



Taiwan for Beginner
Exploring New Opportunities

German Trade Office Taipei (AHK Taiwan) – October 2024





Taiwan for Beginner: Exploring New Opportunities

Presentation Objectives

1. Taiwan Overview
2. Why Choose Taiwan?
3. Taiwan Industry Focus
4. The Path to Success
5. Success Stories
6. Intercultural Tips
7. Conclusion



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Asian Tiger: Taiwan



Population
23.3 Mio.



Area
36,197 Km²



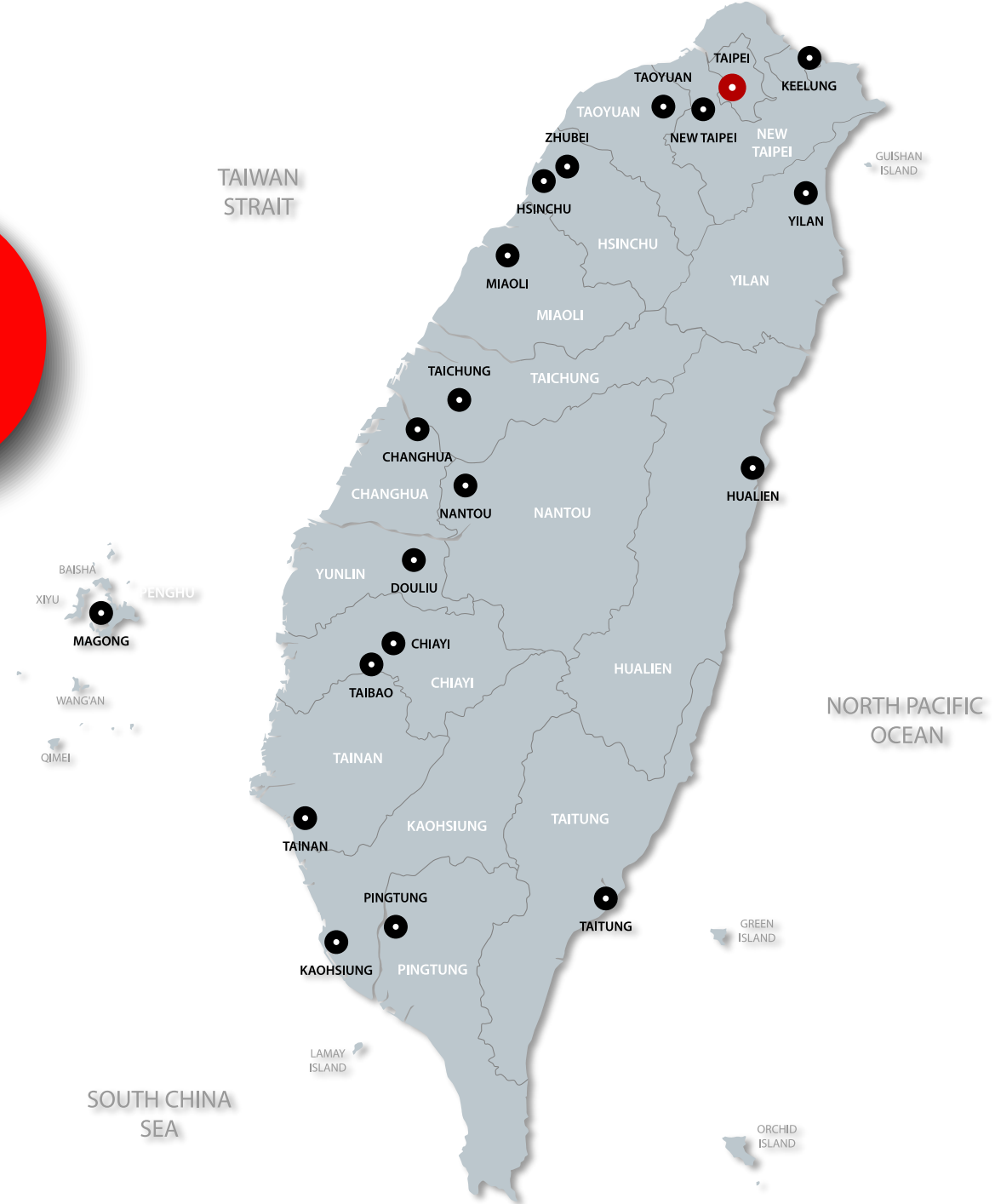
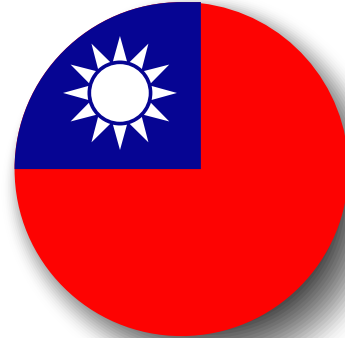
Government
Semi-presidential
republic



President
Lai Ching-te (DPP)









Capital
Taipei



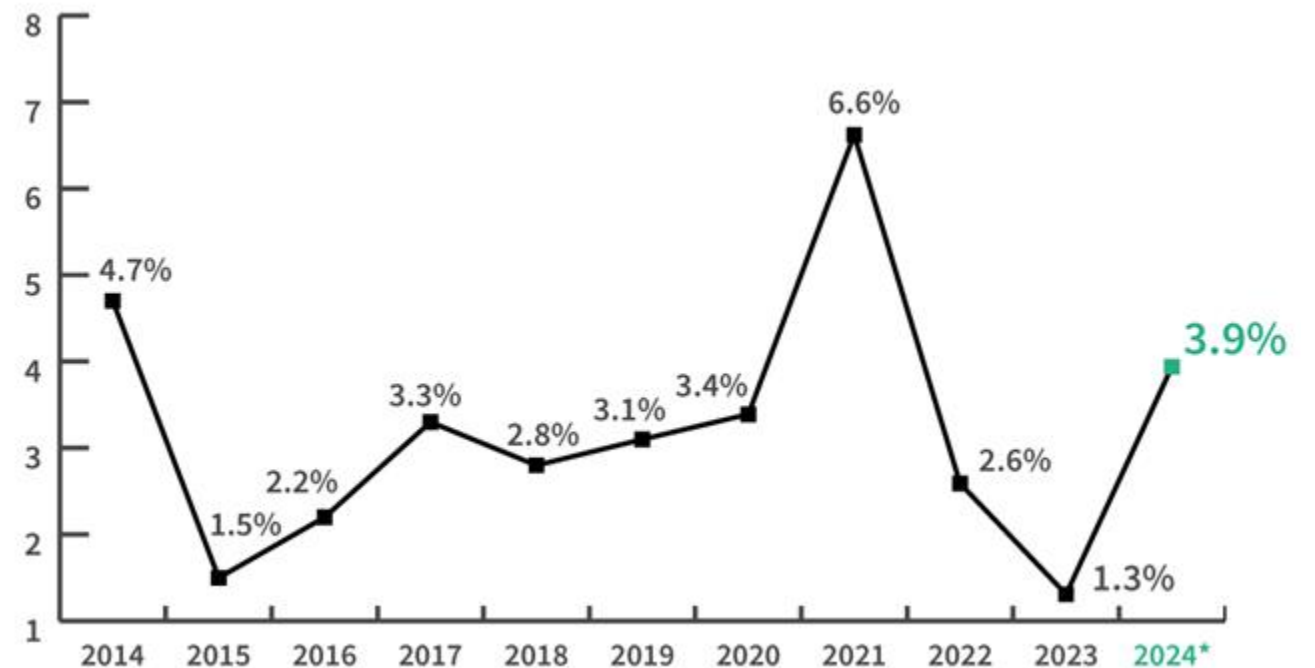
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Overview Economy

2023 :

GDP  755 bn US\$	GDP per capita  32,327 US\$	Trade volume  784 bn US\$
Inflation rate  2.5 %	Unemployment rate  3.4 %	Average wage  1,461 US\$

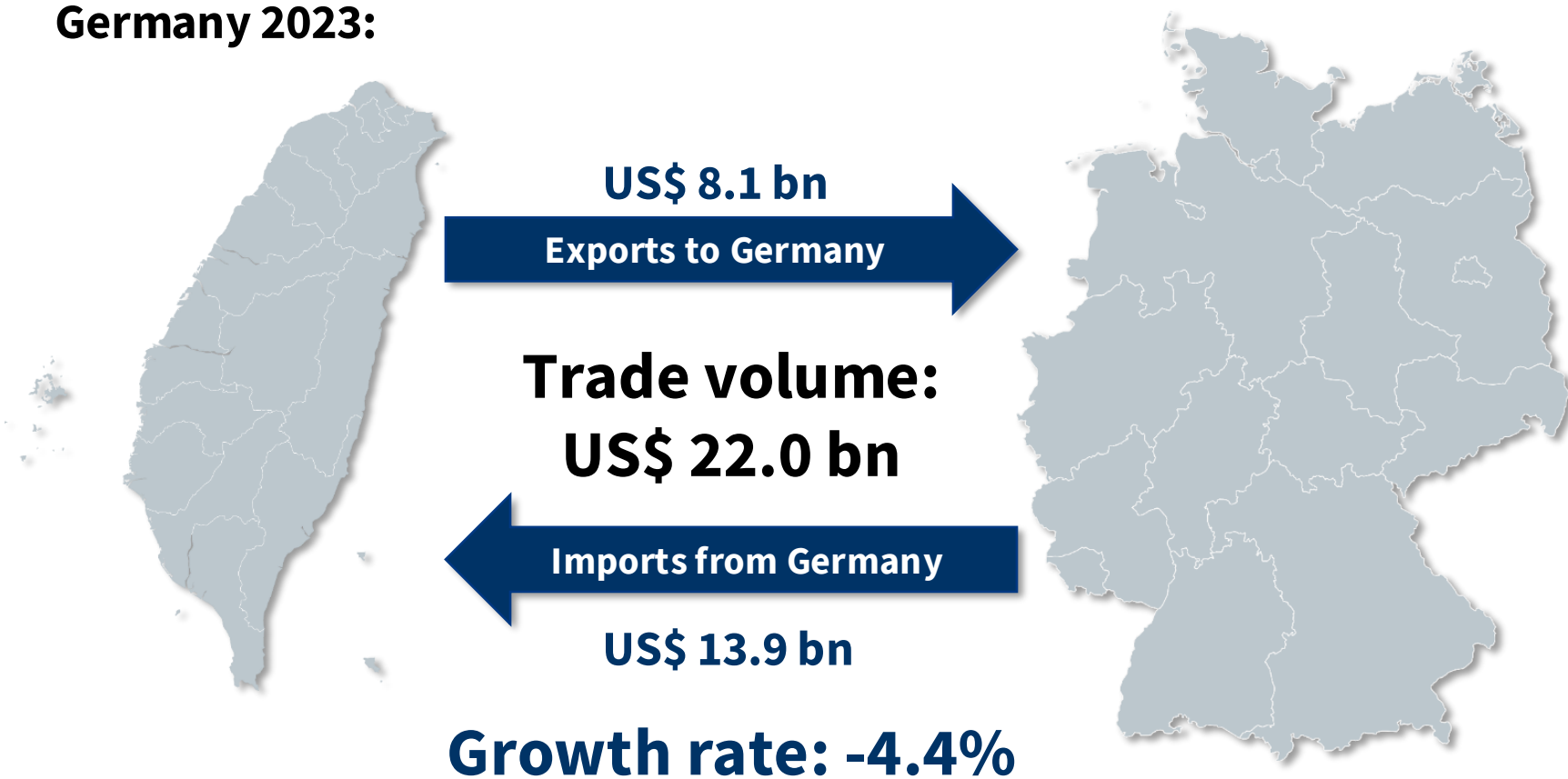
GDP Growth Rates 2014 - 2024



⇒ Continued solid growth after the COVID-19 pandemic

German-Taiwanese Trade Relations

Taiwan's trade volume with Germany 2023:



Taiwan 5th most important trading partner in Asia



Germany most important trading partner in the EU



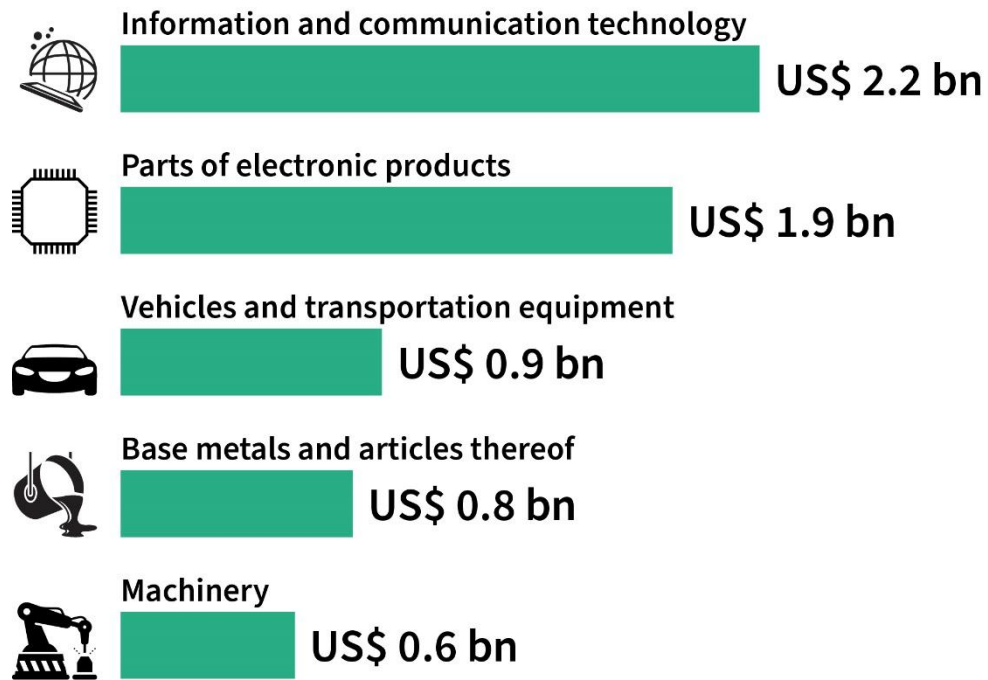
About 250-300 German companies located in Taiwan, employing about 20,000 employees



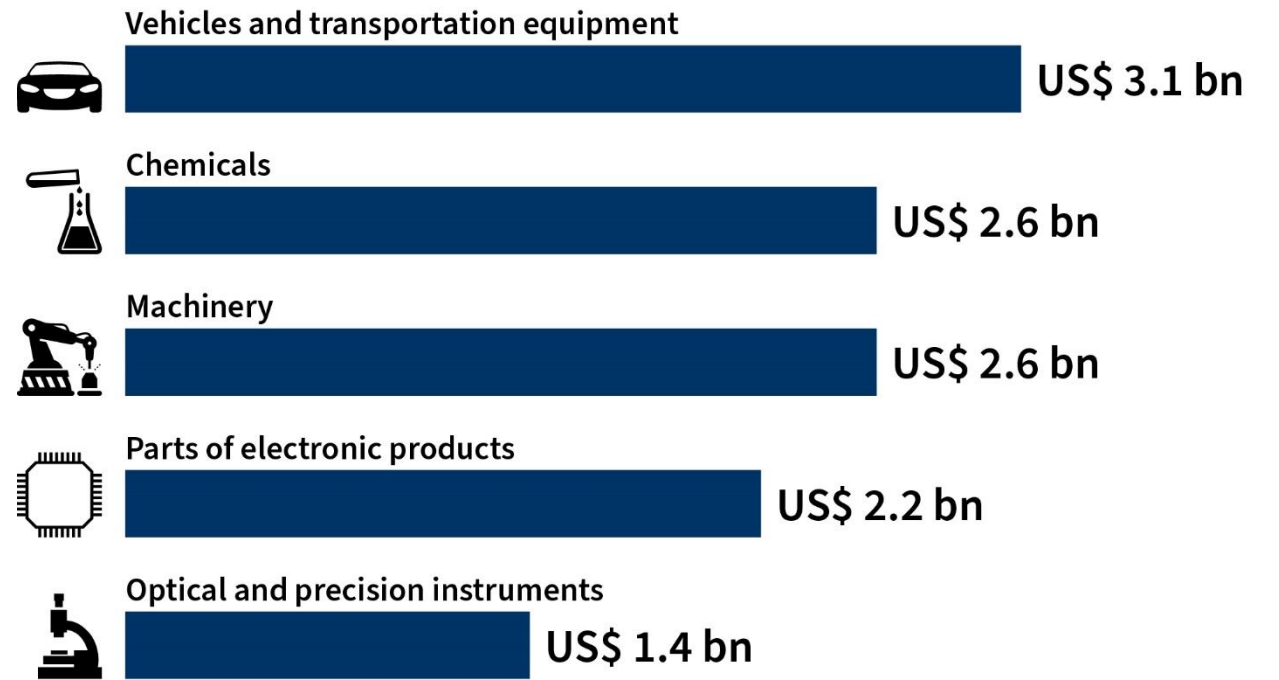
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German-Taiwanese Trade Relations

Exports to Germany



Imports from Germany

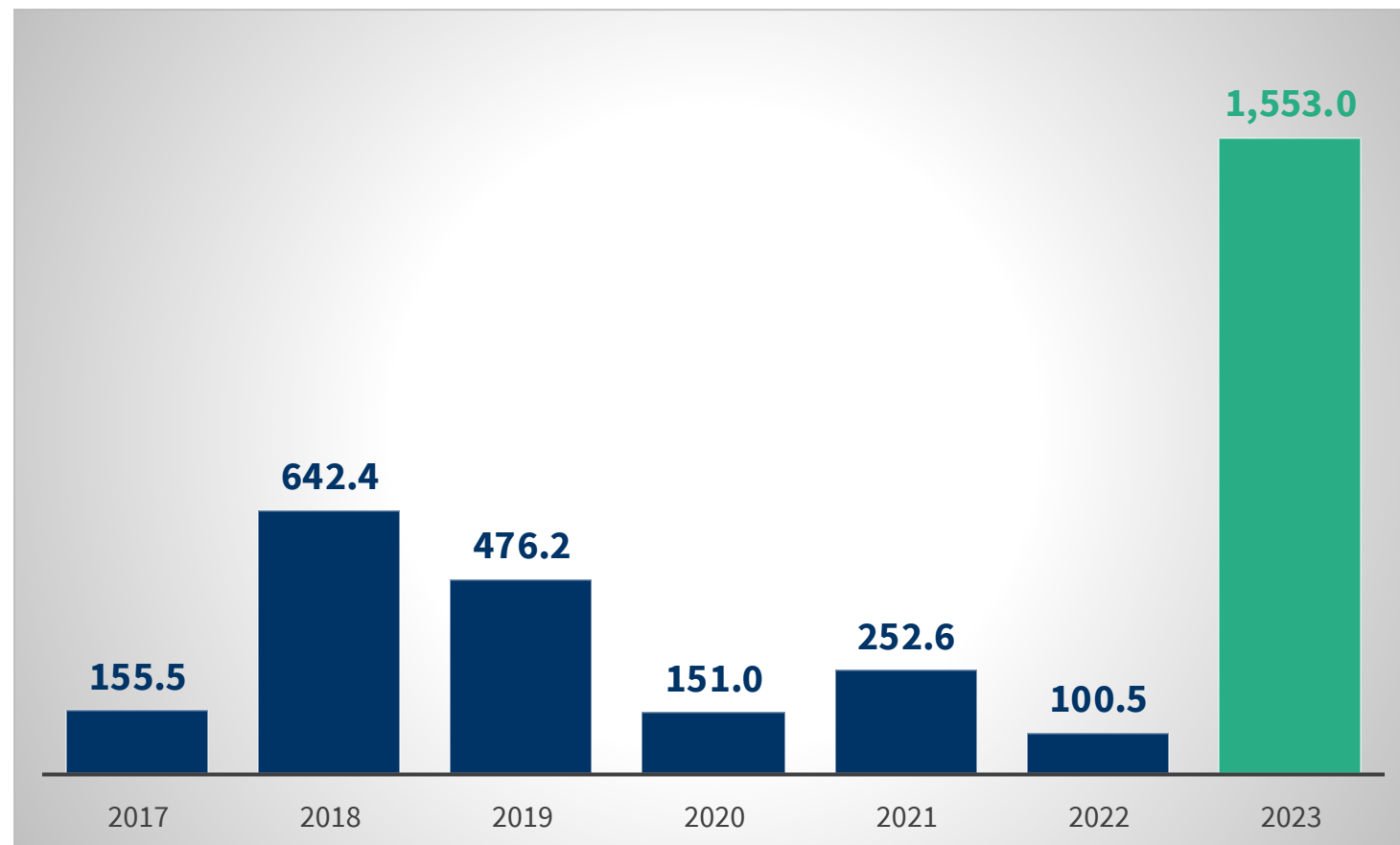


Investments

German-Taiwanese Trade Relations

US\$ 6.1 bn

of approved German
investments since 1967



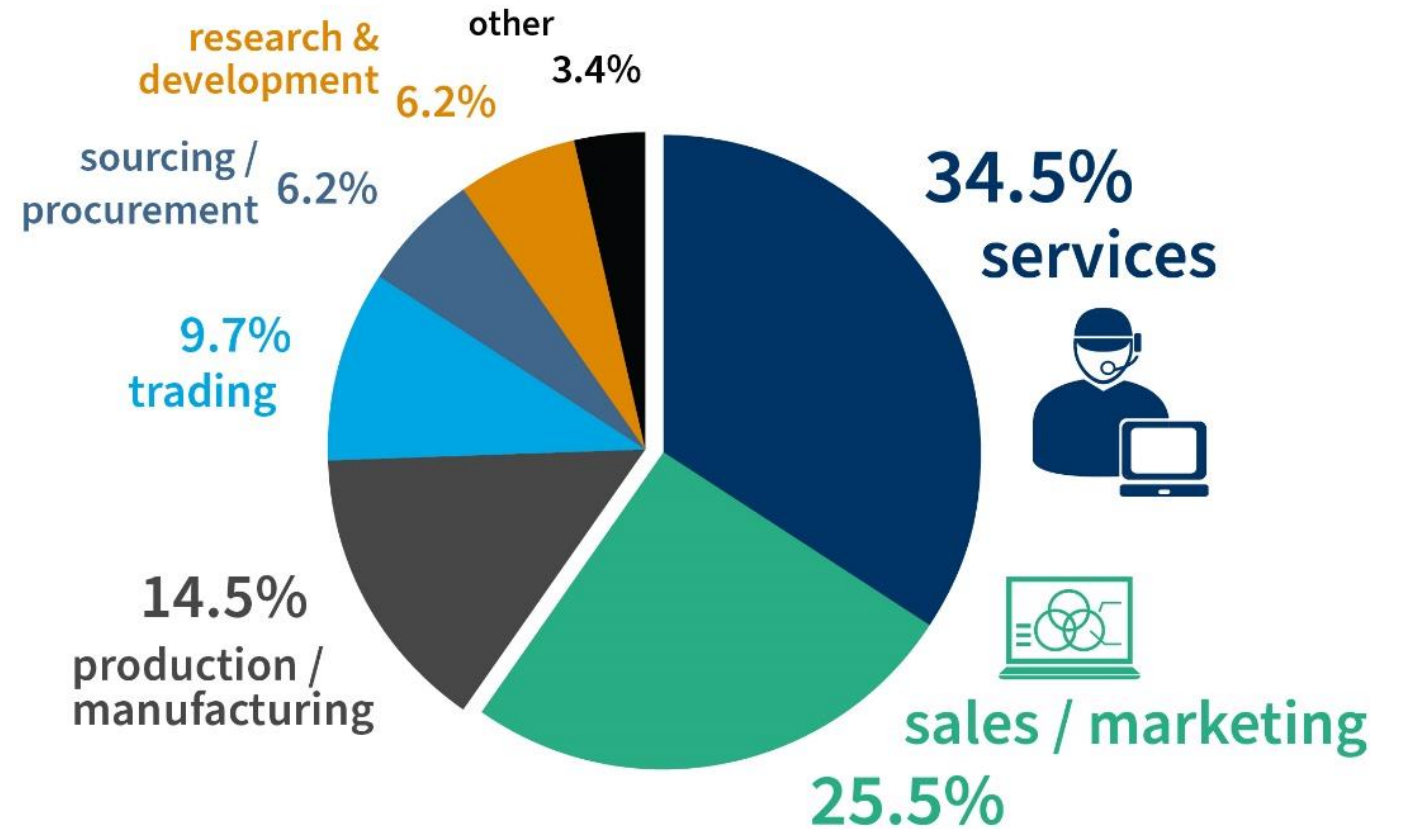
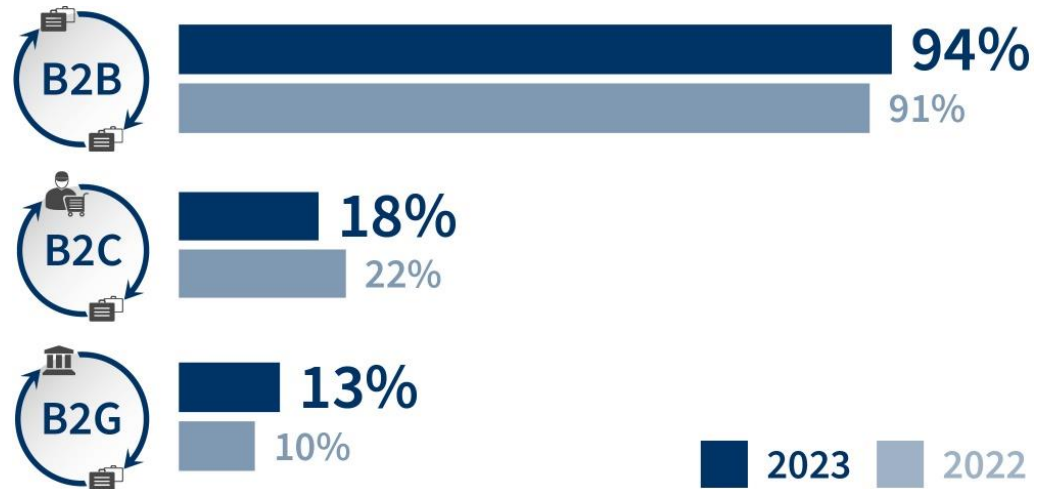
in million US\$



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German Business in Taiwan

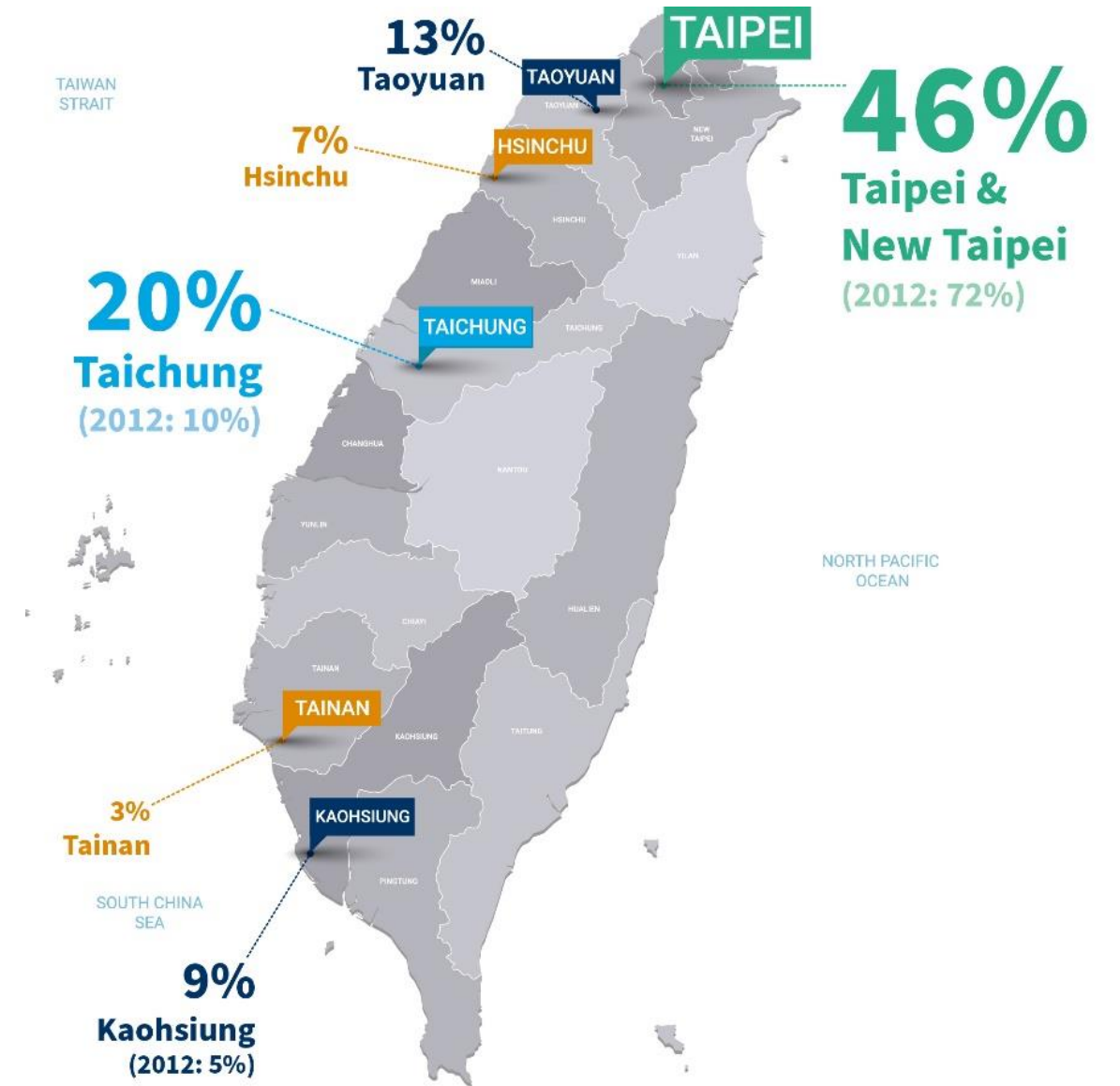
Main business areas:



Overview

German Business in Taiwan

Years of operation and location:

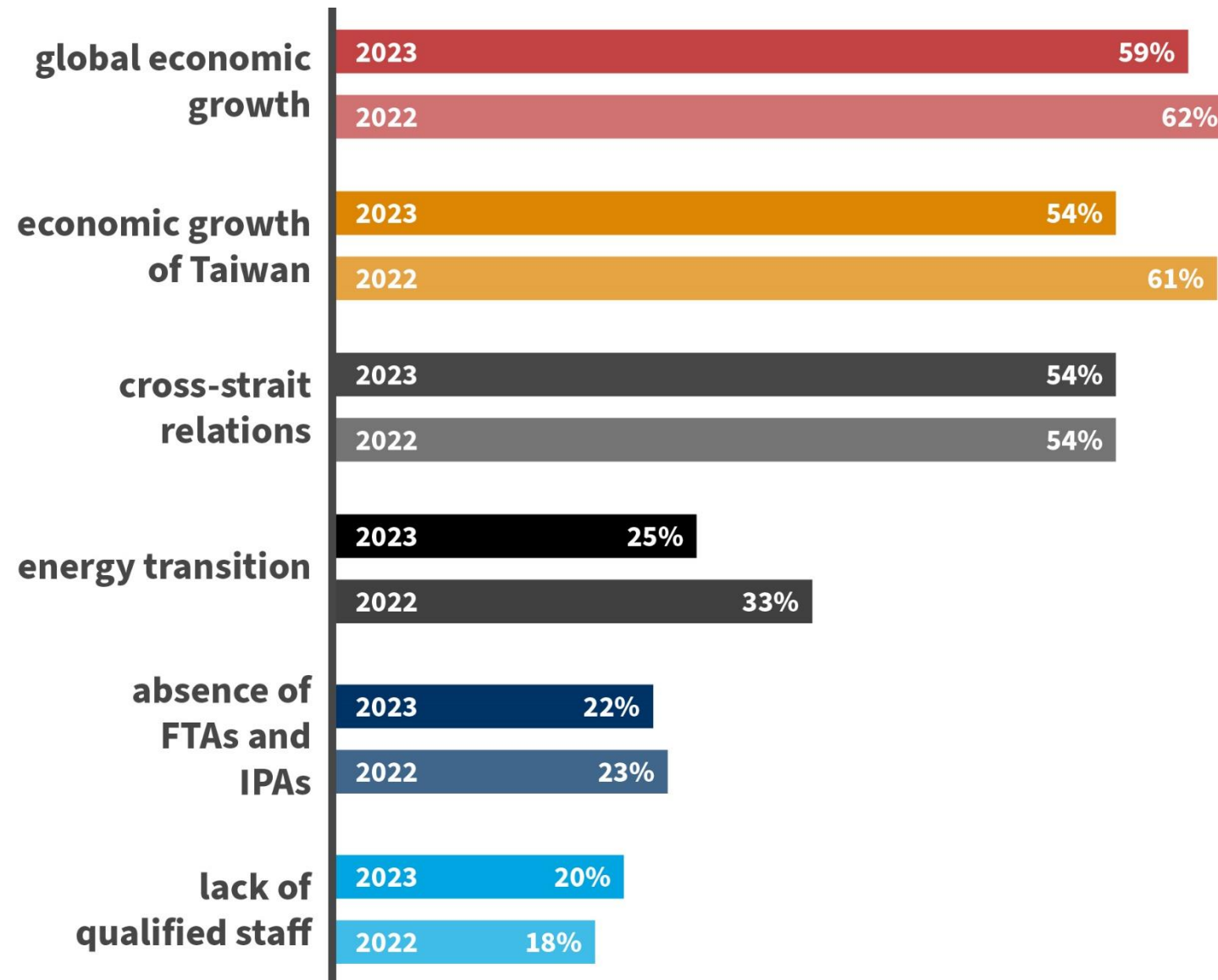


German Business in Taiwan

Biggest challenges:

59%

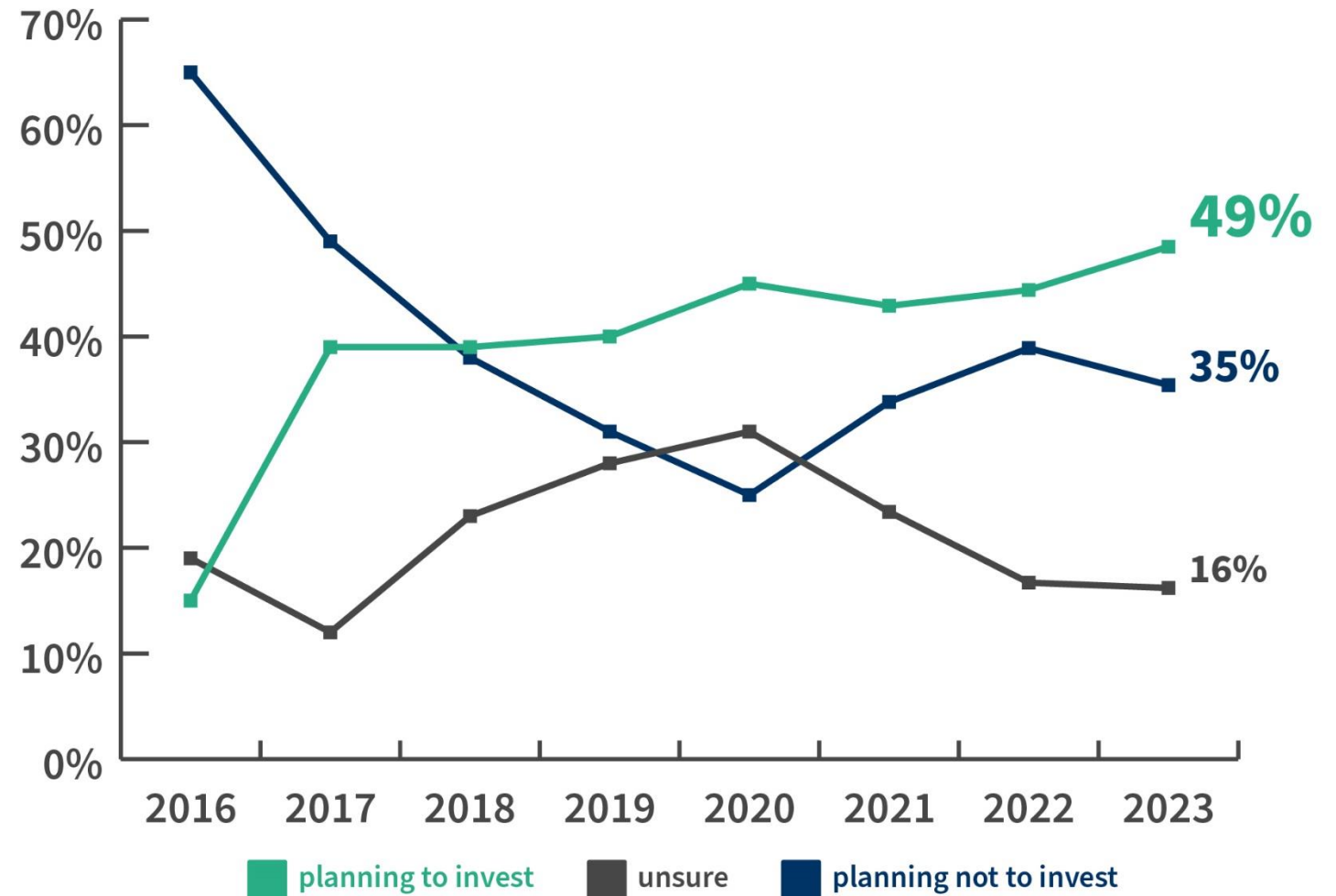
consider global economic growth as the biggest challenge;
energy transition and skills shortage most pressing domestic challenge



German Business in Taiwan

49%

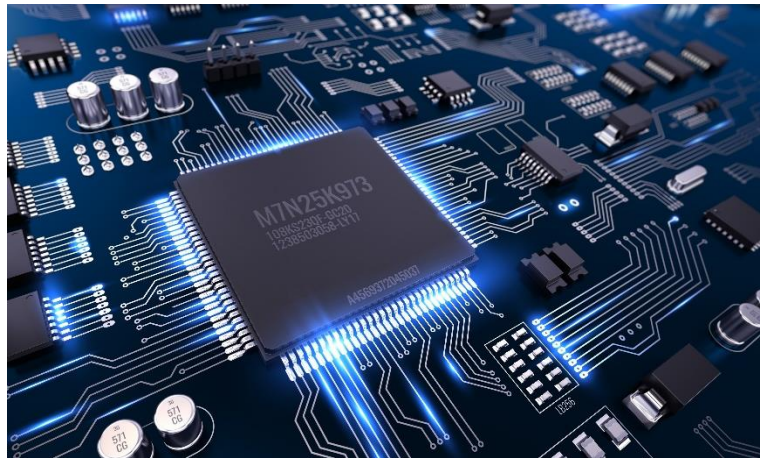
plan to invest in Taiwan in the next two years



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Why Choose Taiwan?

Silicon Valley of Asia



Taiwan possesses a complete semiconductor industry chain, holding a leading position globally, especially in wafer foundry and packaging and testing

SMEs' Fertile Ground



The Taiwan government is committed to supporting the development of SMEs, providing various preferential policies, including financing, tax incentives, and talent recruitment.

Friendly Environment



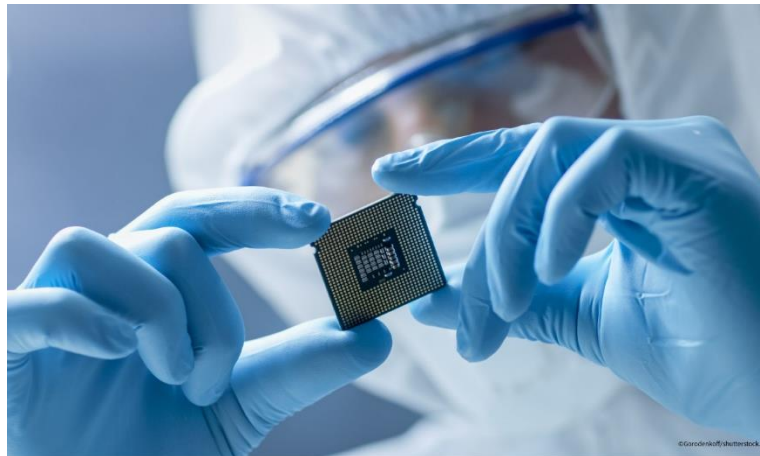
Taiwan enjoys political stability, a sound legal system, and comprehensive intellectual property protection, providing reliable investment guarantees for foreign companies.



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Taiwan Industry Focus

Electronics



Taiwan is one of the major production bases for electronic products globally, with a mature supply chain and manufacturing capabilities, offering foreign electronics companies one-stop services from product design and manufacturing to marketing.

AI



Leveraging its strengths in the semiconductor industry, Taiwan is actively developing its AI industry and has proposed the concept of "AI Foundry", aiming to become the world's most trusted AI foundry.

Blockchain



The Taiwan government is actively promoting the development and application of blockchain technology and has listed it as one of its key development industries.

The Path to Success in Taiwan

Building Mutual Trust



Taiwanese companies value long-term partnerships. It is recommended that foreign companies demonstrate sincerity from the beginning of the collaboration and actively communicate to build a foundation of mutual trust.

Respecting Differences



Taiwan's business culture and communication styles differ from those of Western countries. Foreign companies should be mindful of and respect Taiwan's cultural customs and business etiquette during collaborations.

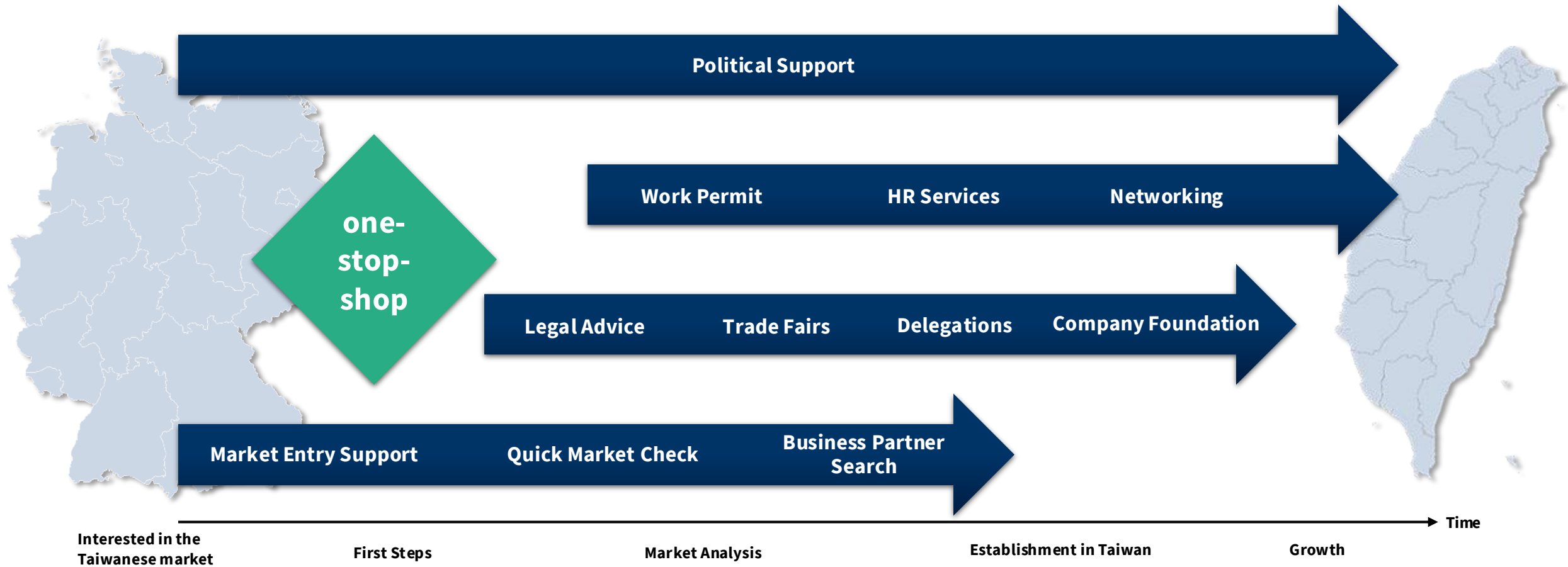
Utilizing Resources



The Taiwan government provides various resources to assist foreign companies in investing and developing in Taiwan. Foreign companies are encouraged to actively contact relevant government agencies to understand and utilize these resources.

The Path to Success in Taiwan

Direct Support for Your Business Endeavors



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Success Stories

- **Office in Office**
 - Center location
 - Market Analise
 - Legal Advises
- **Clients Testimonials**
 - Saxon Science Liaison Office Taiwan
 - Reinhausen Taiwan Limited

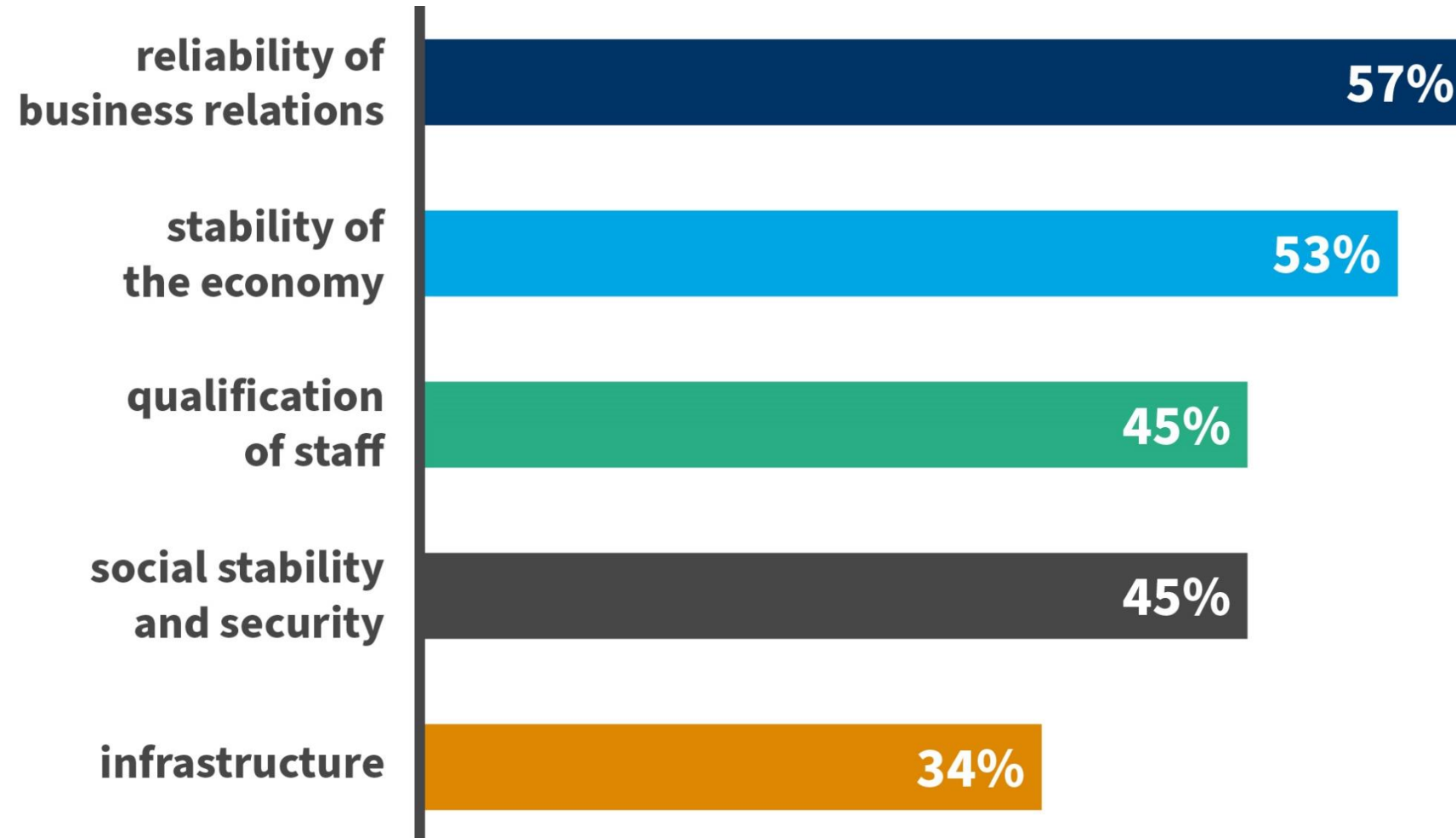


Saxony's Science Minister Sebastian Gemkow officially opened the Saxon Science Liaison Office Taiwan

” The German Trade Office Taipei provided us with crucial support in setting up the new company in Taipei: even during the start-up phase, we received important assistance with applications to the authorities in Taipei.

Most Valued Aspects in Taiwan

German Business in Taiwan



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Positive Attitude Towards Germany and German Products

Made in Germany

Branding “Made in Germany”:

87%

stated that Taiwanese customers have a generally positive attitude towards the branding “Made in Germany”

beneficial

87%

no opinion

8%

**not
beneficial**

5%

Intercultural Tips

This brief provides an overview of Taiwan's culture in everyday life and work, as well as important differences from German culture.



Taiwan: The basics



Cultural peculiarities



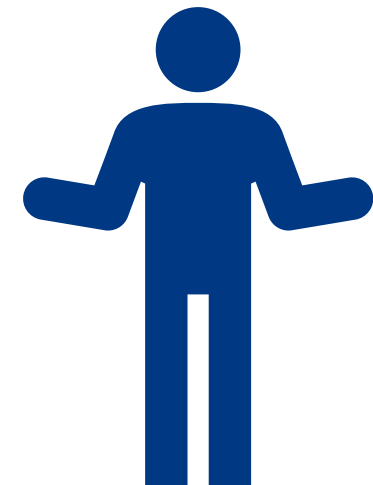
Contrasts: German and Taiwanese culture in everyday life and business



Business etiquette



Summary: Behavioral tips



The Basics



- **People:** "The most beautiful landscape in Taiwan is the people."
 - Taiwan's population is generally very friendly, especially toward foreigners.
- **Language: Chinese (Mandarin)**
 - In general, not many people speak fluent English; Taipei has a larger number of English speakers. Other languages include Hakka, Taiwanese, and Formosan languages.
 - Example of bus and train announcements: Mandarin, English, Taiwanese, Hakka.
- **Business:**
 - When entering the market, it is advisable to work with a partner who knows the Chinese language to properly register rights.
- **Important:** Traditional characters! Simplified characters are used in China, not in Taiwan.
 - Example: 德国 (Simplified characters) vs. 德國 (Traditional characters)
- **(Work) Everyday Life:** Two important points: harmony and hierarchy.



Cultural Peculiarities



Harmony

- C**oncept of "saving face"
- N**on-confrontational interaction in workplace
- S**ensitivity to unspoken things is essential

Hierarchy

- A**ge, rank, and seniority are respected
- O**ne's own position and that of the counterpart are decisive for communication
- G**uanxi: Connections contribute to long-term professional success

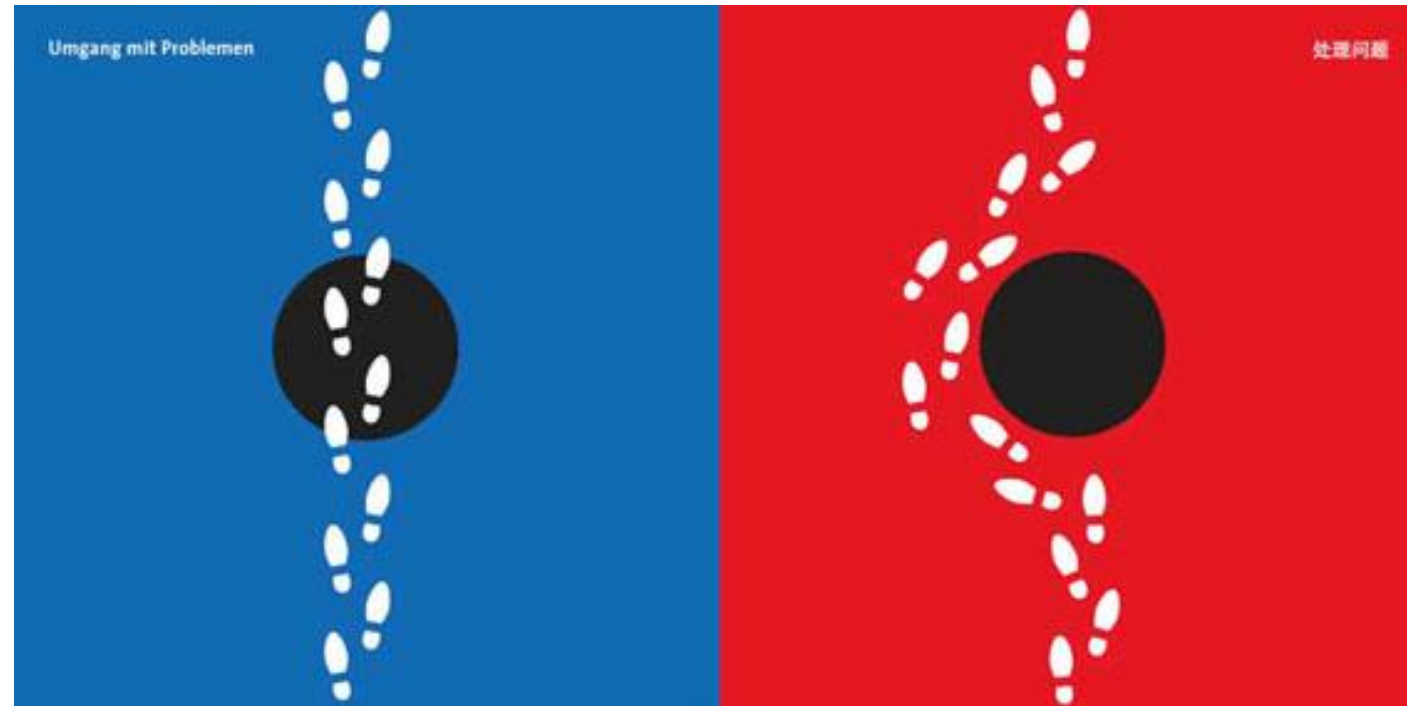
→ Behavior

- N**o direct and open criticism or confrontation. Often done via email; it's best to arrange a personal conversation
- M**aintaining a (personal) relationship with the boss is key to long-term success in a company
- F**ind the person who can make leadership decisions: this avoids delays in communication.
- S**howing interest in personal life as an opportunity to build trust
- L**ong-term contact, loyalty, and regular reunions

Contrast: Germany and Taiwan



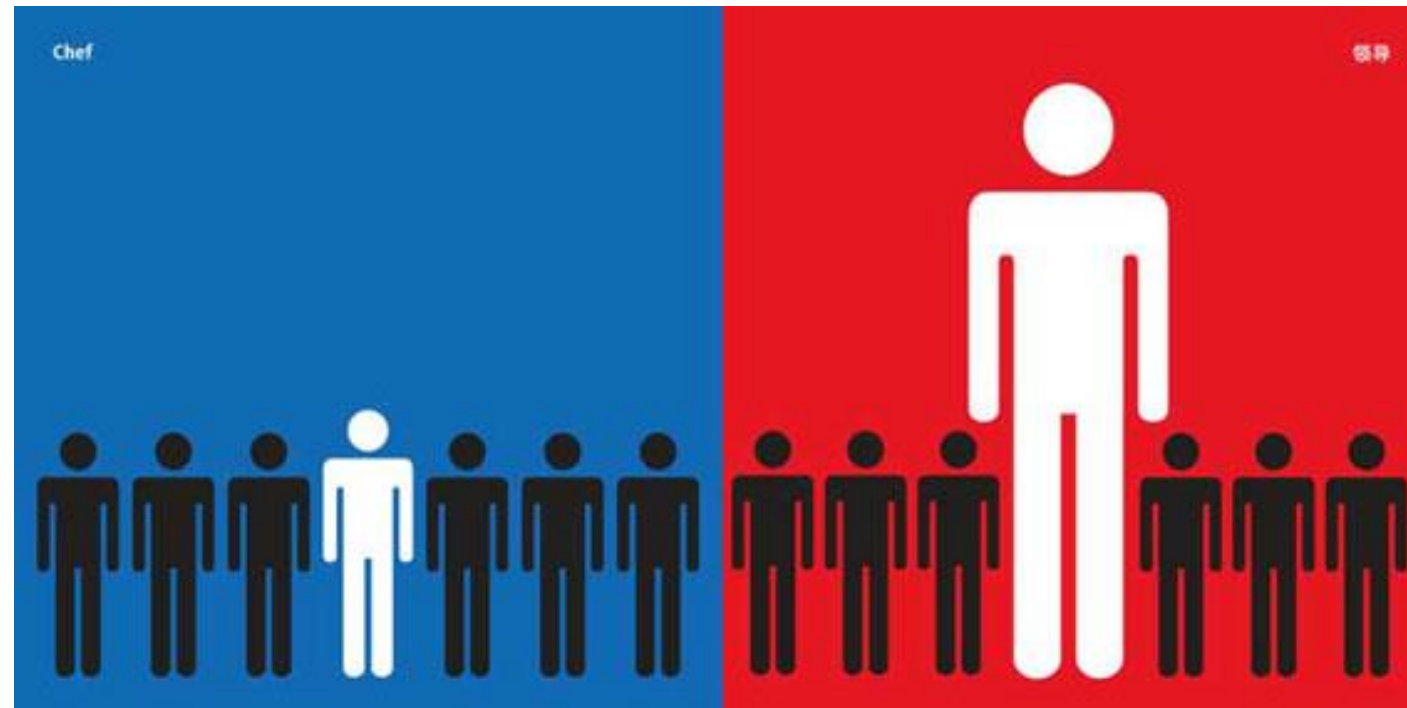
Dealing with Problems



Contrast: Germany and Taiwan



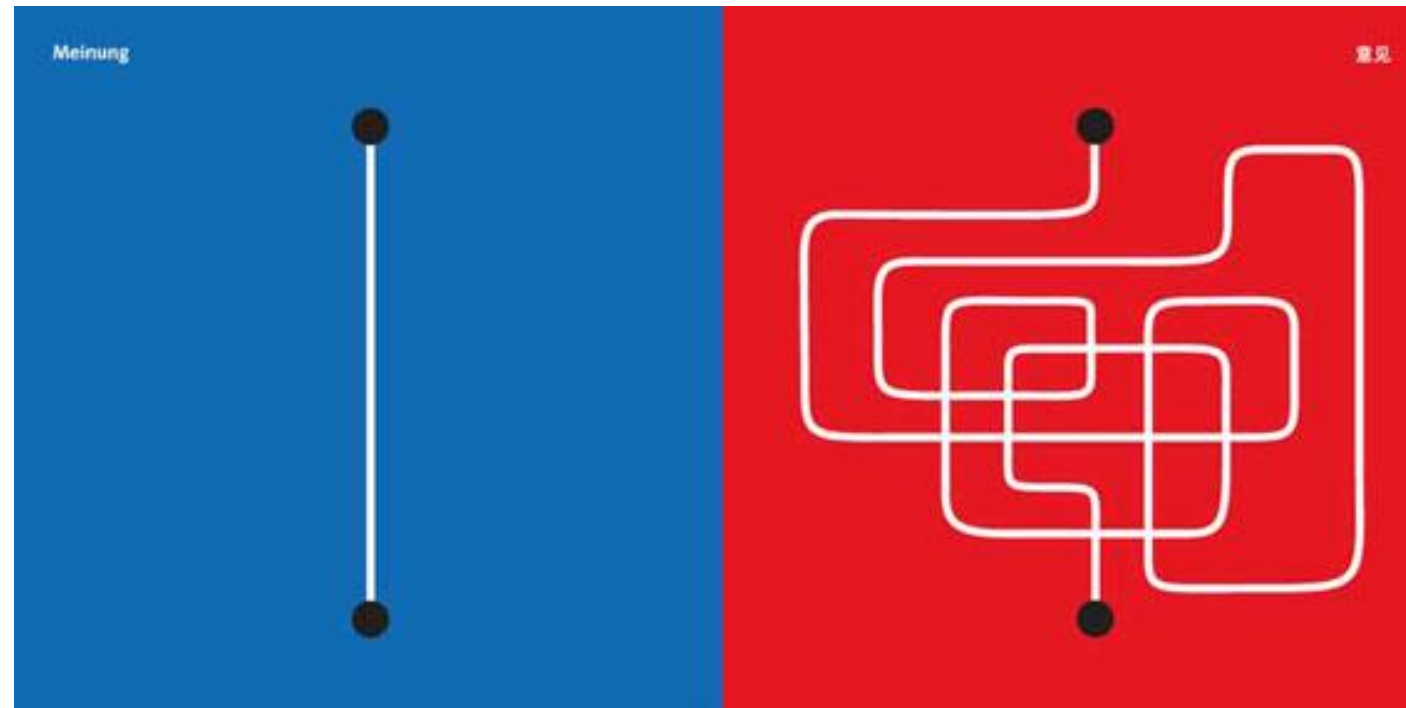
The Boss



Contrast: Germany and Taiwan



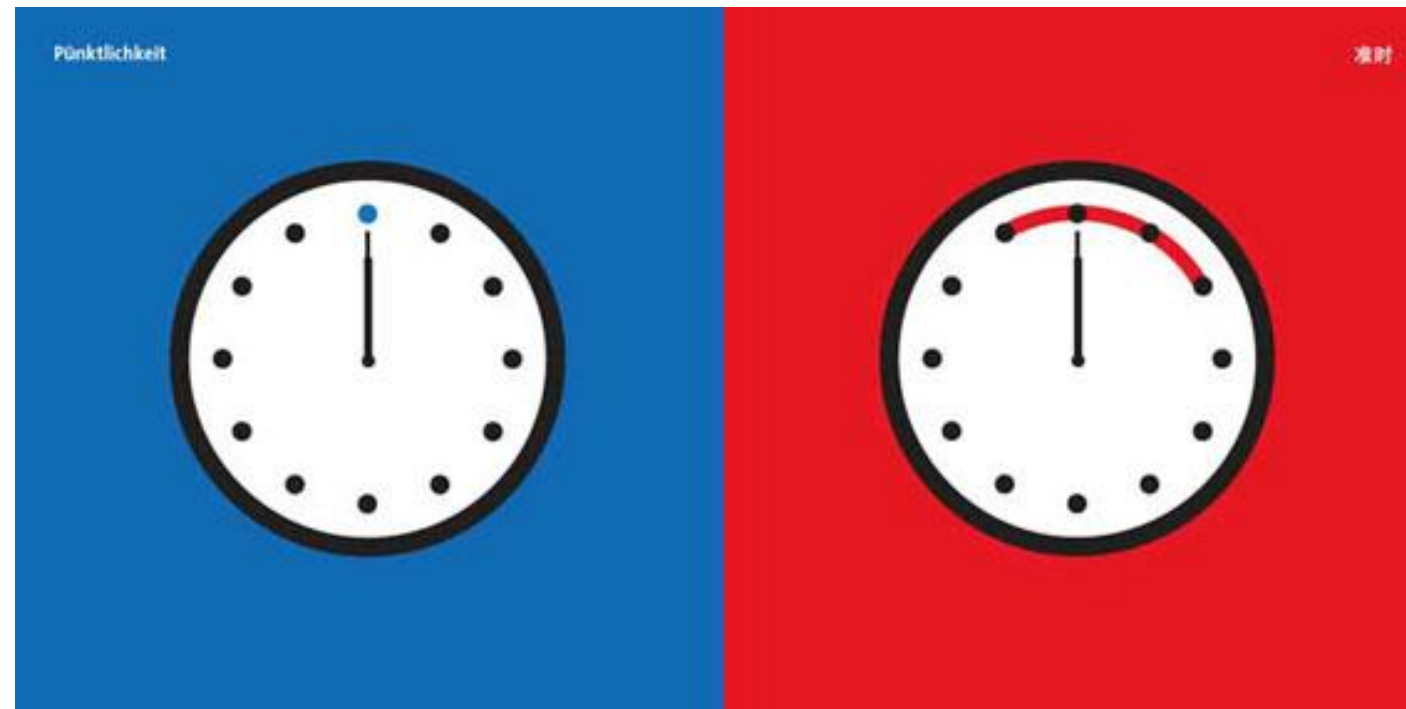
Opinion



Contrast: Germany and Taiwan



Punctuality



Business Etiquette



- **Clothing:**

Similar to the West, tends to be more formal. Men: Dark suits (bring one for more formal occasions in the summer) and a tie. Women: Dresses or business suits and blouses.

- **Greeting:**

People normally shake hands; bowing only for very formal occasions.

Important: Correct title of the counterpart.

- **Business Cards:**

Exchange cards during greetings: Always have your own with you, ideally in both English and Chinese.

- **Business Meetings:**

Often last longer than planned.

Preparation is important; Taiwanese are often tough negotiators.

Bring a team of 2-4 people (one with decision-making authority) --> signals the status of the meeting.

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Contact Us!



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