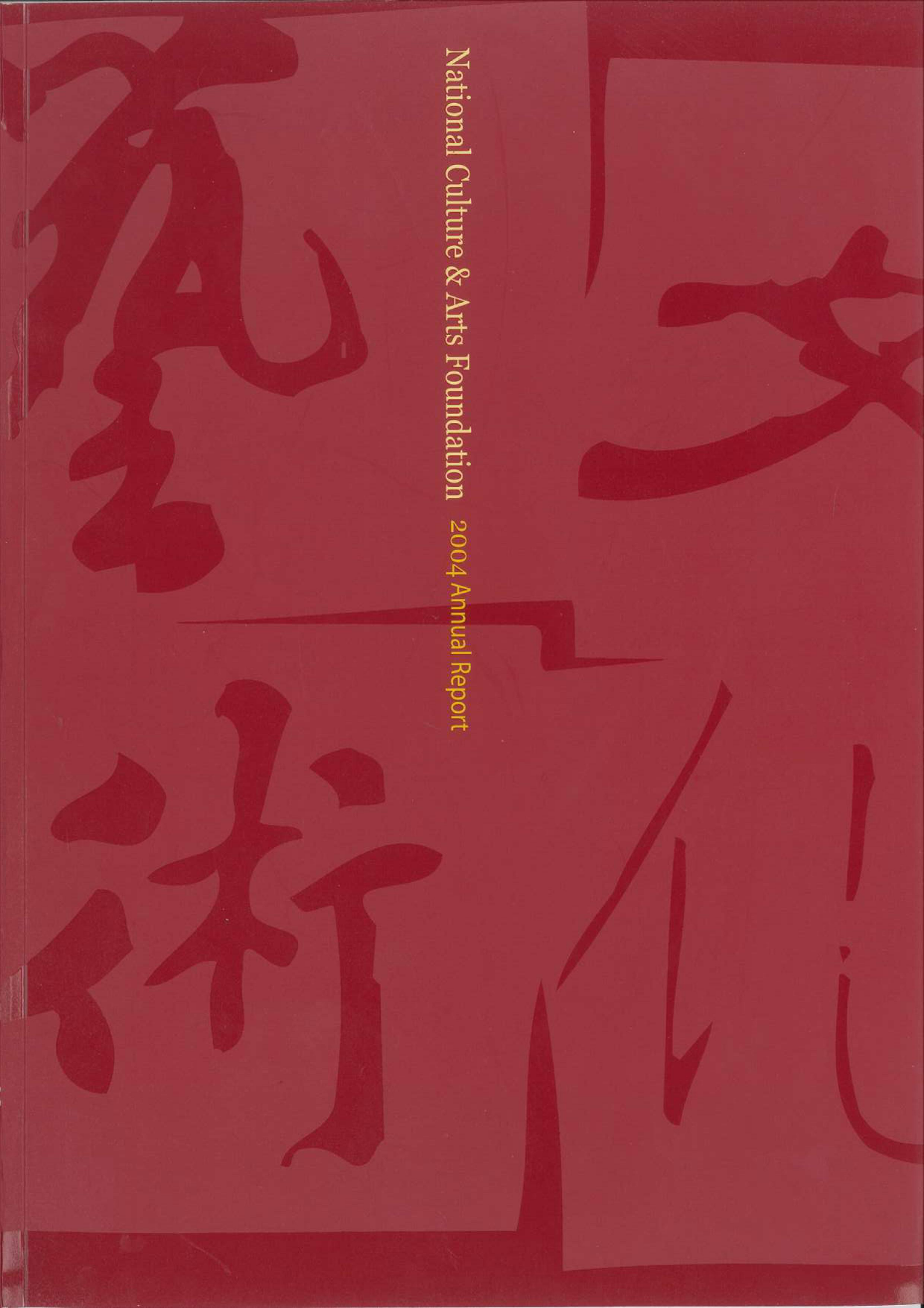
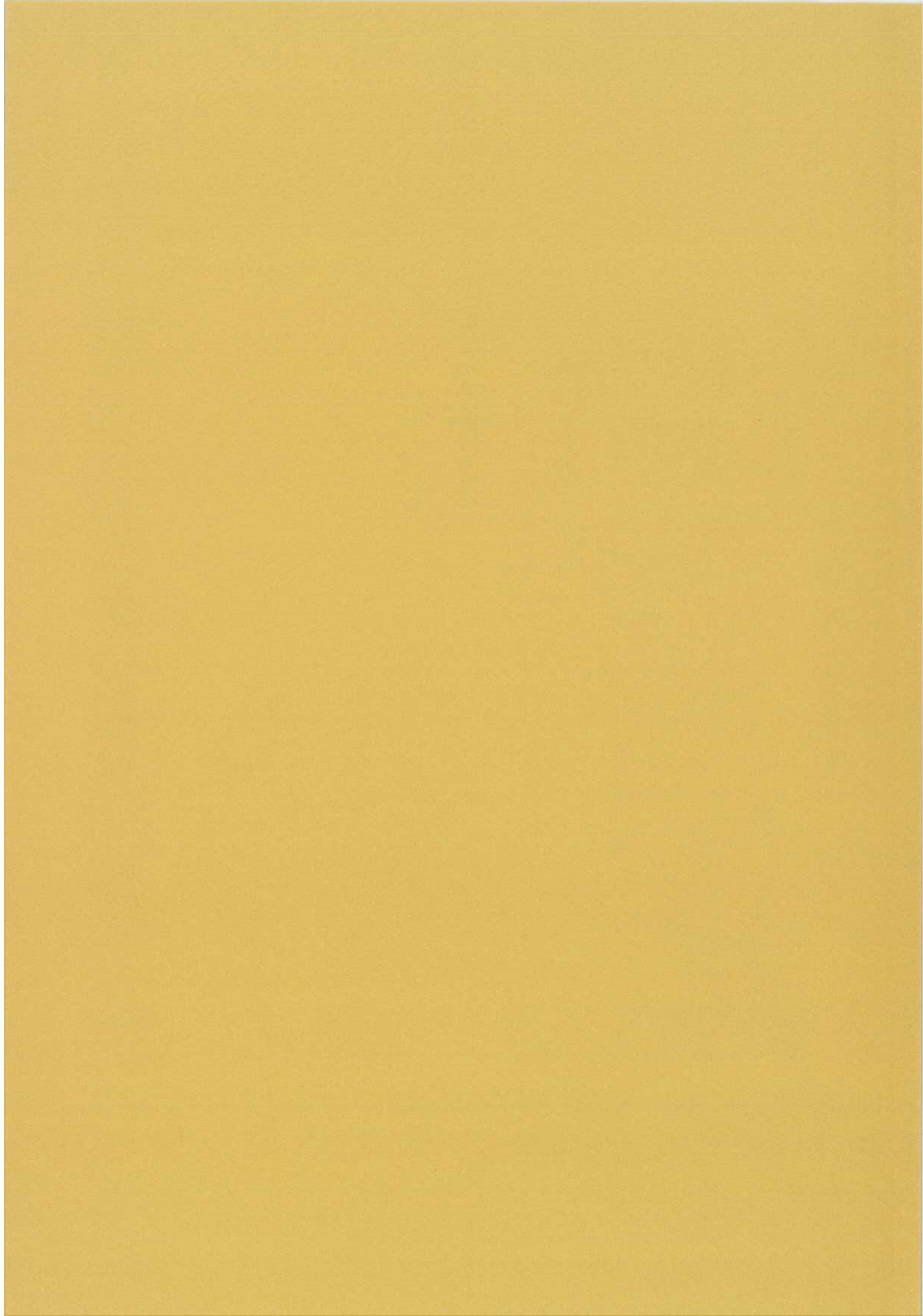


National Culture & Arts Foundation 2004 Annual Report





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Preface

The National Culture and Arts Foundation R.O.C. (hereafter NCAF) is dedicated to supporting the ever-changing arts environments of Taiwan. After 9 years of establishment, NCAF has enjoyed outstanding success in this regard. Looking back, we can say with satisfaction that we have spurred artistic development and training in the arts, we have raised the quality of art in Taiwan, and we have improved public access to arts resources. NCAF anticipates continued support for more diverse and high quality artistic endeavors during the coming year.

In 2004, NCAF supported artists and arts organizations working on more than 600 different projects of all scales and scopes with grants totaling some NT \$160 million. Budgets for grants in the literary and fine arts work were each increased to NT \$360,000. Musical performance-related grants were modified to encourage more performances of Taiwanese musical works. Additional grants and grant increases were also applied to Project Grants that advanced new and previously under-funded demands like curatorial practice, arts marketing, tech-art, and metalwork.

To raise the professional level of arts across Taiwan, the 8th annual "National Award for Arts" showed important modifications from previous awards. Reinforcing the spirit of artistic excellence and creative continuity, the rigor and exactitude of the selection process was increased, and the scope of the awards were expanded to include architecture and film in addition to literature, visual arts, music, dance, and theater. These changes help confirm that the NCAF National Award for Arts is the highest honor for creative work in Taiwan.

Ana Benlloch, "Occipital"
(photo provided by A Mi Artist Communities)



In the area of research and development, besides continuing our two main special projects, one on the relation between promoting art development in Taiwan and the Taiwanese tax system and one on audiovisual media, NCAF is also trying to cooperate with the academic field and other third sectors, to build a cultural thinking tank. In addition, the Foundation has published a complete directory of cultural and creative arts industry, a monumental effort that took our employees to all parts of Taiwan and unearthed many valuable and previously overlooked creative projects. All of these are certain to be of great benefit to the artistic and creative culture of Taiwan.

The biggest challenge of the Foundation has always been to develop art and to help connect society with art under the constraints of limited resources. In addition to using its own budgetary resources, NCAF established the "Friends of NCAF" program to help pool the resources of the art and business communities. This is really a new concept in art sponsorship. So far, 74 business and arts organizations have joined the Friends of NCAF, and the program has sponsored ten different arts projects, from performance and visual arts productions to art training seminars and publication projects.

The National Culture and Arts Foundation 2004 Annual Report provides results and analysis for each of the grants and awards categories and the Foundations internal administration: the National Award for Arts, Regular Grants, Project Grants, Research and Development, Resource Development, Financial Report, Administration. This information may also be found on the Foundation's website at <http://www.ncaf.org.tw>.

National Award for Arts

1



Film: Tu Duu-chih

Dance: Lee Ching-chun

Literature: Lin Heng-fai

Visual Arts: Chen Chi-kwan

Music: Tyzen Hsiao





2005 8th National Award for Arts

With the celebration its 8th annual National Award for Arts, the National Culture and Arts Foundation is proud to have gained the attention not just of the arts community, but, increasingly, of the country over all. The winners of the 2004 NCAF-hosted National Award for the Arts are: sound engineer Mr. Tu Duu-chih, dancer/choreographer Ms. Lee Ching-chun, poet Mr. Lin Heng-tai, architect/artist Mr. Chen Chi-kwan and musician Mr. Tyzen Hsiao.

NCAF makes adapting to the needs of each year its immediate priority. Each year, special attention is paid to revising the nature of the National Award for Arts to ensure that it remains the highest artistic honor of Taiwan, but NCAF always emphasizes steady, sustained support of artistic excellence and creative effort. Each of this year's five winners has made significant, unique contributions to art throughout their careers. Their efforts have led them to become outstanding, world-class experts in their respective fields. Their lifelong achievements in the arts, as well their contributions to artistic knowledge and training, have made enormous impacts on the development of Taiwanese art. These men and women are role models for young artists all over world, projecting a genuine love for innovation and creation.

1. Revision of the Awards

As per the resolutions reached in the NCAF board meeting held September 17, 2003, the 2004 awards policies were modified. These modifications included a new emphasis on sustained support for artistic achievement and an expansion of the award categories to include architecture and film, in addition to the previously



existing literature, visual art, music, dance, and theater. Furthermore, to increase the exactitude of the recommendation process, the nomination and recommendation procedures are now separate and independent. Finally, the selection process has been made more rigorous overall. In addition to inviting experts and leading members of pertinent artistic fields to form selection groups, the jobs of nomination and first- and second-tier evaluation are now handled by each category's selection committees. Final selection is thus now based on the decisions of 13 individuals divided into category-level selection committees and the cross-disciplinary group. The special committee has to select up to five winners with the agreement of two third members of the committee.

2. Evaluation Process

The winners of the National Award for Arts were selected following an eight-month process of recommendation, nomination, and final selection that began in November 2003. This process was completed in the second half of 2004, with the final selection being approved during the 2004 board meeting. The awards ceremony took place September 3, 2004, and the winners were formally announced. These were: sound engineer Mr. Tu Duu-chih, dancer/choreographer Ms. Lee Ching-chun, poet Mr. Lin Heng-tai, architect/artist Mr. Chen Chi-kwan and musician Mr. Tyzen Hsiao. In the following sections, the accomplishments of the winners, as well as the consensus of the selection committees, are discussed in further detail.



[photo by Liu Chen-hsiang]

Tu Duu-chih

■ Background

Tu Duu-chih is one of the most important sound engineers of New Taiwan cinema. Mr. Tu, whose parents came to Taiwan from Wuhu city, Anhui province, was born in 1955 in Taipei. In 1973, he entered the training course in sound engineering at the Central Motion Picture Corporation. In 1978, he began serving as an assistant engineer on CMPC productions, and was an established screen recording master by 1982. He began working with directors in the Taiwan New Wave film movement, helping engineer sound on nearly 100 of the movies of that school. These included Hou Hsiao-hsien's 1989 *City of Sadness*, which had groundbreaking recording technology effects in addition to its historical significance. Tu's efforts helped the Taiwan New Wave school gain international standing. In 2001, for his work on Tsai Ming-liang's *Millenium Mambo* and *What Time is it There?* Mr. Tu won the Jury Prize for Best Technician at the 54th annual Cannes Film Festival. In recent years, Mr. Tu has devoted his attention to documentary, helping to raise the standards of sound in that form of film art.

■ Major Accomplishments

1. Tu Duu-chih has long received the respect and approval of his peers in the field of sound engineering for the consistently high levels of imagination and skill he brings to the craft.
2. With such accomplishments as winning the 2001 Cannes Film Festival's Jury Prize for Best Technician, Mr. Tu has proven himself to be a significant contributor to the art and science of film in Taiwan.
3. For many years, important directors of all kinds of films, including documentaries, animated feature films, and independent short films have all relied on Mr. Tu's expert engineering and production skills. He has been an invaluable and steadfast member of the Taiwan film community.

■ Consensus of the Selection Committee

1. Tu Duu-chih's ongoing artistic accomplishments are of outstanding quality and built on a lifetime of sustained effort.
2. Mr. Tu's work has had a great influence on the development of Taiwanese film.
3. Mr. Tu's work has been of great benefit to the visualization of our society



(photo by Liu Chen-hsiang)

Lee Ching-chun

■ Background

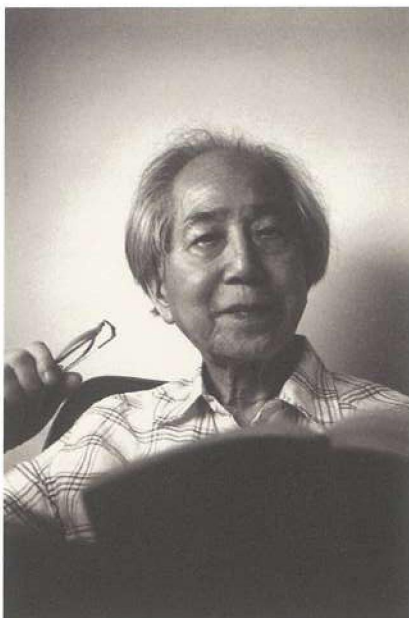
Lee Ching-chun was born in 1966 in Kauhsiung, Taiwan, and received advanced training in dance at the Laban Dance Centre in London. She is presently associate artistic director and rehearsal director of the Cloud Gate Dance Theatre. Actually, it was after seeing Cloud Gate's signature work, *Legacy* (1978), that inspired Ms. Lee to pursue a career in dance. By working exceptionally hard, she was admitted to the prestigious Cloud Gate Dance Theatre in 1983, and has since then performed in nearly a thousand shows, many featuring Ms. Lee in solo and starring roles that have left a deep impression on audiences everywhere. In addition to performance, Ms. Lee holds a number of credits as a choreographer, including cooperative work with choreographer Lea Anderson during her time in London, performances in Paris on the occasion of the 200th anniversary of the French Revolution, and, more recently, creating the work *Courtyard of Pearls* with French theatre designer Tania Etienne.

■ Major Accomplishments

1. In the last two years, Lee Ching-chun has established herself as one of the brightest stars of the Taiwanese dance scene. Her performances, which touch the hearts of her audiences in many different ways, demonstrate her attainment of the highest levels of accomplishment in her art.
2. Ms. Lee's dance performance is a paragon of that art form, offering itself up as both a Taiwanese cultural treasure and a unique contribution to world dance.
3. Ms. Lee has overcome great obstacles to reach, at last, the highest levels of her craft. Her hard work and perseverance make her a role model to all aspiring artists.

■ Consensus of the Selection Committee

1. Lee Ching-chun has attained cumulative achievements of a truly outstanding nature in her field.
2. Ms. Lee's artistic accomplishments demonstrate a contemporary, goal-oriented talent of the highest quality.
3. Ms. Lee shows the potential to continue influencing the artistic life of Taiwan.



(photo by Liu Chen-hsiang)

Lin Heng-tai

■ Background

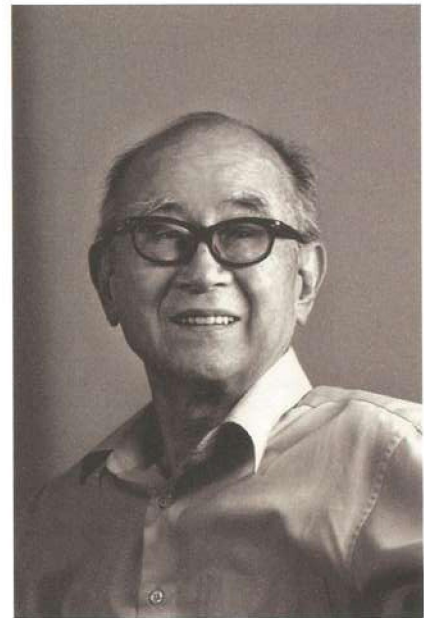
Lin Heng-tai was born in 1924 in Taichung. In 1946 he entered National Taiwan Teacher's College in the Department of Natural Sciences, and became a member of the Silver Bell Society, a literary organization, in 1947. Lin graduated and went on to teach at middle and high schools in central Taiwan. Lin began to actively promote modern poetry in 1956, publishing *The Greatness of Knowledge* with poet Chi Hsien in that year. At the same time, he began to shake up the poetry scene in Taiwan by translating modern poets of other countries into Chinese. He was the first chief editor for the literary magazine *Bamboo Hat*, which saw its first issue 1964. *Bamboo Hat* has since become very influential, presenting simple, pastoral modern poetry that represents the spirit of Taiwan. Lin Heng-tai's own poetry pulses with the life of Taiwanese society, often using vivid images of the local landscape to advance a modernist exploration of the human heart with a realist edge. His experiments with symbolist techniques have won him the approval of many experts on Chinese poetry. He has won many awards, and his three major creative stages - first criticized , passing through today , and homeland reserved - are the representation of modern Taiwanese poetry.

■ Major Accomplishments

Lin Heng-tai is preeminent both as a poet and as a literary critic, and all his writings are filled with an uncanny feeling for his native land and people. Indeed, Lin's works are often of a local, nativist character, but they are nonetheless modern and present some of the most classic literary portraits of modern Taiwan. Lin Heng-tai's work, which has been partially translated into English by John S. Balcom in the collection *Black and White*, has proven him to be one of the great voices in modern Taiwanese poetry.

■ Consensus of the Selection Committee

1. The form and content of Lin Heng-tai's works exemplify excellence and originality in the field of poetry.
2. His works show a broad humanistic vision and a concern for contemporary society.
3. His poetry shows a sustained pattern of advancement and excellence and exerts an important influence on Taiwanese literature



(photo by Liu Chen-hsiang)

Chen Chi-kwan

■ Background

Chen Chi-kwan was born in 1921 in Beijing. After graduating from National Central University, he did graduate work at the University of Illinois, Urbana. In 1951 he went to work at the architectural design firm of Bauhaus school-founder Walter Gropius, and by 1952 was teaching architectural design at the Massachusetts Institute of Technology. Chen and the architect I.M. Pei designed Tunghai University together in 1954, and in 1960, Chen came back to Taiwan to serve as chairman of the Tunghai University architecture department. With the completion of the Luce Chapel in 1963, Tunghai University had gained one of the most distinctive, artistic campuses in Taiwan. Back in 1967, Chen was among the top ten architects of Taiwan, and in 1995 he was declared the top architect of the R.O.C. His work has been exhibited in Taiwan, the U.L., Beijing, and Shanghai. His artwork combines the rigorous design standards of architectures with the freedom and boldness of modern art. He uses light colored ink motifs to deal with problems of identity with a whimsical and, above all, individual spirit.

■ Major Accomplishments

1. Chen Chi-kwan combines perspectives from modern architecture and modern abstractionism in his paintings. The result is a fresh take on painting, one that represents worlds of reality, with architectural structure and pure form, and worlds of fantasy, where Chen's light-hearted gaze takes us to new reaches of space and time. These works are imbued with a deep sense of freedom.
2. Combining memories both real and virtual, and emphasizing the present quest for the "new," Mr. Chen's creative output has evolved over a long period of time into a varied, unique and deeply significant body of work.
3. Mr. Chen paints with such vivid use of color, space and architectural lines that his viewers are always inspired to look at the world from a new perspective.

■ Consensus of the Selection Committee

1. Chen's works are both innovative and imbued with an awareness of his heritage.
2. Chen exhibits outstanding professionalism in the field of visual arts and serves as a major supporter of the arts.
3. Chen has shown exemplary devotion to the humanities



(photo by Liu Chen-Shianh)

Tyzen Hsiao

■ Background

Tyzen Hsiao, an accomplished pianist, composer, and conductor, was born in 1938 in Kaohsiung. His musical education was completed at National Taiwan Normal University, Musashino Academia Musicae in Tokyo, Japan and the University of California, Los Angeles. In 1975, Hsiao was honored with a "Tyzen Hsiao Musical Exposition" at the Taipei Chungshan Hall, an unusual accomplishment for one so young. During the 18 years of struggle of being abroad, Hsiao thought intensely of his family and his homeland, and was so inspired to create musical works that spoke of his native Taiwan. His efforts have raised Taiwan's standing in the international music community. His works come on many different scales, combining lush orchestration and entrancing melodies in a ways that bring Taiwanese music to new frontiers. In 1993, while composing the "1947 Overture" to commemorate Taiwan's 228 Incident, he was diagnosed with a severe heart condition that eventually required a massive 10 hour surgical procedure. Weak, but persevering, Hsiao finished the "Overture" in 1994. Since 1995, he has lived in Tamshui, Taiwan, continuing to pour his soul into the craft that he loves, and also continuing to receive the admiration of listeners worldwide.

■ Major Accomplishments

1. Tyzen Hsiao's music exhibits great passion for conveying a sense of his homeland, Taiwan. His works successfully combine characteristics of Taiwan's folk musical traditions with an unabashed romanticism.
2. Mr. Hsiao has worked at his craft all his life, overcoming serious illness with a perseverance and will that can serve as inspiration for anyone. He has produced a vast quantity of work, all of it of first-class quality.
3. Mr. Hsiao stands foremost among the small minority of modern Taiwanese composers who are appreciated by both mainstream audiences and connoisseurs of classical music.
4. Mr. Hsiao's compositions have already garnered many of the highest honors from countries all over the world, making them great contributions to the work of promoting Taiwanese arts in the international arena.

■ Consensus of the Selection Committee

1. Tyzen Hsiao has reached the highest levels of professional and artistic distinction and deserves continued support and approval in the years to come.
2. Mr. Hsiao exemplifies the combination of international vision with careful attention to our Taiwanese heritage.
3. Mr. Hsiao's work advances the integrity, individuality, and overall cultivation of art.
4. Mr. Hsiao's work has contributed to the enlightening power of Taiwanese music and has given new potential to the world of Taiwanese music.



I. Regular Grants

1. Objectives

The NCAF regular grants, in accordance with the overall mission of the Foundation, use public resources to engage in developing the art and culture of the country, and to maintain the cultural and artistic heritage of Taiwan's different ethnic groups. Grants are given to work according to the following criteria: (1) Exceptionally bold art, art that promises major breakthroughs; (2) Professional seminars and investigative research into art and culture; (3) Work designed to expand artistic and cultural exchange on the international level; (4) Artistic and cultural organizations that raise artistic standards and ensure the continuation of art and cultural group operations.

2. Application Categories and Schedule

The 2004 regular grants were awarded in each of two periods of the year in the following categories: literature, fine arts, music, dance, drama, cultural heritage, audiovisual media, interdisciplinary art, development of art and cultural environment, and also private museum and alternative art space.

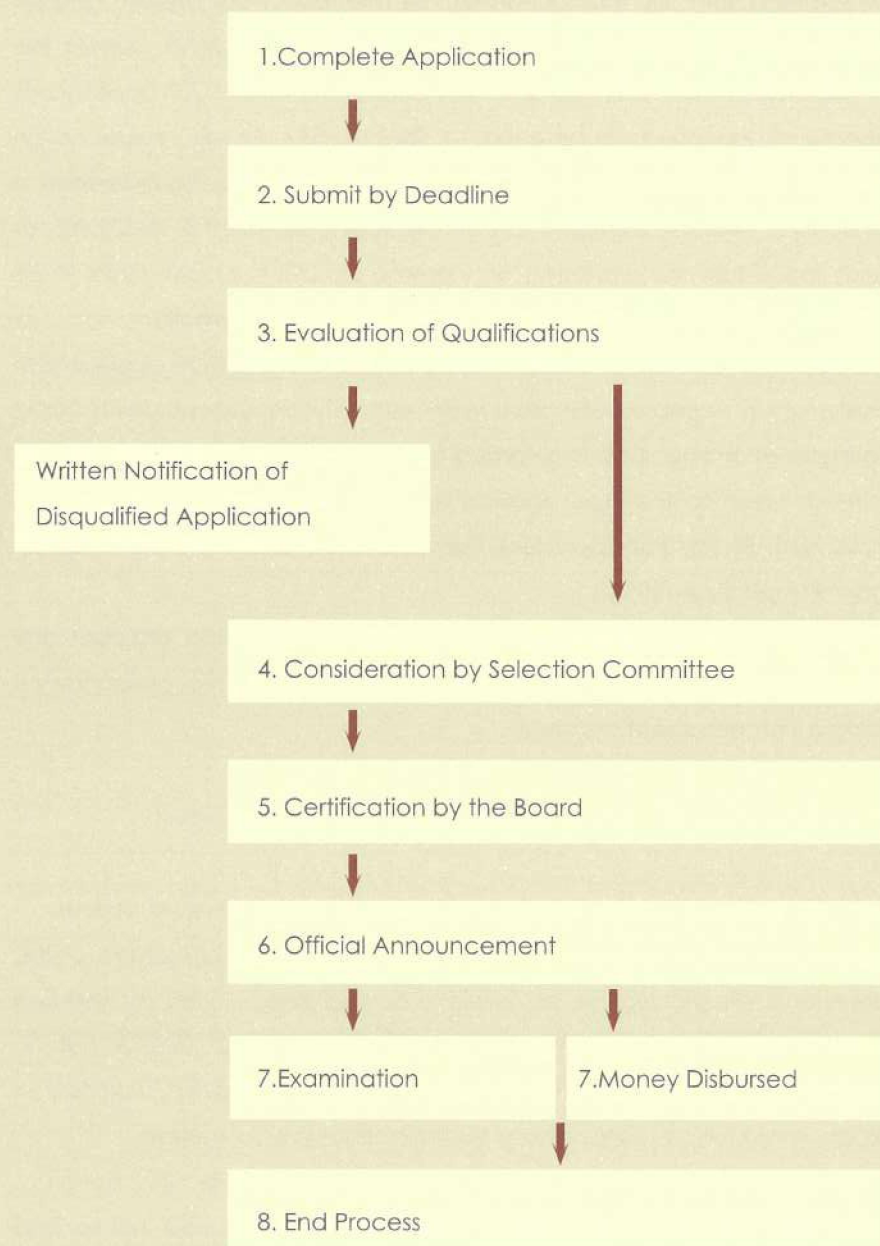
2004 Regular Grant Evaluation Work

	2004, 1st half	2004, 2nd half
Application dates	1/1-1/31/2004	6/1-6/30/2004
Evaluation schedule	2/1-4/30/2004	7/1-9/30/2004
Funding announcement date	4/30/2004	9/30/2004
Project begin dates	5/1/2004 and later	10/1/2004 and later

Annual Evaluation Items, Projects, Categories

Audiovisual media	Accepted during 2004, 2nd half
Private museum Alternative art space Annual performance	Plans for 2005 accepted during 2004, 2nd half
Individual creative work Commissioned creative work	Plans for 10/1/2004 and later accepted during 2004, 2nd half

3. The Application Process for Regular Grants





Chen Jieh-jen, "Glory" (DIGITAL BETACAM/25-35min, experimental)
(photo provided by Chen Jieh-jen)

4 Regular Grants: Results and Analysis

〈1〉 Summary of Regular Grants

The registry of new and continuing grantees is available on the NCAF website, and is published in summary form by the Foundation. 84 members were present at 2004 meetings of Selection Committees. For a detailed exposition of grants, consult the publication "Table 1: 2004 Annual Regular Grants Analysis". In total, 1,233 applications were considered, amounting to a potential NT \$588,856,399. At the annual board meeting, 549 grants were awarded, 44.5% of application received; this represents a 3% increase over last year's 41.5% figure. Grants awarded totaled NT \$118,073,505, or 20.1% of funds requested; this represents an increase of 0.8% from last year's 19.2% figure. See the "Table 2: Projects and Funding Analysis" for more information.

According to year-end Foundation statistics, the category with the most applicants in 2004 was music, which accepted 359 grant recipients. A further 235 recipients come from the category of drama. Grants awarded to individuals amounted this year to 157, 91 of which were to first-time applicants. Those awarded to organizations amounted 395, with 56 first-time awardees. For more information, see the "Table 3: First Time Grant Recipients Analysis".

In addition, to use resources effectively, the Foundation takes into account any grants received by other government bodies or organizations into consideration when deciding a potential grant recipient.

〈2〉 Projects Approved are briefly described by category, below:

■ Literature

The literature category encourages investigative research on the development of literature, studies like Chen Jui-hua's "Comparative Study of the Literatures of the French Antilles and the Aborigines of Taiwan", or Kuo Feng's work on modern Taiwanese poetry, "History of Contemporary Chinese Poetry, vol. 2". Also of note in the field of children's literature are Chiu Ke-jung's "History of Children's Literature in Taiwan" and Chen Yu-chin's "Book Covers of Illustrated Books by Taiwanese Illustrators". "Japanese Villages of Hualian during the time of Japanese Occupation", by Shih Shu-ching, is also a planned piece of investigative research with her second of "Three Taiwanese Songs." At the same time, literary seminars and discussion groups promoting advanced study have been generously funded.

The Foundation was supplying up to NT \$360,000 this year for the new literary work, it also covered publication costs for these new works. Out of an outstanding crop of applicants, 15 have been selected for grants. Included among these there is Rahic

Talif of the Ami aboriginal tribe, for his illustrated works written in the Ami language Makotaay. His work will help keep the language and stories of the Amis alive. Also noted is the photographer-writer-scientist Dr. Lee Chun-yang, who has spent more than 60 years documenting the life and behavior of insects. Tsai Hsiu-chu's life-long passion for Taiwan's natural environment takes the form of metaphorical imagery in *Symbolic Stories from the Living World of Taiwan*"

■ Fine Arts

The budget for the creative work of Fine Arts was increased to NT \$360,000, all of which was dispersed to 18 outstanding applicants. Among these, projects to document artistic creation proposed by Tsui Kuang-yu and Chang Li-shan was especially praised by the selection committee, separately awarded NT \$360,000 grant.

Five other projects advance the field of art within major international circles, 45% of the item's application received. Among these were *Memories in the Wind: a Celebration of Cooperation* , proposed by Chen Shun-chu, *More Factories*, by Chen Chieh-jen , and *Techniques of the Visible*, by Hung Tung-lu. Above works were included for exhibition at the 5th Shanghai Biennial 2004, organized by the Shanghai Museum of Art.

For the original work *"Walk Slowly, Speak Intimately"*, six southern Taiwanese masters went to the New Territories of Hong Kong to exhibit at the Kadoorie Farm and Botanic Garden. Also crossing boundaries was the Taiwan International Visual Arts Center with its exhibit *"Twentieth Century Masters of Photography III: Edward Weston"*, which introduced a major figure to new audiences within Taiwan. Also of note was *"Three photographers of Taipei, part three: Lee Ming-tiao"* which brought this exhibition series profiling three photographers of a past generation Chiu Nan-kuang, Chang Tsai, and Lee Ming-tiao, to a close. That exhibit included many images from Taiwan in years past, making it a valuable exposition of both art and social history. All three projects won support from the Foundation.

■ Performing Arts in Various Regions

To alleviate the uneven distribution of performing arts resources across Taiwan, the selection committees gave every consideration to qualified performing groups formed and touring outside of Taipei County. During the first half of 2004, 60% of total dance funds and 55% of total drama funds supported all performances outside of Taipei County. During the second half of 2004, the funds even reached 68% of total



ETAT's exhibition "Loop"
(photo by ETAT)

performing arts funds, and at the same time, the number of groups from outside of Taipei County increased. The Foundation will continue to support performing arts projects in the southern and central regions.

Many theatrical troupes outside of Taipei County have been developing theater festivals that really lay the groundwork a more artistically-aware society. Among those especially noted by the Foundation are the Tainan Jen Theatre for organizing "The 1st Tainan Theatre Festival" and "2005 Festival of New Plays" in Tainan; the Spring Wind Art Theatre for "Happy Play Festival" in Kaohsiung; the Taitung Theatre for "The First Annual Eastern Youth Theatre Festival" in Taitung, and the Ta- kai Theater in Taichung its "First Annual Warehouse Performance Art Festival".

■ Music

To foster a richer foundation of Taiwanese musical works, the Foundation has stipulated that from 2004 onward, at least 50% of awards in the item of musical performance must be for performances including Taiwanese composers. During 2004, 84 musical performance applications within Taiwanese musical works were received, of which 45 won grants, and 167 applications of non Taiwanese musical works were received, of which 45 won grants.

Because the Foundation encourages performance of new Taiwanese music, all works awarded by the NCAF have been compiled into a list that is published on the NCAF web page. Interested performers may contact the foundation for performance rights.

■ Cultural Heritage

During 2004, grants in the category of Cultural Heritage went to special exhibits like "Introducing the Kavalan Culture of the Pingpu Tribes" at the Shung Ye Museum of Formosan Aborigine, and investigative research like Chuang Kwo-hsin's *"The Miholol Dances of the Taiwanese Tabalong (Ami) Aboriginal Tribe"*, Hua Chia-ching's *"Towards an Analysis of the Relationship Between Branches of Palilililijaw (Paiwan) tribe: Oral History and Narrative Resources"*, or Lin Li-yun's *"Investigation of the French Father Andre Bareigts and the Fengbin (Ami) tribe"*. There were also advanced study seminars such as "Homes of Our Ancestors: Aborigine Music and Dance Training Project" of The Formosa Indigenous Dance Foundation of Culture and Art. In addition, the selection committee welcomed projects that produced or preserved traditional arts, handicrafts, artifacts and antiques.

Lin Shu-min's "Hypnosis Project"
in Shanghai Art Museum
(photo provided by Lin Shu-min)



■ Audiovisual Media

Each of the 17 grants in the category "Audiovisual Media" conforms to the requirement that the work be produced in digital format. Long-term concerned documentaries are particularly encouraged to apply.

This year grants of animated short film

went to original works, like Chen Lung-wei's "*Child of the Great River*", an animated adaptation of the famous photographer Lee Ming-tiao's work *Shepherd boy of Xindian Creek*. Also supported was Lin Ming-yu's "*Roaming the Graffiti City Animation Short*", which integrates graffiti and the sounds of rap music in many different languages.

■ Interdisciplinary Art

Grants in the category interdisciplinary art came to a total of nine in 2004, with increases in small theatrical productions, and visual, sound, and behavioral arts. Sound art project in particular showed the greatest increase, having drawn much attention from the selection committee. In addition, this category encourages application from new and young artists to make frequent interaction with international art circles.

■ Development of Art and Cultural Environment

Grants in the category development of art and cultural environment came to a total of 23 in 2004. Many of the projects supported in this category are web sites that publish information on the arts. In the second half of 2004, NCAF sponsored International Creative Knowledge Consultant Company's "The website of Creative-Info. Com" established its first official site. Other sites supported in 2004 included "The website of Public Art Newsletter" by the Open Space Foundation, "The Visual Art International Website" by the Association of the Visual Arts in Taiwan, and others, all efforts worth sustaining in the coming years.

II. Project Grants

Project grants were set up by the NCAF to meet the immediate needs of the arts community, providing funding for special programs that lie outside the scope of the regular grant funding system. They serve to promote artistic endeavors and research on the arts, and they sponsor activities that advance culture and arts and/or promote access to culture and arts.

Resources for project grants come from both the NCAF and the Friends of NCAF. This is explained in more detail in the chart below.

	2004 Project Grants	Maximum Number of Awards	Maximum Individual Award (\$NT)	Application Period	Grants Announcement Date	Total Grant Funding (\$NT)
NCAF Projects	Audiovisual Media Project	4	1,200,000	1/15-31/2004	4/30/2004	4,000,000
	Creative Writing (Novel) Project	4	500,000 for living costs 200,000 for publishing costs	10/1-30/2004	12/31/2004	2,800,000
	Independent Curators in Visual Arts Production Project	6	1,500,000	7/1-15/2004	9/30/2004	8,050,000
	Taiwanese Opera Production and Presentation Project	3 projects, Nominating 6 plays	880,000	10/1/2004	2/21/2005	2,760,000
	Performing Arts Marketing Project	4	1,200,000	8/1-25/2004	9/30/2004	4,800,000
	Performing Arts Feature Revival Project	6	2,500,000	10/1-20/2004	12/20/2004	7,285,845
Arts & Business Projects	The Pursuit of Excellence in Performing Arts Project	No restrictions	1,000,000	4/1-20/2004	5/31/2004	7,500,000
	Learning Through Art-Art Education Project	10	250,000	8/1-10/2004	9/5/2004	2,000,000
	Tech Arts Project	6	500,000	8/1-31/2004	10/19/2004	2,496,000
	International Metalworking Exchange Project	1	300,000	6/1-30/2004	9/30/2004	300,000



■ Audiovisual Media Project

These grants are for funding projects in new and developing medias, especially digital film productions. NCAF makes bringing Taiwan's digital production standards up to internationally-renowned levels a priority, and funds projects that can help accelerate the pace of our development. Applicants should have at least four years of experience in digital production or digital re-mastering. We are also open to applicants who plan to produce digitally-filmed documentaries, animated features, or experimental works. Each year, up to NT \$1,200,000 is awarded to up to 4 applicants. These grant winners are expected to hone their skills and master their arts, and are encouraged to participate in activities that advance international artistic interchange, such as international film festivals.

■ Creative Writing (Novel) Project

Regular grants in the category literature have had less success than expected in their goal of stimulating large-scale creative-writing projects. Therefore, the creative writing project has been established, covering the living expenses of selected potential novelists and other creative writers, and paying for the publication costs of their completed works. NCAF understands the uncertainty of the writer's market, and so wishes to upgrade its support of literary creation to levels that will sustain writers despite the markets. In addition, to help discover as many new writers as possible, the project awards are open to both public application and recommendations. This year the selection committee is continuing to search for writers that whose outlook is toward the future - trendsetters and experimentalists whose potential has earned them our support despite limited marketability factors.

■ Independent Curators in Visual Arts Production Project

Increase in the number of exhibitions of Taiwanese arts both locally and abroad make funding curatorial practice project and important responsibility. For this reason, NCAF is implementing the project grant of curatorial practice in exhibition this year. These grants support outstanding contemporary arts exhibition projects for up to NT \$1,500,000 per grantee. Applicants should be preparing exhibitions whose works are complete, multifaceted, and of competitive exhibition quality. Many of the curators selected have extensive qualifications and experience both locally and abroad. And many of the exhibitions are interdisciplinary in nature, though they are presented as visual arts creations. Exhibitions that explore contemporary social and economic facets of culture, as well as the social criticism are also awarded. This year grants

were given to exhibitions appearing in galleries, art collectives, and alternative arts spaces. A portion was also awarded to projects opening in international traveling exhibitions.

■ Taiwanese Opera Production and Presentation Project

Grant awards in this category went to performance groups to support writing, composing and direction of traditional Taiwanese operatic performance. Our hope was to inject new life into Taiwan's traditional drama forms. After 9 months of preparation and production, 2004 three awarded groups-Kuo Kuang Taiwanese Opera Group, Shiukim Taiwanese Opera Troup, Chun-Mei Taiwanese Opera Troup presented outstanding performances at local temples, the first of which went up July 9, 2004, and these continued for the following three weekends. These were performances at the Tachia Matsu Temple in Taichung, the Tianhou Palace in Tainan, and the Three Phoenixes Palace in Kaohsiung. These performances were successful in attracting the attention and appreciation of the public, local government bodies, and media alike, and gave us every encouragement to expand our efforts.

The 2005 Taiwanese Opera grant will be dispersed according to the accompanying flow chart. As before, our aim is support these "small but beautiful" temple performances, to bring more people than ever back to the temples for a taste of the sounds and rhythms of traditionally performed Taiwanese opera. This year, selections will be made using two processes: troupes may either apply in advance for performances still in the production stage, or they may apply with a finished production to receive underwriting for the final performances.

■ Performing Arts Marketing Project

Some of the key difficulties of performing arts in Taiwan include limited ticket sales, which prompt many groups to travel to different counties and towns to perform. Groups are then faced with travel and marketing costs. In light of these difficulties, the performing arts marketing project was launched. These are meant to help new avenues of marketing, and to create a base of municipal and educational promotion venues to work with. By simultaneously pushing performers, audiences, and venues, it is hoped that new levels of performance activity may be reached.

Four institutions which one grants of this type are helping arts groups in the following respects: (1) assisting with press releases of arts events, (2) assisting with distribution of programs and posters, (3) helping in the design of posters and other forms of advertising, (4) assisted performance groups to arrange accompanying lecture series, (5) helped performance groups make important media appearances, (6) helped information about performances get included in major local publications, (7) helped performance groups go to schools of all types to give demonstration

performances, (8) helped to arrange for advertising on television and billboards, (9) helped build link to websites that advertised performances, (10) assisted in advertising in high-traffic areas like restaurants, (11) helped to build marketing and audience databases.

NCAF hopes that these grassroots-level efforts will help bring ticket sales to performance arts events to new levels.

■ Performing Arts Feature Revival Project

As with the performing arts production grant and the marketing support, the performing arts feature revival project is meant to help build a more stable audience base. Performance groups that travel among counties and cities all over Taiwan, accumulating success and the potential for entertaining even more audiences, can win awards to expand their high-quality performances to even larger scales. That way, their works can be enjoyed by even more new audiences.

■ The Pursuit of Excellence in Performing Arts Project

Quality production plans are selected with ample financial resources and production time provided. For the best quality of performance art and the presentation access, the consultative group based on the NCAF's staff and experts would give grantees advice and assistance during their producing process.

A \$ 1,000,000 fund was granted by NCAF for the marketing and promotion of this project. In addition, SinoPac Holdings also raised \$10,000,000 media sponsorship budget, helping to extend the promotion of these productions on all media forms, including print and radio media. This budget also goes to support the cocktail reception for each production on its opening night, creating one of its kind corporate sponsorship support in performing arts.

■ Cultivation of Young Creative Talent Project

The National Securities and Finance Group Foundation cooperate with NCAF to produce youth creativity seminars, helping to advance one of the core goals of our foundation: discovering and training youth interested in the arts. The second annual Cultivation of Young Creative Talent Project, hosted by Lin Huai-min and Celia Chieh, featured coaches from the upper echelons of the Taiwan and Hong Kong arts communities like Wang Chi-mei, Chuo Ming, Edward Lam, and Miguel Li. These people, along with 25 specially selected young artists, participated in creative exchange and exciting study sessions. In addition, there was a lecture series, demonstration performances, and artistic creation seminars. These activities help build a new generation of high-caliber art and culture makers.

Didier Marcel "No Title"
(photo Provided by Juming Museum)





■ Learning Through Art-Art Education Project

Mr. Lee Yi-wen, chairman of the board of Lion Pencil Co., Ltd, sponsored the foundations creation of the arts and humanities education project grant, of which our present "Friends of NCAF" program is a major result. Since 2003, the friends of NCAF have given us major returns in arts and arts education, earning it the enthusiastic approval of the NCAF board of directors. The program was expanded in 2004 to include NT \$1 million of NCAF funds in addition to continued sponsorship from Lion Pencil, all for sponsoring activities to foster arts and humanities

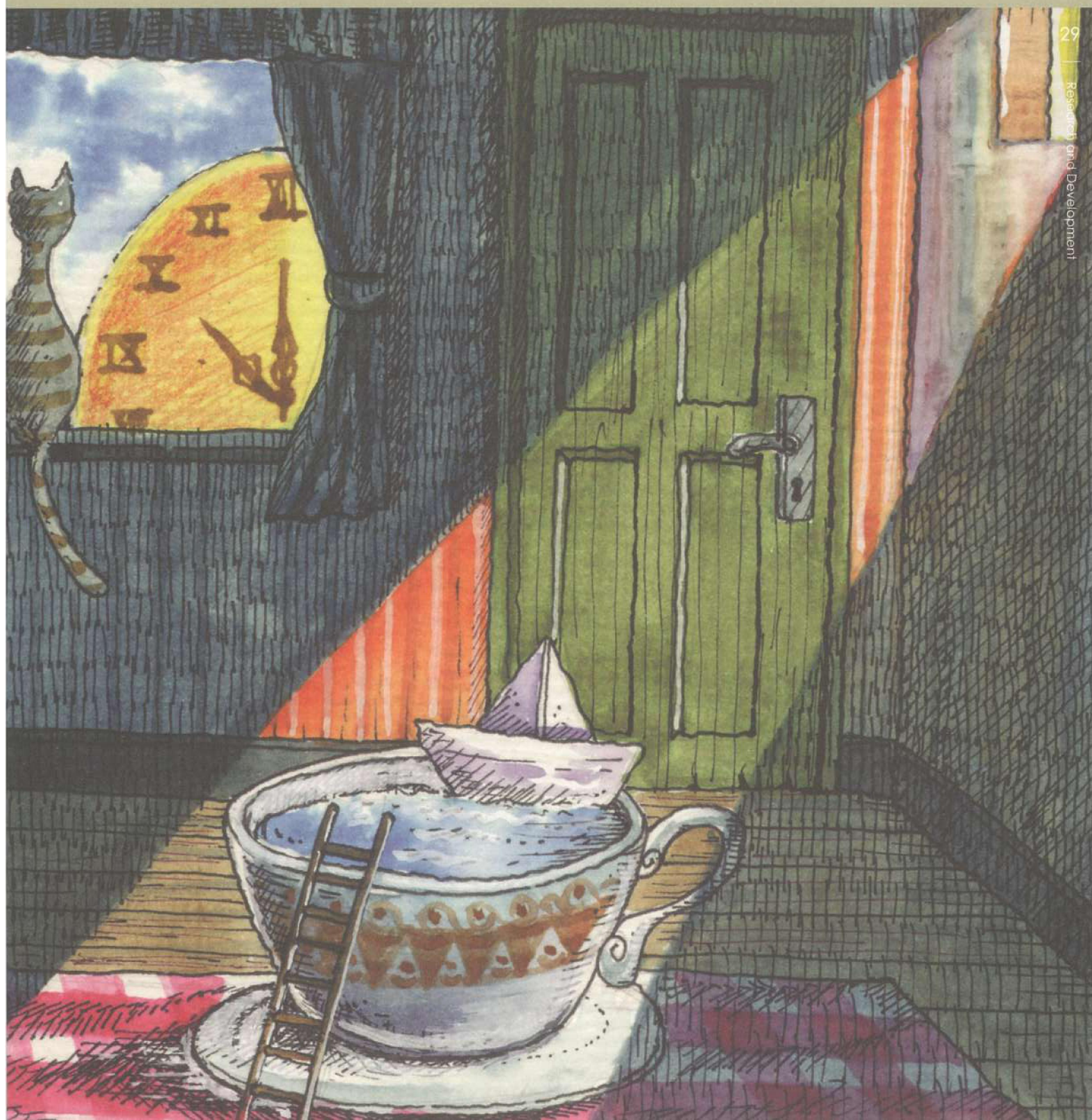
The seven research groups who received awards during 2003 presented their results at presentation fair that took place July 13, 2004, sharing new methods of arts education with school teachers and the public. The 2005 award winners represent grouts from all over Taiwan and the outlying islands, cooperating in arts and humanities teaching projects that have the selection committees excited about the next results exhibition. education.

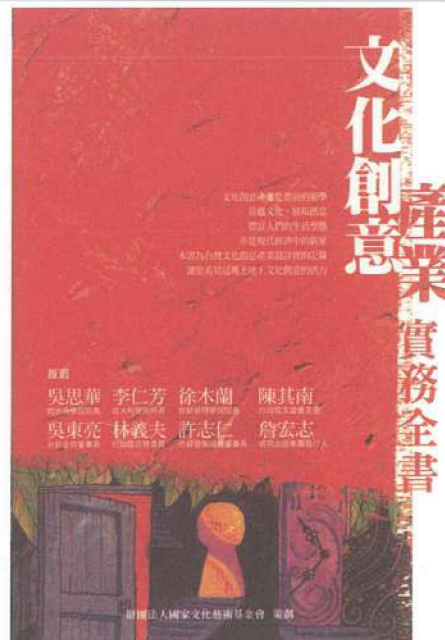
■ Tech Art Project

A key part of modern arts communities is technological talent, and these project grants combine arts and business enterprises to cultivate this up-and-coming area. In 2004, a total of NT \$1,500,000 was raised from the sponsorship of Chew's Cultural Foundation, the ACER Foundation, and the Lite-On Cultural Foundation together with matching fund of the equivalent amount from NCAF, to support artists for one year. To encourage artists to engage in the creation of tech arts, NCAF also assisted them to obtain equipments and venues for their exhibitions. The six award-winning projects, each starting from October 10, 2004, were divided among exhibits to be held at the Hong-gah Museum in Taipei, the Kaohsiung Museum of Fine Arts, the Taiwan Museum of Art in Taichung, and Aspire Park.

■ International Metalworking Exchange Project

Mr. Juan Wen-meng, having studied and practiced metalworking arts for many years and gained a high level of achievement, has taken it upon himself as a new Friend of NCAF to sponsor an award for grantees of metalworking to go abroad to advance their studies by comparing and exchanging work with foreign metalworking masters. The new metalworking grant will thus primarily support classes, internships and research experiences to raise the overall level of the craft of metalworking in Taiwan.





1. NCAF Organizational Structure

Following last year's report "Comparative Analysis and Evaluation of the Establishment Principles of the NCAF," this year was spent in continuing the collection of data on the legal and organizational structure of the NCAF, as well as data on its progress to date. More investigation was also made into the possibility of turning the NCAF into an administrative corporation, and the implications this would pose in terms of governing agencies with in the central government. Also continuing are a number of feasibility studies that will determine the long-term future organizational development of NCAF, and whether the current organizational model needs further revision.

2. Cultural and Creative Industry Case Studies

Last year's case studies from the handicrafts, arts and culture facilities, local creative industries, performing arts, creative life style industries and visual arts industries were all extended. These studies collected information about the quality and marketability of Taiwanese art and culture. After analysis by the NCAF Cultural and Creative Industry Trends Research Team, these studies have each been announced on the Foundation's website, as well as on the electronic newsletter. In all, 70 full case studies are now complete and available for review.

3. Analysis of International Arts Subsidies

Information on international subsidies is supplied to the Foundation by the International Federation of Arts Councils and Cultural Agencies (IFACCA). The latest IFACCA news and promotion plans come via their Arts Council Online Reader News Service (ACORNS). The Foundation summaries selected portions of these reports (into Chinese) and posts them to the Foundation website. Presently, 42 ACORNS reports are available.

4. Development of Research on Cultural Policies

The basis of a knowledge base is in carrying out research and gathering materials, and this is just what the Foundation is presently doing by sharing data over the internet as well as creating new art and culture industry forums. In addition, the National Chengchi University department of accounting has been commissioned to prepare the report on the relation between promoting art development in Taiwan and the Taiwanese tax system, and Tamkang University has been commissioned to produce a report on audiovisual media. NCAF is also trying to cooperate with the academic field and other third sectors, to expand the scope of its network by investigating analogous policies already enacted in the European Union.

5. Art and Culture Databases

Work on NCAF's two main database projects, the NCAF Grant Funding Results Database and the Database on Contemporary Art and Cultural Talent in Taiwan, continues.



(1) NCAF Grant Funding Results Database

NCAF has been digitizing grants information since 2002, and has now made a considerable portion of its records available from the NCAF website. All 185 pre-2002 (inclusive) "Research Projects" are available, as are many of the other grants results. Going up in May, 2004 were 187 files from the first half of 2003, 97 from the second half of 2003, and 33 from the first half of 2004.

(2) Database on Contemporary Art and Cultural Talent in Taiwan

The "Database on Contemporary Art and Cultural Talent in Taiwan" is a joint effort of the NCAF and the Council for Cultural Affairs. The aim of this effort is to provide art and culture researchers with an indexed database that can be used to promote industry cooperation and international exchange. Stage One of the project, "Visual Arts," was completed February 29, 2004, and contains some 1,608 files. This year CCA and NCAF will continue with the next stage of the project, a digitization of reference works, with profiles of 115 artists and 612 artworks. To see the work in progress visit the URL: <http://203.207.5.81:8080/cca/>

6. Research into Audiovisual Media

Between 1997 and 2003, regular grants in the audiovisual media were dispersed to 138 different parties, with total funds equal to NT \$24,189,876. There were also four additional project grants awarded in 2003 with awards totaling NT \$3,200,000, bringing the total dispersed awards to NT \$27,389,876. The current investigation is in regard to the use and results of these funds and what benefit they brought to society. The investigation will entail collecting documents, paying visits to public, private, and educational arts facilities, as well as interviewing relevant artists for their comments and suggestions regarding subsidy policies. Reference will also be made to the subsidy systems of other countries (especially the U.K., a major support of the arts). The results of these creative lifestyle industries will be used to analyze and revise the Taiwanese arts subsidy infrastructure.

7. Research Publications

For this year's local creative industries of Cultural and Creative Industry Case Studies, 34 valuable projects were described in detail and categorized by their origins within the handicrafts, arts and culture facilities, creative lifestyle industries, local creative industries, performing arts, or visual arts industries. In addition, nine experts from each of these fields were described in extensive profiles. The results were published as the *Complete Directory of Cultural and Creative Arts Industry*, in association with Cite Books, Inc.

8. Building a Cultural News Archive

NCAF is continuing the work of keeping up to date on culture and arts issues inside and outside Taiwan, archiving current events reports and producing important reference material. News reports are taken from the China Daily News, the United Daily News, the People's News, the Liberation Times, the Central Daily News and the Taiwan Daily News, collecting about 20 arts-related articles each day, digitizing them and categorizing them into one of 25 categories such as cultural policy, arts management, performing arts, creative industry, and editorials. Other categories are all concerning media reports related to the foundation and other matters of cultural influence.

Resource Development



Performance Workshop "Total Women"
(photo by Wang Chih-wen)





"For the Love of Art" event, visiting the 3rd Artist Fair

During 2004, the NCAF advanced fund raising and resource development activities as part of its mission to be of benefit to the Taiwan arts community. In summary, the 2004 projects were as follows:

1. Friends of NCAF

(1) Member Organizations

"Friends of NCAF" first began fundraising activities in October, 2003, but was not formally established until February 26, 2004. By 2004 there were 74 members, among them CEO of Taishin Financial Holding Co. Mr. Thomas Wu, who served as president; CEO of Jih Sun Securities Co., Ltd. Ms. Tsai Shu-yuan, and CEO of Lion Pencil Co., Ltd., Mr. Li Yi-wen, who both served as vice presidents, CEO of Sinopac Holdings Mr. Richard Hong, Art & Collection Group President Ms. Chien Hsiu-chih, BML Art Association General Manager Mr. Hugo Liao, and Ms. Sunny Chou, who served as conveners. Committee members hold monthly meetings. Presently, Arts members are 15, Corporate members are 59.

(2) Arts and Business Projects

Since its official establishment, Friends of NCAF has initiated arts and business cooperative projects that help raise funds to subsidize the arts community. The Foundation acts as a liaison between the relevant parties. During 2004, ten major projects were sponsored, spanning performing arts, visual arts, art education and training, and publishing. Among them were many of the grant projects sponsored by the Foundation. A summary of these extensive projects follows in the table below:

Project Sponsored	Sponsoring Institution	Funds Allotted
Project for the Pursuit and Excellence in Performing Arts *	NFSG Foundation, Fu-hwa Educational and Cultural Foundation, Wu Dong-Jinn Foundation, Shinkong Wu Huo-shi Educational and Cultural Foundation	NT \$7,000,000 (2003-2006)
Learning Through Art-Art Education Project *	Lion Pencil Co., Ltd.	NT \$3,000,000 (2003-2006)
CO4 Taiwan Avant-garde Documenta	Taishin Financial Holding Co.	NT \$3,000,000
Art and Business Guidebook	Jih Sun Securities Co., Ltd., PCA Funds, Ltd., and the Art & Collection Group	NT \$1,500,000 (3 volumes)
International Metalworking Exchange Project	Juan Wen-meng	NT \$300,000
Tech Arts Project*	Chew's Cultural Foundation, Acer Foundation, Life-On Cultural Foundation	NT \$4,500,000 (2004-2007)
Contemporary Art Education Project "Partners-in-Learning"	Microsoft Taiwan	NT \$1,500,00
Documentary Film "Life"	Tung Ho Steel Enterprise Corporation	NT \$3,350.00 (value of donated film equipment)
Arts and Business Training Workshop	Fubon Art Foundation	Materials valued at NT \$222,361 NT \$60,000 (for VCD production costs)
	Philip Morris Taiwan Inc.,	NT \$200,000 (for workshop and banquet)
Arts Card	Taishin Financial Holding Co.	NT \$1,204,656

*Projects with matching fund from NCAF



The Launch Party of "Friends of NCAF"

(3) "For the Love of Art" Activity

Even before it was officially established, the Friends of NCAF had already begun holding its monthly "For the Love of Art" activities, which not only gave business members useful bits of arts information, but also allowed them to get a closer look at arts exhibits and performances. They were able to get a deeper understanding of what benefits arts and business cooperation can bring. Business members were also encouraged to interact with the artists, gaining important familiarity with the people they were sponsoring, during lecture series and seminars. To date, the "For the Love of Art" activity has been held 14 times.

(4) Training and Publishing

(a) Art and Business Training Workshops

To raise the partnership potential of arts and business communities, the Friends of NCAF invited the Arts & Business (U.K.) experts Andrew McIlroy and Philip Speeding to Taiwan for a five-day workshop on arts and business cooperation strategies. Friends of NCAF members Fubon Art Foundation and Philip Morris Taiwan were most generous in covering the costs of the seminars and banquet.

Twenty-five representatives of domestic arts institutions participated in lectures, seminars and role-playing activities to learn about new techniques of fund-raising and business partnership strategies. It was also a great opportunity for business and arts administrators alike to meet and network, forging the necessary connections for a bright future of arts and business partnerships.

(b) Publishing the *Arts and Business Guidebook*

On July 7, 2004, Friends of NCAF released the *Arts and Business Guidebook*, a reference for other organizations and the general public. It contains clear, easy-to-understand instructions for starting up arts and business cooperation projects, and provides the business community a guide to the benefits of investing in the arts. With many outstanding case studies developed within Taiwan and abroad described with examples, the work is certain to become a standard tool for all organizations involved in supporting the arts.

The *Arts and Business Guidebook* is generously sponsored by Jih Sun Securities Co., Ltd. and comes with prefaces by Jih Sun CEO Ms. Tsai Shu-yuan, as well as Mr. Barry Lam, CEO of the Quanta Group.



2. Fund Raising

(1) The Arts Card

The Arts Card, issued by Taishin Bank in association with the NCAF, is Taiwan's first credit card that supports art and culture. A small percentage (0.2%) of each transaction made on the Arts Card is donated back to the NCAF. Recently, the card has begun to catch on; the 100,000th card was issued in August 2004, and the total at the end of 2004 was 108,872. Between November 2003 and November 2004, the Foundations returns on the cards totaled NT \$1,204,656. Also, arts organizations and other businesses offering special discounts on Arts Card purchases increased to 62.

(2) Other Donations

Many businesses have generously donated goods and materials to help in the many programs and activities conducted by the Foundation. In 2004, the Friends of the Taiwan Museum of Art, partnered with ITPark Gallery and Photo Studio, sponsoring that organization with NT\$150,000. Catering for the National Award for Arts this year was sponsored by Ms. Tsai Shu-yuan, CEO of Jih Sun Securities Co., Ltd., with NT \$60,000.

3. Presentations of Projects by Arts Administration Grantees

The Foundation has been sponsoring the training abroad of young professionals in arts administration since the year 2000. Grantees travel to the United States for three to four months of study and internships. In 2004, the award winners began returning to Taiwan to report on their accomplishments. Presentations were held December 7, 2004 at National Kaohsiung Normal University and on December 9 at the Taipei International Arts Village.

The presenters included Ms. Hsu Hsiao-kui, director of the Huashan Cultural and Creative Industry Center. She organized presentations concerning public art in the United States, the development of independent exhibition consultants, and use of community recreation spaces by artists. Mr. Tsao Wen-jui, assistant director of the Huashan Center, gave a presentation on the history of miniature arts, as well as a comparative overview of how miniature arts museums operate in the United States. And Ms. Lee Su-lien discussed her work with the Smithsonian Folklife Festival, explaining how America developed folklife festivals as a means of preserving local culture.

4. Taiwan-France Arts Administrators Exchanges Program

From October 31 to November 7, 2004, in association with the French Ministry of Culture and Institut Français, the Foundation held its Taiwan-France Arts Administrators Exchanges, concluding 3 years program that started in the year 2001 to compare and share arts administration models in Taiwan and France.

This year, the program centered on business and arts cooperation and the cultural and creative arts industries. In the course of talks and meetings, French representatives were introduced to Taiwan's arts community, the accomplishments of the Foundation in promoting arts and business cooperation, with new models for marketing the arts. Both sides learned a lot about the benefits and possibilities for arts as community resources. Afterward, France and Taiwan pledged to seek further possibilities for artistic and cultural exchange.

5. Planning the 2005 Taiwan International Arts Fair

The NCAF was commissioned by the Council for Cultural Affairs to organize the 2005 Taiwan International Arts Fair. The purpose is to foster the growth of arts and cultural developments as the government realizes that the creativity industry has become one of the most important indicators of accomplishments for a developed nation in the 21st century.

In preparation for a high-profile Arts Fair in Taiwan, the Foundation sent representatives to various departments within the central government, as well as to the International Arts Expo of other countries, to make a full study of how to plan and execute such a big project combining industry, government, and educational resources. The Foundation suggests that the Art Galleries Association, R.O.C., is a worthy collaborator in planning the event.

6. Arts Information Service

The Foundation makes the building of artistic resources for Taiwan its highest priority, and emphasizes close observation of relevant government and industry policies. For this reason the Foundation expends a great deal of energy on information presentation and interchange, priding itself on a fast and efficient arts information service that includes news announcements, informational meetings, press release meetings, a website, an electronic newsletter, and publishes its own *Newsletter* and this *Annual Report*.



(1) Links with the Media

During 2004, the Foundation made 41 news announcements (including press release meetings), as well as other individual question and answer sessions. Information on the Foundation and its awards is available at any time, and the Foundation's research findings group has come forward with even more new information dispersal methods.

(2) Publications

The Foundation publishes a newsletter and a bilingual annual report. The newsletter is the Foundation's way of keeping in touch with the arts community. During 2004, three newsletters were published, containing information on the Foundations services, news on grants and other subsidies, and activities of the current grant holders. The purpose of the annual report, on the other hand, is to record the business of the Foundation, especially its dispersal of grants: there are reports on that year's National Award for Arts winners, regular grants, project grants, research and development, fund raising, and other activities worth recording. It is a reference tool for arts research and cultural activities. In addition, the Foundation published a separate record, the 2004 8th National Award for Arts, and also cooperated with public television to broadcast the video recording of the awards ceremony, entitled *Faces of Culture*. NCAF also worked with the Times Culture publishing company to bring out biographies of the following National Award for Arts winners: Ye Shi-tao 2001 winner for literature, Chen Chian-wu, 2002 winner for literature, and Chen Hui-kun, 2003 winner for fine arts.

(3) New Developments to the Website

The Foundation aims to make its website a fast and efficient access point to information about arts and culture resources in Taiwan. This year, in addition to the digital archiving of our grants files and redesigning our website, we have commenced a bimonthly electronic newsletter that provides subscribers with foundation news, activities of the grant winners, opportunities for artists, and news pieces translated from the International Federation of Arts Councils and Cultural Agencies (IFACCA) news reporting service.

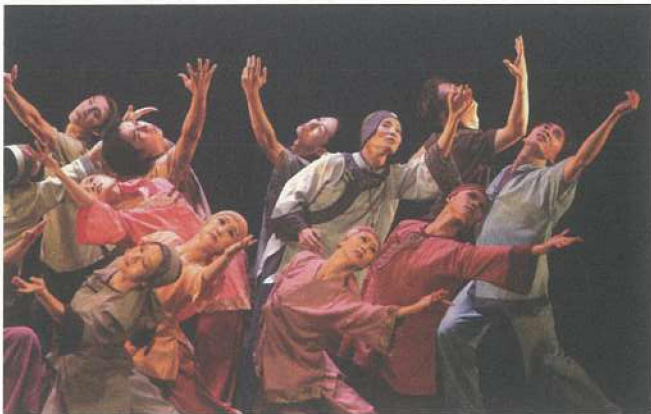
Organization



Shy Gong, "Futeh Temple The 2nd,"
(photo provided by Shy Gong)







Taipei Folk Dance Theatre,
"Pilgrimage"
(photo by Tsai Te-mao)

1. Establishment

The National Culture and Arts Foundation (NCAF) was officially established as a non-profit organization in January 1996. Its aims are to raise the level of arts- and culture-related work in Taiwan, and to subsidize the arts and culture industries.

Article 19 of the Arts and Culture Subsidy Act states, "The National Culture and Arts Foundation was established to guide and organize art and cultural activities and to subsidize the arts and culture industries." The scope of the NCAF includes:

- Organizing arts and cultural activities
- Subsidizing the arts and culture industries
- Awarding grants to workers in the arts and culture industries
- Executing any other duties covered in the Arts and Culture Subsidy Act

The NCAF has a Board of Directors and a Board of Supervisors. These have different roles and responsibilities and work together to ensure the effective management and application of revenue and expenditure. The Foundation's executive departments are responsible for promoting various policies and projects.

2. Organizational Structure

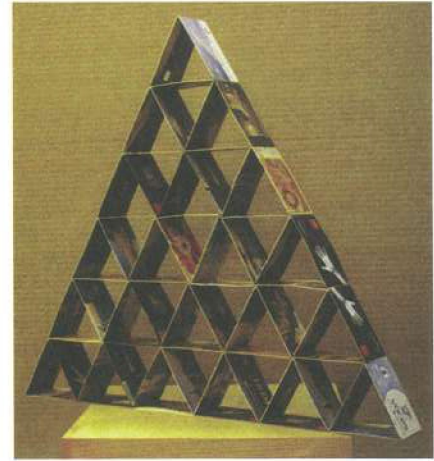
〈1〉 Board of Directors

The board is made up of 21 directors who serve for a period of three years, appointing one of their peers as chairman. The responsibilities of the Board of Directors are as follows:

- Establishing work guidelines
- Appraisal and approval of major projects and grant funding
- Raising and managing funds
- Examination and approval of the budget and final accounts
- Drafting and revision of key regulations
- Appointment and dismissal of key personnel
- Consideration and approval of other important business

〈2〉 Board of Supervisors

The Board of Supervisors is comprised of three to five supervisors who serve for a period of three years and choose one of their peers as Chief Supervisor. The responsibilities of the Board of Supervisors are as follows:



- Auditing of funds and accounts
- Supervision of NCAF finances
- Discussion and approval of final accounts

(The terms of the third Board of Supervisors and Board of Directors were from September 16, 2001 until December 31, 2004)

(3) Executive Departments

The NCAF president is appointed to work under the supervision of the Board of Directors and has 1-2 vice presidents to assist in the execution of his or her duties. Individuals will be appointed to these positions for a period of three years. The fourth and provisional meeting of the third Board of Directors on March 28, 2003, approved the appointment of Mr. Fang Kuo-heui as NCAF president and he occupied the post from May 1, 2003 until September 15, 2004. From September 16 to December 31, 2004, Chen Chin-cheng, supervisor of Grants Department I, served as interim president.

Executive departments include the Research and Development Department, Grants Department I, Grants Department II, Resource Development Department, Administration Department, and Finance Department. The responsibilities of these departments are detailed below:

Research and Development Department: Responsible for NCAF development direction and policy formulation, the provision of art and culture information, including surveys, statistics analysis and research into grant funding and other projects.

Grants Department I: Responsible for drafting regulations on the sponsorship, promotion and execution of Category A art and culture activities (music, dance and drama) and other projects.

Grants Department II: Responsible for drafting regulations on the sponsorship, promotion and execution of Category B art and culture activities (literature, fine arts, cultural heritage, folk art, Audiovisual media) and other projects.

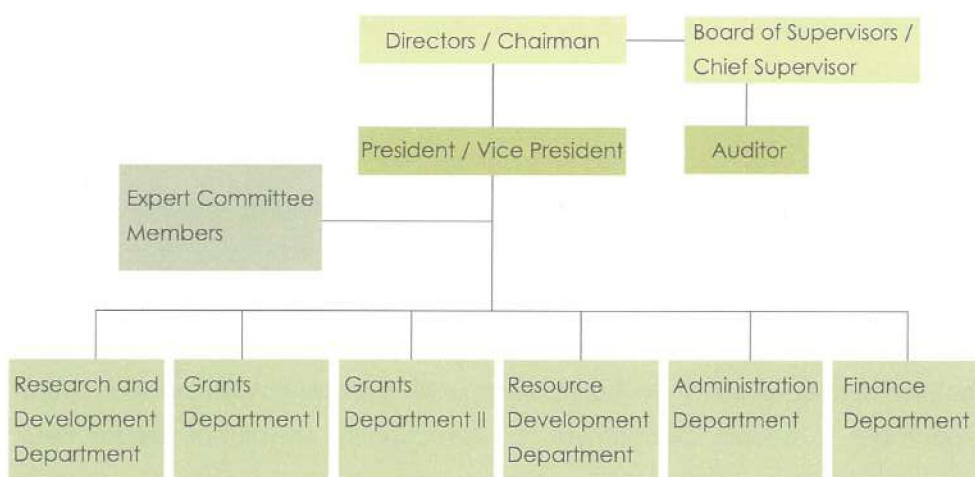
Resource Development Department: Responsible for planning NCAF fund raising events, public relations, publishing, organizing the National Award for Arts and related projects.

Administration Department: Responsible for all matters relating to the Board of Directors and Supervisors, NCAF personnel management, documents, officials, seals, payments, general affairs, assisting different departments and other related projects.

Finance Department: Responsible for NCAF financial planning, budget drafting and control, examination of expenses, account management, final accounts and other related business.

In addition, NCAF has auditors reporting directly to the Chief Supervisor of the Board of Supervisors. These auditors evaluate internal control operations, thereby optimizing the efficiency of NCAF financial management and business.

Organizational Structure



3. Board Members and Supervisors

(active September 16, 2001-December 31, 2004)

Honorary Chairman : Sun Yun-hsuan

Chairman : Chen Chi-nan (9.16 2001~1.31 2003),

Lin Mun-lee (2.1 2003~12.31 2004)

Directors : Wang Yao-hsing, Lu Chui-kuan, Li Chiao, Li Kuei-hsien, Wu Mi-cha, Lin Shu-chen, Lin Ching-fu, Hung Wei-chu, Fan Hsun-lu, Ma Shui-lung, Hsu Hsu-tung, Wang Chih-cheng, Tsao Yung-ho, Chang Yen-hsien, Chang Chun-yen, Huang Ming-chuan, Liu Ju-jung, Liu Chao-hui, Cheng Jung hsing, Chung Tieh-min.

Chief Supervisor : Cheng Ching-wen

Supervisors : Chou Chih-hung, Chiu Huang-chuan, Chang Chao-shun, Ku Ping-chen

Tables

Table 1 : 2004 Annual Regular Grants Analysis

Period	Category	Literature	Fine Arts	Music	Dance	Drama
2004-1	Applications Received	24	58	167	47	108
	Activity Costs (NT\$)	14,227,223	25,591,189	199,777,472	100,820,204	167,117,084
	Funding Applied For (NT\$)	7,877,921	15,622,633	75,963,314	52,567,162	59,344,179
	Projects Approved by Board of Directors	10	21	65	33	50
	Ratio of Approvals to Applications	41.7%	36.2%	38.9%	70.2%	46.3%
	Amount Applied for in Approved Grant Applications (NT\$)	3,866,823	6,905,185	33,942,321	42,051,660	33,680,857
	Funding Approved by Board of Directors (NT\$)	1,691,400	3,297,105	11,490,000	12,350,000	10,890,000
	Ratio of Approved Funding to Applied for Funding	21.5%	21.1%	15.1%	23.5%	18.4%
	Ratio of Approved Funding to Amount Applied for in Approved Grant Applications	43.7%	47.7%	33.9%	29.4%	32.3%
2004-2	Applications Received	68	145	192	50	145
	Activity Costs (NT\$)	22,650,788	69,238,475	199,988,562	89,285,096	308,652,101
	Funding Applied For (NT\$)	15,677,948	41,910,022	62,461,432	47,406,125	83,776,080
	Projects Approved by Board of Directors	28	47	78	36	78
	Ratio of Approvals to Applications	41.2%	32.4%	40.6%	72.0%	53.8%
	Amount Applied for in Approved Grant Applications (NT\$)	6,727,500	14,462,733	40,336,813	38,656,275	46,187,195
	Funding Approved by Board of Directors (NT\$)	5,685,000	8,470,000	12,802,000	12,166,000	14,905,000
	Ratio of Approved Funding to Applied for Funding	36.3%	20.2%	20.5%	25.7%	17.8%
	Ratio of Approved Funding to Amount Applied for in Approved Grant Applications	84.5%	58.6%	31.7%	31.5%	32.3%
Total	Applications Received	92	203	359	97	253
	Activity Costs (NT\$)	36,878,011	94,829,664	399,766,034	190,105,300	475,769,185
	Funding Applied For (NT\$)	23,555,869	57,532,655	138,424,746	99,973,287	143,120,259
	Projects Approved by Board of Directors	38	68	143	69	128
	Ratio of Approvals to Applications	41.3%	33.5%	39.8%	71.1%	50.6%
	Amount Applied for in Approved Grant Applications (NT\$)	10,594,323	21,367,918	74,279,134	80,707,935	79,868,052
	Funding Approved by Board of Directors (NT\$)	7,376,400	11,767,105	24,292,000	24,516,000	25,795,000
	Ratio of Approved Funding to Applied for Funding	31.3%	20.5%	17.5%	24.5%	18.0%
	Ratio of Approved Funding to Amount Applied for in Approved Grant Applications	69.6%	55.1%	32.7%	30.4%	32.3%
	Proportion of Total Grant Funding	6.2%	10.0%	20.6%	20.8%	21.8%

Cultural Heritage	Audiovisual Media	Interdisciplinary Art	Development of Art and Cultural Environment	Private Museum	Alternative Art Space	Total
51		12	14			481
63,178,004		10,389,856	10,077,865			591,178,897
29,488,678		6,214,040	6,532,480			253,610,407
22		2	14			217
43.1%		16.7%	100.0%			45.1%
9,210,308		300,000	6,532,480			136,489,634
4,000,000		300,000	3,037,000			47,055,505
13.6%		4.8%	46.5%			18.6%
43.4%		100.0%	46.5%			34.5%
60	43	18	14	6	11	752
37,502,889	35,554,305	18,393,773	11,727,850	51,556,255	37,910,118	882,460,212
23,529,590	22,255,057	12,402,500	6,156,200	7,666,000	12,005,038	335,245,992
25	13	7	9	5	6	332
41.7%	30.2%	38.9%	64.3%	83.3%	54.5%	44.1%
8,851,690	5,840,590	3,755,053	4,556,200	7,020,000	7,815,816	184,209,865
3,280,000	4,470,000	1,893,000	2,142,600	1,894,400	3,310,000	71,018,000
13.9%	20.1%	15.3%	34.8%	24.7%	27.6%	21.2%
37.1%	76.5%	50.4%	47.0%	27.0%	42.4%	38.6%
111	43	30	28	6	11	1,233
100,680,893	35,554,305	28,783,629	21,805,715	51,556,255	37,910,118	1,473,639,109
53,018,268	22,255,057	18,616,540	12,688,680	7,666,000	12,005,038	588,856,399
47	13	9	23	5	6	549
42.3%	30.2%	30.0%	82.1%	83.3%	54.5%	44.5%
18,061,998	5,840,590	4,055,053	11,088,680	7,020,000	7,815,816	320,699,499
7,280,000	4,470,000	2,193,000	5,179,600	1,894,400	3,310,000	118,073,505
13.7%	20.1%	11.8%	40.8%	24.7%	27.6%	20.1%
40.3%	76.5%	54.1%	46.7%	27.0%	42.4%	36.8%
6.2%	3.8%	1.9%	4.4%	1.6%	2.8%	100.0%

Table2 : Projects and Funding Analysis

Category	2004-1	2004-2	2004 Total	2003 Total	2002 Total
Total Received Applications	481	752	1,233	1,300	1,165
Activity Costs (NT\$)	591,178,897	882,460,212	1,473,639,109	1,487,031,645	1,356,354,722
Funding Applied For (NT\$)	253,610,407	335,245,992	588,856,399	621,864,770	570,440,654
Projects Approved by Board of Directors	217	332	549	540	495
Ratio of Approved Projects to Received Applications	45.1%	44.1%	44.5%	41.5%	42.5%
Funding Approved by Board of Directors (NT\$)	47,055,505	71,018,000	118,073,505	119,337,920	102,771,210
Ratio of Approved Funding to Applied for Funding	18.6%	21.2%	20.1%	19.2%	18.0%

Table3 : First Time Grant Recipients Analysis

Year	Number of First Time Grant Recipient Groups	Accumulated Number	Number of First Time Grant Recipient Individuals	Accumulated Number	Total	Accumulated Total
July 1996-June 1997	217	217	237	237	454	454
July 1997-June 1998	128	345	294	531	422	876
July 1998-June 1999	91	436	289	820	380	1256
July 1999-June 2000	136	572	214	1034	350	1606
2001	57	629	107	1141	164	1770
2002	48	677	84	1225	132	1902
2003	41	718	78	1303	119	2021
2004	56	774	91	1394	147	2168

2001 Total	July 1999-Dec. 2000 Total	July 1998-June 1999 Total	July 1997-June 1998 Total	July 1996-June 1997 Total
1,916	3,038	2,098	1,698	1,603
2,471,793,932	3,511,392,410	2,278,645,051	2,138,430,033	2,355,634,121
1,124,973,042	1,633,058,234	1,000,310,143	990,364,800	1,119,824,981
694	1,213	902	802	622
36.2%	39.9%	43.0%	47.2%	38.8%
164,145,705	299,949,919	199,424,060	160,245,934	110,677,340
14.6%	18.4%	19.9%	16.2%	9.9%

Table 4 : Statement of Change in Fund and Surplus

(all amounts in NT\$)

December 31, 2003 and 2004

ITEMS	Flotation Fund	Donated Funds	Other Funds	Capital Surplus	Accumulated Surplus	Total
Balance as of December 31, 2002	\$2,000,000,000	\$3,779,153,000	\$215,478,316	\$3,448	\$59,750,606	\$6,054,385,370
Donated funds	-	157,084,941	-	-	-	157,084,941
Other funds transferred from accumulated surplus	-	-	283,743	-	(283,743)	-
Accumulated surplus transferred from capital funds	-	-	-	(3,448)	3,448	-
Surplus for 2003	-	-	-	-	29,589,916	29,589,916
Balance as of December 31, 2003	\$2,000,000,000	\$3,936,237,941	\$215,762,059	\$-	\$89,060,227	\$6,241,060,227
Surplus for 2004	-	-	-	-	(22,837,577)	(22,837,577)
Balance as of December 31, 2004	\$2,000,000,000	\$3,936,237,941	\$215,762,059	\$-	\$66,222,650	\$6,218,222,650

Table5 : Income and Expenditure Statements

For the years ended December31, 2003 and 2004

all amounts in NT\$

Items	2004		2003	
	(2004.1.1~ 2004.12.31)		(2003.1.1~ 2003.12.31)	
	Amount	%	Amount	%
INCOME				
Donation-related income	14,202,166	6.23	4,981,129	2.00
Service income	130,190	0.06	1,711	0.00
Engagement-related income	1,597,233	0.70	5,417,850	2.18
Financial income- interest income	69,873,681	30.63	89,436,336	36.00
Financial income-net investment income (loss) (investment income NT\$293,853,159 for the period) (investment loss NT\$111,415,021 for the period)	134,797,532	59.10	115,778,972	46.60
Other operating income	-	0.00	24,520,000	9.87
Other non-operating income	7,485,589	3.28	8,311,825	3.35
TOTAL INCOME	228,086,391	100.00	248,447,823	100.00
EXPENDITURE				
General administration expenses	38,876,006	17.04	38,477,783	15.49
Grant expenses	176,750,380	77.49	153,125,850	61.63
Award expenses	8,381,304	3.67	6,821,882	2.74
Donation-related expenses	3,521,221	1.54	2,973,671	1.20
Service expenses	835,055	0.37	18,700	0.01
Engagement-related expenses	1,431,405	0.63	4,690,777	1.89
Other operating expenses	21,128,597	9.26	12,749,244	5.13
TOTAL EXPENDITURE	250,923,968	110.00	218,857,907	88.09
ANNUAL SURPLUS	(22,837,577)	-10.00	29,589,916	11.91

Table6 : Balance Sheets

December 31, 2003 and 2004

(all amounts in NT\$)

ACCOUNT	December 31, 2004		December 31, 2003	
	Amount		Amount	
Current Assets	\$6,374,518,227	99.86	\$6,403,703,848	99.85
Cash and Cash Equivalents	\$5,642,758,162	88.40	\$2,549,500,224	39.75
Marketable Services (net)	720,796,817	11.29	3,812,664,075	59.46
Accounts receivable (net)	1,162,499	0.02	1,498,763	0.02
Other receivables	3,079,223	0.05	33,400,123	0.52
Prepaid expenses	6,509,847	0.10	6,372,836	0.10
Prepayments	131,679	0.00	112,928	0.00
Other current assets	80,000	0.00	154,899	0.00
Fixed assets (net)	\$6,914,993	0.11	\$6,613,156	0.10
Costs:				
Information equipment	\$6,084,423	0.10	\$6,349,519	0.10
Office equipment	4,787,018	0.07	4,787,018	0.07
Communication equipment	1,952,130	0.03	1,952,130	0.03
Other equipment	5,611,417	0.09	5,696,217	0.09
Less: accumulated depreciation	(11,519,995)	-0.18	(12,171,728)	-0.19
Intangible assets	\$-	0.00	\$622,124	0.01
Deferred pension costs	0	0.00	622,124	0.01
Other assets	\$2,163,489	0.03	\$2,271,754	0.04
Refundable deposits	\$1,929,456	0.03	\$1,929,456	0.03
Deferred charges	234,033	0.00	342,298	0.01
TOTAL ASSETS	\$6,383,596,709	100.00	\$6,413,210,882	100.00
Liabilities	\$165,374,059	2.59	\$172,150,655	2.68
Current liabilities	\$164,111,600	2.57	\$170,943,593	2.66
Notes payable	\$6,766,623	0.11	\$5,989,245	0.09
Grants payable	118,813,095	1.86	111,873,185	1.75
Accrued expenses	37,861,604	0.59	20,773,443	0.32
Other payable	609,721	0.01	32,091,879	0.50
Other current liabilities	60,557	0.00	215,841	0.00
Other liabilities	\$1,262,459	0.02	\$1,207,062	0.02
Accrued pension costs	1,262,459	0.02	1,207,062	0.02
Funds and Surplus	\$6,218,222,650	97.41	\$6,241,060,227	97.32
Flotation fund	\$2,000,000,000	31.33	\$2,000,000,000	31.19
Donated funds	3,936,237,941	61.66	3,936,237,941	61.38
Other funds	215,762,059	3.38	215,762,059	3.36
Accumulated surplus	66,222,650	1.04	89,060,227	1.39
TOTAL LIABILITIES, FUNDS AND SURPLUS	\$6,383,596,709	100.00	\$6,413,210,882	100.00

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