

# **DOING BUSINESS WITH TAIWAN: THE GATEWAY TO ASIA**

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TAIPEI REPRESENTATIVE OFFICE IN THE  
NETHERLANDS**

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# OUR MISSION

- Economic Division, Taipei Representative Office in the Netherlands is a branch of Taiwan Ministry of Economic Affairs (MOEA). There are 62 branches all over the world.
- Our mission is to improve and promote **commercial exchanges, cooperation and investment** between Taiwan and the Netherlands. We offer **free services** to Dutch companies.

# GATEWAYS TO EUROPE AND ASIA

**There are two gateways in the world.**

**One is The Netherlands to Europe**

**And the other one is Taiwan to Asia**

# 1. TAIWAN IS AT THE HEART OF ASIA-PACIFIC REGION AND THE GATEWAY TO ASIAN MARKETS

➤ Taiwan is about 36.000 sq km with more than 23 million in population.

➤ Located at the heart of Asia. About 3 hours flight from Taipei to six major cities in Asia : Tokyo, Seoul, Beijing, Shanghai, Hong Kong and Singapore.



## SOME COMPARISONS

	Taiwan	The Netherlands
Size	36.000 sq KM	41.500 sq KM
Population	23 million	17 million
GDP(IMF, 2108)	USD 1.234 billion	USD 969 billion
Ease of Doing Business Ranking(World Bank, 2019)	13	36
Population in the Region	4.6 billion(Asia)	0.75 billion(Europe)

## 2. TAIWAN: SMALL BUT STRONG

**GDP Ranking**  
\$US, billion.

Ranking	Country	GDP
1	China	25.270
2	United States	22.023
3	India	10.505
4	Japan	5.594
5	Germany	4.356
9	U.K.	3.037
10	France	2.962
12	Italy	2.397
14	South Korea	2.136
17	Canada	1.836
19	Thailand	1.320
21	Taiwan	1.234
26	The Netherlands	969
29	South Africa	789
33	Vietnam	710
36	Singapore	565

**GDP based on PPP(purchasing power parity), per-capita.**

Ranking	Country	\$US
3	Singapore	100.345
6	Norway	74.356
10	United States	62.606
12	The Netherlands	56.383
13	Saudi Arabia	55.944
15	Taiwan	53.023
16	Germany	52.559
21	Canada	49.651
25	France	45.775
26	U.K.	45.705
28	Japan	44.227
29	South Korea	41.351
73	China	18.110

**International Monetary Fund,  
country ranking (2108)**

### 3. Taiwan's economic relationship with China and Asean countries

#### A. CHINA

❑ **Trade:** Trade between Taiwan and China reached **USD150 billion** in 2018.

**Investment:** Taiwan invested around **USD 184 billion (€165billion)** and **over 1 million Taiwanese work in China.**

Taiwanese and Chinese speak the **same language** and share **similare cultural** background.

## **B. ECONOMIC RELATIONSHIP WITH ASEAN\* COUNTRIES**

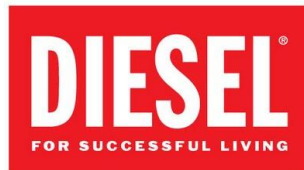
**Investments:** Taiwan invested **USD 94,2 billion**  
(as of December 2018)

**Trade:** Trade among Taiwan and ASEAN countries  
reached **USD 92,7 billion** (in 2018)

**ASEAN:** Association of Southeast Asian Nations (Indonesia, Malaysia, Philippines, Singapore, Thailand, Brunei, Vietnam, Laos, Burma, Cambodia)



# EU BRANDS IN TAIWAN



LVMH



Salvatore Ferragamo



Carrefour



miu miu



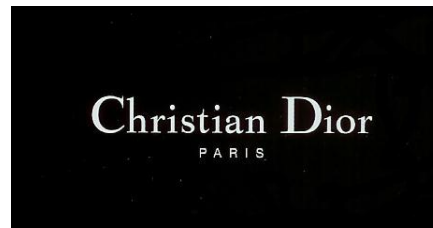
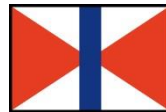
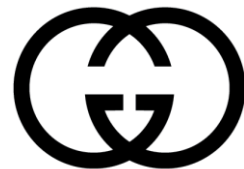
Ermenegildo  
Zegna

PRADA

Brioni



# EU brands in Taiwan



# Taiwan brands in EU



**EVERGREEN**

Evergreen group, port  
container management



**SYM**  
Engine of Life

**SYM**, motorcycles



**YANG MING LINE**

Yang-Ming, shipping  
company

**msi**<sup>TM</sup>

**MSI**, computer



**China Airlines**,  
national airlines

**GARMIN**<sup>TM</sup>

**Garmin**, satellite  
navigator



**HTC**, mobile  
phones

**GIANT**

**Giant**, bicycles

**KYMCO**

**Kymco**, motorcycles

**ASUS**<sup>®</sup>  
Inspiring Innovation • Persistent Perfection

**Asus**, computer

**BenQ**

**BenQ**, monitor and digital  
devices

**acer**

**Acer**, computer



中鼎工程股份有限公司  
CTCI CORPORATION

**CTCI**,  
construction  
company

# Economic relationship between The Netherlands and Taiwan

## Taiwan Trade Partners 2018

### Taiwan Foreign Trade, 2018

USD million

	Total	Import	Export
Taiwan	622.288	286.361	335.927

### Taiwan trade with the Netherlands, 2018 USD million

Total	Share %	Export	Import
9.767	1,57	5.884	3.883

The Netherlands only occupies 1,57% of Taiwan total trade amounts in 2018.

Rank	Country	Total USD mill	%	Export %	Import %
1	China	150.544	24,19	28,8	18,78
2	United States	74.411	11,96	11,82	12,12
3	Japan	67.221	10,8	6,81	15,41
4	Hong Kong	43.001	6,91	12,38	0,49
5	South Korea	35.511	5,7	4,76	6,82
8	Germany	17.025	2,74	2,1	3,48
10	Australia	13.151	2,11	1,07	3,38
12	Thailand	10.750	1,73	1,84	1,6
13	The Netherlands	9.767	1,57	1,75	1,37
17	U.K.	5.934	0,95	1,15	0,73

# Taiwan Investment to Foreign countries

Unit: USD

As of May 2019

Country	Case	Amount
China	43.564	184 billion
U.S.	5.606	17,6 billion
The Netherlands	240	3,55 billion
U.K.	210	3,15 billion
Total	59.388	323 billion

**The Netherlands only received 0,98%  
of Taiwan's investment abroad.**

Statistics from Taiwan Investment Commission.  
Excluding investments through third countries.

# HOW TO DO BUSINESS WITH TAIWAN

## INVESTMENT

Investment Advantages in Taiwan	
Low Corporate Income Tax Rate	20%(one of the lowest in Asian Countries)
Low Sales Tax Rate	5% ( instead of more than 20% in European Countries)
Good Infrastructure	<ol style="list-style-type: none"> <li>1. 17 Airports of which 3 are International Airports; 5 International Seaports</li> <li>2. High Speed Railway, Nation-wide conventional rail and highway system</li> </ol>
Excellent Labor Force	More 50% of the labor force had at least a college degree in 2017.
Strong Industrial Clusters	No.5 in the World on “State of Cluster Development” (6) (The World Economic Forum's “Global Competitiveness Report 2018”)
Low Labor Cost	In average, € 1.400 per month

# HOW TO DO BUSINESS WITH TAIWAN

## INVESTMENT

### Investment Advantages in Taiwan

Excellent Innovation Capacity	No.4 in the World, only after Germany, the U.S. and Switzerland (9) ("Global Competitiveness Report 2018")
Sound Microeconomic Stability	No.1 in the World (1 ) ( "Global Competitiveness Report 2018")
Friendly Financial Environment	No.7 in the World(16) ("Global Competitiveness Report 2018")
High Quality of Life	Taipei ranks No.1 out of 64 cities included in InterNations' Expat City Ranking for its affordability and quality of medical care, local transportation and personal safety and so on (InterNations' Expat Insider Survey, 2019)



# INTERNATIONS' EXPAT INSIDER SURVEY, 2019

INDEXES INCLUDING: QUALITY OF LIFE, PERSONAL FINANCE,  
EASE OF SETTING IN, WORKING ABROAD, COST OF LIVING

Ranking	Country
1	Taiwan
6	Singapore
24	The Netherlands
39	Japan
41	Hong Kong
50	China
55	South Korea
59	India



# HOW TO DO BUSINESS WITH TAIWAN

## INVESTMENT

### Investment Advantages in Taiwan

#### Excellent Performance in International Rankings

Competitiveness	No <b>13</b> in the World (“Global Competitiveness Report 2018”)
Ease of Doing Business	No. <b>13</b> in the World (Doing Business, The World Bank 2018)
Business Environment Risk Intelligent	No. <b>14</b> in the World (The Economic Intelligent Unit, 2014-2018)

# AGREEMENTS ON AVOIDANCE OF DOUBLE TAXATION

Countries/ Income Items	Dividends	Interest	Royalties
<b>Non-treaty Countries</b>	21	15 <sup>1</sup> ,20	20
<u>Australia</u>	10 <sup>2</sup> ,15	10	12.5
<u>Austria</u>	10	10	10
<u>Belgium</u>	10	10	10
<u>Canada</u>	10 <sup>3</sup> ,15	10	10
<u>Denmark</u>	10	10	10
<u>France</u>	10	10	10
<u>Germany</u>	10,15 <sup>4</sup>	10,15 <sup>5</sup>	10
<u>India</u>	12.5	10	10
<u>Italy</u>	10	10	10
<u>Japan</u>	10	10	10
<u>Malaysia</u>	12.5	10	10
<u>New Zealand</u>	15	10	10
<u>Netherlands</u>	10	10	10

# INVESTMENT INCENTIVES

## Talent

- Act for the Recruitment and Employment of Foreign Professionals
- 4-in-1 Employment Gold Card
- Easing work permit, visa and residency rules
- Easing rules for stay of parents, spouses and children

## Tax Incentives

- Biotech Industry Investment Deduction
- Private Participation in Public Infrastructure Projects
- Tax concessions on merger

## R&D Subsidies

- Encouragement of Enterprises to set up R&D Centers
- Small Business Innovation Research (SBIR)
- Proactive Technology R&D Program
- Integrated R&D Program
- Global Innovation Partnership Program

## Financing / Loans

- Loans for Promoting Industrial Innovation or R&D
- Preferential Loans for Distribution Services and Catering Industries
- Preferential Loans for equipment upgrading
- National Development Fund

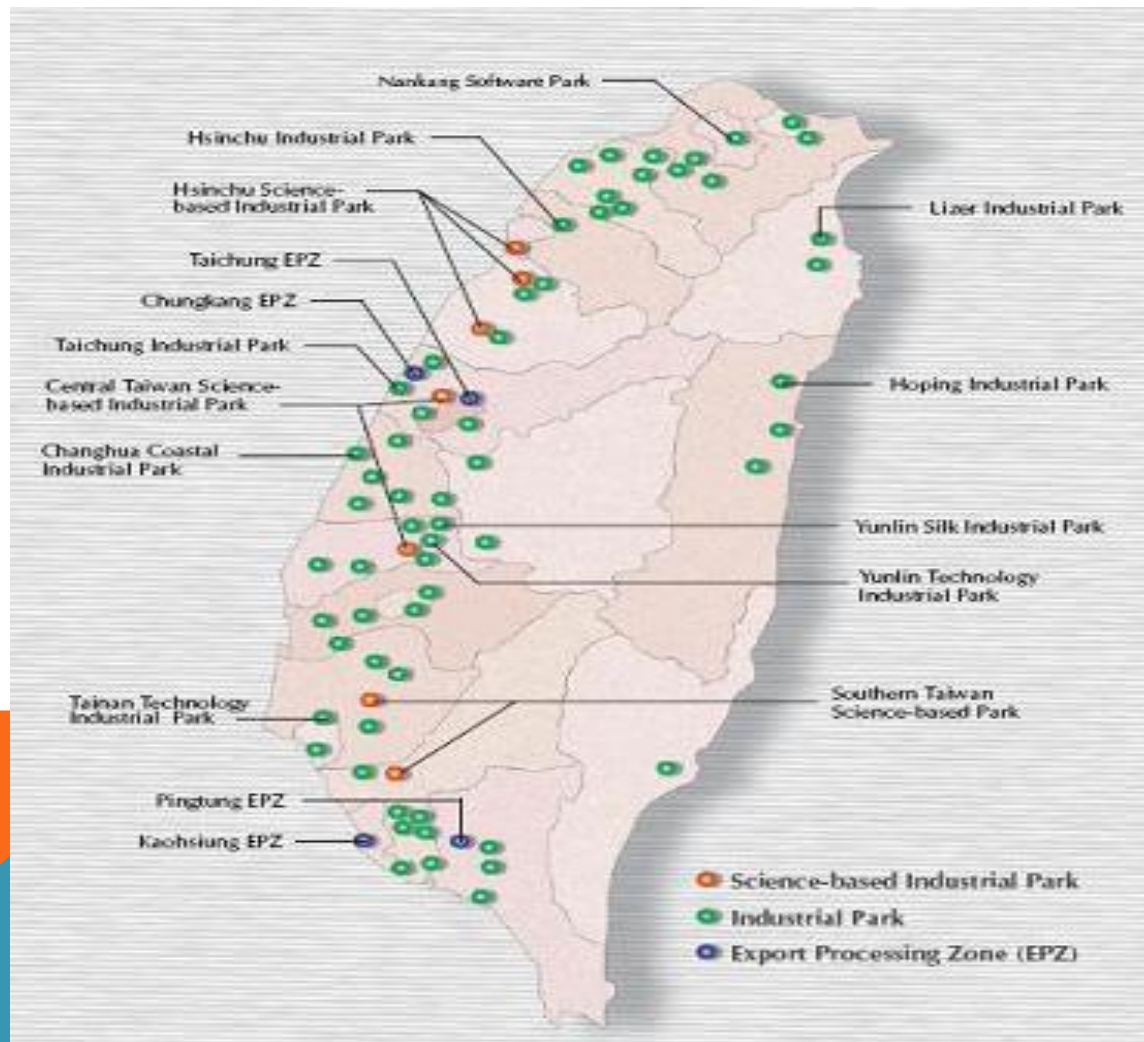
## Special Zones

- Free Trade Zones (FTZs)
- Science Parks
- Agriculture Technology Parks
- Export Processing Zone (EPZs)

# INDUSTRIAL CLUSTERS



# SCIENCE PARK, INDUSTRIAL PARK AND EXPORT PROCESSING ZONE





# CUTTING-EDGE R&D INSTITUTES

**Industrial  
Technology  
Research  
Institute**



**Institute for  
Information  
Industry**



**Textile  
Research  
Institute**



**Metal  
Industries  
R&D Center**



**Development  
Center for  
Biotechnology**



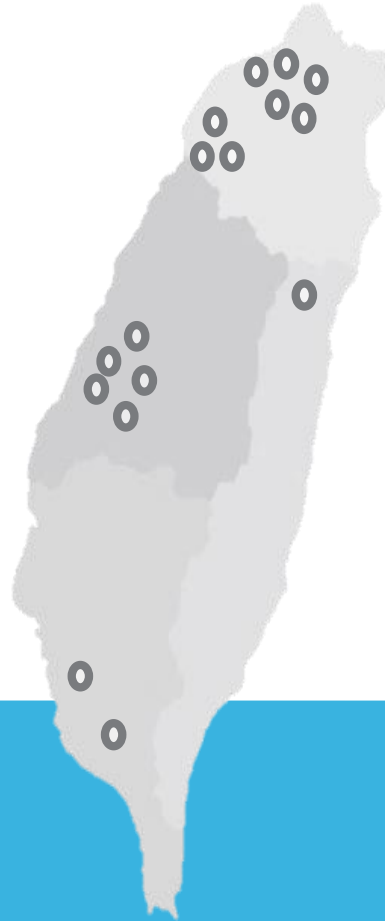
**Automotive  
Research &  
Testing  
Center**



**Plastics  
Industry  
Development  
Center**



**China  
Productivity  
Center**



# HUB OF GLOBAL SUPPLY CHAINS

## **Semiconductor**

**Wafer Foundry, IC Packaging, IC Testing, Mask ROMs, IC Design, DRAMs**

## **Display**

**TFT-LCD Panels, OLED Panels, Portable Navigation Devices**

## **Electronic Parts**

**CD-ROMs, Motherboards, TFT-LCD Panels, ABS, WLANs, IC Substrates, LEDs, PCBs**

## **Textile**

**Glass Fabrics, PTA, PU Leather, Nylon Fiber, Functional Textiles, Carbon Fiber**

## **Auto Parts**

**Lamps, Bumpers, Sheet Metal, Rearview Mirrors, Rubber/Plastic Parts, Molds and Dies**

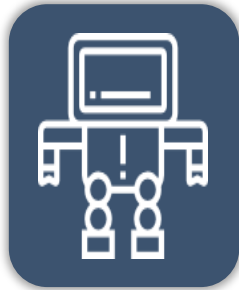
## **Metal Machinery Medical Devices**

**Screws, Nuts, Electric Scooters, Electric Wheelchairs, Machine Tools, Plastic Machinery, Blood-glucose Meters, Contact Lenses, Bicycles**

# Key Innovative Industries



**Asia.  
Silicon  
Valley**



**Smart  
Machinery**



**Bio-  
Pharmaceuticals**



**Green  
Energy**



**National  
Defense**



**Circular  
Economy**



**New  
Agriculture**



**Other  
Important  
Industries**





## Smart Transportation

Smart Street Lighting & Smart Roadside Parking Solutions



## Smart Home

Smart Modification of Old Buildings & Public Housing Innovation



## Smart Manufacturing

Develop Industry 4.0 National Team to achieve Technological Independence



## Smart Medical

Smart Healthcare Platform & Smart Medical Solutions



## Smart Agriculture

UAV Monitoring & IoT Agricultural Technology



## Smart Business

Smart Retail & Smart Business Community



## Smart Logistics

Intelligent Cold Chain Management



## Smart Grid & Environmental Monitoring



- Digital Simulation & Analysis
- Product Lifecycle Management
- Big Data Analysis
- Machine Learning
- Artificial Intelligence(AI)

## Cooperation Modes

### Business Partnership

investment, joint venture, M&A, equity participation

### R&D and Design

R&D, technology transfer, turn-key development

### Production & Manufacturing

ODM, OEM parts supply

### Market Development & Marketing

brand & channel, turnkey transfer, agent & sales



- Smart Sensor
- Industrial & Service Robot
- Semiconductor FEOL & Advanced Packaging
- Addictive Manufacturing
- Aerospace Machine
- Tool & Advanced Controller



- Cross-sensing & Controlling Device
- Production Facilities & Production Lines
- Integrated Smart Factory Solution for Operational Information



## High-Value & Green New Materials

**US\$3.3  
bn  
investment**

**US\$10  
bn  
output**

**US\$40  
bn  
related  
output**

- 35 high-value new materials
- 20 green new materials

## Recycle

**6,000 KG / month**  
rare-earth element metals disposed  
but little has been processed &  
collected

- Taiwan tops the world in recycling industrial and general waste
- Recycled PET bottles, coffee grounds, etc. can become fabric

**100 million  
YouBike trips**



**Textile made by  
coffee grounds**



**TSMC recycled  
95%**



**Clothes made of  
recycled  
materials**



# INVESTMENT IN TAIWAN, SOME EXAMPLES

## 1. **Setting up R & D Center**

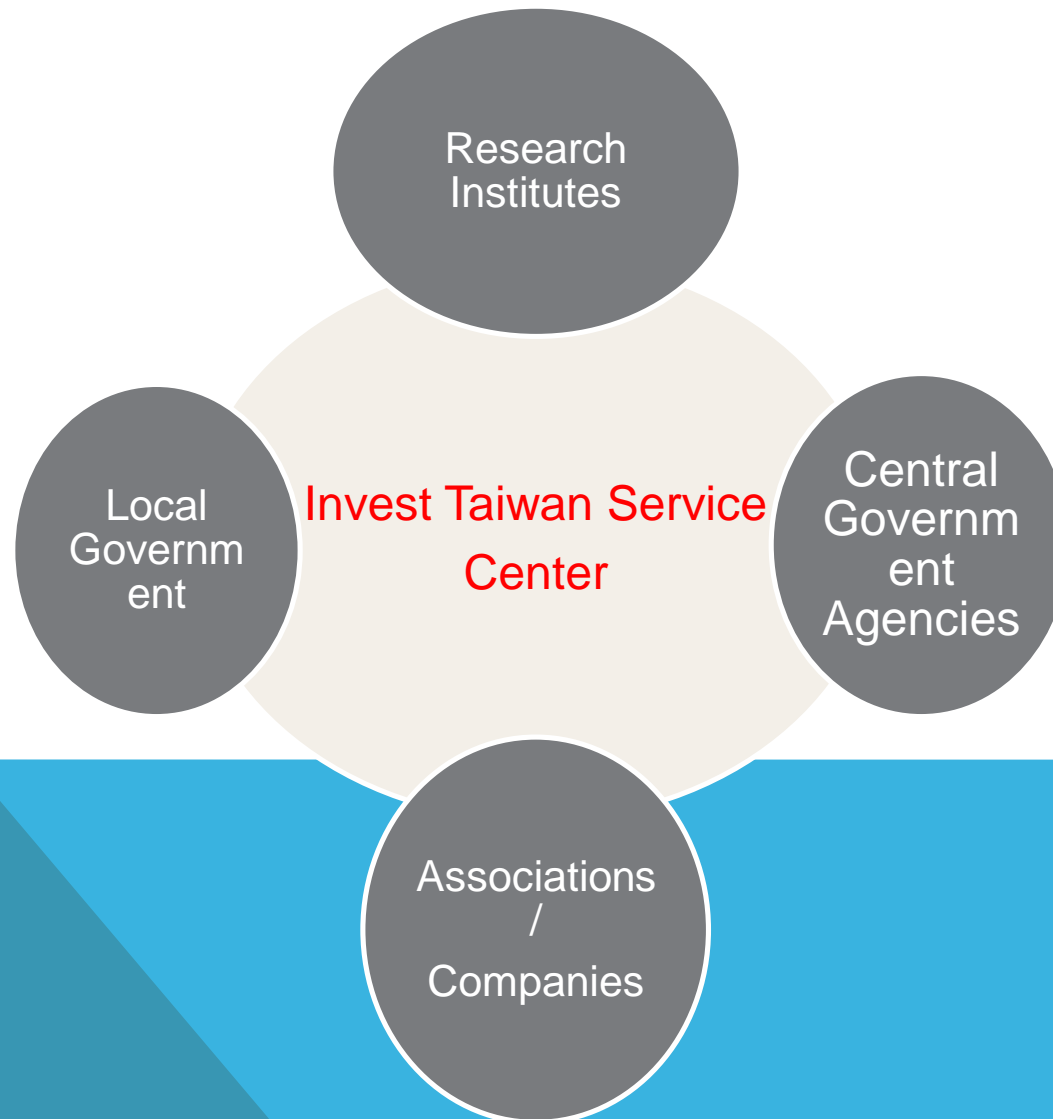
As of April 2019, there are **62** R&D centers set up by **46 multinational companies**, including Google, Microsoft, IBM, Intel, DuPont, 3M, ASML, SONY, Dell, HP, Amazon, GSK, Qualcomm, NEC, CISCO, Corning and so on.

## 2. **Manufacturing**

Taiwan is the world class OEM(Original Equipment manufacturer) /ODM (Original Design Manufacturer) center. Many International brands are actually made in Taiwan or made by Taiwan, for instance Apple, Canon, Panasonic, Nike, Adidas.

# INVEST TAIWAN SERVICE CENTER

-ONE STOP SINGLE WINDOW INVESTMENT SERVICE



# STARTUP: INCENTIVES

## AWARD GRANT LOANS

Program	Description	Amount
Taiwan SMEs Innovation Award	<ul style="list-style-type: none"><li>• This award is to create a climate promoting innovative R&amp;D, so as to inspire the prosperity of SMEs.</li><li>• For the past 25 years, the award has been granted to almost 860 SMEs that exhibited excellent performance in innovation and research development.</li></ul>	<p>30 innovative subjects will be chosen for this honor and each winner will be awarded with NT\$150,000 and a certificate of award.</p> <p><b>Website:</b> <a href="https://www.moe.asmea.gov.tw/article-en-2612-4471">https://www.moe.asmea.gov.tw/article-en-2612-4471</a>)</p>

# AWARD, GRANT, LOANS

Program	Description	Amount
Business Startup Award	<ul style="list-style-type: none"><li>Aims at encouraging startups and enterprises to develop innovative product, technology, process or service and create premium business model.</li><li>The enterprise should be established within less than 5 years and recognized by the competent authority</li></ul>	NT\$ 2,400,000 <b>Website:</b> <a href="https://startupaward.sme.gov.tw/Home/Index/#award/">https://startupaward.sme.gov.tw/Home/Index/#award/</a>

# AWARD, GRANT, LOANS

Program	Description	Amount
Small Business Innovation Research	<p>To encourage Taiwanese <b>SMEs to step up their development of innovative new technologies and new products</b>, including:</p> <ul style="list-style-type: none"><li>• Developing a brand new idea, concept or new technology.</li><li>• Applying an existing technology to a new application.</li><li>• Applying a new technology or business model to an existing application.</li><li>• Improving an existing technology or product.</li></ul>	<p><b>Website:</b> <a href="http://www.sbir.org.tw/introsbiren">http://www.sbir.org.tw/introsbiren</a></p>



# AWARD, GRANT, LOANS

Program	Description	Amount
Small Business Innovation Research	<b>Phase 1: Pilot Study /Preliminary Planning</b> A small-scale experiment or statistical analysis of the creative concept that can potentially benefit industries so as to validate that concept as being viable.	NT \$1,000,000 total governmental subsidy for 6 months.
	<b>Phase 2: R&amp;D/Detailed planning</b> R&D of a product, production method or service mechanism based on a tangible and feasible creative concept expected to benefit industries.	NT \$10,000,000 total governmental subsidy for 2 years.

# AWARD, GRANT, LOANS

Program	Description	Amount
Small Business Innovation Research	<p>The R&amp;D of a production method can extend to the trial production or ramp-up stage.</p> <p><b>Phase 2+: Value-Added Applications</b> This involves the implementation and wide application of R&amp;D results in Phase II so as to meet market and customer demand.</p>	<p>NT \$5,000,000 total governmental subsidy for 1 year.</p>

# AWARD, GRANT, LOANS

Program	Description	Amount
Service Industry Innovation Research	Research grant for companies legally registered in Taiwan, not including branch offices, <b>with positive equity in the retail, logistics, restaurants, advertising, e-commerce industries.</b>	<b>Up to NT\$ 10 million.</b> <b>Website:</b> <a href="http://gcis.nat.gov.tw/neo-s/Web/default.aspx">http://gcis.nat.gov.tw/neo-s/Web/default.aspx</a>

# AWARD, GRANT, LOANS

Program	Description	Amount
National Development Fund Startup Angel Project	To support entrepreneurs with innovative capacities and global potential could grow rapidly.	Up to NT\$20 million. <b>Website:</b> <a href="https://www.angelinvestment.org.tw">https://www.angelinvestment.org.tw</a>

# AWARD, GRANT, LOANS

Program	Description	Amount
Young Entrepreneur Financing Loans	<ul style="list-style-type: none"><li>Aged between 20 and 45 can apply for the loans at preferential interest rates when getting their new businesses off the ground</li><li>Benefit from the provision of <b>direct credit guarantees to the 80%-95% range by the SME Credit Guarantee Fund with the maximum loan amount at NT\$18 million.</b></li><li>The loan is limited to reserve required by the business, registration fees, working capital, and capital expenditures.</li></ul>	Up to NT\$ 18,000,000 <b>Website:</b> <a href="https://www.moeasm.gov.tw/article-tw-2403-4075">https://www.moeasm.gov.tw/article-tw-2403-4075</a>

# AWARD, GRANT, LOANS

Program	Description	Amount
Taipei City Industry Incentive Subsidy Project	In order to encourage technology development, <b>Taipei City is the first city government that provides R&amp;D, brands establishment incubation, new startups, and competitive industries to develop key industries.</b> Companies registered in Taipei or SMEs are eligible to apply.	<b>Up to NT\$ 5 million</b> <b>Website:</b> <a href="https://www.industry-incentive.taipei/page-about-en.aspx">https://www.industry-incentive.taipei/page-about-en.aspx</a>

# LIST OF SHOWS WITH SOME HIGHLIGHTS

- **Machine Tool ( 3rd in the World )**
- **Cycle/Sports Textiles & Accessory/Sporting Goods/Diving and Water Sports ( Cycle show is 1st in Asia, 2nd in the World )**
- **Lighting**
- **Auto Parts & Accessories/ Automobile Electronics/ Tuning & Car/ Motorcycle Parts & Accessories/ Electric Vehicle( 2nd in Asia )**
- **Gift & Stationery/ Souvenir & Handcraft**

# LIST OF SHOWS WITH SOME HIGHLIGHTS

- Youth Designers' Exhibition
- **Computex ( 1st in Asia, 2nd in the World )**
- Innovation Match-Making
- Medical & Healthcare/ Senior Lifestyle and Health Care/ Herb & Natural Products/ Parent & Baby Products
- Food/Food Processing & Pharm. Machinery/ Packing Industry/ Hotel Restaurant and Catering/ Halal (**5.056 booths, 62.000 visitors**)



# LIST OF SHOWS WITH SOME HIGHLIGHTS

- **Woodworking Machinery**
- **Tea, coffee & Bakery**
- **Aerospace & Defense**
- **Innovative Textile Application**
- **Invention Show & Technomart**
- **Electronics**
- **Photovoltaic**
- **Green Industry-Energy, Environment & Water Technology**
- **Kaoshiung Food Show**

# INNOVEX 2019

- Started in 2016 as the startup focused exhibition of COMPUTEX TAIPEI. Positioned as the **innovation hub of Asia**, InnoVEX continues to attract startups & investors from around the world.
- InnoVEX 2019(May 29-31) focused on **AI, AR/VR, Big Data & Cloud, Health & Biotech, IoT, and other innovative applications.**
- In addition to the exhibition, InnoVEX also regularly hold a packed schedule of **forum sessions, pitch contest, startup demos, one-on-one business matchmaking, networking party, and more.**

# INNOVEX 2109

- Many well-known **Venture Capitalists** along with **Accelerators** from Silicon Valley, Europe and Asia Pacific came to join; both as a speaker and a participant of the events. InnoVEX 2019 had:
  - **467 startups from 24 countries**, 20% growth from 2018
  - **18,251 visitors** over the 3 days
  - **+40 international forum speakers**
  - **Over 70% increase** in venue size
  - **+500 attending investors**
  - **USD 420,000 Prize Pool**





# COMMENTS FROM INVESTORS



"I'm very impressed. It's my first time in Taiwan and I have to say that there's a lot of very interesting startups, there's a great ecosystem. We're very pleased with the opportunities that we see here."

Tom Vanhoutte  
Founder & Managing Partner  
Imec.xpand

# IMEC.XPAND

**Imec.xpand is a venture capital fund based in Belgium, investing in nanoelectronics and digital technology.**

**Key Partners include: Philips, BNP Paribas, KPN, Samsung Electronics, SK-Hynix, BOM Brabant Ventures, SFPI-FPIM(the Belgian federal investment company) and so on.**

## MORE COMMENTS FROM ATTENDEES

**Anne CHAMPALONE, Partner at Quantmetry**

**A good insight of AI market in Taiwan and surroundings ! Innovex was a great opportunity for us to identify potential new market for our services in AI !**

**Adrian Branco, Reporter**

**Great place to meet (really) interesting startups  
InnoVex is much more selective than its CES  
equivalent : less noise, more interesting startups.**

# HOLLAND STARTUP LOUNGE

WELCOME TO TAIPEI JUNE 3-5, 2020





# TAIWAN BUSINESS ALLIANCE CONFERENCE

## OCT.7, 2019

- Taiwan's most prestigious annual investment promotion event.
- It provides a platform for showcasing Taiwan's investment potential.
- The theme of this year is “Secure and Trustworthy,” with a focus on
  - a. **5G** mobile telecommunications,
  - b. the Internet of Things (**IoT**)
  - c. artificial intelligence (**AI**)
  - d. **Big Data**
  - e. **electric vehicles**, and **self-driving cars**.

# TAIWAN BUSINESS ALLIANCE CONFERENCE

- Senior managers of multinational corporations in Taiwan will provide in-depth analysis of industry trends and the opportunities associated with investing in Taiwan.
- The Conference represents a marvelous opportunity to learn about new cutting-edge technology applications and changing patterns in global business.

In 2017, **22 companies** signed LOI(Letter of Intent) expecting to invest **USD 3.5 billion** in 3 years.



## Useful Links:

- ❑ Invest in Taiwan:  
<http://investintaiwan.nat.gov.tw>
- ❑ Trade with Taiwan: [www.taiwantrade.com.tw](http://www.taiwantrade.com.tw)
- ❑ International Trade Shows:  
[www.taipeitradeshow.com.tw](http://www.taipeitradeshow.com.tw)

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**Thank you very much for  
listening**

**Actions Speak louder than  
words**