

TAIWAN GREATER CHINA FUND
Form DEF 14A
May 30, 2006

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to §240.14a-12

Taiwan Greater China Fund

(Name of Registrant as Specified In Its Charter)
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1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date File:

TAIWAN GREATER CHINA FUND May 26, 2006

c/o Brown Brothers Harriman

P.O. Box 962047

Boston, MA 02196-2047

Telephone: 1-800-343-9567

Dear Shareholders:

You are cordially invited to attend the Annual Meeting of Shareholders (the "Meeting") of the Taiwan Greater China Fund (the "Trust", formerly known as The R.O.C. Taiwan Fund), which will be held at the offices of Clifford Chance LLP, 31 W. 52nd Street, New York, New York, 10019-6131 on Wednesday, June 21, 2006 at 9:30 a.m., New York City time. A formal notice and a Proxy Statement regarding the Meeting, a proxy card for your vote at the Meeting and a postage prepaid envelope in which to return your proxy are enclosed. Shareholders who plan on attending the Meeting will be required to provide valid identification in order to gain admission.

At the Meeting, Shareholders will:

(i) Elect two Trustees, each to serve for a term expiring on the date of the 2009 Annual Meeting of Shareholders or the special meeting in lieu thereof;

(ii) Transact such other business as may properly come before the Meeting or any adjournment thereof.

The Board of Trustees recommends that you vote **for** each of the nominees for trustee named in the accompanying Proxy Statement.

Whether or not you plan to attend the Meeting in person, it is important that your shares be represented and voted. After reading the enclosed notice and Proxy Statement, please complete, date, sign and return the enclosed proxy card at your earliest convenience. Your return of the proxy card will not prevent you from voting in person at the Meeting should you later decide to do so.

If you are a beneficial owner holding shares through a broker-dealer or other nominee, please note that, under the rules of the New York Stock Exchange, broker-dealers or other nominees may either use their discretion to vote your shares

on the proposal described in paragraph (i) above without your instructions, or leave your shares unvoted. Accordingly, the Board of Trustees of the Trust urges all beneficial owners of shares who are not also record owners of such shares to contact the institutions through which their shares are held and give appropriate instructions, if necessary, to vote their shares. The Trust will also be pleased to cooperate with any appropriate arrangement pursuant to which beneficial owners desiring to attend the Meeting may be identified as such and admitted to the Meeting as Shareholders.

Time will be provided during the Meeting for discussion, and Shareholders present will have an opportunity to ask questions about matters of interest to them.

Respectfully,

/s/ Steven R. Champion Steven R. Champion
President

/s/ David Laux -
David Laux
Chairman of the Board of Trustees

IMPORTANT MATTERS WILL BE CONSIDERED AT THE MEETING. ACCORDINGLY, ALL SHAREHOLDERS, REGARDLESS OF THE SIZE OF THEIR HOLDINGS, ARE URGED TO SIGN AND MAIL THE ENCLOSED PROXY IN THE ENCLOSED ENVELOPE, OR TO GIVE APPROPRIATE INSTRUCTIONS TO PERSONS HOLDING SHARES OF RECORD ON THEIR BEHALF, PROMPTLY.

TAIWAN GREATER CHINA FUND

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS TO BE HELD JUNE 21, 2006

To the Shareholders of the Taiwan Greater China Fund:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders (the "Meeting") of the Taiwan Greater China Fund (the "Trust", formerly known as The R.O.C. Taiwan Fund) will be held at the offices of Clifford Chance LLP, 31 W. 52nd Street, New York, New York, on Wednesday, June 21, 2006 at 9:30 a.m., New York City time, for the following purposes:

1. To elect two Trustees, each to serve for a term expiring on the date of the 2009 Annual Meeting of Shareholders or the special meeting in lieu thereof.
2. To transact such other business as may properly come before the Meeting or any adjournment thereof.

The Board of Trustees of the Trust has fixed the close of business on Tuesday, May 23, 2006 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment thereof. Shareholders are entitled to one vote for each share of beneficial interest of the Trust held of record on the record date with respect to each matter to be voted upon at the Meeting.

You are cordially invited to attend the Meeting. All Shareholders are requested to complete, date and sign the enclosed proxy card and return it promptly, and no later than June 20, 2006, in the envelope provided for that purpose, which does not require any postage if mailed in the United States. If you are able to attend the Meeting, you may, if you wish, revoke the proxy and vote personally on all matters brought before the Meeting. The enclosed proxy is being solicited by the Board of Trustees of the Trust.

BY ORDER OF THE BOARD OF TRUSTEES

Cheryl Chang, Secretary
May 26, 2006

**TAIWAN GREATER CHINA FUND
PROXY STATEMENT**

INTRODUCTION

This Proxy Statement is furnished in connection with the solicitation of proxies on behalf of the Board of Trustees (the "Board of Trustees" or the "Board", the trustees of the Board are referred to as the "Trustees") of the Taiwan Greater China Fund (the "Trust", formerly known as The R.O.C. Taiwan Fund) for use at the Annual Meeting (the "Meeting") of holders of shares (the "Shareholders") of the Trust (the "Shares") to be held at the offices of Clifford Chance LLP, 31 W. 52nd Street, New York, New York, on Wednesday, June 21, 2006 at 9:30 a.m., New York City time, and at any adjournment thereof.

This Proxy Statement and the accompanying proxy are first being mailed to Shareholders on or about May 26, 2006. Any Shareholder giving a proxy has the power to revoke it by mail (addressed to The Altman Group, 1200 Wall Street West, 3rd Floor, Lyndhurst, NJ 07071), or in person at the Meeting, by executing a superseding proxy or by submitting a notice of revocation to the Trust. All properly executed proxies received by mail on or before the close of business on June 20, 2006 or delivered personally at the Meeting will be voted as specified in such proxies or, if no specification is made, for the nominees for election named.

The Board of Trustees has fixed the close of business on Tuesday, May 23, 2006, as the record date for the determination of Shareholders entitled to notice of and to vote at the Meeting and at any adjournment thereof. Shareholders of record will be entitled to one vote for each Share. No Shares have cumulative voting rights for the election of the Trustees.

As of the record date, the Trust had 17,769,977 Shares outstanding. Abstentions will be counted as present for all purposes in determining the existence of a quorum.

One-third of the Trust's outstanding Shares, present in person or represented by proxy at the Meeting, will constitute a quorum for the transaction of business at the Meeting. The affirmative vote of a plurality of the Shares present or represented by proxy and voting on the matter in question at the Meeting is required to elect the nominees for election as Trustees.

Abstentions will be treated as votes present and not cast at the meeting. Accordingly, abstentions will not have the effect of votes in opposition to the election of a Trustee under Proposal 1.

The Trust knows of no business that may or will be presented for consideration at the Meeting, other than that mentioned in Proposal 1 described herein. If any matter not referred to above is properly presented, the persons named

on the enclosed proxy will vote in accordance with their discretion. However, any business that is not on the agenda for the Meeting may be presented for consideration or action at the Meeting only with the approval of the Board of Trustees.

The address of Brown Brothers Harriman, which provides certain administrative services for the Trust, is 40 Water Street, Boston, Massachusetts 02109-3661.

BENEFICIAL OWNERSHIP OF SHARES

The following table provides information, as of May 17, 2006, except as noted, regarding the beneficial ownership of Shares by (i) each person or group known to the Trust to be the beneficial owner of more than 5% of the Shares outstanding, (ii) each of the Trust's Trustees or Trustee nominees, (iii) each executive officer of the Trust and (iv) all Trustees, Trustee nominees and executive officers of the Trust as a group. Except as noted, each of the named owners has sole voting and dispositive power over the Shares listed.

Name and Address of Beneficial Owner	Amount of Beneficial Ownership	Percent of Fund
City of London Investment Group plc ("CLIG")	2,873,197 (1)	16.17%
City of London Investment Management Company Limited ("CLIM") 10 Eastcheap London EC3M 1LX U.K.		
NewGate LLP 80 Field Point Road 12 th Floor Greenwich CT 06830 U.S.A.	1,233,728 (3)	6.94%
Sarasin Investment Fund Ltd. 155 Bishopsgate London EC2M 3XY	1,143,000 (4)	6.43%
Lazard Asset Management LLC ("Lazard") 30 Rockefeller Plaza New York, New York 10112 U.S.A.	1,566,726 (5)	8.82%

TRUSTEES AND EXECUTIVE OFFICERS

Name	Amount of Beneficial Ownership	Percent of Fund	Dollar Range of Beneficial Ownership **
Steven R. Champion	17,500	*	Over \$100,000
David Laux	6,000	*	\$10,001-\$50,000
Frederick C. Copeland, Jr.	5,000	*	\$10,001-\$50,000
Robert P. Parker	2,000	*	\$10,001-\$50,000
Edward B. Collins	3,000	*	\$10,001-\$50,000
Tsung-Ming Chung	0	N/A	None
	32,500	*	

All Trustees, Trustee
nominees and executive
officers as a group

*Less than 1%

** Based on the net asset values of the Shares on May 17, 2006 (\$6.50).

(1) Based upon information provided by CLIG and CLIM in a Statement on Schedule 13G jointly filed on February 6, 2006 with respect to ownership as of December 30, 2005. In that statement, CLIM reported that it held its 2,873,197 Shares as investment adviser to certain investment funds. CLIG reported that its ownership included the 2,873,197 Shares held by CLIM as a result of CLIG's status as the parent holding company of CLIM. CLIG and CLIM stated that they held sole voting power and sole dispositive power over their Shares.

(2) Based upon information provided by Newgate LLP in a Statement on Schedule 13G filed on January 27, 2006 with respect to its ownership as of December 31, 2005, declaring that it held sole voting and sole dispositive power over its Shares.

(3) Based upon information disclosed on Bloomberg. This information reflects that Sarasin Emerging Sar Fund holds 495,299 Shares, and SaraPro Emerging Markets Fund holds 306,010 Shares. The Trust believes that Sarasin holds voting and shared dispositive power over all such Shares.

(4) Based upon information provided by Lazard in a Statement on Schedule 13G filed on February 3, 2006 with respect to its ownership as of December 31, 2005, declaring that it held sole voting and sole dispositive power over its Shares.

PROPOSAL 1. ELECTION OF TRUSTEES

The two nominees for election to the Board of Trustees are Mr. Edward B. Collins and Mr. Tsung-Ming Chung. Mr. Collins is currently a Trustee of the Trust, and if reelected, will serve for a term expiring on the date of the 2009 Annual Meeting of Shareholders or the special meeting in lieu thereof. Mr. Collins was nominated by the Board of Trustees, at a meeting held in February 2006, upon the recommendation of the Trust's Nominating Committee. If elected, Mr. Chung will fill the vacancy caused by Mr. Cheng-Cheng Tung's resignation effective December 31, 2004, and will serve for a term expiring on the date of the 2009 Annual Meeting of Shareholders or the special meeting in lieu thereof. Mr. Chung was nominated by the Board of Trustees, at a meeting held in May 2006, upon the recommendation of the Trust's Nominating Committee.

The persons named in the accompanying proxy will, in the absence of contrary instructions, vote all proxies FOR the election of Messrs. Collins and Chung. Each nominee has indicated his consent to be named in the accompanying proxy and that he will serve if elected. If Messrs. Collins and Chung should be unable to serve (an event not now anticipated), the proxies will be voted for such person(s), if any, as is designated by the Board of Trustees to replace Mr. Collins and/or Mr. Chung as the case may be.

INFORMATION CONCERNING NOMINEES

The following table sets forth certain information concerning Messrs. Collins and Chung.

Name (Age) and Address	Position(s) Held with the Trust	Term of Office and Length of Time Served	Principal Occupation(s) During the Past Five Years	Other Business Experience, Other Positions with Affiliated Persons of the Trust and Other Directorships Held by Nominee
Non-Interested Nominees				
Edward B. Collins (63) 160 Sansome Street, 18 th Floor, San Francisco, California 94104 U.S.A.	Trustee	Trustee since 2000 and until the 2006 Annual Meeting of Shareholders or the special meeting in lieu thereof	Managing Director, China Vest Group (venture capital investment), since prior to 2000	Director, Mediostream, since 2001; Partner, McCutchen, Doyle, Brown & Enersen (law firm), 1987-95
Tsung-Ming Chung (57) 4F, No.1, Lane 21, Hsing-Hua Road Kwei-Shan Industrial Zone, Taoyuan, Taiwan, R.O.C.	Nominee	Until the 2009 Annual Meeting of Shareholders or the special meeting in lieu thereof	Chairman and Chief Executive Officer, Dynapak International Technology Corp; Chairman, Systems and Chips, Inc.; Director, Arima Group (technology)	Director, Far Eastern International Bank; Director and Chairman of Audit Committee, Taiwan Mobile Co.; Director and Audit Committee Chairman, Semiconductor Manufacturing International Corporation

INFORMATION CONCERNING OTHER TRUSTEES

The following table sets forth certain information concerning the Trustees of the Trust (other than Mr. Collins).

Name (Age) and Address	Position(s) Held with the Trust	Term of Office and Length of Time Served	Principal Occupation(s) During the Past Five Years	Other Business Experience, Other
Positions with Affiliated				
Persons of the Trust and				
Other Directorships				
Held by Trustee				
Non-Interested Trustees				
David N. Laux (78) 2560 N. 23 rd Road Arlington, Virginia 22207 U.S.A.	Trustee and Chairman of the Board	Trustee since 1992 and until the 2007 Annual Meeting of Shareholders or the special meeting in lieu thereof; Chairman of the Board since July 2004	Chairman, Great Dads (non-profit), since 2004; President, US-Taiwan Business Forum, from 2000 to 2005; Director, International Foundation, since 2001	President, US-ROC (Taiwan) Business Council, 1990-2000; Chairman and Managing Director, American Institute in Taiwan, 1987-90; Director of Asian Affairs, National Security Council, The White House, 1982-86
Frederick C. Copeland, Jr. (64) 11 Deer Ridge Road Avon, Connecticut 06001 U.S.A.	Trustee and Vice Chairman of the Board	Trustee since May 2004 and until the 2008 Annual Meeting of Shareholders or the special meeting in lieu thereof; Vice Chairman of the Board since February 2006	Vice Chairman, Chairman of Executive Committee, Far East National Bank since 2004; Principal, Deer Ridge	President, Chief Executive Officer and Chief Operating Officer, Aetna International (insurance), from 1995 to 2001; Executive Vice President,

Associates, Aetna, Inc.
 LLC (financial (insurance), from
 consulting), 1997 to 2001;
 2001- 2005 Chairman, President
 and
 Chief Executive
 Officer, Fleet
 Bank, N.A.,
 1993-1995;
 President and Chief
 Executive Officer,
 Citibank
 Canada Ltd.,
 1987-1993;
 Taiwan Country
 Head,
 Citibank, 1983-1987
 Partner, McCutchen,
 Doyle, Brown &
 Enersen (law firm),
 1988-97

Robert P. Parker (64) Trustee
 101 California Street, TTrustee
 Suite 2830
 San Francisco,
 California 94111
 U.S.A

Trustee since 1998 and Chairman,
 until Parker Price
 the 2008 Annual Venture
 Meeting of Capital, Inc.
 Shareholders or the (formerly
 special known as
 meeting in lieu thereof; Allegro
 and Capital, Inc.),
 Chairman of the Board since 1997
 from February 2004 to
 July 2004

BOARD STRUCTURE

Since the inception of the Trust in 1989, the Trustees of the Trust have been divided into three classes, each having a term of three years, with the term of one class expiring each year. As of the date of this proxy statement, the Board has four members, with at least one member in each of the three classes.

BOARD AND COMMITTEE MEETINGS

The Board of Trustees of the Trust held six meetings during the fiscal year ended December 31, 2005. Each Trustee attended at least 75% of the total of (i) all meetings of the Board of Trustees and (ii) all meetings of each committee of the Board on which he served during the fiscal year ended December 31, 2005.