

Content

Title :	Act for the Establishment of the National Center for Cyber Security Technology Ch
Date :	2015.12.30
Legislative :	Promulgated by the Presidential Decree on December 30, 2015
Content :	<p>Chapter 1 General Provisions</p> <p>Article 1 To enhance the competence of the country in information security protection, to promote the development and application of the science and technology for information security, the National Center for Cyber Security Technology (hereinafter referred to as the “Center”) is hereby established with this Act hereby being adopted.</p> <p>Article 2 The Center is an administrative corporation; the Ministry of Science and Technology is the competent supervisory authority of the Center.</p> <p>Article 3 The Center is in charge of the following affairs: 1. To plan and promote cyber security protection mechanism of government agencies. 2. To assist government agencies in major national cyber security incidents response. 3. To support government agencies of special sensitivity in cyber security protection work. 4. To plan and support the cyber security protection of critical infrastructure. 5. Planning and assisting government agencies in cultivating information and security talents; promoting cyber security awareness nationwide. 6. To promote the research and development, integration, application and international cooperation and exchange of cyber security technologies. 7. To support the major development strategy respective to the demands of the industry’s cyber security. 8. Other matters relating to cyber security technologies.</p> <p>Article 4 The Center is funded by: 1. Budgets approved and allocated by the government and donations (subsidies) from the government. 2. Donations from domestic and foreign, public and private institutions and groups and individuals. 3. Income from the research entrusted to the Center and the services provided by the Center. 4. Other income. The donations specified in Subparagraph 2 of the preceding Paragraph are regarded as the donations to the government.</p> <p>Article 5 The Center shall adopt its articles of incorporation along with the rules and regulations governing the management of personnel, accounting system, internal control, protection of national security, auditing and others, and shall submit respective concerns to the board of directors for approval and thereafter submit them to the competent supervisory authority for reference purposes. The Center may adopt the rules and regulations governing the public functions to perform within the scope of relevant laws or legal orders, and shall submit them to the board of directors for approval and thereafter submit them to the competent supervisory authority for reference purposes.</p> <p>Chapter 2 Organization</p>

- Article 6 There is a board of directors in the Center, with eleven to fifteen directors selected among the following people and appointed by the competent supervisory authority. The same shall apply to the discharge of the directors:
1. Representatives of relevant governmental agencies.
 2. Scholars and experts in the field of research of information security.
 3. Experts in operation and management of private enterprises, or the public figures who have major contributions to information security.
- The number of the directors specified in Subparagraph 1 of the preceding Paragraph may not exceed one-third of the total number of directors.
- The number of each gender of the directors specified in Paragraph 1 may not be less than one-third of the total number of people.
- Article 7 There are three to five supervisors in the Center, selected among the following people and appointed by the competent supervisory authority. The same shall apply to the discharge of the supervisors:
1. Representatives of relevant governmental agencies.
 2. Scholars and experts in the field of research of information security.
 3. Scholars and experts in the field of law, accounting or finance.
- A managing supervisor shall be elected among supervisors.
- The number of each gender of the supervisors specified in Paragraph 1 may not be less than one-third of the total number of people.
- Article 8 The term of office for each director or supervisor is three years, which is calculated individually and not limited by the term of appointment. The director or supervisor may be reappointed once upon the expiration of his or her original term of office.
- Notwithstanding the above, after the enforcement of this Act, each of the seven initially appointed directors shall serve a term of one and a half years, and each of the two initially appointed supervisors shall serve a term of one and a half years.
- The directors and supervisors acting on behalf of governmental agencies shall be replaced if their positions are changed, and may not be bound by the restriction on the times of reappointment as specified in the preceding Paragraph. If there is a vacancy existing in the directors and supervisors appointed according to Subparagraphs 2 and 3 of Paragraph 1 of Article 6 and Subparagraphs 2 and 3 of Paragraph 1 of the preceding Article before the expiration of their terms of office, the vacancy shall be filled through the election and appointment by the competent supervisory authorities, while the term of office of the new director or supervisor shall continue until the expiration of the term of office of the original director or supervisor.
- Article 9 There is one Chairman in the Center, nominated by the competent supervisory authority among the directors and appointed by the Premier of Executive Yuan. The same shall apply to the discharge of the Chairman.
- The Chairman shall be appointed according to the regulations adopted by the competent supervisory authority.
- The Chairman is in charge of all affairs of the Center internally, and represents the Center externally as well. If the chairman cannot exercise his or her authority for any reason whatsoever, the director designated by the Chairman shall act on his or her behalf, but if the designation cannot be made, the person elected by the directors among themselves shall act on behalf of the Chairman.
- The Chairman may not exceed the age of sixty-five at his or her first term of office. If the Chairman reaches the age of seventy before the expiration of his or her term of office, he or she shall be replaced immediately. However, if there are special considerations that have been approved by the Executive Yuan, the aforementioned limitations do not apply.
- The Chairman may act in the position full-time or part time, with the remuneration for full time position on the board of directors which will be approved by the competent supervisory authority; while part time position on the board of directors comes without remuneration.

- Article 10 The authority of the board of directors is as follows:
1. Reviewing and discussing developmental goals and plans.
 2. Reviewing and discussing annual business plans.
 3. Reviewing and discussing annual budgets and financial statement reports.
 4. Reviewing and discussing rules and regulations.
 5. Reviewing and discussing the disposition of or the creation of encumbrance over private real estates.
 6. Reviewing and discussing the matters required by the Act to be resolved by the board of directors.
 7. Agreeing upon the appointment and the operations of the Chief Executive Officer of the Center.
 8. Reviewing and discussing other major matters.
- Article 11 The meetings of the board of directors shall be held once three months. If necessary, an urgent and special meeting may be convened by the Chairman, who will chair that meeting. A resolution of the meeting of the board of directors shall be made upon the approval of more than half of the directors present at the meeting representing more than half of all directors, provided that each of the resolutions specified in Subparagraphs 1 to 7, of the preceding Article, shall be made upon the approval of more than half of all directors.
- Article 12 The authority of the supervisors is as follows:
1. Verifying annual final business accounts.
 2. Supervising business and financial statuses.
 3. Auditing financial accounting books, documents and information of assets.
 4. Verifying or auditing other major matters.
- Each supervisor exercises his or her authority independently. The managing supervisor shall attend the meetings of the board of directors on behalf of all supervisors.
- Article 13 The directors and supervisors shall comply with the principle of conflict of interests and may not seek their own interests or the interests of any interested party by using the authority, opportunities or methods arising stemming from their duties. The scope of conflict of interests and the punishment for the breach of the principle of conflict of interests will be determined by the competent supervisory authority.
- A director or supervisor may not be a spouse or relative by blood relations or marriage within three degrees of kinship to another director or supervisor.
- The interested party set forth in this Act shall refer to a spouse or relative within two degrees of kinship.
- Article 14 The directors, supervisors or the interested parties may not conduct transactions such as sales, lease or contracting with the Center. Notwithstanding the above, special exemptions may be made if there are justified reasons regarding the special resolution of the board of directors.
- The person who breaches the preceding Paragraph shall be liable for the damages caused thereby to the Center.
- The Center shall actively publicize the contents of the special resolution of the board of directors specified in the proviso of Paragraph 1 within twenty days after the meeting, and shall submit them to the competent supervisory authority for reference.
- Article 15 The directors and managing supervisor shall attend the meetings of the board of directors in person and may not delegate a proxy to attend the meetings.
- Article 16 Except for full time Chairman, directors and supervisors of the Center, may not receive remuneration.
- Article 17 The person who falls into any of the following categories may not be appointed as the director or supervisor:
1. The person who has been placed under custodianship or guardianship, and whose placement has not yet been withdrawn.

2. The person who has been sentenced to imprisonment and has not been declared to be on probation.
 3. The person who has been declared bankrupt and has not yet come out of bankruptcy.
 4. The person whose citizen's rights have been suspended which have not yet been reinstated.
 5. The person who has been certified by a public hospital as being incapable of performing duties due to physical or mental disabilities.
- The director or supervisor who falls in any of the categories listed in the preceding Paragraph or fails to attend the meetings of the board of directors for three consecutive times without any reasonable excuses shall be dismissed.

The director or supervisor who falls in any of the following categories may be dismissed:

1. The director or supervisor whose misconduct or poor character is found by concrete evidence to have affected the image of the Center.
2. The director or supervisor who is found by specific facts to have failed to devote reasonable efforts to the duties or performs the duties negligently, or the director or supervisor who materially breaches his or her appointment.
3. The Center fails to meet the standard of performance evaluation required by the competent supervisory authority for two consecutive years.
4. The director or supervisor who is found by concrete evidence to have violated the Administrative Neutrality Act.
5. The director or supervisor who is found by concrete evidence to have been lobbied or interceded in terms of the issue of which he or she is in charge or have accepted gifts or special treatments by misusing the position and have caused damages to public interests or the interests of the Center.
6. The director or supervisor who is found by concrete evidence to have misused assets of the Center for non-official reasons.
7. The director or supervisor who is found by concrete evidence to have violated the principle of conflict of interests set forth in this Act or have engaged in the prohibited transactions stipulated in the first half of Paragraph 1, Article 14.
8. The director or supervisor who conducts any act that makes him or her unfit for the position as a director or supervisor.

If any of the situations listed in the Subparagraphs of the preceding Paragraph occurs, the competent supervisory authority shall provide opportunities to the concerned director or supervisor, to state his or her opinions and explain before being discharge.

The regulations relating to the appointment, discharge and replacement of the directors and supervisors of the Center will be adopted by the competent supervisory authority.

Article 18 There is a Chief Executive Officer in the Center, nominated by the Chairman and approved and appointed by the board of directors. The same shall apply to the discharge of the Chief Executive Officer. The Chief Executive Officer carries out the businesses of the Center and supervises the personnel subject to the rules and regulations of the Center, resolutions of the board of directors and the authorization of the Chairman.

The provisions regarding the directors and the Chairman specified in Paragraph 4 of Article 9, Article 13, Article 14, Paragraph 1 of Article 17, the first half of Paragraph 2 of Article 17, Paragraph 3 of Article 17, Paragraph 2 and 3 of Article 19, and Subparagraph 6 of Article 22 shall apply to the Chief Executive Officer.

Article 19 The employees recruited by the Center shall be governed by the personnel management regulations of the Center and are not public servants. The rights and obligations of the employees shall be specifically specified in their respective contracts.

The spouses and relatives by blood or marriage within three degrees of kinship to the directors and supervisors may not hold the positions regarding general affairs, accounting and personnel affairs of the Center.

The Chairman may not recruit his or her spouse or relatives by blood or marriage within three degrees of kinship to hold the positions of the Center.

The state secrets' personnel involved in the Center shall be handled in pursuant to relevant regulations on the control of national security and clandestine -related personnel.

Chapter 3 Businesses and Supervision

- Article 20 The Center shall adopt development goals and plans and then submit them to the competent supervisory authority for approval. The Center shall adopt annual business plans and budgets, and shall submit them to the board of directors for approval and thereafter submit them to the competent supervisory authority for reference.
- Article 21 Within two months after the end of the fiscal year, the Center shall entrust a certified public accountant to audit and certify its annual performance and financial statement reports, and thereafter submit them to the board of directors for deliberation and to the supervisors for approval. Upon obtaining the approval from all supervisors, the Center shall submit them to the competent supervisory authority for reference and to the competent auditing authority. The competent auditing authority may audit the financial statement reports specified in the preceding Paragraph. The audited results may be submitted to the competent supervisory authority or other relevant authorities for necessary actions.
- Article 22 The supervisory authorities of the competent supervisory authority over the Center are as follows:
1. Approving the developmental goals and plans.
 2. Approving the rules and regulations, annual business plans and budgets, annual performance and financial statement reports, or receiving them as reference.
 3. Inspecting the assets and financial status.
 4. Evaluating business performance.
 5. Selecting, appointing and discharging the directors and supervisors.
 6. Imposing necessary penalties if the directors and supervisors violate laws and regulations when carrying out businesses.
 7. Revoking, changing, terminating, demanding timely improvement, suspending operations or imposing other penalties, when and if the Center violates the Constitution or other laws and regulations.
 8. Approving the disposition of or the creation of encumbrance over the private real estates.
 9. Supervising other matters as prescribed by laws.
- Article 23 The competent supervisory authority shall invite the representatives of relevant agencies, scholars, experts and impartial public figures to evaluate the performance of the Center. The scholars, experts and impartial public figures may not be less than half of all concerned persons. The number of each gender of the evaluators in the preceding Paragraph may not be less than one-third of the total number of people. The methods, procedures and other relevant matters regarding the performance evaluation specified in Paragraph 1 will be adopted by the competent supervisory authority. The contents of the performance evaluation are as follows:
1. Assessing the annual performance of the Center.
 2. Measuring the operational performance and achievement rate of the Center.
 3. Assessing the achievement rate of the annual self-funding targets of the Center.
 4. Making recommendations on the approval and allocation of funds of the Center.
 5. Other relevant matters.
- Article 24 The relevant information of the Center shall be made available to the public pursuant to the Freedom of Government Information Laws. The Center shall take initiative in making its annual financial statements, annual business information and annual performance evaluation reports available to the public. The competent supervisory authority shall submit the performance evaluation reports prescribed in the preceding Paragraph to the

Legislative Yuan for reference purposes. The Legislative Yuan, as it deems necessary, may summon the head of the competent supervisory authority together with the Chairman, the Chief Executive Officer or related officers of the Center to report the operation status and answer questions at the Legislative Yuan.

Chapter 4 Accounting and Finance

- Article 25 The fiscal year adopted by the Center shall be the same as that of the government.
The accounting system adopted by the Center shall be based on the relevant regulations governing the establishment of the accounting systems of administrative corporations.
The Center shall mandate a certified public accountant to audit and certify its financial statements.
- Article 26 The competent supervisory authority may approve and allocate budget by making adjustments within the original scope of the budget in the year of the establishment of the Center without being limited by Articles 62 and 63 of the Budget Act.
- Article 27 If the Center is in business needs to use the public real estates of the original agency, the entity before the restructuring, the public real estates may be donated, leased or provided for use free of charge to the Center by the competent authority of the public real estates. The public's properties that are to be used for business needs may be donated or provided for use free of charge to the Center by the competent supervisory authority. The negotiable securities and other rights may be donated or provided for use free of charge to the Center by the competent supervisory authority. In the case of donation, Articles 25 and 26 of the Budget Act and Articles 28 and 60 of the National Property Act shall not apply.
The Center may procure public real estates due to business needs after its establishment. The price for land shall be based on the announced current land value. The price for constructional improvement shall be based on its current value as assessed by the tax authority. Where the tax authority has not assessed the current value, the value shall be based on an assessment made by the public property management authority.
Where a governmental agency approves and allocates budget to the Center to purchase properties for a designated purpose, the properties shall be deemed public properties.
With the exception of public properties leased or provided for use free of charge as set forth in Paragraph 1 and the public properties prescribed in the preceding Paragraph, all of the properties acquired by the Center shall be deemed private properties.
The Center shall act as the manager of the public properties which are provided for use free of charge in Paragraph 1 and the public properties prescribed in Paragraph 3, and all profits arising from the properties shall be deemed income of the Center, without being subject to the restrictions specified in Paragraph 1 of Article 7 of the National Property Act. The regulations governing matters relating to management, use and profits will be prescribed by the competent supervisory authority.
Upon the abandonment of use of public properties, the properties shall be handed over to the public property management authorities.
When the Center no longer needs to use the donated public properties, it shall return the properties to the donating authority and may not dispose of the properties arbitrarily.
- Article 28 The approval and allocation of the budget by a governmental agency for the Center shall be governed by legal budgetary procedures and supervised by the audit authority.
When the budget is approved and allocated by a governmental agency that exceeds fifty percent of the annual budgetary income of the Center of the then current year, the competent supervisory authority shall submit an annual budgetary statement of the Center to the Legislative Yuan for review.

Article 29 The debts raised by the Center shall be limited to self-liquidating loans, which shall be submitted to the competent supervisory authority for approval in advance. If it is likely that debts cannot be repaid by self-liquidation according to the outcome of budget implementation, the Center shall promptly review and propose improvement measures to the competent supervisory authority for approval.

Article 30 The Center shall conduct procurements based on the principles of openness and fairness. The Government Procurement Act shall not apply to the procurement, except under the circumstances set forth in the treaties or agreements which are concluded by the Republic of China or in Article 4 of the Government Procurement Act. The rules and regulations for the procurement shall be submitted to the competent supervisory authority for approval.
Where a law other than the Government Procurement Act is applicable to the procurement subject to Article 4 of the Government Procurement Act as prescribed in the preceding Paragraph, the law shall prevail.

Chapter 5 Supplementary Provisions

Article 31 A person who is not satisfied with an administrative disposition given by the Center may file an administrative appeal to the competent supervisory authority in accordance with the Administrative Appeal Act.

Article 32 If the Center cannot meet the objectives of its establishment due to a change of circumstances or poor performance, the competent supervisory authority shall apply to the Executive Council for the dissolution of the Center, which shall be enforced upon the approval of the Executive Yuan.
If the Center is dissolved, the employment contracts of the employees of the Center shall be terminated, and the remaining assets shall be turned over to the treasury with all rights and obligations assumed by the competent supervisory authority.

Article 33 The enforcement date of this Act shall be determined by the Executive Yuan.