

December 5, 2017

Premier focuses on foreign capital at 5th meeting to boost investment

Premier Lai Ching-te today convened the fifth in a series of interministerial meetings aimed at accelerating investment in Taiwan, as part of the government's commitment to boost the economy and resolve key problems facing the nation's industrial development. Attracting investment from overseas Chinese and foreign entities was a key focus.

The meetings come on the order of President Tsai Ing-wen and in response to the demands of society at large, said the premier, and since the first was held on September 27, have established a practical strategy for such efforts as steadily increasing the implementation of public works, achieving deregulation, raising the number of potential targets for private-sector investment, and creating a healthy environment for innovation and entrepreneurship. Premier Lai had also explained in person the strategies to overcome the obstacles facing industry investment as a result of the "five shortages," which have been well received by both the public and multinationals.

In response to today's briefing by the Ministry of Economic Affairs (MOEA) on the current status of direct foreign investment by overseas Chinese and foreign entities, as well as discussions on the issue and responsive measures, the premier observed that following her reception of 2017's Outstanding Foreign Commerce Agencies and Foreign Firms, President Tsai announced that the government would devote full efforts to ensuring consistent policy and market liberalization, in order to engineer an improved investment environment and draw firms from the world over to inject capital into Taiwan.

Premier Lai said that he hoped to see the following three enhanced measures implemented with respect to direct foreign investment by overseas Chinese and foreign

entities:

1. Simplify procedures for the review and approval of investment by overseas Chinese and foreign entities: The MOEA has already given notice for a period of public comment on draft amendments to the Statute for Investment by Foreign Nationals and the Statute for Investment by Overseas Chinese, and should move quickly to compile, research and discuss the public's input.
2. Integrate domestic and foreign innovation concepts, promote industrial innovation: To prepare for the artificial intelligence era, Taiwan should leverage its strongest advantages in high-tech product manufacturing, connect its own innovative concepts, health care professionals and education professionals with other countries, and promote innovation in smart health care, smart transportation and other industries.
3. Improve efforts to link overseas Chinese and foreign investors with opportunities involving the need to upgrade domestic industries: In the future, investment attraction efforts should focus on promoting growth of Taiwan's innovative industries, elevating the standard of domestic technologies and creating job opportunities. The government should also take aggressive measures to help remove investment barriers.

As for the MOF's report on the promotion of private participation in infrastructure (PPI) projects in 2017, Premier Lai said the success of these initiatives are easily affected by the overall investment climate, so government agencies should pay greater attention to boosting investor confidence. Agencies should also continue rolling out PPI projects and use the full range of MOF measures and tools to improve their results. The public-private partnership model will be used to bring private capital and investment into infrastructure projects and

enhance the efficiency and quality of public services.

The Forward-looking Infrastructure Development Program will also need the support of private investors to be more effective, the premier said. He instructed all agencies to use the transportation infrastructure and forward-looking infrastructure industries PPI platform, and asked the PPI task force to conduct ongoing reviews to identify projects suitable for public-private partnership.