

# 2021 **Welcome to Invest in TAIWAN**



**Best Innovative Partner in Asia**

<https://investtaiwan.nat.gov.tw>

# Outline

1. Why Taiwan
2. Taiwan Foreign Direct Investment
3. Opportunities in Taiwan
4. Investment Services



# Why Taiwan

## -Advantages Offered by Taiwan's Investment Environment



### Global Rankings

**#1 Best Destination for Investment in Asia**  
(2020 BERI Report)

**#15 Ease of Doing Business**  
(2020 World Bank Doing Business Report)

**#15 Business Efficiency**  
(2020 IMD World Competitiveness Yearbook)



### Talent

**49% of Total Population has a Bachelor's Degree or Higher**

**#3 Talent Ranking in Asia**  
(2020 IMD Talent Ranking)

**#5 Graduate in Sciences**  
(2020 IMD Talent Ranking)



### IP Protection

- IP Regulations Meet International Standards
- IP Police Dedicated to Enforcement
- Trade Secrets Protection
- Respect for IP Protection



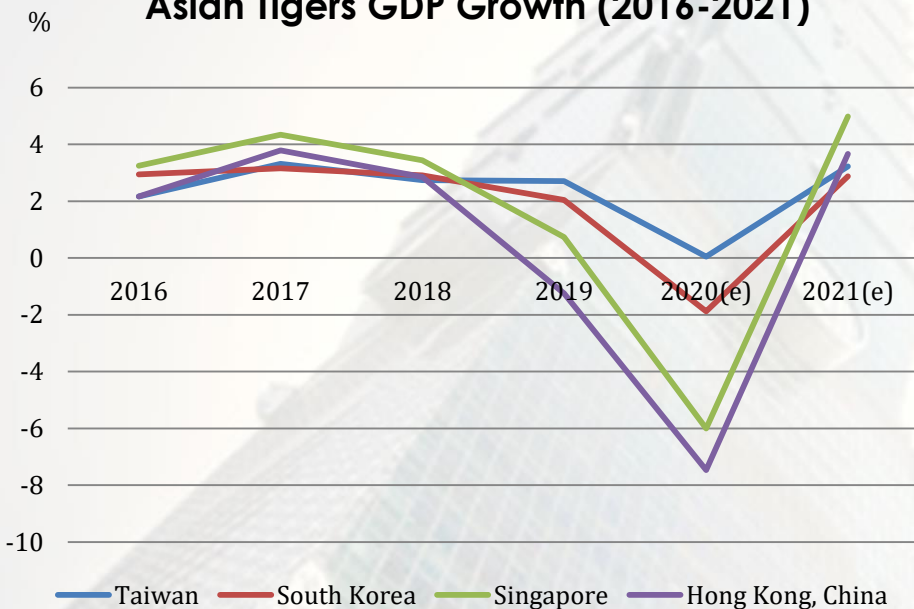
### Leading Industries

- Semiconductors
- Displays
- Machine Parts
- Electronic Parts
- Auto Parts

# Why Taiwan

## -Re-boost Economic Momentum

Asian Tigers GDP Growth (2016-2021)



Source: International Monetary Fund

Taiwan's **semiconductor sector** will invest **US\$ 90.67 billion** in the future, making Taiwan a center for advanced semiconductor manufacturing processes.

- **21<sup>st</sup>**  
largest economy in the world
- **Outperformed**  
other Asian tigers in 2019 & 2020



# Why Taiwan

## -Investment Incentives

### Tax Incentives

- Business Income Tax 20%
- R&D Investment Deduction (up to 15%)
- 5G/Smart Machinery Investment Deduction (up to 5%)
- Patents & Copyright Royalties Are Income Tax Exempt
- Support for Developing Smart Machinery/5G

### Incentives for Global Talent

- Provides Retirement, Health Insurance and Tax Benefits
- Relaxed Work, Visa and Residency Regulations
- Relaxed Residency Regulations for Parents, Spouses and Children

### R&D Subsidies

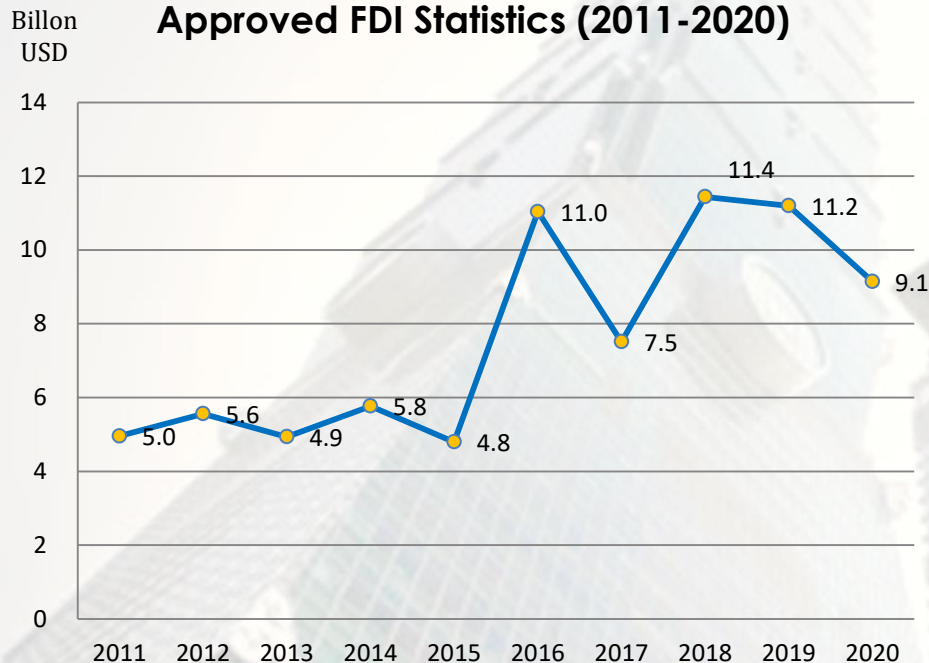
- A+ Industrial Innovative R&D Program
- Taiwan Industry Innovation Platform Program
- Global Innovation and R&D Partnership Program
- Advanced Technology Research Plan
- Small Business Innovation Research (SBIR)

### Special Zone Incentives

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

# Taiwan Foreign Direct Investment

## Top Choice for Multinational Enterprises



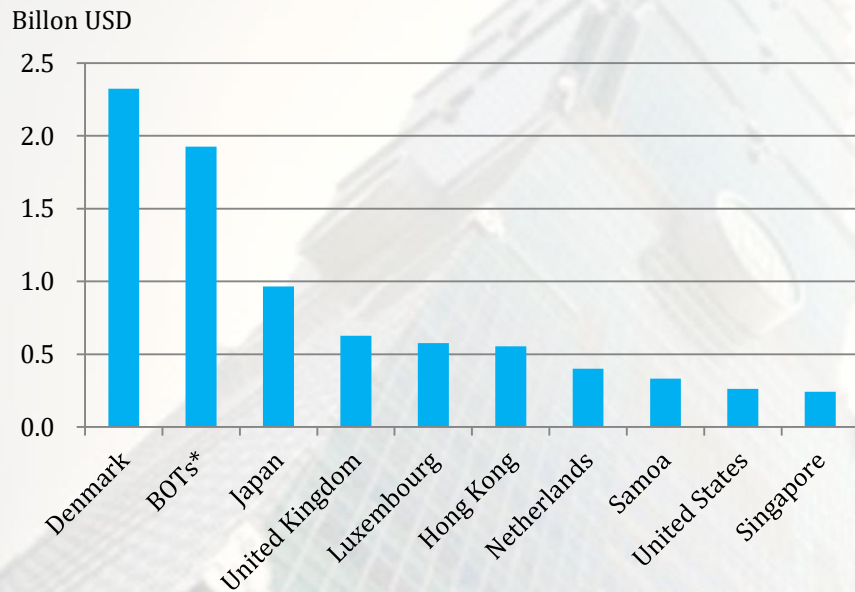
“When firms invest [in Taiwan], they feel confident that their **intellectual property** is safe, that **trade secret protections** will be enforced, that courts will adhere to the rule of law, and that the authorities are committed to shared democratic and free market values.”

- W. Brent Christensen, AIT Director

Source: Investment Commission, Ministry of Economic Affairs (R.O.C.)

# Taiwan Foreign Direct Investment

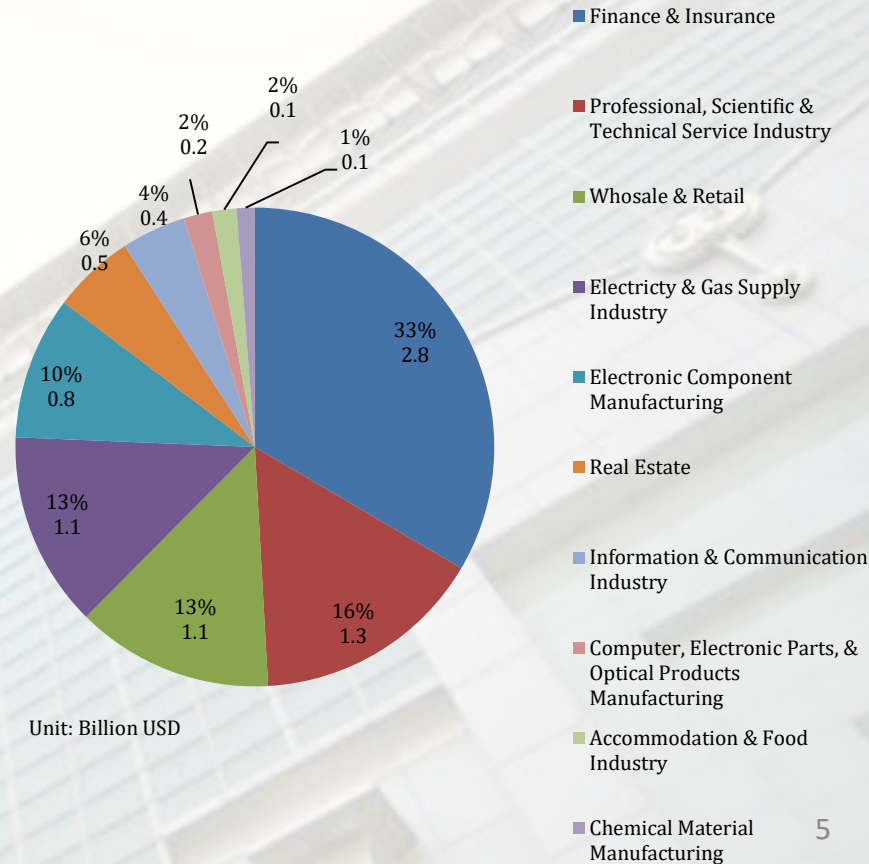
## Top 10 Countries for Approved Foreign Investment in 2020



Source: Investment Commission, Ministry of Economic Affairs (R.O.C.)

\*British Oversea Territories

## Approved Foreign Investment by Industry in 2020



# Successful Stories (2020)

- **Microsoft** announced that it will increase its investment in Taiwan, and its cloud hardware and infrastructure team and information center will be based in Taiwan. The new investment is Microsoft's largest investment in Taiwan in 31 years.



- **Micron Technology, Inc.** continued to invest in DRAM, wafer plants, and other technological developments in Taiwan, bringing new opportunities for cooperation and technology to Taiwan's semiconductor industry.

- **Apple** opened a new factory in May 2020, and continued work with Epistar and AUO to jointly invest in the research and development of new-generation display technology.





# Opportunities in Taiwan

## 6 core strategic industries

Re-evolution

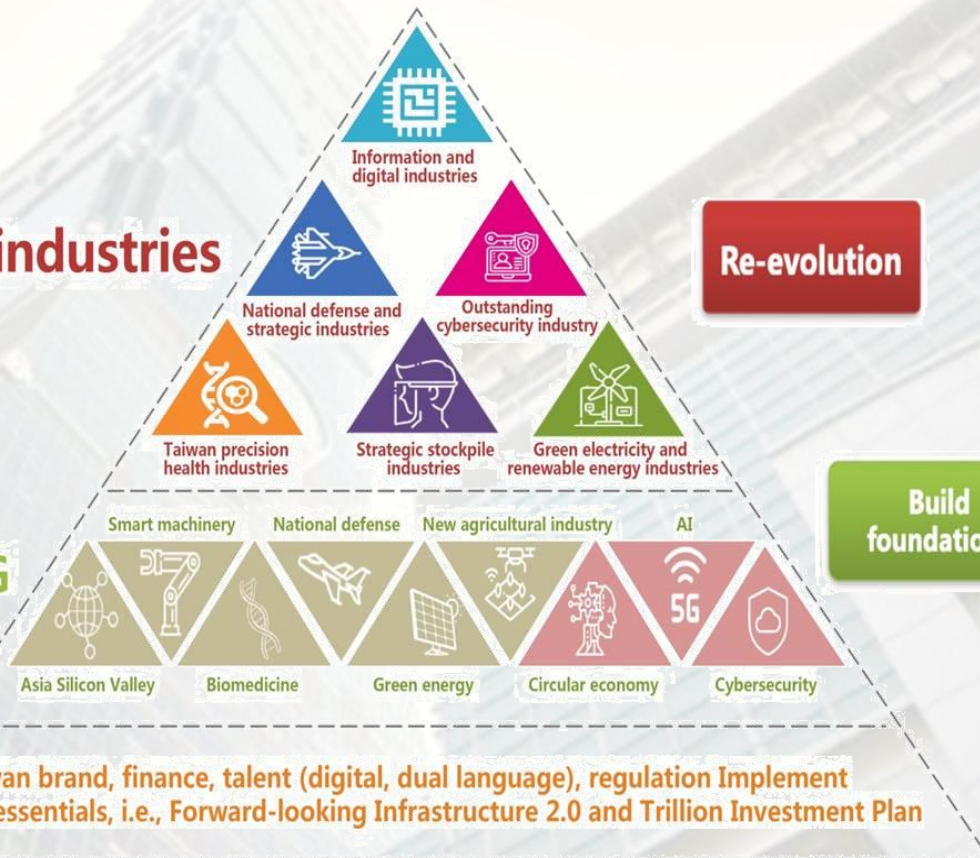
5+2 Industrial  
Innovation, AI, 5G

Build  
foundations

Common  
infrastructure  
environment

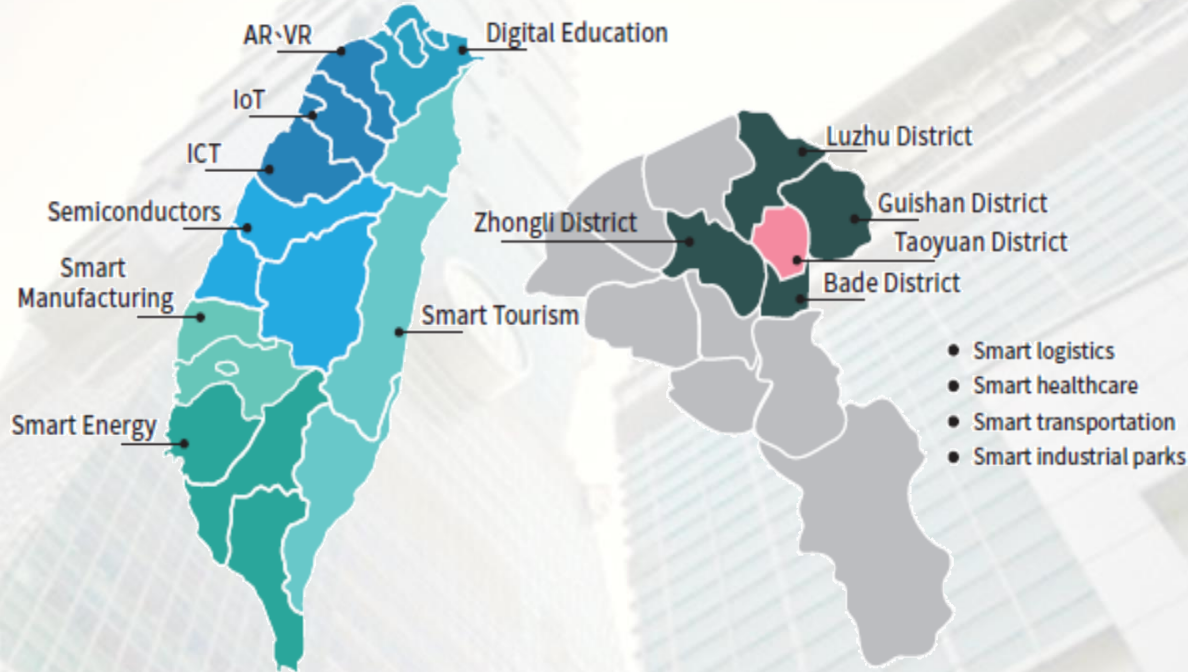
Superior  
environment

Taiwan brand, finance, talent (digital, dual language), regulation Implement the essentials, i.e., Forward-looking Infrastructure 2.0 and Trillion Investment Plan



# Opportunities in Taiwan

## -Internet of Things



Source: Asian Silicon Valley Development Plan

- Taiwan's IOT Output Value reached USD **43.3 Billion** in 2019

# Opportunities in Taiwan

## -Smart Machinery

### Taiwan's smart machinery application industry clusters

#### North:

New Taipei City,  
Taoyuan, Hsinchu

- Precision sensing equipment
- Electronic and semiconductor production equipment
- Integration of automation components and systems
- Industrial computers, controllers

- Tucheng Industrial Park
- Wugu Industrial Park
- Guishan Industrial Park
- Hukou Industrial Park
- Pingzhen Industrial Park
- Hsinchu Science Park

#### Center:

Taichung,  
Changhua

- Machine tools, parts and components
- Ball screws, linear rails
- Industrial machinery (woodworking, textile, and rubber and plastic machinery)
- Intelligent robots
- Integration of automation components and systems

- Central Taiwan Science Park
- Taichung City Precision Machinery Technology Park
- Taichung Export Processing Zone
- Taichung Gateway

#### South:

Chiayi, Tainan,  
Kaohsiung

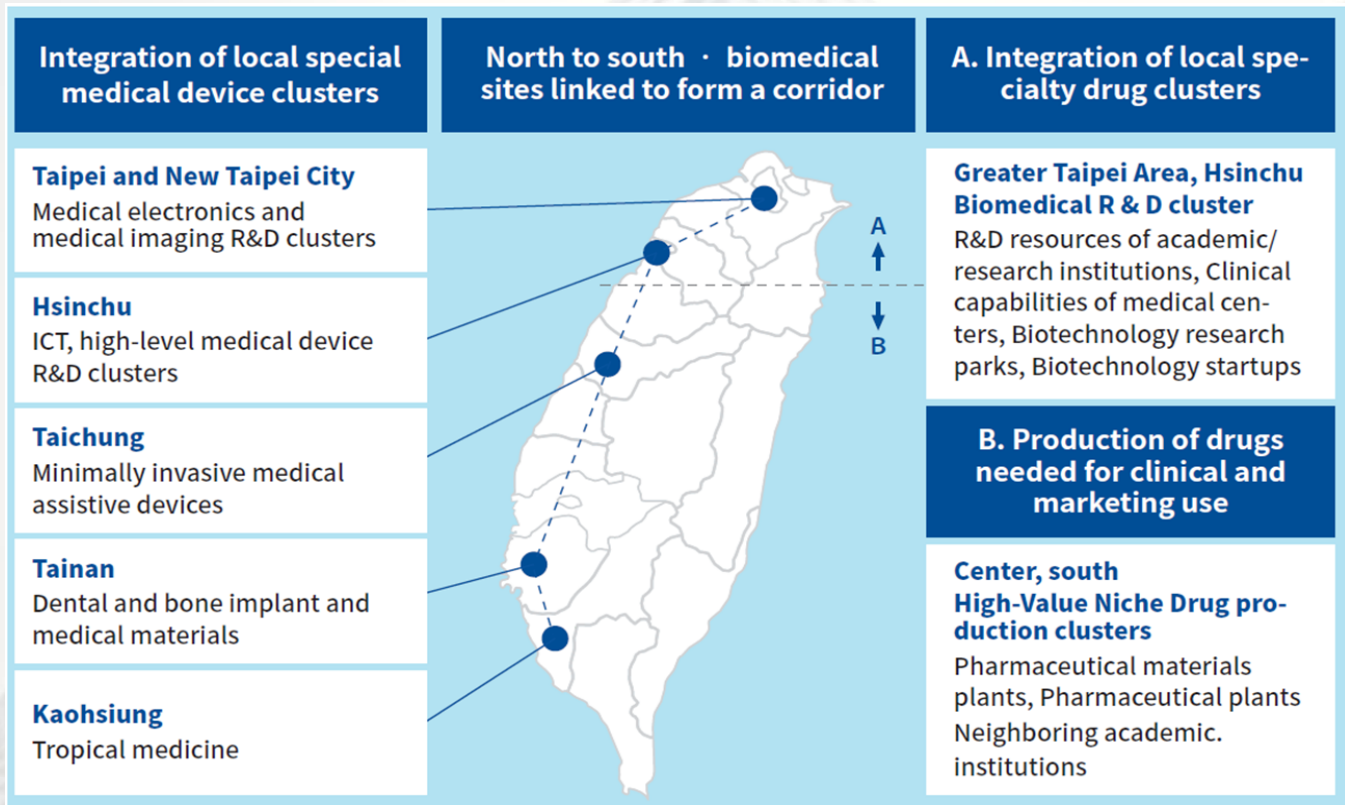
- Machine tools and accessories
- Industrial machinery (fastener shaping and processing, rubber and plastic machinery)
- Intelligent robots
- Controllers
- Precision molds

- Dapumei Precision Machinery Industrial Park
- Southern Taiwan Science Park (including Kaohsiung Industrial Park)
- Tainan Industrial Park
- Kaohsiung Benzhou Industrial Park
- Kaohsiung Nanzih Export Processing Zone
- Kaohsiung Qianzhen Export Processing Zone

- The output value of Taiwan's machinery industry reached USD **36.67 Billion** in 2019
- The world's highest demand for semiconductor equipment
- World's **7<sup>th</sup> largest** machine tool manufacturing country

# Opportunities in Taiwan

## -Biomedicine



- **Health and Wellness**  
Operating Revenue USD **6.48 Billion** in 2019
- **Applied Biotech**  
Operating Revenue USD **3.68 Billion** in 2019
- **Pharmaceutical**  
Operating Revenue USD **2.85 Billion** in 2019
- **Medical Devices**  
Operating Revenue USD **5.64 Billion** in 2019



# Opportunities in Taiwan

## -Green Energy

**Green Energy Will Account for 20% of Taiwan's Energy Mix by 2025 with Huge Potential to Grow Even Further**

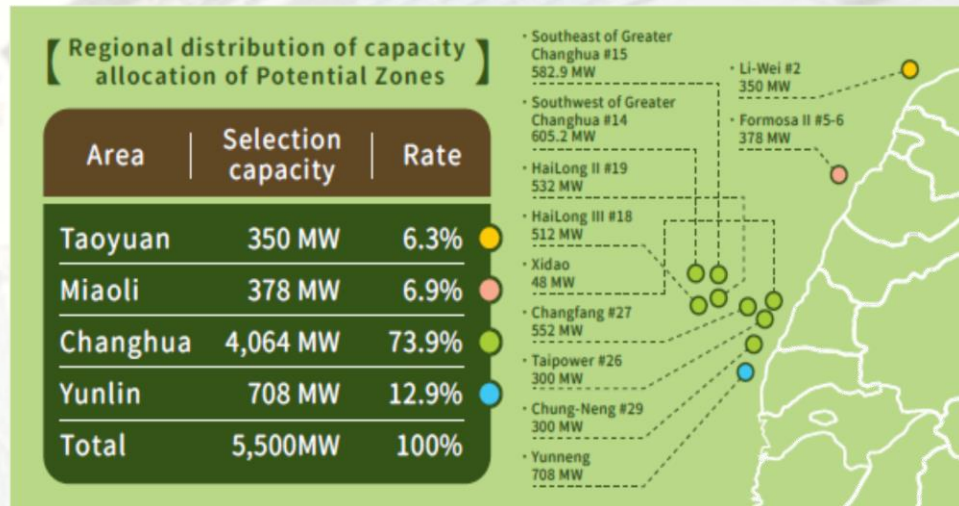
	2020	2025
Renewable energy	5.4%	<b>20%</b>
Nuclear energy	11.2%	0%
Coal	45%	30%
Fuel gas	35.7%	50%

Source: Risk Society and Policy Research Center, National Taiwan University

## Business Opportunities in Renewable Energy Sector:

- Photovoltaic Output Value: USD **2 billion** in 2019
- Wind Power Output Value: USD **471 Million** in 2019

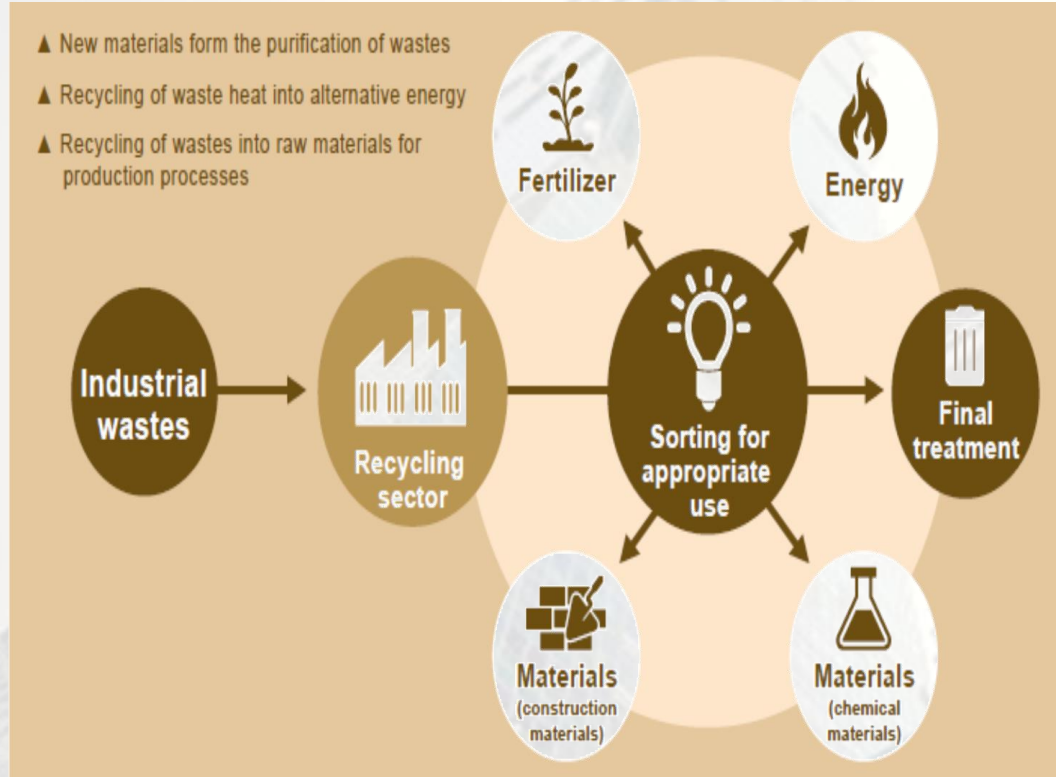
### Overview of wind power siting in Taiwan



# Opportunities in Taiwan

## -Circular Economy

Circular economy market opportunities in waste produced by high-tech industries in Taiwan



Reuse of Industrial Wastes  
Reached 80% in 2019



Recycling Industry Output was  
around USD 2.45 Billion in 2019



# Taiwan's Strengths- How Taiwan is combating COVID-19

## #3 Best Place to be in the Coronavirus Era

(Bloomberg, 2020)

- **Set up 60 surgical mask production lines in 25 days**  
Made possible by Taiwan's comprehensive supply chain and strong machinery cluster

- **Established a surgical mask rationing system with real-time map**  
Tapped into comprehensive health database and public-private collaboration

- **Best healthcare systems in world**  
(CEOWORLD, 2019)

World-leading medical personnel and advanced equipment



**Taiwan Garner's Praise  
from International Media for COVID-19 Response**

# Investment Services

-Single Contact and Customized Services



## One-Stop Service

One-stop complete service and dedicated investment assistance

## Help in Finding Land

Assistance in acquiring land and improvement of matchmaking services

## Reply Within 24 Hours

Answers within 24 hours with online and offline integration

## Inter-Agency Elimination of Obstacles

Elimination of investment obstacles at higher levels and across agencies



### Industrial Promotion Offices

- Consultation/R&D/industry collaboration/new product development



### Professional Consultants

- Legal/accounting/tax code/environmental protection/engineering



### Local Governments

- Remove investment barriers involving land, water, electricity, administrative procedures, etc.





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