

**Press Review Taiwan**

Trade Office of Swiss Industries, Taipei, 1—31 August 2015

Table of Contents

Switzerland in the local press	2
1 mil. take part in Swiss techno Street Parade: organizers (The China Post, 31.08.2015)	2
Turbulent time for Swiss watchmakers in China (The China Post, 27.08.2015)	2
Swiss councilors laud CNA's multi-language services (Central News Agency, 18.08.2015)	2
Ancient remains of mammoth found at construction site (The China Post, 10.08.2015)	2
Remains of 2 Japanese found in Alps after 1/2 century (The China Post, 08.08.2015)	2
Zurich Insurance reports US\$2.1 bil. in H1 profits (The China Post, 07.08.2015)	2
Foreign Policy	2
Marshall Islands' new ambassador begins post (The China Post, 28.08.2015)	2
Taiwan, Japan deal on double taxation avoidance close: official (Central News Agency, 27.08.2015)	2
Six more destinations grant Taiwan visa privileges (Focus Taiwan, 10.08.2015)	3
Taiwan, Philippines amend aviation pact to allow more flights (Focus Taiwan, 08.08.2015)	3
Will not budge even an inch of territory: Presidential Office (Central News Agency, 03.08.2015)	3
China Relation	3
Taiwan fourth biggest exporter to China: DGBAS (Central News Agency, 30.08.2015)	3
Taiwan, China sign taxation, flight safety pacts (Focus Taiwan, 25.08.2015)	3
Cross-strait ties at crucial crossroads: Chinese official (Focus Taiwan, 14.08.2015)	3
Domestic Policy	3
Foreign travelers to enjoy easier VAT refund policy 2016: ministry (eTaiwanNews, 29.08.2015)	3
Cabinet approves central government's 2016 budget (Focus Taiwan, 20.08.2015)	4
Taiwan to invest NT\$36 billion in Productivity 4.0 project (CENS, 13.08.2015)	4
One-stop service center to help foreign talent adapt to Taiwan (The China Post, 08.08.2015)	4
Nation to continue promoting economic, trade liberalization: BOFT (The China Post, 02.08.2015)	4
Economy/Finance	4
Taiwan's manufacturing sector output forecast to shrink in 2015 (The China Post, 29.08.2015)	4
Consumer confidence weakens for 4th consecutive month (The China Post, 28.08.2015)	4
July jobless rate hits 3.82% (Focus Taiwan, 24.08.2015)	4
Taiwan's export orders down for 4th consecutive month in July (DigiTimes, 20.08.2015)	5
Taiwan-listed companies report earnings growth in first-half 2015 (Focus Taiwan, 17.08.2015)	5
Taipei housing prices more than 5 times higher over 27 years (Taipei Times, 14.08.2015)	5
Taiwan's 2015 economic growth forecast revised downwards to 1.56% (Focus Taiwan, 14.08.2015)	5
Taiwan's exports decline in July for sixth consecutive month (The China Post, 08.08.2015)	5
Taiwan's foreign exchange reserves increase (The China Post, 08.08.2015)	5
CPI down 0.66% in July (Focus Taiwan, 05.08.2015)	5
Barclays slashes Taiwan GDP growth outlook to 2% (Taipei Times, 04.08.2015)	5
Technology/Innovation	6
Inventec inks 5-year partnership with Siemens for Industry 4.0 (DigiTimes, 25.08.2015)	6
Miniwiz 1st local firm to win WEF pioneer award (The China Post, 07.08.2015)	6
NTU researchers identify lung cancer-related genome mutation (Focus Taiwan, 06.08.2015)	6
ITRI licenses flexible display patents for Chunghwa Picture Tubes (Focus Taiwan, 05.08.2015)	6



Switzerland in the local press

1 mil. take part in Swiss techno Street Parade: organizers (The China Post, 31.08.2015)

Around 1 million people thronged the streets of a sun-drenched Zurich Saturday 29 Aug. to take part in the Swiss city's annual techno Street Parade, organizers said. Fans from across Europe began gathering around 1100 GMT, before dancing through the heart of Switzerland's financial capital to the high-decibel electronic beats blaring from 26 floats, known as "lovemobiles." The first edition of Street Parade took place in 1992, drawing a mere 1,000 revelers and only two lovemobiles.

Turbulent time for Swiss watchmakers in China (The China Post, 27.08.2015)

In Switzerland, the recent devaluation of the Chinese yuan rattled the Alpine country's luxury watchmakers, who have already seen their once booming sales in China take a hit as Beijing began to crack down on corruption in the country by banning extravagant gifts like prestigious watches to public officials. Even before the yuan move, Swiss watch exports to China had contracted nearly 40 % in July. When the yuan devaluation was announced on Aug. 11, investors were clearly bracing for the worst, recalling the impact on watch sales when Switzerland's central bank in January let the Swiss franc float and sent it soaring.

Swiss councilors laud CNA's multi-language services (Central News Agency, 18.08.2015)

A group of 3 councilors of the Council of State of Geneva, Switzerland visited the Central News Agency, hailing the agency's excellent multi-language web site for offering subscribers good access to its information services. Guy Mettan, who had been executive director of the Geneva Press Club, was specially interested in learning the media industry's development in Taiwan, as well as in China, and exchanged views with CNA on the issue. At the invitation of Taiwan's government, the Geneva state councilors, including Eric Leyvraz and Jean-Romain Putallaz, have been on a five-day visit to the nation since Aug. 17.

[Top of Document](#)

Ancient remains of mammoth found at construction site (The China Post, 10.08.2015)

Mammoth remains that could be around 20,000 years old have been discovered at a building site in central Switzerland. During the construction of an office building in the town of Rotkreuz late last month, a heavy digger emerged from the ground lifting what appeared to be a large tusk. Local government specialists were immediately called in, and several other bones were later discovered, but not enough to reconstruct a full mammoth.

Remains of 2 Japanese found in Alps after 1/2 century (The China Post, 08.08.2015)

The remains of two Japanese climbers who disappeared in the Swiss Alps in 1970 have been found after emerging from melting ice. Human skeletal remains were discovered at the foot of the Matterhorn glacier, at an altitude of 2,800 meters, last September, and DNA tests have recently shown them to belong to two climbers who vanished 45 years ago, the Valais regional police said in a statement. The two climbers, identified by the Japanese consulate in Geneva as 22-year-old Michio Oikawa and 21-year-old Masayuki Kobayashi, were reported missing on Aug. 18, 1970.

Zurich Insurance reports US\$2.1 bil. in H1 profits (The China Post, 07.08.2015)

Zurich Insurance reported first half net profits of US\$2.1 billion (1.9 billion euros), down 3 % over the same period last year, following large losses in its general insurance business. Business operating profits in General Insurance, the largest unit at Zurich, fell by 31 % compared to the first half of last year to US\$1.2 billion. Significant losses in Britain and among the corporate division in North America were largely responsible for the profits fall, as were higher expenses and "high levels of catastrophe and weather related losses," the company said.

Foreign Policy

Marshall Islands' new ambassador begins post (The China Post, 28.08.2015)

The Marshall Islands' new ambassador Fredrick Muller arrived in Taiwan 25 Aug. to take up his post. Prior to his posting in Taipei, Muller was his country's ambassador to Fiji. His previous posts also included serving as a member of the Marshall Islands parliament 2008-2012, according to the Ministry of Foreign Affairs (MOFA).

Taiwan, Japan deal on double taxation avoidance close: official (Central News Agency, 27.08.2015)

Taiwan and Japan have nearly completed negotiations on a bilateral agreement to avoid double taxation, which will help create a more business-friendly environment. The double taxation avoidance pact is part of a building-block approach to paving the way for an economic partnership agreement between Taiwan and Japan, according to the MOFA.

[Top of Document](#)

**Six more destinations grant Taiwan visa privileges (Focus Taiwan, 10.08.2015)**

Taiwanese passport holders can now obtain visa waivers, landing visas or e-visas to 148 countries and territories as five more countries and one region recently granted Taiwan such preferential treatment, the Ministry of Foreign Affairs announced. India, Qatar and Ivory Coast have included Taiwan in their e-visa system; Iran and Armenia have granted Taiwan landing visa treatment; and Somaliland, a breakaway state in Somalia, has given Taiwan visa waiver status.

Taiwan, Philippines amend aviation pact to allow more flights (Focus Taiwan, 08.08.2015)

An amendment to an aviation agreement between Taiwan and the Philippines is expected to dramatically increase flights and open up tourism between the two countries, Taiwan's representative to the Philippines said. Under the agreement, the first revision of the aviation pact for the first time in a decade, the number of passenger seats between the two countries will increase from 4,800 a week at present to 20,000 per week this year. Capacity will further increase to 25,000 seats a week in 2016 and 30,000 seats in 2017.

Will not budge even an inch of territory: Presidential Office (Central News Agency, 03.08.2015)

As the leader of the Republic of China (ROC), President Ma Ying-jeou is resolved to safeguard the country's sovereignty and territory and won't budge even an inch of its land, Presidential Office spokesman said. Ma's reiterations to protect ROC sovereignty and territory are not irresponsible or empty talk, and the president has again clearly stated his country's stance that the Diaoyutai Islands belong to the ROC from the perspectives of history, geography, geology and international, according to the spokesman.

[Top of Document](#)

China Relation**Taiwan fourth biggest exporter to China: DGBAS (Central News Agency, 30.08.2015)**

Exports from Taiwan to China accounted for 8.5 % of China's total inbound shipment in the first seven months of 2015, making it China's fourth largest import source, the Directorate General of Budget, Accounting and Statistics (DGBAS) said. China's top three import sources during the period are South Korea (10.1 %), the US (9 %) and Japan (8.6 %), with Germany (5.4 %) rounding up the top five.

Taiwan, China sign taxation, flight safety pacts (Focus Taiwan, 25.08.2015)

Taiwan and China signed two agreements on double taxation avoidance and aviation safety in the southeastern Chinese city of Fuzhou. The double taxation avoidance agreement is the 29th to be signed by Taiwan and the 103th to be signed by China. Under the agreement, any businesses whose places of effective management are in Taiwan will be protected, including those who invest in China via a third territory. The flight safety agreement allows Taiwanese and Chinese air carriers operating cross-Taiwan Strait routes to appoint local maintenance plants to provide safety inspections, maintenance services and airworthiness inspections. This will reduce the chance of flight delays and decrease operating costs.

Cross-strait ties at crucial crossroads: Chinese official (Focus Taiwan, 14.08.2015)

Zhang Zhijun, chief of the Taiwan Affairs Office under China's State Council mentioned that cross-strait relations had improved since 2008 on the basis of the "1992 consensus" and opposition to Taiwan independence. This has benefited the people on both sides, especially in Taiwan, and helped to maintain peace and stability across the strait. Beijing hopes that the peaceful development of relations will continue but it is also aware that cross-strait ties are now at a very important juncture, faced with the choice of which road ahead to take. One choice is to stick to the "1992 consensus" and walk along the path of peaceful development, while the other option is to return to the old path of Taiwan independence. He said Taiwan independence is the biggest threat to cross-strait peace and stability and that Beijing has the ability and confidence to deal with any situations that may arise as a result.

[Top of Document](#)

Domestic Policy**Foreign travelers to enjoy easier VAT refund policy 2016: ministry (eTaiwanNews, 29.08.2015)**

Foreign visitors will be able to claim their value added tax (VAT) refund electronically, as well as at the airports and major shopping malls from the beginning of next year, amid Taiwan's bid to attract more visitors with a convenient VAT refund policy, the finance minister said. The new policy would eliminate the need for foreign travelers to queue up at airports in the future to get their refund--a 5 % VAT paid on purchases of at least NT\$3,000 (US\$93) on the same day from the same Tax Refund Shopping (TRS).

**Cabinet approves central government's 2016 budget (Focus Taiwan, 20.08.2015)**

The Cabinet approved the central government's 2016 budget, with total expenditures forecast at NT\$1.998 trillion (US\$61.28 billion), up 3.3 % or NT\$63.6 billion compared to this year, while the revenue is projected at NT\$1.844 trillion, a y-o-y increase of 3.8 % or NT\$67.9 billion, leaving a deficit of NT\$153.6 billion, which is down NT\$4.3 billion from the current year. Prime Minister said that the central government's budget for the next year showed the determination in continuing to expand infrastructure projects while maintaining the nation's sound financial situation.

Taiwan to invest NT\$36 billion in Productivity 4.0 project (CENS, 13.08.2015)

The Cabinet plans to spend roughly NT\$36 billion (US\$1.16 billion) over the next nine years on its "Productivity 4.0" project beginning this year, with the aim of boosting the island's total industrial revenue and helping 50,000 local manufacturers transform themselves to meet 4.0 standards. In the initial stage, the project's manufacturing industry category includes the eight sectors of electronics & information technology, metal & transportation, mechanical equipment, foods, and textile. The service industry category comprises retail and logistics.

One-stop service center to help foreign talent adapt to Taiwan (The China Post, 08.08.2015)

Economic Affairs Minister Deng said that Taiwan will provide one-stop service to help talent recruited from abroad and their families to adapt to life in Taiwan. The talent recruitment center was formally added on 7 Aug. to the InvesTaiwan Service Center that was launched on 8 Aug., 2010. The new talent recruitment center will be connected with the overseas missions of the Ministry of Foreign Affairs and the Ministry of Economic Affairs (MOEA) HiRecruit website.

Nation to continue promoting economic, trade liberalization: BOFT (The China Post, 02.08.2015)

Although trade ministers in the just-concluded Trans-Pacific Partnership (TPP) meeting did not reach an agreement or consensus on the signing of a proposed regional trade pact, Taiwan will continue to promote economic and trade liberalization as part of its efforts to join the planned regional trade bloc, the Bureau of Foreign Trade (BOFT) said. The TPP is a proposed trade agreement between several Pacific Rim countries with the goal of enhancing trade and investment among the TPP partner countries. A total of 12 countries are now participating in the negotiations over the signing of the proposed agreement initiated by the US.

[Top of Document](#)

Economy/Finance**Taiwan's manufacturing sector output forecast to shrink in 2015 (The China Post, 29.08.2015)**

Revising its earlier forecast of a 0.86 % annual increase, the Industrial Economic Knowledge Center (IEK) said that the output of local manufacturing sector will fall 1.74 % to NT\$18.66 trillion (US\$580 billion) in 2015. It said the global economy appeared wobbly, with demand for high-tech gadgets weakening, which has affected Taiwan's export-oriented economy. Taiwan's weaker-than-expected exports bode ill for the development of the local manufacturing sector. In addition, lower international crude oil prices have undermined Taiwanese manufacturers' pricing power, which has affected the local petrochemical segment. Meanwhile, with mainland China increasing its efforts to build its own supply chain in the high-tech industry, Taiwan has been squeezed by the competition from Chinese firms.

Consumer confidence weakens for 4th consecutive month (The China Post, 28.08.2015)

The consumer confidence index (CCI) for August fell 3.43 points from a month earlier to 86.15, marking a fall for four months in a row, mainly due to an economic slowdown at home and abroad, a survey by National Central University showed. The survey results echoed a move by the government to downgrade its forecast for Taiwan's 2015 economic growth to 1.56 % from an earlier estimate of 3.28 % at a time when global investors fear slowing demand, in particular from mainland China.

July jobless rate hits 3.82% (Focus Taiwan, 24.08.2015)

Taiwan's unemployment rate in July hit 3.82 %, up by 0.11 percentage points from June but down by 0.20 percentage points from a year earlier, the Directorate General of Budget, Accounting and Statistics (DGBAS) reported. Although it posted a slight rise in comparison with the previous month, the July unemployment rate was the lowest in the same month since 2000. The DGBAS attributed the monthly uptick to graduates' entering the job market, but there is no obvious change in the labor force market currently.

[Top of Document](#)

**Taiwan's export orders down for 4th consecutive month in July (DigiTimes, 20.08.2015)**

Taiwan reported a y-o-y drop in export orders for the fourth consecutive month in July, citing weak global demand. Statistics released by the Ministry of Economic Affairs (MOEA) showed that Taiwan's export orders in July fell 5 % from a year earlier to US\$36.29 billion, a slightly smaller decline than the 5.8 % registered in June. In the first seven months of the year, Taiwan's export orders fell 2.1 % from a year earlier to US\$253.33 billion.

Taiwan-listed companies report earnings growth in first-half 2015 (Focus Taiwan, 17.08.2015)

Taiwan-listed companies, excluding financial holdings firms, reported an overall 18.43 % average increase in pre-tax profits for the first half of 2015. The companies' pre-tax profits totaled a combined NT\$902.4 billion in the first six months of 2015, compared with NT\$762 billion recorded a year earlier. The earnings growth in the local semiconductor sector was a result of robust demand for mobile devices and other high-end wafer applications, while profits of contract manufacturers in the electronics sector were driven by rising demand for consumer electronics products.

Taipei housing prices more than 5 times higher over 27 years (Taipei Times, 14.08.2015)

Housing prices in Taipei have increased more than fivefold over the past 27 years, according to a report released by the MyHousing magazine. To purchase a 150m² apartment, a double-income family would have to spend the entire salary of both partners for 45 years. The average monthly salary in Taiwan in May this year was NT\$37,489, an increase of 18.3 % over the average NT\$31,690 in 1988. However, housing prices in Taipei today are more than five times higher than those of 1988, it said.

Taiwan's 2015 economic growth forecast revised downwards to 1.56% (Focus Taiwan, 14.08.2015)

The Directorate General of Budget, Accounting and Statistics (DGBAS) revised downward Taiwan's 2015 economic growth forecast from its late May projection of 3.28 % to 1.56 %. The considerable downward adjustment can partially be attributed to the low GDP growth in the second quarter at 0.64 %, far below the previously projected 3.05 %. As international oil prices continued to drop and sluggish economies were seen around the globe in the first half of the year, Taiwan's exports declined for six consecutive months, according to the DGBAS. On the other hand, domestic demand is expected to increase moderately, since higher growth in domestic consumption and an increase in public investment are foreseen.

[Top of Document](#)

Taiwan's exports decline in July for sixth consecutive month (The China Post, 08.08.2015)

In the midst of a global economic slowdown, Taiwan's exports dropped 11.9 % to US\$23.55 billion in July, marking the sixth consecutive month of decline, the Ministry of Finance (MOF) reported. Imports also decreased in July, by an annual 17.4 % to US\$19.93 billion, largely due to slumping agricultural and industrial raw material prices. It is worth noting, however, that electronics and airline industries have expanded their capital investment, in advanced production facilities and airplane fleet categories, respectively.

Taiwan's foreign exchange reserves increase (The China Post, 08.08.2015)

Taiwan's foreign exchange reserves increased by US\$545 million to US\$421.96 billion as of the end of July, according to a statement issued by the central bank. The bank attributed the increase mainly to profits generated by investments made with the nation's foreign exchange reserves.

CPI down 0.66% in July (Focus Taiwan, 05.08.2015)

Taiwan's consumer price index (CPI) for July fell 0.66 % from a year earlier due to a further decline in fuel prices and a cut in electricity rates. In the first seven months of this year, the CPI fell 0.65 % from a year earlier. The wholesale price index (WPI) in July fell 9.98 % from a year earlier, the steepest decline since August 2009, when the WPI dropped 11.01 % y-o-y, reflecting falling international crude oil prices and weakening agricultural and industrial raw materials prices which resulted in cheaper imported raw materials for the month. In the first seven months of this year, WPI fell 9.11 % from a year earlier.

Barclays slashes Taiwan GDP growth outlook to 2% (Taipei Times, 04.08.2015)

British banking group Barclays PLC hacked its forecast for GDP growth in Taiwan by 1.7 percentage points to 2 % for this year, after poor exports dragged down the nation's showing in the second quarter and might continue to weigh it down. Barclays stood by its expectation of a moderate acceleration in business activity in coming quarters, aided by new electronics product launches and generally steadier support from the US and Europe.

[Top of Document](#)



Technology/Innovation

Inventec inks 5-year partnership with Siemens for Industry 4.0 (DigiTimes, 25.08.2015)

Notebook ODM Inventec has signed a MoU with Siemens PLM Software, Siemens AG's subsidiary, for a 5-year strategic partnership to promote Germany Industry 4.0 in Taiwan. Germany Industry 4.0 involves five stages of development: industrial automation, digitized factories, intelligent manufacturing, horizontal integration across units, end-to-end integration. In line with Germany Industry 4.0, the MOEA has come up with Productivity 4.0 which is based on smart automation and focuses on intelligent manufacturing, intelligent service and intelligent agriculture, with goals of boosting upgrades for industries for machine tools, metal processing, IT and consumer electronics, food, medical care, agriculture and logistics through application of smart robotics, CPS (cyber-physical system), IoT (the Internet of Things) and Big Data technologies.

Miniwiz 1st local firm to win WEF pioneer award (The China Post, 07.08.2015)

A Taiwanese company that turns post-consumer waste into high performance material was awarded the Technology Pioneer 2015 award by the World Economic Forum. "This is the first time that a Taiwanese company has been included in the exclusive group since the WEF first began conferring the award in 2000," said Arthur Huang, CEO of Miniwiz, Ltd. The nine-story-high EcoARK, a major attraction displayed at the 2010 Taipei International Flora Exposition, was built by Miniwiz out of 1.5 million recycled plastic bottles.

NTU researchers identify lung cancer-related genome mutation (Focus Taiwan, 06.08.2015)

A research team from National Taiwan University (NTU) has succeeded in identifying a genome mutation highly correlated with lung cancer using rapid whole-genome sequencing technology, and the discovery can improve the diagnosis of early-stage lung cancer. The researchers found that the lung cancer risk in YAP1 (yes associated protein 1) mutant-allele carriers was 5.9 times that of non-carriers.

ITRI licenses flexible display patents for Chunghwa Picture Tubes (Focus Taiwan, 05.08.2015)

Taiwan's state-funded Industrial Technology Research Institute (ITRI) signed an agreement to license its flexible display patents to Chunghwa Picture Tubes Ltd., one of Taiwan's leading flat panel suppliers. The licensing agreement covers three key patents relevant to ITRI's flexible universal panel (FlexUP) display technology on gas barrier, flexible touch sensor and integration with active-matrix organic LED (AMOLED) displays. Chunghwa Picture Tubes will use the patents to develop flexible AMOLED displays

[Top of Document](#)