

# EAAC COUNTRY REPORT TAIWAN

## 1. Geography

- a. Capital : Taipei
- b. Area : 36,188 square kilometers

## 2. Demography

- a. Population
  - Number all of population
  - Population by sex and age
  - Number of work forces
  - Population by activity
- b. Growth of Population
- c. Population mortality rate
- d. Life expectancy
- e. Fertility rate

item	2000	2001	2002	2003	2004
Mumber all of population ( thousands )	22,277	22,406	22,521	22,605	22,689
Male	11,392	11,442	11,486	11,515	11,542
female	10,885	10,964	11,035	11,090	11,147
Number of work forces ( thousands )	9,491	9,383	9,454	9,573	9,786
Population by activity ( thousands )	15,652	15,772	15,891	16,036	16,152
growth ( 0/00 )	8.34	5.79	5.14	3.72	3.72
Mortality rate ( 0/00 )	5.68	5.71	5.73	5.80	5.97
Life expectancy	75.30	75.58	75.87	76.0	76.27
Male	72.67	72.87	73.22	73.4	73.60
female	78.44	78.75	78.94	79.1	79.41
Fertility rate ( 0/00 )	1.680	1.400	1.340	1.235	1.24

## 3. Economy

- a. GNP & GDP
- b. Exchange rate
- c. Balance of Payment
- d. Inflation rate
- e. Yield rate/coupon rate

item	2000	2001	2002	2003	2004
GNP ( NTbillion )	9,752.0	9,639.7	9,977.9	10,173.1	10,584.8
GDP ( NTbillion )	9,612.5	9,447.6	9,735.4	9,844.2	10,205.9

Exchange rate ( closing spot )	32.99	35.00	34.75	33.98	31.92
Balance of Payment ( millions UsD )					
Current account	8,851	18,239	25,630	29,266	19,013
Capital account	-287	-163	-139	-87	-77
Financial account	-8,019	-384	8,750	7,630	6,366
Net errors and Omissions	1,932	-339	-577	283	1,293
Reserves and related items	-2,477	-17,353	-33,664	-37,092	-26,595
Inflation rate	1.26	-0.01	-0.20	-0.28	1.62
Yield rate/coupon rate					

#### 4. Insurance Industry

- a. Development of Life, annuity and health insurance industries
- b. Number of insurance company
  - Life : State Own Company, Local, Joint Venture, Limited and Mutual
  - Non Life
- c. Various of Product
- d. Experience Mortality table & mortality rate
- e. Growth of business in force
- f. Growth of new business/Income Premium
- g. Cost realization
- h. Sales forces/Channel Distribution ( null )

##### a. Premium income for Life, annuity and health insurance

unit : NT Millions

Item	2000	2001	2002	2003	2004
Life	491,900	569,081	699,586	871,559	955,015
Accident	51,775	55,568	59,629	61,554	57,891
Heath	82,082	100,308	113,347	125,922	140,579
Annuity	559	3,933	16,724	73,617	155,004
Total	626,317	728,891	889,287	1,132,652	1,308,489

##### b. Number of insurance company

Item	2000	2001	2002	2003	2004
Life	32	30	30	29	28
Domestic	16	18	20	21	21
Foreign	16	12	10	8	7
Non life	29	27	25	25	26

##### c. Various of Product

	2000	2001	2002	2003	2004
Item		Investment L			

		ink Product			
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d. Experience Mortality table & mortality rate

	2000	2001	2002	2003	2004
Item	1989 TSO	1989 TSO	1989 TSO	1989 TSO	2002 TSO

e. Growth of business in force

Business In Force (000,000 Omitted)		2000	2001	2002	2003	2004
Life		22,012,440	23,181,885	24,178,924	26,624,109	28,783,571
	Individual	20,299,750	21,534,348	22,283,962	24,374,020	26,123,322
	Group	1,712,690	1,647,537	1,894,962	2,250,089	2,660,249
Accident		50,380,710	39,543,233	43,690,007	43,734,437	35,647,171
	Individual	24,680,846	27,706,994	30,139,875	32,022,489	22,730,057
	Group	25,699,864	11,836,239	13,550,132	11,711,948	12,917,114
Health		19,558,469	22,704,294	15,960,912	14,696,733	15,064,095
	Individual	7,547,217	10,816,438	8,840,559	9,084,062	9,323,318
	Group	12,011,252	11,887,856	7,120,353	5,612,671	5,740,777
Annuity		193	1,330	6,879	54,641	165,576
	Individual	193	1,330	6,879	54,641	165,576
	Group	-	-	-	-	-

note : unit amount

f. Growth of new business/Income Premium

Premium (000 Omitted)	2000	2001	2002	2003	2004
Life	100,183,212	130,669,158	214,025,045	235,558,750	259,985,931
	Individual	97,602,590	126,794,241	210,887,324	233,193,600
	Group	2,580,622	3,874,917	3,137,721	2,365,150
Accident	16,555,489	16,412,357	14,447,256	15,090,276	12,224,040
	Individual	11,727,737	11,451,677	9,359,368	8,890,761
	Group	4,827,752	4,960,680	5,087,888	6,199,515
Health	26,600,903	25,384,178	22,376,932	20,703,842	20,314,735
	Individual	24,869,076	23,411,971	19,067,065	16,778,879
	Group	1,731,827	1,972,207	3,309,867	3,924,963
Annuity	472,008	3,761,566	12,607,717	73,011,855	153,681,589
	Individual	472,008	3,761,566	12,607,717	73,011,855
	Group	-	-	-	-

note : First year premium

5. Actuarial Association

a. Foundation & office address

– 10F-1, No. 216, Sec. 2, Nan Chang Road, Taipei 100, Taiwan

b. Number of members

– Group members (45), Academic group members (8), FAIRC (154), AAIRC (171)

c. Professional Activity

- Hold member’s conference every year
- Handle various kinds of professional seminars international and regional
- Stipulate every special and deal with criterion
- Participate in the international actuarial meeting
- Handle the special project plans trusted by government institute

d. Educational Activities

- Handle the actuarial examination twice per year
- Improve member’s lasting education and training per year
- Other relevant actuarial academic details

e. Conduct and status appointed actuary

- “Regulation governing appointed actuary” took effect at 1.1.2003 ; The regulation requires appointed actuary to report to Insurance Bureau on premium adequacy, reserve calculation and adequacy policy dividend distribution, ALM and solvency
- AIRC issued actuarial standard of practice and various practice note for appointed actuary to perform their role

f. Other actuarial professions involvement in areas

- All Listed & Public companies under Securities & Futures Institute’s regulations must disclose their pension plans’ assets, liability and cost message in company’s financial statement according to “ Statement NO.18 of Financial Accounting Standard board R.O.C. ”, the required actuarial valuation data need to be provided and certificated by qualified pension actuarial members of AIRC

g. Future prospect for the actuarial profession

- Extend application of actuarial science to more broad area like Banking, Securities & Futures and Investment trust

6. Regulation

a. Pricing liberalization

- Insurance Bureau issues various directives prescribing standard of pricing assumptions, Insurers price the product according to the standard ; traditional products may go through “file and use” track, non traditional product and health product need prior approval before launch the product

b. Reserve accumulating method

- Statutory reserve standard (actuarial basis and modification methodology) were prescribed by Insurance law and regulation
- Appointed actuary need to certify reserve adequacy

c. Future prospect

- Need to improve new product approval process and regulation