



German Business in Taiwan  
Business Confidence Survey  
Report 2019  
2019德國商業信心調查報告

German Trade Office Taipei



Deutsches Wirtschaftsbüro  
German Trade Office  
Taipei  
德國經濟辦事處

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Since 2012, the German Trade Office Taipei has conducted its annual Business Confidence Survey to assesses the current business environment for German companies operating in Taiwan. This year's survey was conducted between October 23 and December 3, 2019. Of the 251 contacted respondents among German business representatives, 103 participated in the survey, resulting in a response rate of 41%.

## Executive Summary

- German companies remain confident about the development of the Taiwanese economy over the next three years. 41% expect the economy to improve or even significantly improve, while only 13% expect the economy to worsen.
- The slowdown of the global economy has slightly dampened the mood among the German companies operating in Taiwan and is considered to be the biggest uncertainty factor for positive business results in the near future.
- The machinery industry, electronics & computer industry, energy industry as well as the automotive industry are the most important target industries for a positive business development of German companies operating in Taiwan.
- For almost one fourth of the German companies, their subsidiary in Taiwan contributed more than 5% to their company's global revenues, while 14.1% were even able to generate figures above 10%, indicating the importance of the Taiwanese market.
- About two thirds of the German companies have already profited from current government programs. Among them, the "Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan" was the program from which German companies have benefitted most.
- German companies have a high opinion of the qualification of their Taiwanese employees and highly value Taiwan's social stability/security, its legal certainty as well as its cyber and data security.
- The majority of the participants believes that more electric vehicles on the streets would lead to a big or even very big improvement to the quality of life in Taiwan's cities.

## Key Developments

Even though economic cooperation between Taiwan and Germany remains strong, relations are under pressure as the whole global economy has been affected by trade conflicts and growing protectionism.

Roughly 250 German companies are currently established in Taiwan, predominantly engaging in the services, sales & marketing as well as manufacturing sectors. The trade volume between Taiwan and Germany decreased in comparison to 2018. Still being Taiwan's major trading partner in Europe, Germany was the eighth largest exporter of goods to Taiwan worldwide in the period from January to November 2019, losing two spots compared to 2018. However, Germany remains by far the biggest importer of

Taiwanese products in Europe.

While these imports consisted mainly of machinery and electrical equipment as well as base metals, the major export products from Germany to Taiwan were machinery and electrical equipment, chemicals as well as vehicles and associated transport equipment. As these industries are important for both Germany and Taiwan and represent major growth engines for innovation and advanced technologies, this report will dive further into the developments of bilateral economic relations and picture the current business expectations of German companies operating in Taiwan.

*Source: Ministry of Finance*

# Economic Overview

## Economic Environment

As of January 2020, the Taiwanese economy is forecasted to have grown by 2.64% in 2019, gaining more momentum in the last quarter of the year. However, it decreased only slightly in comparison with a growth rate of 2.75% for the same period in 2018.

Overall Taiwanese exports decreased from 5.4% in the period of January to November 2018 to only 1.0% from January to November 2019, with exports growing in information and communication products segment by 25%. Similarly, the growth rate for the overall imports also decreased from an exceptional 10.1% year on year growth rate in the period from January to November 2018 to a substantial 2.1% in the same period of 2019.

According to the Ministry of Finance, Germany remained Taiwan's major trading partner in Europe with a trade volume of NT\$ 450.12 billion (US\$ 14.53 billion) up to November 2019. The exports to Germany accounted for NT\$ 184.37 billion (US\$ 5.95 billion), while German exports to Taiwan stayed strong at NT\$ 265.77 billion (US\$ 8.59 billion).

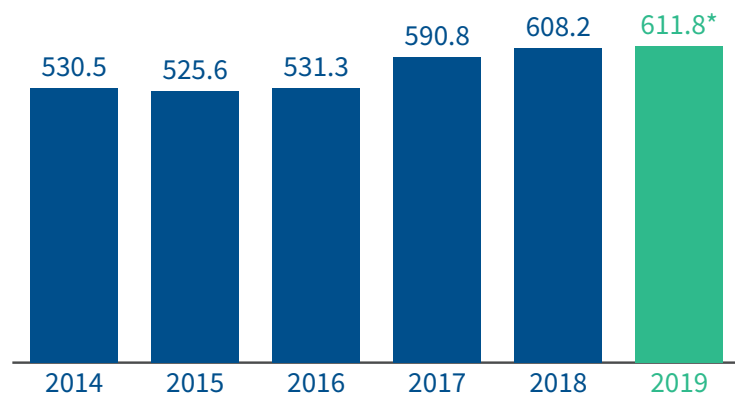


Figure 1: Growth of Taiwan's GDP at Current Prices (Billion US\$)  
\*forecast

For 2019, domestic private consumption is forecasted to grow by 2.0%. After private consumption had dropped from 2.70% in 2017 to 2.04% in 2018, the minor decrease of 0.04% in 2019 seems to indicate a slowdown in the downward trend.

For the coming year of 2020, it is expected to remain roughly similar with 2.05% as of September 2019, benefiting from individual income tax cuts, a travel subsidy program and subsidies for energy-efficient appliance replacements.

The consumer price index fell to 0.51% for the period from January to November 2019, compared to 1.48%

**“The Taiwanese economy remained stable amid an international economic slowdown. However, global effects could influence Taiwan’s economy and German companies operating in Taiwan in the long run”**

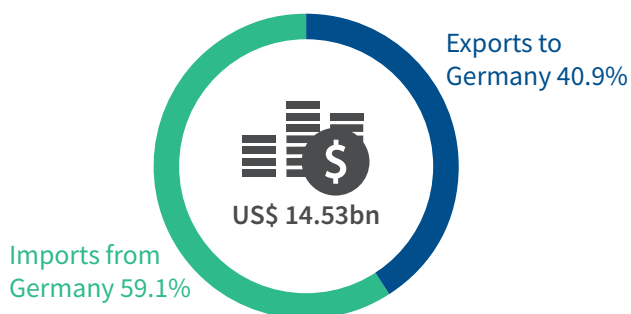


Figure 2: Trade Volume Between Germany and Taiwan from January to November 2019

in 2018. However, according to a forecast in December 2019, it is expected to rise to 1.13% in 2020.

The Taiwanese service industry sector gained more ground again, accounting for 63.2% of the GDP in 2018 compared to 62.9% in 2017. Meanwhile, in comparison to 2017, the industry sector slightly increased in volume, constituting 35.2% of the GDP in 2018, while the agriculture industry decreased to 1.6%.

The manufacturing output has remained the strongest with 87.4% of the industrial sector, keeping up a steady growth since 2009. The growth was aided by investments made by semiconductor manufacturers in advanced technology segments, as well as the returning of Taiwan's overseas companies.

Overall, the manufacturing sector had a production value of NT\$ 14,039 billion (US\$ 465.55 billion), growing with 6.5% in 2018 year on year. Within the sector, computers, electronics and optical products showed the biggest annual growth rate with 11.5%, closely followed by repair & installation of industrial machinery with 11.1%. The German key industry sectors machinery and equipment grew with 8.2%, while pharmaceuticals, chemical products and chemical materials showed growth rates of 3.3%, 2.7% and 1.8% respectively. These sectors helped offsetting a negative impact of the decreasing output of wearing apparel and motor vehicles and parts that decreased by 8.9% and 5.8%, respectively.

## German Investments in Taiwan

The biggest part of Taiwan's total manufacturing production value is comprised of electric parts and components, computers, electronic products and electrical equipment with 34.3%, followed by chemical products and pharmaceuticals with 16.9%, basic metals with 10.7% as well as machinery, motor vehicles and other transport equipment and parts with 9.7%.

As for the latest available data at the time of publishing, in the wake of a weakening global demand, the industrial production index decreased slightly by 2.9% compared year-on-year for October 2019. However, due to the expansion of domestic production capacity, the output of computers, electronic and optical devices was able to gain 17.9% in the same period.

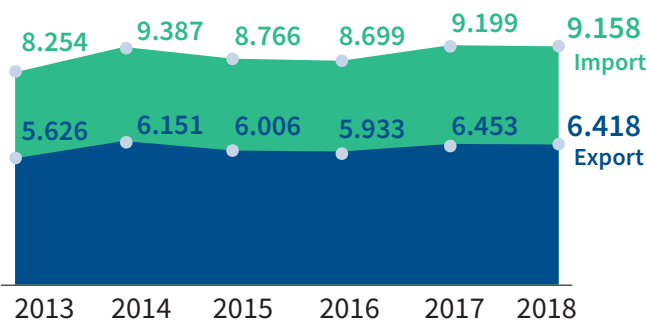


Figure 3: Taiwan's Trade Balance with Germany (Million US\$)

All in all, the Taiwanese economy remained stable amid an international economic slowdown, being one of the few partially benefiting from the long lasting US – Chinese trade dispute. However, the influence of the global economy should not be underestimated. Global effects could influence Taiwan's economy and German companies operating in Taiwan in the long run, if Taiwan goes astray and neglects setting a strong focus on Research and Development to stay innovative and thus create new business opportunities.

Source: Ministry of Finance, Ministry of Economic Affairs, National Statistics, National Development Council  
Data accessed in December 2019

Since the first approved investments were made in 1967, the accumulated approved investments by German investors in Taiwan have totaled about US\$ 4.0 billion. Germany keeps being the third largest European investor. Worldwide, it is the 8th largest investor in Taiwan.

After an all-time high of US\$ 642.4 million of investments last year, which were four times higher compared to 2017, German investments in the period from January to November 2019 were once again very substantial, amounting to a total of US\$ 475.9 million.

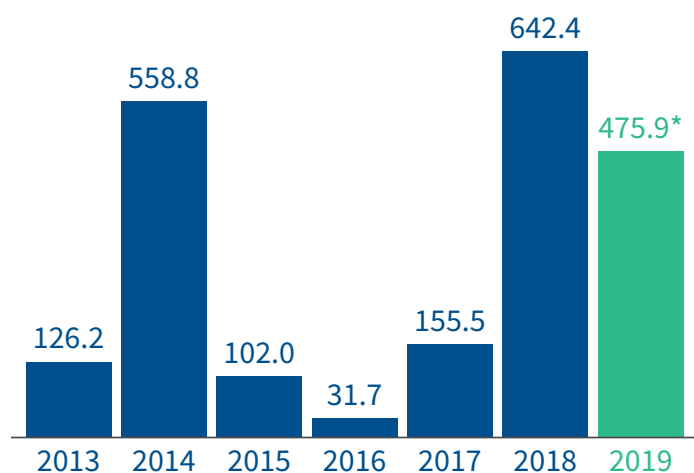


Figure 4: German Total Investments in Taiwan (Million US\$)

\*forecast

The main driving force behind the German investments in this period was the German offshore wind developer wpd in the category of electricity and gas supply. This was followed by wholesale and retail trade, which totaled US\$ 16 million and which was comprised of 14 German investors. The manufacturing sector was placed third with about half of the amount, totaling US\$ 8.3 million. These investments primarily targeted the chemical material and electrical equipment manufacturing sector. Other investments were made in information and communication as well as in the construction sector, ranging between US\$ 3 and 4 million. Up to November 2019, no investments were made in the finance and insurance sector, which was the main field of investment last year, proving that investments are always flexible and constantly adapting.

Source: Ministry of Economic Affairs

# Business Confidence Survey 2019

The Business Confidence Survey is conducted among German companies operating in Taiwan by the German Trade Office Taipei on a yearly basis. The survey assesses the current business environment, identifies the most pressing challenges and provides an insight into the business expectations of German companies. Furthermore, the survey is a useful reference for the authorities to obtain an overview of the business situation of German companies investing in Taiwan.

The Business Confidence Survey 2019 was conducted between October 23 and December 3, 2019. Of the 251 contacted eligible respondents among German business representatives, 103 participated in the survey, resulting in a response rate of 41%.

## Company Background

German companies show a long-term commitment towards Taiwan. The results of this year's Business Confidence Survey show that around 60.6% of the German companies have been operating in Taiwan for more than 15 years, while 33.3% have been in Taiwan between 5 and 15 years. Most companies are small enterprises with 11 to 50 employees (46.6%), 22.3% are micro-enterprises with a staff headcount of up to 10 employees and companies with more than 100 employees account for 18.4%.

German companies are geographically diverse in the location of their business operations and have set up sites throughout Taiwan. As the results show, Taipei is the first choice for business operations (43.1%), followed by Taichung (19.2%), Taoyuan (13.8%) and Kaohsiung (10.8%).

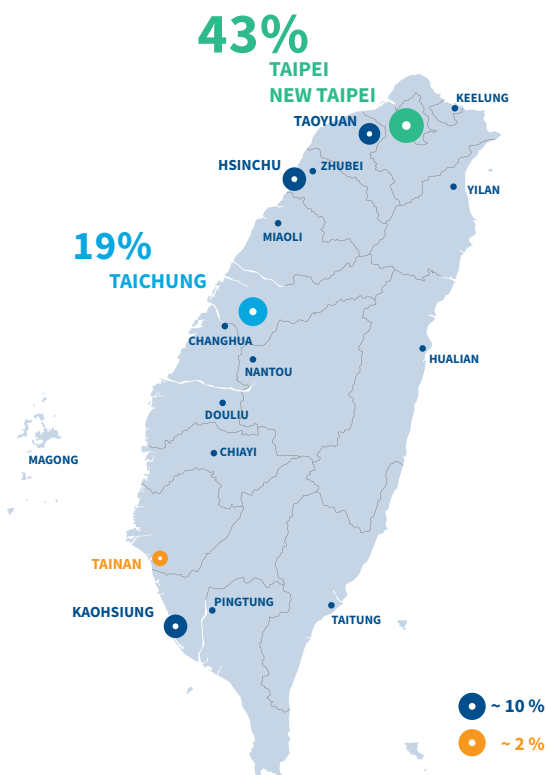


Figure 5: Location of German Companies Throughout Taiwan

## “Most German companies are active in the machinery and industrial equipment industry, the energy industry and the automotive industry”

Most companies are active in the machinery and industrial equipment industry (33.8%), followed by the energy industry (9.9%) and the automotive industry (8.5%). 7.0% are specialized in the electronics and computer industry, while companies in the construction/civil engineering as well as the logistics/transportation sectors each account for 5.6%.

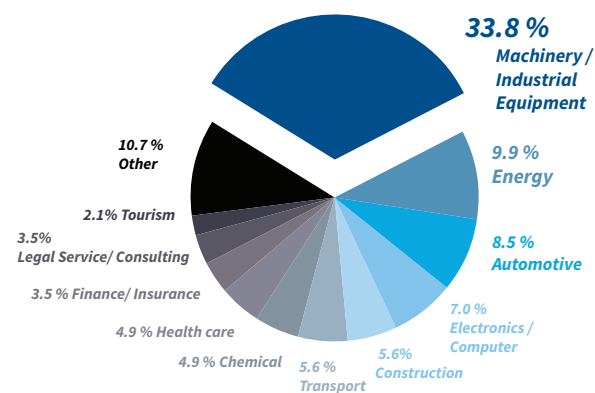


Figure 6: Industry Sectors of German Companies

While the main fields of business are services (30.9%) as well as sales and marketing (28.2%), 14.9% of the German companies also have manufacturing and production sites in Taiwan.

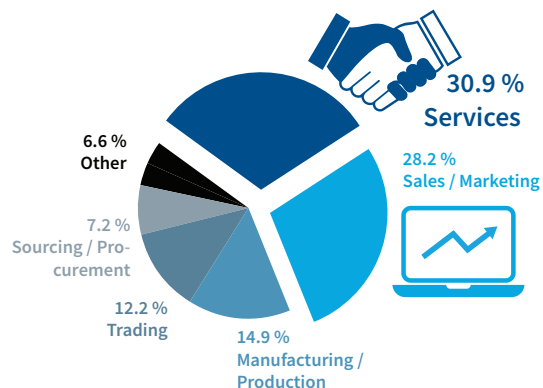


Figure 7: Main Field of Business of German Companies

# Business Performance / Challenges

## Business Performance

### Revenues

Aside from the company size, German companies are also very diverse in terms of their revenues. Large-scale companies with revenues of more than NT\$ 1 billion (19.2%) are just as present in the Taiwanese markets as small enterprises with revenues of less than NT\$ 5 million (8.1%). However, most companies indicated revenues in between these two numbers, 20.2% reported revenues between NT\$ 5 million and NT\$ 50 million, 33.3% between NT\$ 50 million and NT\$ 250 million and 19.2% between NT\$ 250 million and NT\$ 1 billion.

While about 44.4% of the companies predicted that their Taiwanese entity would generate less than one percent of their group's global revenue in 2019, almost one fourth (23.2%) forecasted to contribute more than 5% to their company's global revenues. 14.1% were even able to generate more than 10%, indicating the importance of the Taiwanese market not only to the local entity, but also to German companies overall. 3.9% of the companies preferred to disclose their figures.

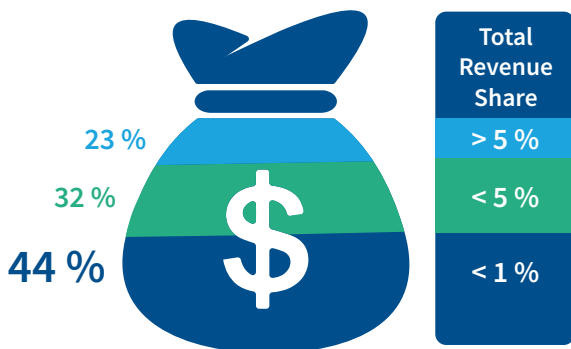


Figure 8: Contribution to Group's Global Revenue

### Business Targets and EBIT/EBIT margin

According to the results of this year's survey, German companies operating in Taiwan struggled slightly more to achieve their business targets. Only 34.3% of the companies have been able to achieve or even exceed their business targets in 2019, which constitutes a five-year low. After the results had already fallen from an unexpected high of 56.7% in 2017 to a solid result of 48.5% last year, 2019 showed another decrease by 14.2%. Likewise, the number of companies stating that they were not able to achieve their business targets rose from 7.1% to 18.6%.

As for the EBIT (earnings before interest and taxes) margins, 39.6% reported that their margins compared

**“Almost one fourth of the German subsidiaries in Taiwan contributed more than 5% to their company's global revenues. 14.1% even generated figures above 10%”**

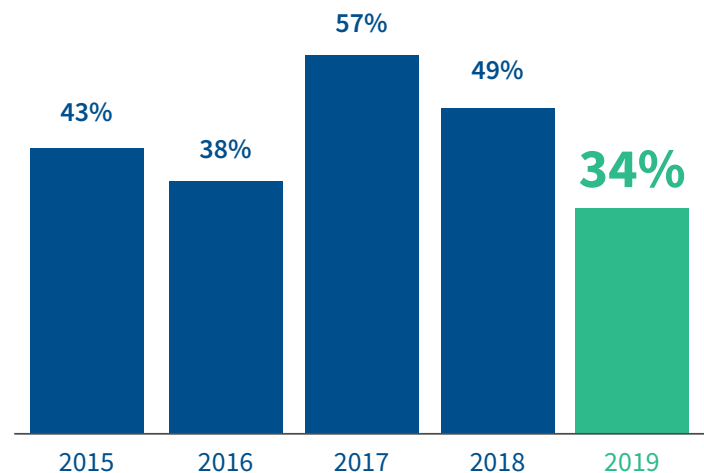


Figure 9: Achievement of Business Targets

to 2018 remained essentially the same. A slightly higher number of companies reported a decrease of their EBIT margins (34.4%) compared to those which were able to increase their margins (25.0%). However, even though the German companies were not able to reach their business targets as in the previous years, only a small minority of 9.2% reported negative EBIT margins. The EBIT margins of almost half of the companies still indicated solid profitability, with margins between 5% and 10% reported by 22.4% of the companies and margins of more than 10% reported by more than one fourth (25.5%). 4.9% of the companies preferred to disclose their figures.

## Business Challenges

### Presence in the Taiwanese Market

The main reasons for German companies to be present in Taiwan show a high continuity over the last few years, only the ranking has slightly changed in 2019. Following key accounts and customers remained the main motivation for most companies (56.4%), whereas last year's number two sales potential (43.6%) was superseded by the presence in the Asian market (49.5%). Compared to 2018, the ability to adapt products to the local market was seen less important in 2019, and thus was ranked number four with 31.7%. Furthermore, 8.9% of the German companies not only value Taiwan as a place for sales activities, but also engage in research and development activities.

# Business Performance / Business Expansion

Aside from mere business aspects, Taiwan is also highly valued for the qualification of the Taiwanese staff. 63.7% of the companies rated this aspect as either good or even very good, while only 7.9% were not content with it. Social stability and security were placed second (61.2%), closely followed by legal certainty (60.2%) as well as infrastructure (56.3%). Slightly lagging were the aspects of innovation ability (53.0%) as well as the stability and reliability of business relations (47.1%). The stability of the overall economy took the last place, only 34.0% rated this aspect as either good or very good. Additionally, it also showed the highest value of discontent with 17.4%.

## Business Challenges

The concern about the stability of the economy also fits what German companies operating in Taiwan have identified as their major challenge. While 61.8% of the companies agree that a slowdown in the global economy could significantly harm their business in Taiwan, 44.1% also consider a change in Taiwan's economic growth or a decline in the growth of their respective market segments (42.2%) to be factors that could seriously influence their business activities. Aside from the economic development, cross-strait relations (46.1%), the reliability of governmental frameworks (25.5%), import restrictions (23.5%) as well as the absence of FTA and investment protection agreements (22.5%) are seen as challenges.

However, out of the 16 possible business challenges assessed in the survey, some are external factors which cannot be directly influenced by Taiwan, others only pose minor or no challenges to the German businesses. For example, merely 2.9% consider cyber and data security to be a challenge for their business operation. Likewise, only 8.8% consider legal certainty to be an issue.

**“German companies highly value the qualification of their Taiwanese employees, Taiwan’s social stability/security, its legal certainty as well as its cyber and data security”**

## Business Expansion

### Investment Plans

German companies also show a high continuity in the question of whether they are planning any investments within the next two years. The percentage of companies willing to invest slightly rose from 38.5% in 2017 to 39.4% in 2018 to 40.2% in 2019. Similarly, the percentage of companies that are certain not to invest decreased by 17.8% from 49.2% in 2017 to 31.4% in 2019.

As for the implementation of investment plans, German companies are highly reliable. While 42.6% had not planned any further investments in 2019, the same percentage carried out their investments just as planned. Only 5.9% decided to decrease or even stop their investments during the year, whereas 8.9% have increased their investment activities.

### Types of Investments

The companies that affirmed to invest within the next two years, were asked about the types of investment in a follow-up question. The major investments will be in staff development and training (65.0%) as well as sales, marketing and business development (52.5%). E-commerce and digitization (30.0%), new office facilities (30.0%), research and development (27.5%) and new manufacturing facilities (22.5%) were also mentioned.

### Reasons not to Invest

The main reason for not investing or for being unsure whether to invest were low expectations for market expansions (60.3%), the influence of the global economy (37.9%), expectations of a weakening of the domestic economy (24.1%) as well as the uncertainty about the overall political situation of Taiwan in terms of its relations to the People's Republic of China (20.7%).

Overall, the German companies are very satisfied with Taiwan as a business location and only the marginal amount of 2.0% is currently considering leaving Taiwan and shifting investments to another location. The great majority of 98.0% does not have such plans and will remain in Taiwan.

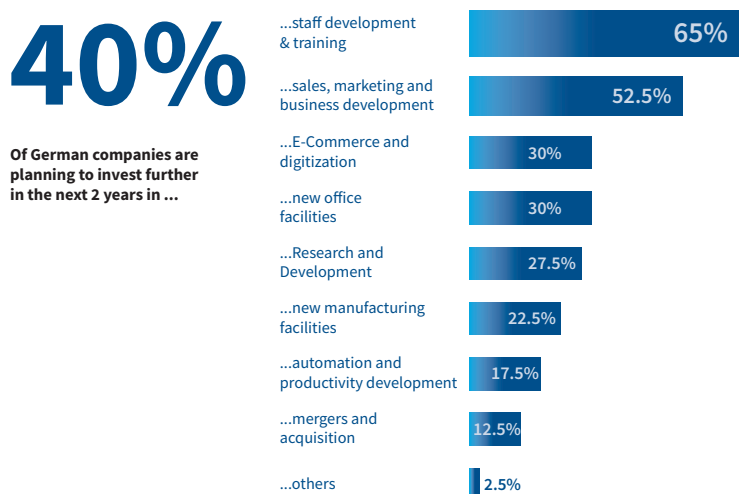


Figure 10: Types of Investments Planned Within the Next Two Years



# Business Expansion / Special Topics

## Investment Incentives

The survey results indicate that a majority of the German companies consider a reduced bureaucracy (56.7%) as well as tax deductions (53.6%) as the most suitable policy to attract more foreign investments to Taiwan. Furthermore, 41.2% also think that a greater transparency in tenders may be a suitable measure to give foreign companies an incentive to invest in Taiwan.

## Trade Disputes

Asked about the influence of the current trade dispute between the United States and the People's Republic of China on their business operations in Taiwan, the German companies seem to be slightly more affected than in 2018. While 46.5% stated that there was no impact on their business last year, the percentage dropped by 7.9% in 2019. The number of companies suffering from the trade dispute and those profiting from it are almost equally balanced. The percentage of companies being negatively or very negatively affected rose from 26.7% in 2018 to 31.7% in 2019. Likewise, the percentage of companies whose business were either positively or even very positively influenced rose from last year's 26.7% to 29.7% in 2019. The trade disputes between Japan and South Korea as well as between the United States and the European Union only marginally influenced the business operations of German companies in Taiwan.

## Industry 4.0 and Digitization

As the results show, Industry 4.0 and digitization will be relevant topics for the profitability of the vast majority of the German companies. Only 6.9% expect digitization measures to be completely irrelevant for their business activities, 13.9% sees it as only slightly relevant, whereas 39.6% consider it relevant or even highly relevant.

## Energy and Energy Transition

Over one third (37.6%) of the German companies expects the energy transition policies by the Taiwanese government to have a positive impact on their business in the near future. However, asked for concerns about the energy transition, about one fourth to one third of the companies reported to be concerned or even extremely concerned about the sustainability of energy production (36.6%), the security of energy supply (29.7%) as well as electricity costs (26.7%).

40.0% think that energy saving measures will be relevant for their company in the near future, while 25.0% were unsure. The highest potential for energy

**“Current government programs have already had a positive impact on the business activities of about two thirds of the German companies operating in Taiwan”**

saving measures is seen in equipment (50.0%) as well as buildings and offices (45.0%). However, the behavior of employees (37.5%) and process optimization (35.0%) are also considered to have energy saving potential.

In terms of the quality of life in Taiwan's cities, 86.1% consider more electric vehicles on the Taiwanese streets to have at least a moderate positive effect. Over half the companies (50.5%) assumes electric vehicles to be a big improvement or even very big improvement. Only 5.9% think that more electric vehicles would have no effect at all.

## Government Programs

Current government programs have already had positive impacts on the business activities of German companies. About one third (34.4%) of the companies stated that none of the programs have had any impact, while about two-thirds (65.6%) profited from them. Most companies profited from the “Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan” (23.7%), followed by the “Forward-looking Infrastructure Development Program” (17.6%), the “‘Five plus Two’ Innovative Industries Program” (12.9%) and the New Southbound Policy (11.4%).

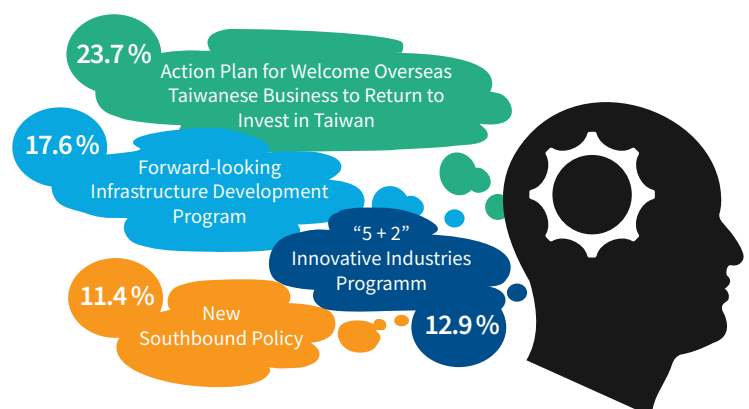


Figure 11: Percentage of Companies Profiting from Government Programs

# Outlook

## Overall Economic Development

As for Taiwan’s overall economic development in 2020, over half of the German companies (56.4%) do not expect any changes. Even though the percentage of companies predicting Taiwan’s economy to improve or even significantly improve dropped once more to 25.8% in 2019 – compared to 47.1% in 2017 and 30.6% in 2018 – the number of companies being very pessimistic dropped by almost the same percentage from 23.6% to 17.8%. When asked for the outlook over the next three years, the companies are much more optimistic. 41.0% expect the economy to either improve or even significantly improve, while only 13.0% assume it to worsen.

## Industry Segment

Asked about which factors could positively influence their industry in Taiwan, digitalization (65.3%), globalization (53.0%), Industry 4.0 / Smart Machinery (52.5%) as well as the energy transition (52.5%) were seen as factors that could have a positive or even very positive impact. Less clear was the picture in regards of the effects of the trade dispute between the United States and the People’s Republic of China. 24.3% of the German companies expect their industry to suffer from the trade dispute, whereas 43.5% predict a positive or even very positive impact in the future.

## Business Targets

As for achieving their own business targets in 2020, the German companies are once more slightly less optimistic than in 2018. While 44.3% were content to achieve or even exceed all of their business targets in 2019, this value dropped to 33.6%. However, as the overall percentage of companies expecting their targets to be at least mostly achieved (75.2%) remained about the same as last year’s 75.7%, it can be concluded that German companies are still far from being pessimistic towards their business expectations in 2020.

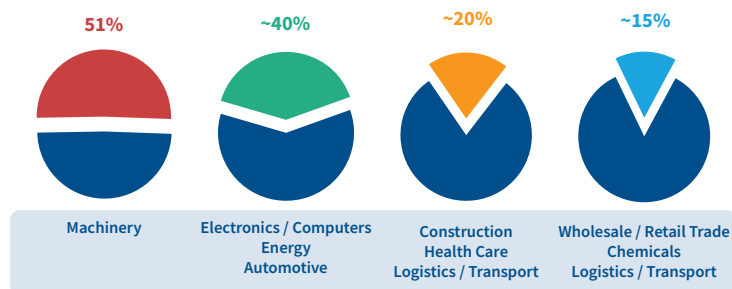


Figure 12: Target Industry Sectors of German Companies

## Key Factors and Company Outlook

The same trend can be identified for some key economic factors. The survey shows that compared

## “German companies remain optimistic about the economic development within the next three years”

to last year, fewer companies estimate an increase or even substantial increase of their turnover (34.3% in 2019 compared to 50.7% in 2018) and profit (31.3% in 2019 compared to 40.8% in 2018) in 2020. However, there are also fewer companies that predict a decrease in their turnover. The percentage of companies expecting a decrease or even substantial dropped from 23.9% in 2018 to 12.1% in 2019. With 72.7% and 65.3%, respectively, investments and employment are predicted to remain the same or unchanged by almost two-thirds of the German companies.

As for their development within the next two years, 44.6% are optimistic or even highly optimistic that their business in Taiwan will grow. Aside from that, the majority of German companies estimates labor costs (73.3%), competition (66.0%), profitability (63.4%) as well as productivity (58.0%) to remain similar or unchanged.

Asked about which target industries or sectors will be most relevant for their business development, the machine industry was identified as the main target industry of most German companies operating in Taiwan (51.0%). The electronics & computer industry was placed second (42.0%), closely followed by the energy industry (41.0%) and the automotive industry (39.0%). Other industries that were considered to play an important role in the future were the construction industry (21.0%), the health care industry (20.0%), the logistics & transportation industry (18.0%), the wholesale & retail industry (17.0%) as well as the chemical industry (14.0%). The survey also shows that unlike last year, sales, marketing and trade is seen to be the most important topic for the future development of almost half of the German companies (49.5%), while services was ranked second with 29.3%, followed by research and development with 9.1%. Production and sourcing / procurement only play a minor role with 6.1% each.

Furthermore, the survey asked whether the German companies would choose Taiwan again if they were facing the decision of having to start their business anew and the overwhelming majority of 97.0% stated to be at least fairly likely to do so. It can thus be concluded that the German companies are still very content with choosing Taiwan as a business location.

## Recommendations

The very high response rate of over 100 responses among 251 German companies operating in Taiwan shows the interest of the companies in this survey as well as to get actively involved in Taiwan's business development.

Overall, German companies remain content with their business activities and 97% of them are likely to start their business again if they faced that decision. This percentage indicates that German companies still put their trust in Taiwan as a business location.

However, the results of the Business Confidence Survey 2019 show that the slowdown of the global economy has also affected the German companies operating in Taiwan and is thus seen as the biggest uncertainty factor for a positive business development. The results indicate a call for action in the topics stated below. The following recommendations are aimed at concrete measures to preserve Taiwan as an attractive business location for German companies and to further improve the current investment and working conditions.

### Reduce Import Restrictions and Bureaucracy

The survey results indicate that German companies are generally content with Taiwan's business environment and that the major challenges are seen in external factors such as the global economic growth. However, one point of concern was import restrictions. Almost one fourth of the German companies stated that they are struggling with them. Import restrictions often have a significant negative impact on the efficient allocation of resources and can lead to higher prices. Likewise, the German companies consider reduced bureaucratic procedures as the most efficient tool to attract more foreign investments. Less bureaucracy will not only lead to an increase in efficiency as unnecessary delays can be avoided but also to a reduction of paperwork that can incentivize foreign companies to invest in Taiwan. Therefore, a careful consideration of the reduction of import restrictions as well as bureaucracy would be beneficial for the companies as well as the overall development of the economy. We recommend facilitating the direct recognition of internationally accepted European certificates, testing procedures and standards. These changes would enlarge the variety of available products on the Taiwanese market without any decrease of security and quality.

### Incentives for more Electric Vehicles

Vehicle electrification has become the major topic for the development of the future mobility and will have a huge impact on the automotive industry. Taiwan itself is quite strong in regards of electric scooters and the numbers of scooters sold have grown significantly over the last few years. The results of our survey show that the vast majority of the German companies consider more electric vehicles on the streets to be beneficial to the quality of life in Taiwan's city as air and noise pollution can be reduced significantly. Thus, it would be useful to provide more incentives to bring more electric vehicles into the Taiwanese market. A major task is to quickly build a reliable and widely available charging infrastructure to create a basis for a larger electric fleet. With the necessary infrastructure

**“Current government programs are not only an effective measure to offset the negative effects of the global economy on Taiwan, but have also been beneficial to the German companies operating in Taiwan”**



**Axel Limberg**

Chief Representative and Executive Director of the German Trade Office

available, tax subsidies for the purchase and operation of electric cars could be a method to achieve this goal.

### Continue with Current Government Programs

After the Government had been pursuing the “New Southbound Policy” and the “Five plus two” innovative industries plan over the last few years, the “Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan” was introduced to bring investments back to Taiwan. The results of the survey clearly indicate that about two thirds of the German companies have already profited from these government programs, with the “Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan” having the biggest positive impact on German businesses in Taiwan. A continuation, and possibly even an expansion, of these government programs by the authorities seems to be an effective method to uphold a positive economic development and to offset the negative impacts of a global economy that is currently shaken by trade disputes. However, it should also be kept in mind that companies that have been active in Taiwan for a long period of time should not be placed at a competitive disadvantage.

# German Trade Office Taipei

The German Trade Office Taipei was established in 1981. Since then we have acted as an intermediary between German and Taiwanese businesses and have promoted the exchange between both economies. We aim to provide our customers with services tailored to their needs so that they can benefit most from the many advantages both Germany and Taiwan have to offer. The German Trade Office Taipei is part of a network of more than 140 German economic representations worldwide, which has been active abroad for more than 150 years.

## DEinternational Taiwan Ltd.

Our service unit DEinternational Taiwan Ltd. specializes in supporting you to develop and expand your business activities in Taiwan or Germany. Ranging from market entry and expansion support, trade fairs, legal and investment as well as recruiting and training services, the broad variety of support we offer will certainly meet your requirements.

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