

**Press Review Taiwan**

Trade Office of Swiss Industries, Taipei, 1—31 December 2017

Contents

Switzerland in the local press	2
Switzerland slams EU for granting only temporary access for its stock exchange (Taipei Times, 23.12.2017)	2
Swiss executive opposes nationwide ban on face coverings (Taiwan News, 21.12.2017)	2
Swiss regulator: JP Morgan violated money-laundering rules (Taiwan News, 21.12.2017)	2
Roche says drug mix ups odds of holding lung cancer at bay (Taipei Times, 08.12.2017)	2
Foreign Policy	2
800 annual working holiday visas to South Korea available from 2018 (Taiwan News, 28.12.2017)	2
Taiwan and Japan sign agreement on emergency and rescue operations at sea (Taipei Times, 21.12.2017)	2
MOFA calls on Spain to return Taiwanese nationals suspected of fraud (Taiwan News, 17.12.2017)	2
Taiwan will not recognize Jerusalem as Israel's capital: official (Focus Taiwan, 13.12.2017)	3
Taiwan, Philippines sign bilateral investment agreement (Taiwan News, 08.12.2017)	3
China Relation	3
Taiwan urges Beijing court to observe rights of convicted nationals (Focus Taiwan, 21.12.2017)	3
Chinese yuan deposits hit 22-month high (Taiwan News, 16.12.2017)	3
Chinese military aircraft conducts exercise near Taiwan (Focus Taiwan, 11.12.2017)	3
Domestic Policy	3
FDA introduces guidelines for shutting down food product businesses (Central News Agency, 22.12.2017)	3
Rules eased for credit guarantee fund under New Southbound Policy (Eye on Taiwan, 18.12.2017)	3
Referendum Act amendments approved (Taipei Times, 13.12.2017)	4
Lawmakers pass transitional justice act (Taipei Times, 06.12.2017)	4
Economy/Finance	4
Taiwan records sluggish economic growth for November (The China Post, 28.12.2017)	4
Think tanks update 2018 GDP growth forecast (Focus Taiwan, 27.12.2017)	4
Jobless rate falls in November (Focus Taiwan, 22.12.2017)	4
Industrial production up for 7th straight month in November (Taiwan News, 22.12.2017)	4
Export orders up for 16th straight month in November (Taiwan News, 20.12.2017)	5
Taiwan's exports up 14th straight month in November (The China Post, 09.12.2017)	5
Consumer prices up 0.35% in November (The China Post, 06.12.2017)	5
Taiwan's forex reserves hit new high in November (Focus Taiwan, 05.12.2017)	5
NDC sets new economic growth target (Eye on Taiwan, 01.12.2017)	5
Technology/Innovation	5
Government to introduce nationwide information security network (Focus Taiwan, 12.12.2017)	5
Taiwanese scholar receives Switzerland's top chemistry award (The China Post, 01.12.2017)	5



Switzerland in the local press

Switzerland slams EU for granting only temporary access for its stock exchange (Taipei Times, 23.12.2017)

The Swiss government lashed out at an EU decision to give Switzerland's stock exchange only temporary access to the bloc's single market, labeling it discriminatory and "unacceptable." In a rare move, the usually composed Swiss President Doris Leuthard gave a brief, but strongly worded statement. Non-EU member Switzerland "fulfils the conditions for recognition of stock market equivalence every bit as much as the other third countries that have been granted indefinite recognition," Leuthard said. "Switzerland therefore considers this limited recognition to be a clear case of discrimination," she said, adding that "the linking of this technical dossier with institutional issues is extraneous and unacceptable."

Swiss executive opposes nationwide ban on face coverings (Taiwan News, 21.12.2017)

Switzerland's executive council says it opposes a referendum to ban face coverings such as the veils worn by some Muslim women but plans a "counter-project" that would prohibit requiring anyone to cover his or her face. The Federal Council said that it thinks the question of banning concealing garments such as costume masks and burqas is better left to regions to decide. The Italian-speaking Ticino region of Switzerland already bans face wear, while five other Swiss regions rejected similar proposals.

Swiss regulator: JP Morgan violated money-laundering rules (Taiwan News, 21.12.2017)

Switzerland's financial markets regulator says the Swiss division of US bank JP Morgan "seriously breached" anti-money laundering rules relating to Malaysian sovereign wealth fund 1MDB. The agency, FINMA, says the Wall Street bank "failed to adequately identify" increased money laundering risks linked to the "allegedly corrupt" sovereign wealth fund. The regulator also cited shortcomings in the bank's monitoring and control system.

Roche says drug mix ups odds of holding lung cancer at bay (Taipei Times, 08.12.2017)

Adding Roche Holding AG's immunotherapy Tecentriq to older drugs doubled the percentage of lung cancer patients who survived a year without their disease advancing, an outcome some experts labeled unprecedented. 37 % of patients in a closely watched clinical trial who got Tecentriq, Avastin and chemotherapy reached the one-year mark without their cancer progressing (PFS), while for patients getting only Avastin and chemotherapy, that fell to 18 percent. Roche's announcement that its Impower 150 trial had broadly succeeded in first-line lung cancer patients helped spur a one-day, US\$12 billion rally in the Basel-based drugmaker's market capitalization.

Foreign Policy

800 annual working holiday visas to South Korea available from 2018 (Taiwan News, 28.12.2017)

The Ministry of Foreign Affairs (MOFA) announced that starting on Jan. 1 Taiwan and South Korea will offer 800 working holiday visas to nationals from the other country per a recent agreement. Since 2011, Taiwanese and South Koreans aged 18-30, have been able to apply for a one year working holiday visa. Taiwan currently has similar working holiday agreements with 14 other countries -- New Zealand, Australia, Japan, Canada, Germany, the U.K., Ireland, Belgium, Hungary, Slovakia, Poland, Austria, Czech Republic and France.

Taiwan and Japan sign agreement on emergency and rescue operations at sea (Taipei Times, 21.12.2017)

The second Taiwan-Japan bilateral meeting on maritime cooperation concluded with the signing of a memorandum of understanding (MOU) on emergency and rescue operations at sea, while little progress was made on bridging the gap on the issue of the Okinotori atoll. The MOU was signed by Taiwan-Japan Relations Association (TJRA) and its Japanese counterpart, Japan-Taiwan Exchange Association. The agreement would allow Taipei and Tokyo to send help to vessels that have an accident in the other side's surrounding sea areas.

MOFA calls on Spain to return Taiwanese nationals suspected of fraud (Taiwan News, 17.12.2017)

The Spanish National Court announced its decision to send the first batch of telecom fraud suspects, 121 out of 269 Chinese and Taiwanese nationals arrested late last year, to China per a bilateral judicial assistance accord between Spain and China. In response, the MOFA said the ministry is calling on the Spanish government to observe the principles of nationality, proportionality and humanity which dictate that Spain should send the Taiwanese suspects back to Taiwan. MOFA will continue to monitor the situation in order to ensure the judicial rights of Taiwanese nationals are not infringed.

[Top of Document](#)

**Taiwan will not recognize Jerusalem as Israel's capital: official (Focus Taiwan, 13.12.2017)**

Taiwan has no plan to follow the United States' lead and recognize Jerusalem as the capital of Israel and does not intend to move its representative office in Israel from Tel Aviv, the MOFA said. MOFA made the remarks in the wake of US President Donald Trump's announcement that the United States formally recognizes Jerusalem as the capital of Israel and plans to relocate its embassy there. Other than the US, no other country in the world recognizes Jerusalem as belonging exclusively to Israel.

Taiwan, Philippines sign bilateral investment agreement (Taiwan News, 08.12.2017)

Taiwan and the Philippines signed a new bilateral investment agreement, making it the first updated investment agreement that Taiwan has signed with a country targeted by its New Southbound Policy. The agreement lays out a legal foundation for Taiwanese investors in the Philippines and Filipino investors in Taiwan, which will function as a safety net should they encounter conflicts while doing business abroad. Meanwhile, a memorandum of understanding (MOU) has also been signed by Taiwan's Financial Supervisory Commission (FSC) and Philippine counterpart to promote bilateral cooperation in the cross-border supervision of the insurance business.

China Relation**Taiwan urges Beijing court to observe rights of convicted nationals (Focus Taiwan, 21.12.2017)**

A Beijing court handed down verdicts on 85 fraud suspects, 44 of whom are Taiwanese arrested in Kenya and extradited to China in April 2016. Taiwan's Mainland Affairs Council (MAC) said that the government is extremely disappointed with the outcome of the situation, especially since Taiwan has been asking China to return the Taiwanese suspects so that the two sides can investigate their alleged crimes together.

Chinese yuan deposits hit 22-month high (Taiwan News, 16.12.2017)

Chinese yuan deposits held by banks operating in Taiwan hit a 22 month high at the end of November, an indication of the increased faith local investors have in the Chinese currency, according to the central bank. The balance of yuan deposits received by Taiwanese banks, including negotiable certificates of deposit (NCDs), at the end of November totaled 317.88 billion yuan (US\$48.09 billion), up 3.57 billion yuan or 1.14 % from the end of October. Meanwhile, yuan-denominated remittances in November totaled 107.43 billion yuan, up from 72.69 billion yuan in October.

Chinese military aircraft conducts exercise near Taiwan (Focus Taiwan, 11.12.2017)

China's People's Liberation Army (PLA) has carried out another airborne military exercise near Taiwan, flying its aircraft over the Miyako Strait into the Western Pacific, Taiwan's Ministry of National Defense said. The planes consisted of Chinese Xian H-6 bombers, Shaanxi Y-8 transport aircraft and other aircraft. There were no special developments related to the drill, and most of the planes later directly returned to where they came from while one group led by the Y-8 continued south into the Bashi Channel south of Taiwan before returning to China.

Domestic Policy**FDA introduces guidelines for shutting down food product businesses (Central News Agency, 22.12.2017)**

According to Taiwan's Food and Drug Administration (FDA), an immediate order for a company to temporarily close can be issued if a business is found to have made NT\$10 million (US\$333,000) from selling products that violate the law or if those products are shown to be detrimental to health. In addition, businesses found to have made NT\$30 million in sales of such products or to be selling products that are potentially life threatening can be immediately shut down and removed from the business registry. The list of products covered by the new guidelines includes expired goods, products containing traces of insecticide or radiation, food containing industrial additives, and other products where their containers violate safety regulations.

Rules eased for credit guarantee fund under New Southbound Policy (Eye on Taiwan, 18.12.2017)

Starting with immediate effect, local small- and medium-sized enterprises (SMEs) are eligible to apply for a guarantee from the SME Credit Guarantee Fund when they are planning to raise investment in their overseas subsidiaries in which they own a 20 % stake, as long as the units are located in 18 countries targeted by the New Southbound Policy and the applicants present documents to show that the investment is critical to their operations, the Ministry of Economic Affairs (MOEA) said.

[Top of Document](#)

**Referendum Act amendments approved (Taipei Times, 13.12.2017)**

Lawmakers approved amendments to the Referendum Act to lower the legal voting age and slash the thresholds for initiating, seconding and passing referendums. The threshold for initiation of national and regional referendums has been lowered from 0.005 % of the electorate in the most recent presidential election, or about 90,000, to 0.0001 %, or about 1,800. The number of signatures required for a proposed referendum to pass its second stage—5 % of all eligible voters in the most recent president election, or about 900,000—has been reduced to 1.5 %, or about 280,000. The final-stage threshold, previously set at 50 % of the electorate in the latest presidential election, was lowered to 25 %, or about 4.5 million voters, with the number of people who vote “yes” to a referendum question required to surpass the number that voted against it for it to be approved.

Lawmakers pass transitional justice act (Taipei Times, 06.12.2017)

The Act on Promoting Transitional Justice, which aims to remove authoritarian-era symbols and retry cases of injustice from that era, was passed by the Legislative Yuan. The new act states that data unconstitutionally seized during the authoritarian era are to be collated and archived and made available for research and educational purposes as long as people mentioned in the data have their privacy and their freedom of communication protected. The Executive Yuan is required by the law to establish an ad hoc committee to implement transitional justice measures set forth under the law, including retrieval of political archives held by the KMT which could significantly add to the understanding of the era.

Economy/Finance**Taiwan records sluggish economic growth for November (The China Post, 28.12.2017)**

Taiwan's economy flashed a yellow-blue light in November, pointing to sluggish growth, as the economic performance index dropped from the previous month, the National Development Council (NDC) said. The NDC said the composite index of monitoring indicators fell one point from October to 22 in November, flashing a yellow-blue light in the 17 to 22 range. While the domestic economy remained on the road to recovery, the slight fall in the latest economic composite index signaled a loss of momentum, the NDC said.

Think tanks update 2018 GDP growth forecast (Focus Taiwan, 27.12.2017)

The Yuanta-Polaris Research Institute said that it has raised its forecast for Taiwan's GDP growth for 2018 to 2.2 % at a time of continued global economic recovery. It also raised its forecast for Taiwan's GDP growth for this year to 2.62 % from an earlier estimate of 2.25 %.

The Taiwan Research Institute has forecast that Taiwan's GDP will continue to grow next year, rising by an annual 2.31 %, as the global economy maintains its recovery. However, the 2018 domestic growth will be more moderate than the expected 2.53 % increase in 2017 as global demand is likely to slow down somewhat next year.

Meanwhile, the Chung-Hua Institution for Economic Research (CIER) forecast that Taiwan's GDP will grow 2.27 % in 2018 after a projected 2.53 % y-o-y increase in 2017 on the back of solid global demand at a time when the global economy remains on the way to recovery.

Moreover, Academia Sinica has revised its forecast for real GDP growth in 2017 upwards to 2.64 %, from 2.18 % in July. After factoring in growth in the US and the Eurozone and slightly decelerated growth in China due to ongoing reforms, real GDP in Taiwan is expected to reach 2.43 % in 2018.

Jobless rate falls in November (Focus Taiwan, 22.12.2017)

The jobless rate for November fell 0.04 percentage points from a month earlier to 3.71 % on the back of a decline in the number of first time jobseekers as well as the continued recovery of the local economy, the Directorate General of Budget, Accounting and Statistics (DGBAS) said. In the first 11 months of the year, Taiwan's jobless rate averaged 3.77 %, down 0.16 percentage points from a year earlier, while the labor participation rate averaged 58.82 %, up 0.08 percentage points y-o-y.

Industrial production up for 7th straight month in November (Taiwan News, 22.12.2017)

Taiwan's industrial production grew for the seventh consecutive month in November from a year earlier, boosted by strong global demand as the world economy continues on the path of recovery, the MOEA said. The industrial production index for November rose 0.85 % from a year earlier to 112.33. That was lower, however, than the y-o-y increase of 2.55 % in October. The sub-index of the manufacturing sector, which accounts for more than 90 % of Taiwan's industrial production, grew 1.16 % from a year earlier in November after a 3.10 % y-o-y rise in October.

[Top of Document](#)

**Export orders up for 16th straight month in November (Taiwan News, 20.12.2017)**

Taiwan's export orders for November rose 11.6 % to reach US\$5.07 billion, marking the 16th consecutive month of year-on-year increase, the MOEA said. Taiwanese exporters benefited from strong demand for high-tech devices such as computers, handheld devices and applications related to the Internet of Things and the automotive industry. In the first 11 months of the year, Taiwan's export orders totaled US\$444.33 billion, up 10.2 % y-o-y.

Taiwan's exports up 14th straight month in November (The China Post, 09.12.2017)

On the back of the peak season effect in the fourth quarter, Taiwan's exports for November rose 14 % from a year earlier, marking the 14th consecutive month in which the country's outbound sales had grown on a y-o-y basis, while the imports rose 9 % from a year earlier to US\$22.92 billion. The trade surplus for the month hit US\$5.96 billion, up US\$1.65 billion from a year earlier, the Ministry of Finance (MOF) said. In the first 11 months of this year, Taiwan's exports totaled US\$287.88 billion, up 13.1 % from a year earlier, and its imports gained 12.6 % y-o-y to US\$236.14 billion, with a trade surplus of US\$51.75 billion, up US\$6.85 billion from a year earlier.

Consumer prices up 0.35% in November (The China Post, 06.12.2017)

Consumer prices rose 0.35 % in November from a year earlier as a fall in food prices offset an increase in prices of items such as fuel, medical care and cigarettes, according to the DGBAS. The wholesale price index (WPI) rose 1.57 % from a year earlier on the back of higher prices in base metal, crude oil and chemical items. In the first 11 months of this year, Taiwan's CPI grew 0.57 % from a year earlier, and the WPI up 0.95 %

Taiwan's forex reserves hit new high in November (Focus Taiwan, 05.12.2017)

Taiwan's foreign exchange reserves at the end of November hit a new high on the back of an increase in returns on funds managed by the central bank. The central bank said the increase in forex reserves in November also reflected the euro's appreciation against the US dollar to boost the total assets, since the European currency is part of the central bank's assets management portfolio. As of the end of November, forex reserves totaled US\$450.47 billion, up US\$2.68 billion from a month earlier.

NDC sets new economic growth target (Eye on Taiwan, 01.12.2017)

The National Development Council (NDC) has set a new target for Taiwan's economy in 2018. This includes GDP growth of between 2.4 % and 2.6 % and a sub-3.8 % unemployment rate. The target for GDP growth is close to the estimate from the government's statistics office, set at 2.29%. The Council said their conservative target is based on the lukewarm outlook for next year's exports and domestic consumption. The NDC also sets its forecast for public investment and consumption at 3.36 % and 2.29 %, respectively.

Technology/Innovation**Government to introduce nationwide information security network (Focus Taiwan, 12.12.2017)**

The Executive Yuan's Department of Cyber Security (DCS) said the government will set up Information Sharing and Analysis Center (ISAC) by the end of this year as a platform to ensure the nation's information security. According to the National Security Council, the strategy behind ISAC is to combine talents and resources from the academia and the industry to enhance the country's information security capabilities. The three main goals are to create a mechanism that ensures information security at the national level, to establish an information security team to safeguard the nation's cyber safety, and to promote the development of information security technology for both national defense and commercial purposes.

Taiwanese scholar receives Switzerland's top chemistry award (The China Post, 01.12.2017)

Taiwanese academic Shih Chih-jen has become the first Asian to receive Switzerland's most prestigious chemistry award, Taiwan's representative office in the European country said. Shih, an assistant professor at Eidgenössische Technische Hochschule (ETH) Zurich, was awarded the Ruzicka-Preis for his research and development of the highest purest form of the green light-emitting diode. The Ruzicka-Preis is an annual prize awarded to a researcher under the age of 40 for an outstanding piece of published work in the field of chemistry, carried out in Switzerland or by a Swiss researcher abroad, according to ETH Zurich's website.

[Top of Document](#)