

Press Review Taiwan

Trade Office of Swiss Industries, Taipei, 1—30 November 2018



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Switzerland in the local press

4 naturalized Swiss priests become first-time voters in Taiwan (Focus Taiwan, 24.11.2018)

Four newly naturalized Swiss Catholic priests in Taitung, eastern Taiwan, became first-time voters in Taiwan as they voted in nine-in-one local government elections and referendums. Fathers Josef Eugster, Gottfried Vonwyl, Ernst Gassner and Augustin Buchel, whose average age is over 80 and who received their national identity cards last year for their roughly 50 years of devotion in Taiwan cast their votes for the first time. Buchel said he was honored but nervous about first-time voting in Taiwan, particularly for the referendums.

Swiss vote on dehorning cows (Taiwan News, 23.11.2018)

In a national referendum, Swiss voted on whether cows and goats should keep their horns, with dehorning opponents saying that the animals are happiest when they are left the way nature intended. The referendum was forced under Switzerland's system of direct democracy after the farmer Armin Capaul collected the over 100,000 signatures needed to force a national vote on protecting cows' horns. Swiss voters have rejected a proposal to subsidize farmers who let the horns on their cows and goats grow rather than removing them with a red-hot iron in a procedure which critics say causes pain.

Swiss company to bid for new Intercity trains of Taiwan Railways Administration (Liberty Times, 21.11.2018)

The Swiss train builder, Stadler, is taking part in a tender in Taiwan. Stadler has not only submitted a bid to the Taiwan Railways Administration for 50 new Intercity trains, but also for the 34 diesel-electric locomotives and 30 diesel-electric hybrid trains for local and tourist traffic, including in Pingshi, Shenao, Neiwan and Jiji. The Taiwan Railway Administration said that there are two participants for the bid of Intercity trains. The review procedure has been carried out to clarify the vendors' bidding information and to confirm whether they meet the bidding qualification. A 17-members committee will select the most favorable bidder.

Switzerland to lift limits on Romanian, Bulgarian workers (Taiwan News, 01.11.2018)

President Alain Berset said in Bucharest that the current limits imposed on Romanian and Bulgarian workers will end next May. Switzerland is not a member of the European Union, but allows EU citizens to work in the country. However, it had activated a safeguarding clause to limit the number of workers from Bulgaria and Romania, two of the poorest EU states, over concerns they were taking jobs in areas with higher-than-average unemployment.

Foreign Policy

Six MOUs signed to boost Taiwan-Philippines investment (Central News Agency, 29.11.2018)

Taiwan's Chinese National Federation of Industries signed six memorandums of understanding (MOU) with Filipino industry associations in Taipei and is looking for further opportunities for cooperation in the electronics, electric motorbike and plastics industries. The MOUs will increase the willingness of Taiwanese businesses to invest in the Philippines, where the two countries have long cooperated in the electronics industry.

Taiwan, Japan to ink MOUs after annual trade meeting this week (Taiwan News, 28.11.2018)

Taiwan and Japan are set to sign five memorandums of understanding (MOUs) with the objective of enhancing cooperation between small and medium enterprises (SEM) in the two countries, the Ministry of Foreign Affairs (MOFA) said. Taiwan is expected to express its interest in joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), a sprawling Pacific trade deal led by Japan.

Taiwan, Marshall Islands sign 2 pacts to enhance cooperation (Focus Taiwan, 20.11.2018)

Taiwan and the Marshall Islands signed two new agreements to further enhance cooperation between the two countries, according to the MOFA. Witnessed by President Hilda Heine, Taiwan's Foreign Minister Joseph Wu and his Marshall Islands counterpart John M. Silk signed a bilateral cooperation agreement on policing, and another pact on strategic cooperation.

Taiwan, Indonesia sign MOU on economy cooperation (Taiwan Today, 20.11.2018)

Taiwan and Indonesia signed a MOU on comprehensive economic cooperation to forge closer business ties. Under the economic cooperation MOU, Taiwan and Indonesia will set up a platform for bilateral communication so that they can cooperate in areas such as infrastructure and the establishment of special economic zones, according to the Ministry of Economic Affairs. The agreement is part of the Taiwan government's efforts to push for exchanges under its New Southbound Policy, which seeks to reduce economic dependence on China.



8 allies write letters to Interpol in support of Taiwan: MOFA (Focus Taiwan, 16.11.2018)

Eight of Taiwan's allies have voiced support for Taiwan's participation in the International Criminal Police Organization (Interpol), the MOFA said. Belize, Honduras, Nicaragua, Solomon Islands, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and eSwatini have separately sent letters to Interpol Secretary-General Jurgen Stock asking the organization to arrange for Taiwan's participation as soon as possible. The MOFA also urged Interpol to make pragmatic arrangements for Taiwan's participation as soon as possible to ensure there are no vulnerabilities in the global cooperation network combating cross-border crime.

Delegates greet, trade cards with peers at APEC (Taipei Times, 15.11.2018)

At the Asia-Pacific Economic Cooperation (APEC) Ministers Meeting Port Moresby, Papua New Guinea, Taiwan's Minister without Portfolio John Deng, head of the Office of Trade Negotiations under the Executive Yuan, and National Development Council Minister Chen Mei-ling took the opportunity to greet representatives from other countries. This year, the APEC Ministers Meeting was held for one day only, which leaves only a brief period for the Taiwan representatives to interact with their peers from other countries.

Palau President arrives in Taiwan for state visit (Taiwan Today, 10.11.2018)

President Tommy Remengesau, Jr. of Palau, one of Taiwan's six diplomatic allies in the Pacific, arrived in Taiwan for a state visit, according to the MOFA. He will visit Industrial Technology Research Institute's (ITRI) Southern Region Campus in Tainan to learn about the development of solar energy storage systems in Taiwan and tour Fisheries Research Institute in Keelung to gain better knowledge of the country's marine aquaculture technology.

U.K. parliamentary group voices support for Taiwan's Interpol bid (Focus Taiwan, 03.11.2018)

The British-Taiwanese All-Party Parliamentary Group issued a statement, voicing its support for Taiwan's bid to participate in the International Criminal Police Organization (Interpol) as an observer. The MOFA said Interpol's General Secretariat has officially notified Taiwan of its decision to reject the request, citing a 1984 resolution recognizing the government of the People's Republic of China as the sole representative of China to Interpol.

China Relation

Taipei-Shanghai Forum to take place on Dec. 20 (Taiwan News, 26.11.2018)

The date for Taipei's annual twin-city forum with Shanghai has been provisionally set for Dec. 20, Taipei City Government spokesman said. Since 2010, the two cities have taken turns hosting the forum. This year it is Taipei's turn to organize the event, which seeks to promote exchanges between people from the two cities. Taipei Mayor Ko Wen-je will engage in city-to-city interaction with officials from Shanghai based on five principles--getting to know each other, mutual understanding, respect, cooperation and tolerance.

Taiwan, China agree to share hosting of Asia rugby games (Focus Taiwan, 21.11.2018)

China attempted to prevent Taiwan from hosting an Asian rugby tournament, but after negotiations the two sides agreed to take turns hosting the annual event for the next six years, Chinese Taipei Rugby Football Union (CTRFU) said. The only point of contention is which side will host the tournament first, CTRFU noted, adding that as Taiwan was the first applicant there should be no problem with it hosting next year's event.

China wants to create fake civil society to subvert Taiwan (Taiwan News, 15.11.2018)

China is using fake news and social media to try and create a "fake civil society" to subvert Taiwan's democracy, the US-China Economic and Security Review Commission said in its latest annual report. The annual report quoted experts saying the scope and sophistication of Chinese operations in Taiwan were expanding and being upgraded in order to undermine democracy as well as the administration of President Tsai Ing-wen.

Over 83 % of Taiwanese people want to keep status quo: poll (Taiwan Today, 03.11.2018)

As much as 83.4 % of Taiwan's public is in favor of maintaining the status quo across the Taiwan Strait for the time being, a Mainland Affairs Council (MAC) commissioned survey found. Out of the respondents who wished to keep the status quo, 31.1 % believed in being able to make decisions on cross-strait relations in the future, while 22.3 % wished to keep the situation the way it is indefinitely. Similarly, 16 % of the respondents who wished to maintain the status quo want future political integration between the two sides, while 14 % support independence.



Domestic Policy

Cabinet approves draft New Economic Immigration Law (Taiwan Today, 29.11.2018)

The Cabinet approved a draft bill that is aimed mainly at addressing a shortage of mid-level technicians by attracting more foreign professionals. The bill is drafted to deal with a growing shortage of mid-level skilled human resources in Taiwan by recruiting foreign professionals and technicians, who are needed for national development, but such recruitment will not affect the job opportunities or wages of Taiwan citizens.

Taiwan scraps nuclear-free deadline in wake of referendum (Eye on Taiwan, 27.11.2018)

Taiwan will no longer aim to become nuclear-free by 2025, following the result of the recent referendum related to nuclear power, Cabinet spokeswoman Kolas Yotaka said. The referendum result showed that 59.5 % of the nearly 10 million who voted are against abolishing nuclear power. As a response to the referendum outcome, Taiwan will drop 2025 as the deadline for closing all of its nuclear power plants, although the plan for a non-nuclear homeland will nevertheless remain the government's goal in the foreseeable future, Kolas said.

Taiwan tightens rules against migrant labor rights violations (Taiwan News, 10.11.2018)

Taiwan's Legislative Yuan approved a law amendment to the Employment Service Act, by which employers or employment agencies could be subject to a fine of up to NT\$300,000 for violating migrant workers' rights. Under the amendments, brokers cannot detain the migrants' identity documents or work permits against the will of employers and workers. Meanwhile, employment agencies would also face a fine from NT\$300,000 to NT\$1.5 million if they are involved in sexual assault, human trafficking, restriction of personal freedom, grievous bodily harm or homicide and they have to report any case of the mentioned felonies perpetrated against migrant workers within 24 hours.

Taiwan eases rules on professional licenses for foreign nationals (Focus Taiwan, 06.11.2018)

The Legislature passed a law amendment to the Professionals and Technologists Examinations Act applies to medical doctors, dentists, pharmacists, dietitians, veterinarians and people in other fields that require licensure. Once a foreign applicant already holds a license recognized by his/her own country and is deemed qualified to work in that particular discipline in Taiwan, he/she may not be required to take the license examination in Taiwan.

Economy/Finance

Taiwan economy remains sluggish (Focus Taiwan, 27.11.2018)

Taiwan's economy continued to show sluggish growth in October as the local equity market tumbled in the month amid trade tension between the US and China, the National Development Council (NDC) said. The sentiment of the local manufacturing sector toward the business outlook also weakened, keeping the economy in sluggish growth. The NDC's composite index of monitoring indicators for October remained unchanged from a month earlier to stand at 22 points, flashing a yellow-blue light, which ranges between 17 and 22.

Taiwan's industrial production up over 8 percent in October (Taiwan News, 23.11.2018)

Taiwan's industrial production index for October rose 8.25 % from a year earlier to 116.38, boosted by the beginning of the global high-tech sector's peak season, the Ministry of Economic Affairs (MOEA) said. It was the index's eighth straight month rise and 17th increase in 18 months. The sub-index of the manufacturing sector, which accounts for more than 90 % of the country's industrial production, rose 9.24 % in October from a year earlier to 117.60.

Taiwan's jobless rate dips to 3.75% in October (Focus Taiwan, 22.11.2018)

Taiwan's unemployment rate has continued to fall, dropping to 3.75 % in October as the domestic job market remained stable, the Directorate General of Budget, Accounting and Statistics (DGBAS) said. In the first 10 months of the year, the local jobless rate averaged 3.71 %, down 0.06 percentage points from a year earlier, while the labor participation rate stood at 58.97 %, up 0.16 percentage points y-o-y.

IMD talent report ranks Taiwan 4th in Asia, 27th globally (Taiwan Today, 21.11.2018)

Taiwan ranks 4th in Asia and 27th among 63 economies globally in ability to attract, develop and retain talent, according to the Switzerland-based International Institute for Management Development (IMD). Scoring 68.28 out of 100, Taiwan fell by 0.19 points and four places from the previous survey. The nation finished ahead of regional neighbors Japan and South Korea in 29th and 33th, respectively, but trailed Singapore, 13th; Hong Kong, 18th; and Malaysia, 22nd. Switzerland, Denmark and Norway topped the ranking, in that order.



Taiwan records net fund outflow for 33rd quarter (Taiwan News, 21.11.2018)

More funds for investment were remitted out of Taiwan than were remitted into the country in the third quarter of this year for the 33rd consecutive quarter, the longest run in the country's history, according to Taiwan's central bank. The net fund outflow in Taiwan's financial account, which measures the flow of direct investment and portfolio investments, was US\$7.83 billion, bringing the aggregate net outflow for the 33 quarters to US\$386.42 billion.

Taiwan's export orders hit new high in October (Focus Taiwan, 20.11.2018)

Taiwan received US\$48.99 billion worth of export orders in October, the highest monthly amount ever recorded. The figure was 5.1 % higher than a year earlier and represented the fourth consecutive month of y-o-y increase. In October, orders placed with Taiwanese information/communication device suppliers rose 3.0 % from a year earlier to US\$16.35 billion as international handheld device brands released new models, the MOEA said.

Manufacturing sector output up over 8% in Q3 (Eye on Taiwan, 19.11.2018)

Taiwan's manufacturing sector continued to ride the wave of strong global demand in the third quarter as its production value rose 8.39 % y-o-y to NT\$3.63 trillion (US\$117 billion), the MOEA said. The output of electronics component makers totaled NT\$978.1 billion, up 2.53 %, on the back of launches of mobile devices by international brands and an increase in prices of dynamic random access memory chips

Taiwan GDP growth forecast to hit 2.20% in 2019: think tank (Taiwan News, 12.11.2018)

Taiwan's GDP growth for 2019 is expected to hit 2.20 %, shy of an expected 2.57 % increase in 2018, the Taiwan Institute of Economic Research (TIER) said. The lower GDP growth in 2019 is partly a reflection of escalating trade tension between the US and China, which is expected to affect global demand and the pace of the world's economic recovery. The forecast shows that TIER appeared more cautious than the government toward the local economic growth, as the DGBAS predicted in August that Taiwan's GDP growth for 2019 will hit 2.55 %.

Taiwan October export value third highest-ever, says MOF (DigiTimes, 08.11.2018)

Taiwan export value totaled US\$29.57 billion in October 2018, the third highest-ever monthly level. It dropped 0.2 % sequentially, but grew 7.3 % on year, according to the Ministry of Finance (MOF). Imports rose 17.6 % from a year earlier to US\$26.21 billion in October, leaving a trade surplus of US\$3.36 billion, down 36.2 % y-o-y. Export and import totaled NT\$279.66 billion (+8.0 %) and US\$239.61 billion (+12.5 %) respectively for January-October.

Consumer prices up 1.17% in October (Focus Taiwan, 06.11.2018)

Taiwan's consumer prices rose 1.17 % from a year earlier in October, largely in the wake of higher tobacco and fuel prices, while more expensive eggs, fruit and dairy items also contributed to the growth, according to the DGBAS. The wholesale price index (WPI) rose 5.95 % in October from a year earlier, reflecting increases in the prices of oil, coal, chemical goods and drugs.

Forex reserves down slightly in October (Taiwan News, 06.11.2018)

Taiwan's forex reserves at the end of October at US\$460.18 billion, down US\$263 million from a month earlier due largely to a weaker euro against the US dollar in the central bank's asset management portfolio, according to the bank. The central bank said it is committed to maintaining ample forex reserves by improving investment returns to guarantee secure financial markets at home, even if foreign institutional investors move funds out of the country.

Taiwan climbs to 13th in World Bank's 'Doing Business' rankings (Taiwan Today, 01.11.2018)

Taiwan has climbed two spots to reach the 13th position among 190 economies in the latest "Doing Business 2019" rankings, according to the World Bank Group. The improvement was reflected as Taiwan received a score of 80.90 points, up 0.24 points from a year earlier. The report praised Taiwan for making it less time-consuming when dealing with construction permits by "improving the efficiency of its single window counter in the Taipei City Construction Management Office."

Taiwan Q3 GDP growth slower than expected (Taiwan News, 01.11.2018)

Taiwan's GDP grew 2.28 % in the third quarter from a year earlier, falling shy of the government's forecast of 2.36 % growth, according to the DGBAS. The Q3 GDP growth missed the forecast mainly because of weaker-than-expected private consumption. Private consumption in Taiwan in the July-September period registered only 1.90 % growth mainly due to lower demand for cars and motorcycles and reduced turnover on the local stock market. In the first nine months of the year, Taiwan registered 2.88 % economic growth y-o-y.



Technology/Innovation

Two chemical engineers win Franco-Taiwanese science prize (Focus Taiwan, 22.11.2018)

Two chemical engineering researchers received the 2018 Franco-Taiwanese Scientific Grand Prize in Paris Wednesday for their joint study on the use of recycled materials for electronics applications. Chen Wen-chang, dean of the College of Engineering at National Taiwan University, and Redouane Borsali, a senior research fellow at France's National Center for Scientific Research (CNRS), won this year's Franco-Taiwanese Scientific Grand Prize, an award co-founded by the French Academy of Sciences and the Ministry of Science and Technology (MOST).

6 Taiwan innovations win R&D 100 Awards (Taiwan Today, 20.11.2018)

A total of six Taiwan innovations won R&D 100 Awards in Orlando, Florida, adding to the nation's stellar record at the world's most prestigious competition for science and technology inventions. Five of the successful entries were submitted by government-supported facilities, with Industrial Technology Research Institute (ITRI) claiming three honors and the Institute for Information Industry picking up two. Taiwan Main Orthopaedics Biotechnology Co. Ltd. earned an award for its smart glasses system designed to aid in minimally invasive surgery.

Special Focus

Political map dramatically shifts to KMT after DPP debacle (Central News Agency, 24.11.2018)

The ruling Democratic Progressive Party (DPP) suffered a huge defeat in local government elections. Held along side 10 referendums, the "nine-in-one" elections that selected candidates to run the 22 mayoral and county magistrate seats and 11,025 local offices has dramatically reshaped Taiwan's political landscape as they did in the last polls in 2014. In all, in the 22 races, the DPP lost seven of the 13 cities and counties it previously held -- the special municipalities of Taichung and Kaohsiung, Chiayi City, and Yilan, Yunlin, Changhua and Penghu counties. The DPP was left with six, including the special municipalities of Taoyuan and Tainan, Keelung and Hsinchu cities, and Chiayi and Pingtung counties.

With the elections seen as a mid-term referendum on President Tsai Ing-wen, Tsai campaigned vigorously for the party's candidates across the country during the elections, but the results suggested her appeals were unable to overcome public discontent with her administration. The surprising outcome prompted Tsai to resign as chairwoman of the party shortly after the elections. Tsai apologized to her party's supporters over its disappointing performance in the elections, saying that she took full responsibility for the major setback. Although Tsai said that her administration is moving in the right direction, with several major reforms over the past two years in office, she admitted that the Taiwanese people are clearly setting an even higher standard for the party.

The 10 referendum proposals involved a wide range of issues, including whether to legalize same-sex marriage, whether to reduce thermal power plant production to curb air pollution, whether to ban food imports from radioactive contaminated areas in Japan, and whether to use "Taiwan" as the name to participate in international sporting events such as the 2020 Tokyo Olympics. As the result, voters rejected marriage equality for same-sex couples and under the name "Taiwan" rather than "Chinese Taipei" for athletes to participate international sporting games.