

TAIWAN'S ECONOMIC SITUATION AND OUTLOOK

June 2012

Council for Economic Planning and Development
Executive Yuan

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I. CURRENT DOMESTIC SITUATION

Economic Growth

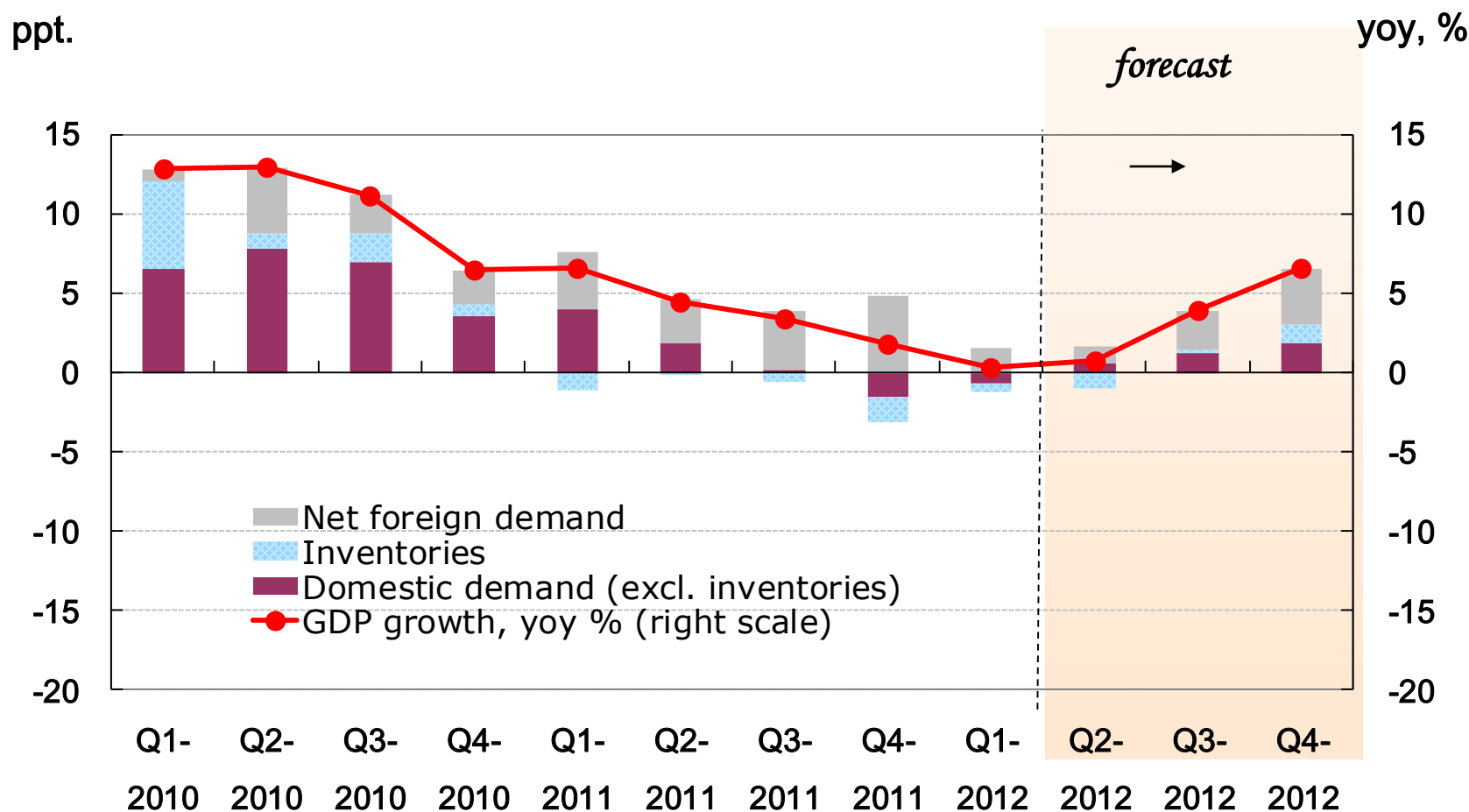
⇒ In Q1 2012, Taiwan's exports contracted, with real exports of goods and services falling by 3.29%. Combined with a sharp drop in imports, net exports contributed 1.59 percentage points to the change in real GDP. Since domestic demand shrank by 1.42%, Taiwan's real GDP grew at an annualized rate of just 0.39%, and at a seasonally adjusted annualized rate (saar) of 2.82%

⇒ During the remainder of this year, the global economy is expected to maintain a moderate level of growth, though worries about the eurozone debt crisis and a hard landing in mainland China have raised the level of uncertainty. If the global economy does continue to grow as expected, Taiwan's exports should still grow, albeit rather weakly. But muted export growth and weak domestic demand expansion are projected to dampen Taiwan's real GDP growth to 3.03% in 2012.



I. CURRENT DOMESTIC SITUATION

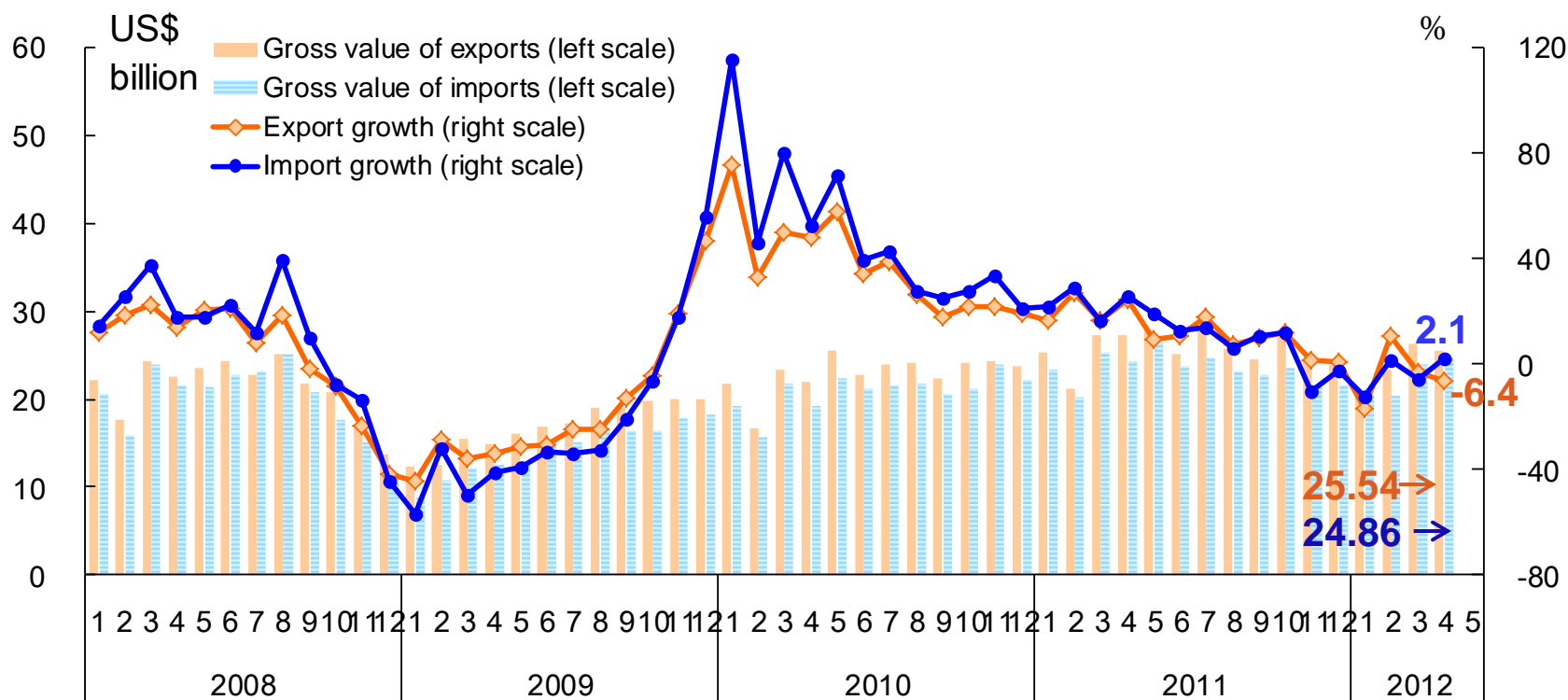
Contributions to GDP Growth (in percentage points)



I. CURRENT DOMESTIC SITUATION

Foreign Trade

- ⇒ In April 2012, exports declined by 6.4% year on year, mainly due to decreased export of chemicals, electronic products, and plastics & rubber and articles thereof. Imports increased 2.1%, with most of the increase in mineral products.
- ⇒ The month's foreign trade yielded a balance of US\$0.69 billion in Taiwan's favor.



Note: Trade data are adjusted according to the United Nations IMTS Compilers Manual (2004). Total exports include “exports” and “re-exports,” and total imports include “imports” and “re-imports.”

Source: Ministry of Finance, May 2012

I. CURRENT DOMESTIC SITUATION

Major trade partners

⇒ China (including Hong Kong) and ASEAN have become increasingly important trade partners to Taiwan since 2000.

⇒ Japan has remained Taiwan's largest supplier of imports, despite a narrowing share.

Changes in Two-Way Trade with Major Trading Partners (yoy %)

	Exports					Imports				
	USA	Japan	Europe	China (incl. Hong Kong)	ASEAN 6*	USA	Japan	Middle East	China (incl. Hong Kong)	ASEAN 6*
2002	-2.7	-5.0	-5.9	29.4	7.4	-0.8	5.5	9.8	24.2	3.7
2002 Share	20.2	9.1	13.9	32.1	11.9	16.1	24.2	6.4	8.7	14.7
2003	-3.0	0.5	10.4	23.6	10.5	-6.9	19.6	43.7	30.9	5.2
2004	8.3	11.1	14.7	28.8	33.0	28.2	33.6	34.6	47.7	16.2
2005	1.3	9.4	-0.8	12.2	13.8	-2.8	5.3	36.5	16.2	3.8
2006	11.2	7.9	10.5	14.8	13.8	7.1	0.5	30.1	20.1	10.4
2007	-0.9	-2.2	9.7	12.6	16.7	17.0	-0.8	11.7	11.9	1.7
2008	-4.0	10.2	4.6	-0.8	7.3	-0.7	1.2	39.9	10.2	8.0
2009	-23.5	-17.4	-24.6	-15.9	-21.5	-31.0	-22.1	-42.2	-22.3	-22.8
2010	33.6	24.3	30.1	37.1	37.2	39.8	43.3	39.4	47.1	45.6
2011	15.6	1.3	6.3	8.1	22.7	1.5	0.6	14.7	20.5	13.5
2011 Share	12.2	6.8	10.2	40.7	14.8	10.2	21.7	12.8	15.3	11.8
2012 Jan-Apr	-9.7	-7.8	-4.2	-10.2	6.8	-12.7	-13.0	-3.80	-5.1	1.0

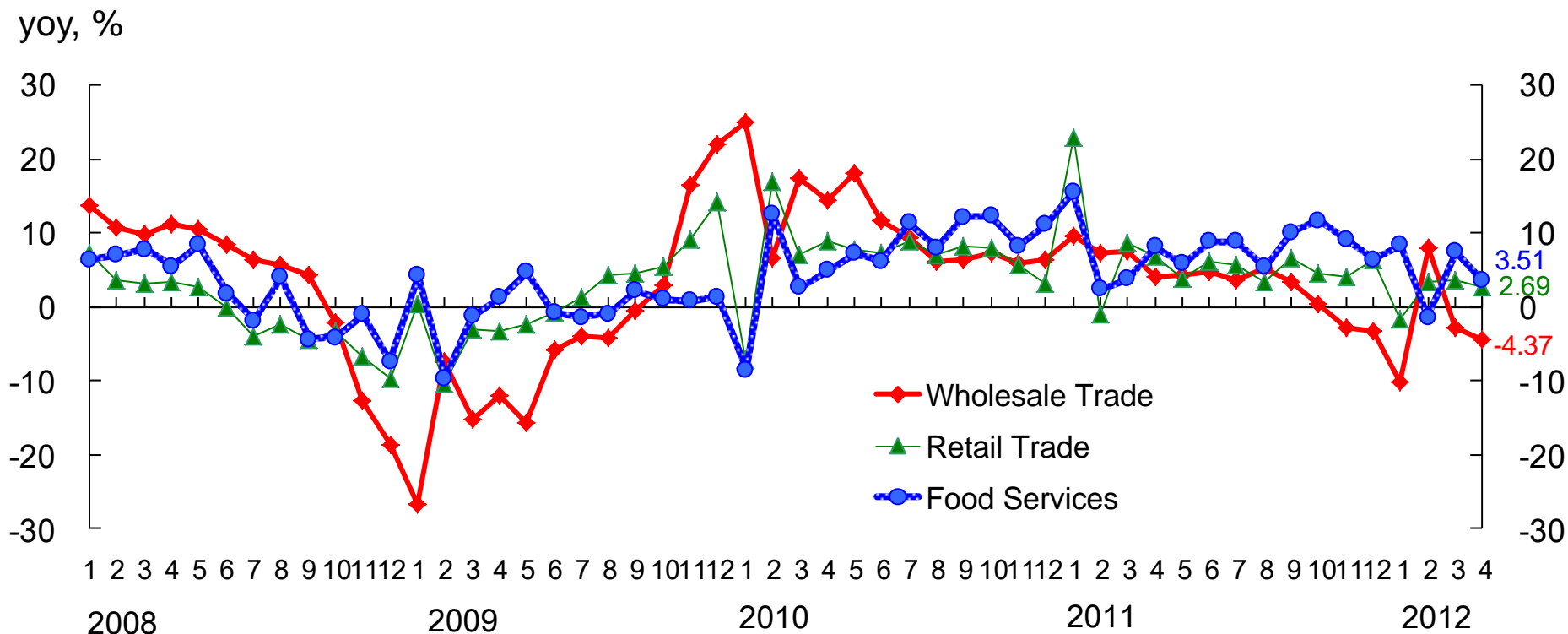
*ASEAN 6 refers to Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam.

Source: Ministry of Finance.

I. CURRENT DOMESTIC SITUATION

Domestic consumption

- ⇒ With the improving employment situation, private consumption grew by 1.72% from a year earlier in Q1 2012, while government consumption increased by 2.72%. But domestic consumption momentum was offset by a lull in stock market activity and a sell-off of financial assets.
- ⇒ Sales of trade and food services posted an annual decrease of 2.37% for April 2012, contributed largely by a 4.37% decrease in wholesale trade. Retail trade and food & beverage services increased 2.69% and 3.51%, respectively.



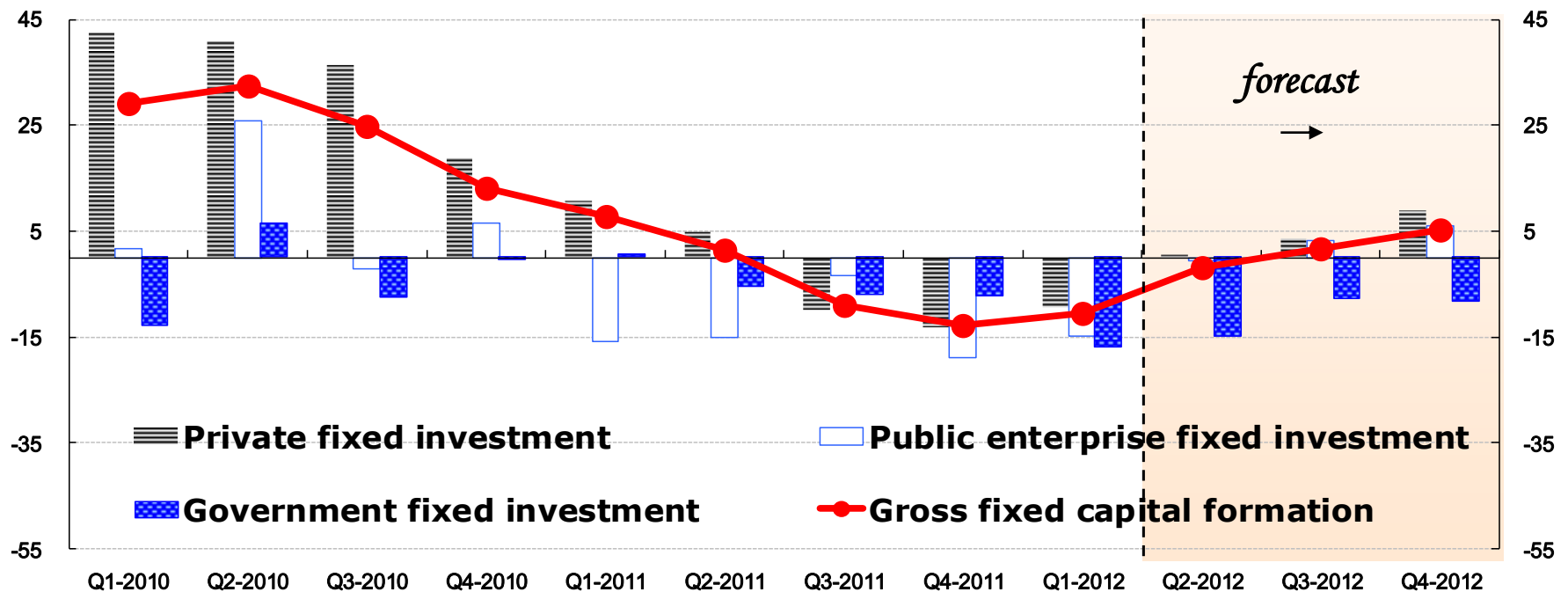
Source: Ministry of Economic Affairs, May 2012.

I. CURRENT DOMESTIC SITUATION

Domestic Investment

- ⇒ In Q1 2012, private fixed investment and gross fixed capital formation fell 9.40% and 10.54%, respectively. Gross fixed capital formation for Q4 2011 was revised to minus 12.76% from minus 12.41%.
- ⇒ This big drop in private fixed investment was caused by investment plans being put on hold due to the weak economy, with imports of capital equipment continuing to decline.

yoy, %



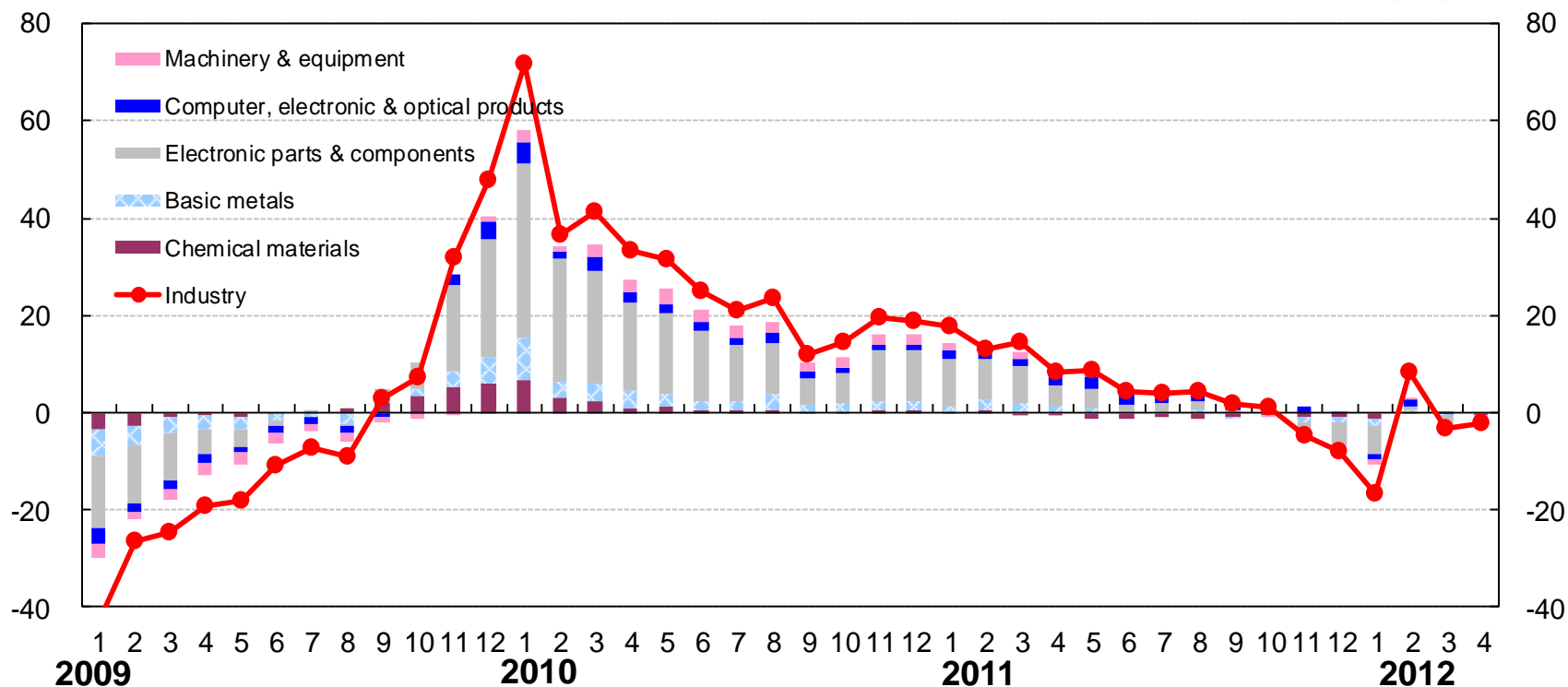
I. CURRENT DOMESTIC SITUATION

Industrial Production

- ⇒ The industrial production index showed a year-on-year decrease of 2.33% in April 2012. Manufacturing output decreased 2.58%, and water supply 0.43%, but building construction grew 8.52%, mining & quarrying 1.50%, and electricity & gas supply 0.97%.
- ⇒ The industrial production index showed a fall in growth for the second consecutive month, mainly due to decreasing production of computers, electronic parts, optical products, and machinery & equipment, impacted by the continuing political instability in the eurozone and the increase of downside risks in the global economy.

Growth of Industrial Production Index

yoy %

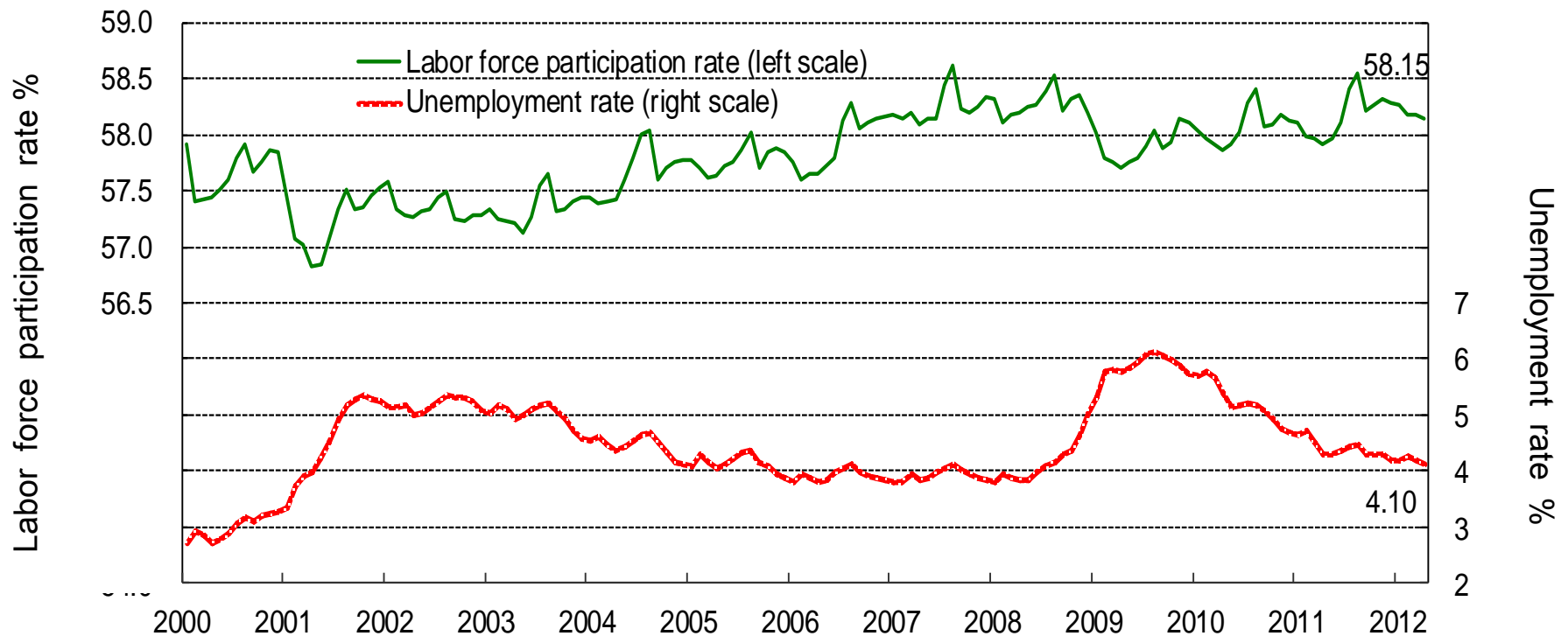


Source: Ministry of Economic Affairs, May 2012.

I. CURRENT DOMESTIC SITUATION

Unemployment Rate and Labor Force Participation Rate

- ⇒ In April 2012, the unemployment rate stood at 4.10%, down 0.07 of a percentage point from the previous month, and 0.19 of a percentage point lower than a year earlier. The seasonally adjusted unemployment rate was 4.19%.
- ⇒ The labor force participation rate decreased by 0.02 of a percentage point from the previous month to 58.15%, up 0.24 of a percentage point from a year earlier.

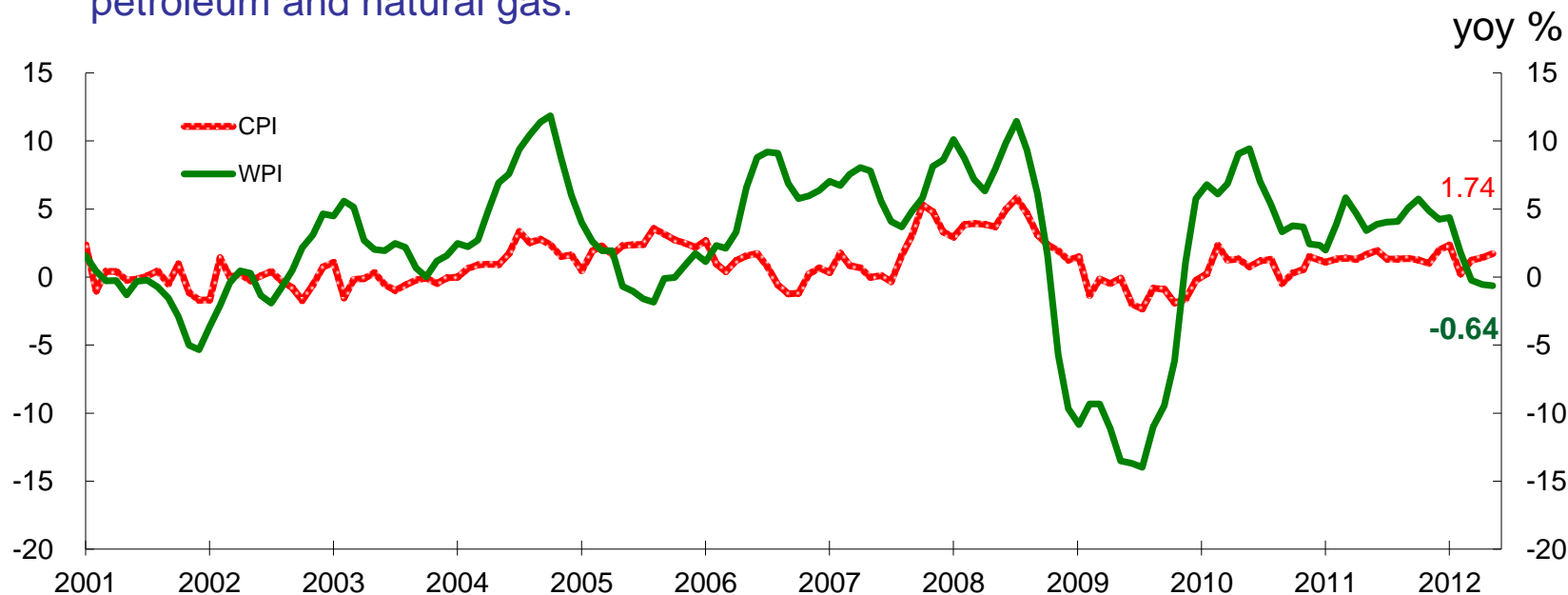


Source: DGBAS, May 2012.

I. CURRENT DOMESTIC SITUATION

Prices

- ⇒ In May 2012, Taiwan's CPI increased by 1.74% from the same month last year. The most significant changes in CPI components were increases in the prices of food, tobacco and clothing. These price rises were partially offset by declining prices of transportation and communication. Core prices (excluding fresh food and energy prices) increased 0.89%.
- ⇒ The WPI in May fell by 0.64% year on year, due mainly to the decreasing prices of basic metals, chemical material and fabricated metal products. These price declines were partially offset by rising prices of petroleum and coal products, crude petroleum and natural gas.

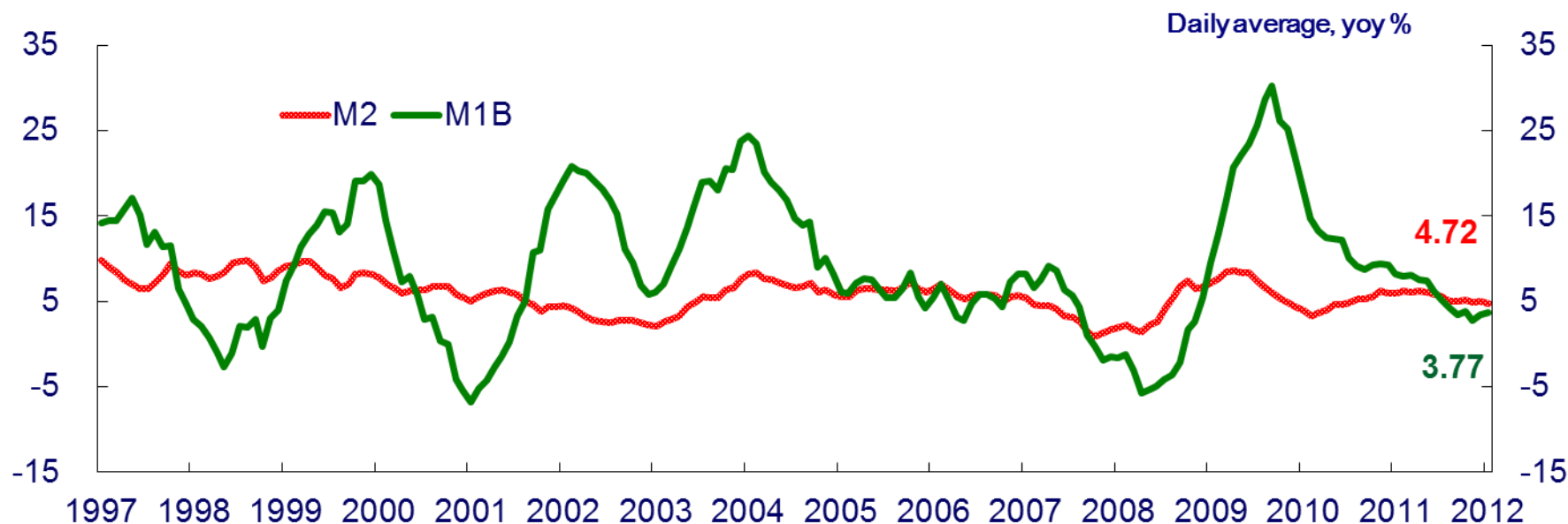


Source: DGBAS, Jun. 2012.

I. CURRENT DOMESTIC SITUATION

Money Supply

- ⇒ In April 2012, the annual growth rate of M1B rose to 3.77%, mainly because the daily averages of enterprises' passbook deposits grew substantially. The annual growth rate of M2 declined to 4.72%, mainly due to a net foreign capital outflow.
- ⇒ In April 2012, the monthly growth rates of M1B and M2, measured on a daily average basis, were -0.02% and 0.05% respectively.



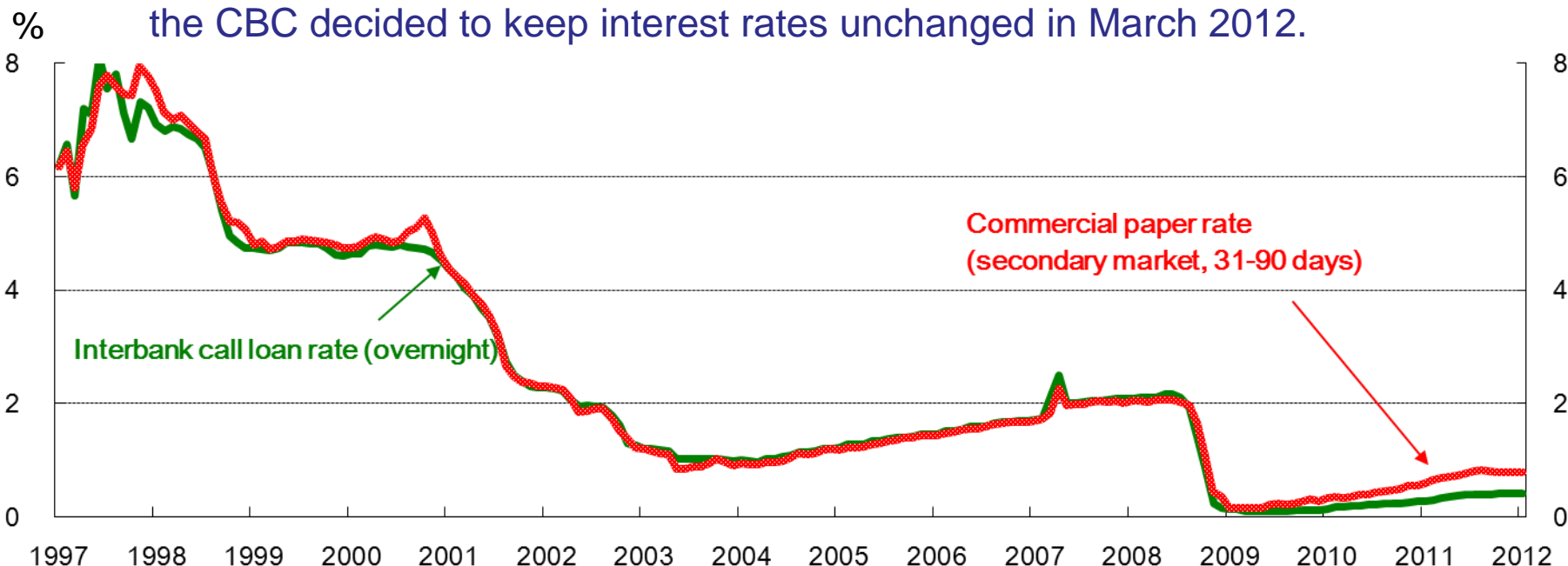
Note: The definition of M2 was changed in January 2012 to exclude structured products issued by banks. This historical data revision was retrospective to January 2001.

Source: Central Bank of China (Taiwan).

I. CURRENT DOMESTIC SITUATION

Short-term Interest Rates

- ⇒ In an environment of ample excess savings, foreign capital inflows and relatively stable domestic inflation, the benchmark interest rates remain at low levels. In April 2012, the commercial paper rate stood at 0.79%, unchanged from the previous month, and the interbank rate rose to 0.476%.
- ⇒ To help Taiwan's economy maintain stable growth amid global economic uncertainties, and with the need to closely monitor price movements in 2012, the CBC decided to keep interest rates unchanged in March 2012.

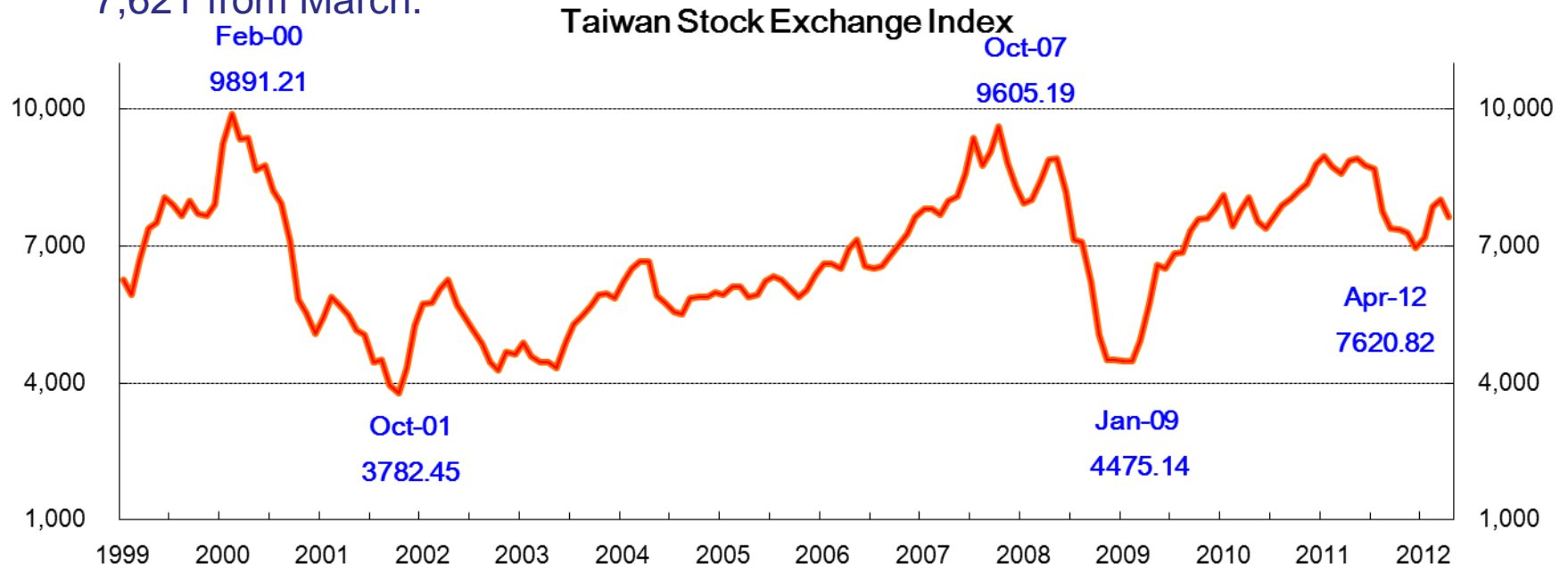


Source: Central Bank of China (Taiwan).

I. CURRENT DOMESTIC SITUATION

Stock Price

- ⇒ Volatility in Taiwan's stock market has continued for a while, due to the government's plan to impose a stock capital gains tax as well as increases in gasoline and electricity prices. Under the impact of these factors, Taiwan's stock exchange index fluctuated between 7,600 and 8,020 in the first four months of this year.
- ⇒ In April 2012, due to lingering uncertainties over the stock capital gains tax, the average closing level of Taiwan's stock exchange index decreased by 4.98% to 7,621 from March.

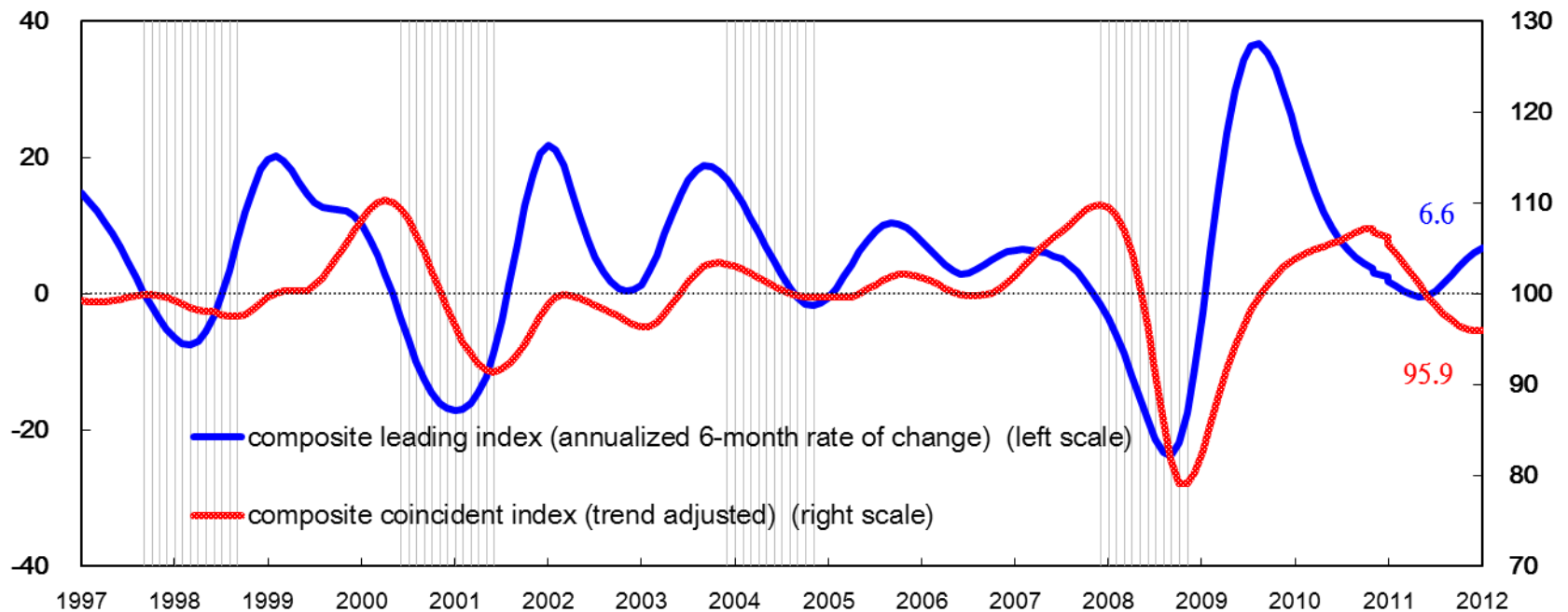


Source: Taiwan Stock Exchange.

I. CURRENT DOMESTIC SITUATION

Taiwan Business Indicators

⇒ In April 2012, although the Taiwan Business Indicators still pointed to many downside risks for the economy, the pace of decline in some components moderated. The annualized six-month rate of change of the leading index was 6.6%, up by 0.7 percentage points from March 2012, but the trend-adjusted coincident index decreased by 0.1% to 95.9.



Note: The shaded areas represent recessions.

Source: Council for Economic Planning and Development (CEPD).

I. CURRENT DOMESTIC SITUATION

Monitoring Indicators

⇒ Reflecting the downturn of Taiwan's economy, the monitoring indicators posted a total score of 14 in April 2012, and the overall monitoring indicator flashed the "blue" signal for the sixth consecutive month.

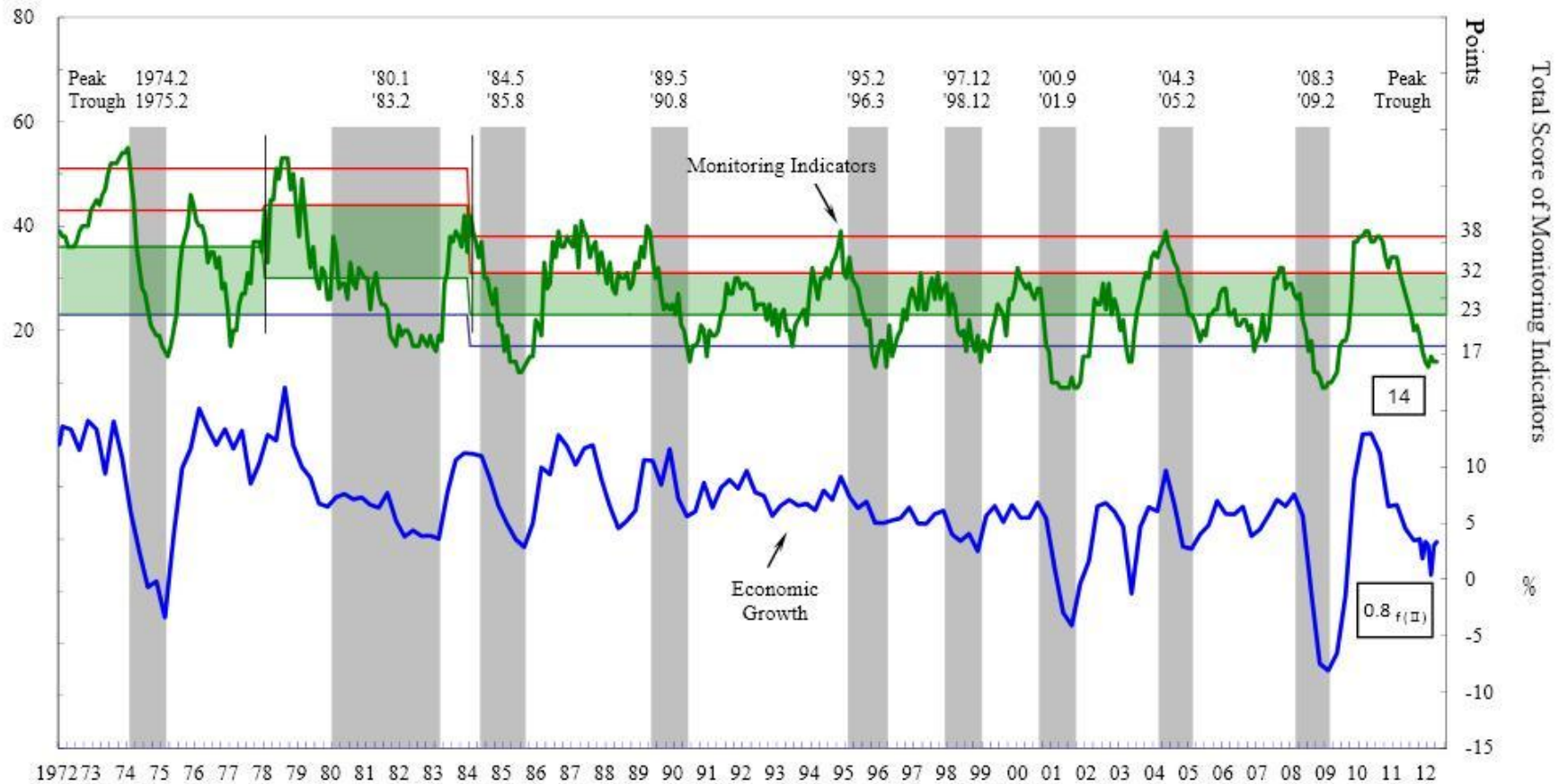
		2011										2012			
		3	4	5	6	7	8	9	10	11	12	1	2	3	4
Total	Light														
	Score	31	29	27	25	23	20	21	19	16	14	13	15	14	14
Monetary Aggregates M1B															4.0
Direct and Indirect Finance															4.8
Stock Price Index															-14.0
Industrial Production Index															-1.8
Nonagricultural Employment															1.7
Customs-Cleared Exports															-5.7
Imports of Machineries and Electrical Equipments															-7.7
Manufacturing Sales															-3.4 _p
Sales Index of Wholesale, Retail and Food Services															-2.9

● Booming ● Transitional ● Stable ● Transitional ● Sluggish

*Components are in terms of percentage changes over 1-year span. All components, except stock price index, have been seasonally adjusted.

I. CURRENT DOMESTIC SITUATION

Monitoring Indicators and Economic Growth



Note: The shaded areas represent recessions.

Source: CEPD.

II. PROSPECTS FOR 2012

⇒ Taiwan's economic growth to gradually rally

- In the first half of 2011, Taiwan's real GDP grew 5.54% yoy, mainly on the back of substantial growth in exports. Since the second half of 2011, Taiwan's export performance has been affected by the slowdown in western economies and the weakening of external demand. In the whole of 2011, Taiwan's real GDP posted a moderate growth of 4.03% .
- According to the preliminary estimate released by the DGBAS, Taiwan posted a year-on-year real GDP growth rate of 0.39% in the first quarter of 2012. The seasonally adjusted annualized rate (saar) of real GDP growth is 2.82%.
- Mainly due to the still highly uncertain outlook for the global economy, the 2012 GDP growth forecast has been revised to 3.03% in the DGBAS's latest estimation, down 0.82 of a percentage point from February's forecast of 3.85%. However, Taiwan's real GDP growth is expected to improve quarter by quarter this year (from 0.39% in Q1 to 6.65% in Q4).
- Per capita GNP is projected to rise to US\$21,189 in 2012.

II. PROSPECTS FOR 2012

⇒ **Export growth expected to be limited**

- The weaker than last year's growth of world trade, together with the gradual localization of supply chains in mainland China and the greater competitive stress on high-tech companies from large foreign enterprises, may limit Taiwan's export growth this year. However, with the launch of innovative ICT products, the US government's incentive measures to encourage domestic investment, and the replacement of machinery and equipment damaged by flooding in Thailand, which will induce demand for exports from Taiwan, goods and services exports are projected to increase by 3.13% in 2012.
- Over the whole of 2012, goods and services imports are projected to grow by 0.18% based on rising demand induced by export and investment.

II. PROSPECTS FOR 2012

⇒ **Private consumption set for moderate growth**

- Limited wage growth and rising prices have hurt consumers' purchasing power, while the reduced wealth effect due to stock market volatility has also weighed on consumer confidence. However, with the improving employment situation and the easing of unpaid leave in some enterprises, private consumption is projected to rise by 2.03% in 2012.

II. PROSPECTS FOR 2012

⇒ Domestic investment likely to expand slightly

- Although private fixed investment decreased by 9.4% in the first quarter in 2012, and investment in the DRAM and opto-electronic industries is still running slow, there are some favorable factors for domestic investment, such as plans by semiconductor manufacturers with technical advantages to increase investment in advanced technologies, plans by Japanese firms to set up plants in Taiwan to disperse their operating risk after being hit by natural disasters at home and in Thailand, the growth of foreign visitors inducing tourism industry investment, and the government's "Invest in Taiwan" initiative yielding increasing effects. Over the whole of 2012, private fixed investment is projected to slightly increase by 0.52%.
- Government fixed investment in 2012 is expected to reach NT\$427.2 billion, but still show a decline of 11.38% year on year.

II. PROSPECTS FOR 2012

⇒ Inflation rising moderately

- Though oil and raw material prices have fallen back recently due to the resurgence of the European debt crisis and the slowdown of economic growth in mainland China, the supply risks for crude oil in the Middle East are still high. The WPI is forecast to rise 1.49% in 2012.
- The government's decision to raise petrol prices on April 2 and to hike electricity prices in one fell swoop on May 15 initially put upward pressure on domestic prices. However, CPC has lowered petrol prices **nine** times since early April, and the electricity rate rise has been adjusted to a 3-stage increase¹, which, together with the effect of active government price stabilization measures and stable housing rents, should help ease inflationary pressure. The CPI is forecast to rise by 1.84% in the whole of 2012, slightly higher than last year's 1.42%.

Note: 1.The first stage will begin June 10, with 40 percent of the previously announced price hike instituted. Another 40 percent of the planned increase will follow six months later, on December 10. Whether the remaining 20 percent of the proposed increase is implemented will depend on Taiwan Power Company's cost-saving reform measures and their results.

Forecasts for Taiwan's Economy

	Real GDP (yoy, %)		Consumer Prices (yoy, %)	
	2011 _r	2012 _f	2011	2012 _f
DGBAS (2012.5)	4.03	3.03 [3.38]	1.42	1.84 [1.94]
TIER (2012.4)		3.48 [3.96]		1.98 [1.46]
CIER (2012.4)		3.55 [4.07]		1.93 [1.48]
Polaris (2012.3)		3.88 [3.93]		1.57 [1.30]
IEAS (2011.12)		3.81		1.16
Global Insight (2012.5)		3.5 [3.8]		1.6 [1.4]
EIU (2012.5)		2.8 [2.8]		2.0 [1.5]
IMF (2012.4)		3.6 [5.0]		-
ADB (2012.4)		3.4 [4.1]		-

CIER: Chung-hua Institution for Economic Research, Taipei.

TIER: Taiwan Institute of Economic Research, Taipei.

IEAS: Institute of Economics, Academia Sinica

DGBAS: Directorate-General of Budget, Accounting and Statistics, ROC (Taiwan).

Polaris: Polaris Research Institute.

[] indicates the value of previous forecasts.

III. Conclusion

- Global economic growth is expected to improve in the second half of this year, though the downside risks to growth are still substantial. The worsening crisis in Europe due to political instability and decelerating economic expansion in mainland China will be a drag on Taiwan's export performance. At the same time, the gasoline and electricity price adjustments have increased consumers' inflation expectation, exerting a negative impact on private consumption. In 2012, Taiwan's real GDP is forecast to rise by 3.03%, with the quarterly growth rate improving gradually from 0.39% in Q1 to 6.65% in Q4.
- The government will continue to implement the "Economic Climate Response Program" featuring seven sets of strategies for stabilizing finance, holding down prices, increasing employment, promoting investment, helping industries, pepping up consumption, and boosting exports. At the same time, the government will monitor prices closely and take active price stabilization measures to avoid price fluctuation influenced by gasoline and electricity price adjustments.
- Furthermore, the government will carry out the next wave of measures for reshaping Taiwan's economic structure, including strengthening technological innovation, bolstering cultural & creative enterprise, enhancing R&D and innovation, promoting the revitalization of traditional industries, and emphasizing the development of service industries, especially those that export services. At the same time, the government will promote the expansion of exports to emerging markets and diversification of export products. These initiatives should ensure that sound progress is kept up toward endowing Taiwan with a vigorous and sustainable new economy.

STATISTICAL ANNEX TABLES

I. Real GDP Growth (Change from a year ago)

	Economic growth	Domestic demand								Net foreign demand		
		Total	Consumption		Gross fixed capital formation				Increase in inventory	Total	Exports of goods & services	Less: Imports of goods & services
			Private	Gov't	Subtotal	Private sector	Public enterprises	Gov't				
2004	6.19	7.36	5.17	0.57	13.96	25.62	-20.60	-9.59	--	--	15.40	17.50
2005	4.70	1.83	2.90	0.19	2.66	1.53	14.77	2.82	--	--	7.78	3.16
2006	5.44	0.97	1.49	-0.71	0.07	3.31	-8.61	-11.21	--	--	11.41	4.57
2007	5.98	1.42	2.08	2.09	0.55	1.36	1.57	-4.46	--	--	9.55	2.98
2008	0.73	-2.35	-0.93	0.83	-12.36	-15.58	-1.98	1.18	--	--	0.87	-3.71
2009	-1.81	-3.71	0.76	4.01	-11.25	-18.15	2.14	15.94	--	--	-8.68	-13.10
2010	10.72	9.78	3.67	0.58	23.99	33.84	8.00	-3.10	--	--	25.56	28.23
2011_r	4.03	0.31	2.97	1.86	-3.89	-2.47	-14.32	-5.40	--	--	4.53	-0.68
Q1	6.62	3.47	4.61	0.62	7.74	10.55	-15.97	0.69	--	--	11.20	7.55
Q2	4.52	2.18	3.04	0.85	1.41	4.76	-15.01	-5.38	--	--	4.94	1.78
Q3	3.45	-0.35	3.24	2.43	-9.13	-9.94	-3.47	-7.11	--	--	2.10	-3.72
Q4 _r	1.85	-3.70	1.06	3.19	-12.76	-13.19	-18.92	-7.37	--	--	0.86	-7.40
2012_f	3.03	0.97	2.03	0.05	-1.34	0.52	0.39	-11.38	--	--	3.13	0.18
Q1 _p	0.39	-1.42	1.72	2.72	-10.54	-9.40	-14.96	-16.88	--	--	-3.29	-6.84
Q2 _f	0.77	-0.41	1.67	0.75	-1.93	0.55	-0.68	-14.80	--	--	1.00	-0.59
Q3 _f	4.00	1.78	2.09	-0.71	1.78	3.49	3.09	-7.68	--	--	5.98	3.33
Q4 _f	6.65	3.89	2.64	-1.89	5.14	8.81	6.05	-8.25	--	--	8.42	5.02

P = preliminary; f = forecast; r = revised. Source: Directorate-General of Budget, Accounting, and Statistics (DGBAS), May 2012.

STATISTICAL ANNEX TABLES

II. Contributions to GDP Growth (in percentage points)

	Economic growth	Domestic demand								Net foreign demand		
		Total	Consumption		Gross fixed capital formation				Increase in inventory	Total	Exports of goods & services	Less: Imports of goods & services
			Private	Gov't	Subtotal	Private sector	Public enterprises	Gov't				
2004	6.19	7.34	3.27	0.08	3.12	4.01	-0.46	-0.43	0.88	-1.15	8.86	10.01
2005	4.70	1.85	1.81	0.03	0.64	0.28	0.25	0.11	-0.63	2.86	4.86	2.00
2006	5.44	0.95	0.92	-0.09	0.02	0.59	-0.16	-0.42	0.10	4.49	7.34	2.85
2007	5.98	1.34	1.23	0.25	0.12	0.24	0.02	-0.14	-0.27	4.65	6.49	1.85
2008	0.73	-2.11	-0.53	0.10	-2.61	-2.62	-0.03	0.03	0.94	2.84	0.61	-2.23
2009	-1.81	-3.24	0.43	0.46	-2.07	-2.56	0.03	0.45	-2.05	1.42	-6.11	-7.53
2010	10.72	8.35	2.11	0.07	3.99	3.97	0.12	-0.10	2.17	2.37	16.73	14.36
2011_r	4.03	0.26	1.60	0.21	-0.73	-0.35	-0.21	-0.16	-0.82	3.77	3.36	-0.40
Q1	6.62	3.01	2.63	0.07	1.35	1.49	-0.16	0.02	-1.03	3.60	8.04	4.44
Q2	4.52	1.83	1.62	0.09	0.26	0.66	-0.23	-0.17	-0.14	2.69	3.76	1.07
Q3	3.45	-0.30	1.73	0.27	-1.79	-1.54	-0.04	-0.21	-0.51	3.75	1.55	-2.19
Q4 _r	1.85	-3.07	0.55	0.38	-2.42	-1.75	-0.41	-0.26	-1.58	4.92	0.64	-4.28
2012_f	3.03	0.79	1.08	0.01	-0.23	0.07	0.00	-0.30	-0.07	2.24	2.33	0.10
Q1 _p	0.39	-1.20	0.97	0.27	-1.85	-1.38	-0.12	-0.35	-0.59	1.59	-2.47	-4.06
Q2 _f	0.77	-0.34	0.88	0.08	-0.34	0.08	-0.01	-0.41	-0.95	1.11	0.77	-0.34
Q3 _f	4.00	1.45	1.11	-0.08	0.31	0.47	0.03	-0.20	0.11	2.54	4.37	1.83
Q4 _f	6.65	3.05	1.36	-0.23	0.84	1.00	0.10	-0.27	1.08	3.59	6.23	2.64

P = preliminary; f = forecast; r = revised. Source: Directorate-General of Budget, Accounting, and Statistics (DGBAS), May 2012.

Thank you

This summary is prepared by the Department of Economic Research of the Council for Economic Planning and Development (CEPD). Quarterly updates can be found on the CEPD's website at <http://www.cepd.gov.tw/encontent>. For inquiries send an e-mail to bci@cepd.gov.tw.

APPENDIX

Economic Climate Response Program

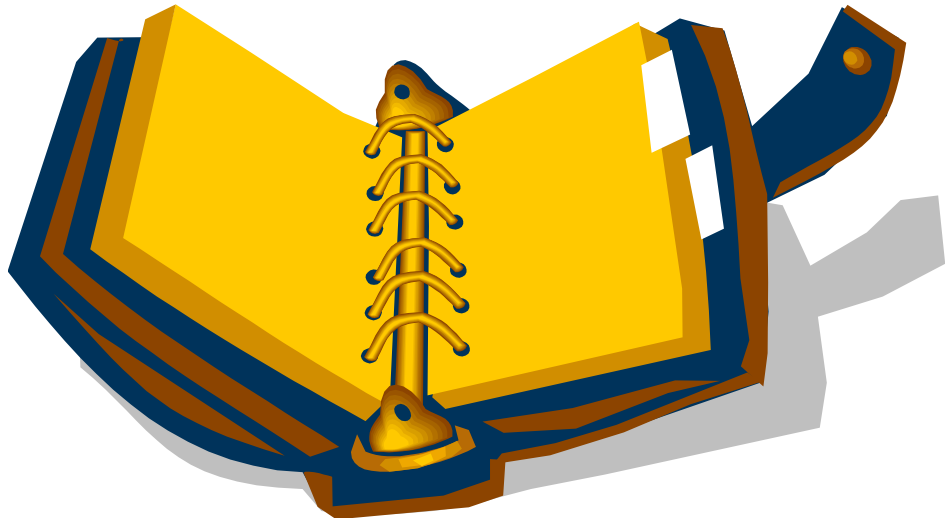
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Development, Executive Yuan**

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I. Introduction

II. Seven Strategies, Ten Focuses

III. Concrete Measures



I. Introduction

- ❖ To address the changing situation of the European debt crisis in the external realm and issues arising from transition and adjustment of the industrial structure in the internal realm, the Executive Yuan at its 3,271st meeting on November 3, 2011 approved the establishment of a Task Force on Economic Climate Response Strategy. Meeting under the convenership of Deputy Premier Sean Chen, the task force was charged with bringing together all related Cabinet agencies for proposal and discussion of response strategies, to be compiled by the Council for Economic Planning and Development (CEPD) into the Economic Climate Response Program.
- ❖ Since the second half of 2011, Taiwan's export performance has been affected by the slowdown in Western economies and the weakening of external demand. Hence, it is necessary to devise export-boosting strategies. At the same time, although domestic demand played a major role in the economy in 2011, there is still a need for instituting action to pep it up further, to ensure that domestic demand and exports continue to serve as twin engines for the propulsion of economic growth.
- ❖ Taiwan's economy rests on very sound foundations, and the seven strategies and ten focuses mapped out in this program will enable the government to actively address and respond to crises arising from changes in the international environment.

II. Seven Strategies, Ten Focuses

◆ Seven strategies

1. Stabilizing finance
2. Holding down prices
3. Increasing employment
4. Promoting investment
5. Helping industries
6. Pepping up consumption
7. Boosting exports

◆ Ten Focuses

- 1. LED road lighting islandwide (MOEA) .**
- 2. Energy-saving home appliance rewards (MOED) .**
- 3. Everyone joining together for urban renewal (MOI) .**
- 4. Rewards to promote green building (MOI).**
- 5. Excellent Tourism in Taiwan (MOTC).**
- 6. All-out implementation of benchmark public works (PCC).**
- 7. Establishing the TJ Park (Taiwan-Japan Park) in the Southern Taiwan Science Park (NSC).**
- 8. The “umbrella for rainy days” initiative to maintain an unbroken supply of business funding (FSC).**
- 9. The Plan to Train Local Manpower for Emerging Industries (CEPD) and the Recharge and Restart Training Project (CLA).**
- 10. Action plan to help businesses vie for orders in export markets around the world (MOEA).**

III. Concrete Measures

1.Stabilizing finance

1. Stabilize financial markets	FSC
2. Implement appropriate monetary policy	CBC

2. Holding down prices

1. Respond to special economic situation by dynamically reducing taxes to hold down prices	MOF
2. Combat cartels to protect consumer rights	FTC
3. Crack down on illegal hoarding and price gouging	MOJ

3. Increasing employment

1. Carry out the Plan to Train Local Manpower for Emerging Industries	CEPD
2. Promote the Recharge and Restart Training Project	CLA
3. Vocational Training Plan for the Unemployed	
4. Project to Develop Multiple Employment	
5. Employment Subsidy Schemes for Temporary Work	
6. Extend the implementation period of subsidies for temporary work in post-Typhoon Morakot reconstruction	
7. Carry out the Farm Trainee Project	COA

4. Promoting investment

1. Speed up the expansion of private participation in public works and urban renewal.	MOI
2. Speed up the implementation of benchmark public works, such as the Demonstration Plan for the Comprehensive Management of Coastal Land Subsidence Areas in Chiayi County's Dongshi Township.	PCC MOI
3. Carry out active review for loosening the scope of and restrictions on mainland Chinese investment in public works in Taiwan.	PCC
4. Expand green buildings awards	MOI
5. Promote Taiwanese investment in strengthening Taiwan	MOEA
6. Attract Japanese investment in Taiwan	
7. Establish the TJ Park (Taiwan-Japan Park)	NSC
8. Activate public land	MOF
9. Continue to carry out the "Invest in Taiwan" initiative	CEPD
10. Keep implementing the "Homes for Industries, Industries for Homes" plan	

4. Promoting investment (*continued*)

11. Speed up the construction of a national convention and exhibition center (expansion of the Nangang Exhibition Hall)	MOEA
12. Accelerate construction of the Kaohsiung World Trade Exhibition and Conference Center	
13. Conduct the award of contracts for building affordable housing at A7 Station on the Taoyuan Airport MRT Line	MOI

5. Helping industries

1. Form and operate the MOEA's cross-cabinet joint task force for consultation visits.	MOEA
2. Extend measures to strengthen the Small and Medium Credit Guarantee Fund of Taiwan	MOEA FSC
3. The “umbrella for rainy days” initiative – helping enterprises obtain their needed operating funds, to maintain an unbroken supply of business funding.	FSC
4. Install LED road lighting islandwide.	MOEA
5. Provide service points for assistance to SMEs.	
6. Reduce barriers to merger and acquisition of enterprises.	
7. Provide anti-dumping relief.	MOF
8. Encourage private participation in public works investment.	
9. Institute taxi maintenance and renewal measures – subsidies for the replacement old taxis.	MOTC

6. Pepping up consumption

1. Subsidize the public's purchase (replacement) of energy-saving home appliances.	MOEA
2. Expand business opportunities for the MICE industry.	
3. Integrate tourism itineraries for local industries.	
4. Promote consumption by the general public through the "Go" prize draw.	
5. Reduce the rate of commodity tax levied on hybrid LPG vehicles.	MOF
6. Exempt electric vehicles from license plate tax.	
7. Promote tourism and high-end products in the agricultural sector.	COA
8. Implement on-site small-amount tax rebates for purchases by foreign visitors.	MOF

7. Boosting exports

1. Continuous drive to secure export orders - Develop new export channels month after month, win new buyers week after week, create new business openings day after day, generate new opportunities all the time, and form groups to go out in pursuit of export orders.	MOEA
2. Progressively expand marketing channels.	
3. Promote Taiwanese brands and international image of Taiwan's industries.	
4. Enhance the New Cheng Ho Plan.	
5. Extend the invitation of heavy buyers to Taiwan.	
6. Strengthen support for groups to participate in and vie for orders at international fairs.	
7. Actively promote bilateral investment and trade with countries that are achieving high growth and have had relatively little business dealing with Taiwan in the past.	CEPD
8. Expand service exports – increase the number of tourists coming to Taiwan.	MOTC, MOI MAC, MOEA
9. Preferential tax rates.	MOF
10. Raise overall customs clearance efficiency.	
11. Carry out an international marketing plan for agricultural products.	COA