Assets	415,647	462,699	525,379
Main Products	Whole Life, Medical, Term, Saving, Cancer, Critical Illness, Unit-Link		

Distribution Channel	Scale	Participation rate
Tied-Agents	169,398 persons	
Life Office Counter	—	
Agencies	Banks xxx entities Brokers 56,075 persons Agents 69,598 persons	Over 50%
Mail Order, Internet	—	
Working Office, Others	—	

*Calculated based on the exchange rate of NT\$31.40=US\$1 (2015.3.31).

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Challenges of Taiwan's Life Insurance Industry

❑ Measures that Respond to the Revised Insurance Act

- 1) The Insurance Act has been amended and come into force in February 2015 in order to better protect consumers and improve the mechanism of Taiwanese insurance market. The new amendment tries to establish a fatal insurance incident claim notification system. This new system requires insurance applicants or the beneficiaries to inform insurance companies; the latter are obligated to inform all the other beneficiaries.
- 2) Moreover, from 2016 onwards we will divide insurance companies into four categories based on their RBC ratio, and our supervisory measures on these companies will vary accordingly. An insurance company with immensely inadequate capital will be taken over or forced to go into liquidation or dissolution.

❑ Measures Compatible with the Amendment of Financial Consumer Protection Act

Financial Consumer Protection Act had come into effect in 2011 with the hope of protecting the right of financial consumers. This act applies to banking, securities, and insurance industries. In order to further secure consumers' rights, this act has been amended this February. This amendment provides the authority with more leeway to impose necessary punishment or take warning disciplinary actions on the companies that violate the law.

❑ Another Insurance Supply Channel Provided in the Age of Information

From 2014 onwards, consumers who register on the website of life insurance companies are allowed to purchase a limited selection of insurance policies, which include travel insurance, personal accident insurance, and term life insurance via internet. The insured amount is determined by whether the consumer is an existing policyholder of the life insurance company.

❑ Responding to the Ageing Society

The proportion of the people over the age of 65 in the entire Taiwanese population has reached 7% in 1993 and is expected to be 14% in 2018. Developing a new product to fulfill the needs of the elderly is necessary under such a circumstance.