

# The Taiwanese Economy

A new dynamic after the Economic  
Crisis

### A DYNAMIC ECONOMY

- 2011 GDP Growth: **+4,04%**
- World's 6<sup>th</sup> most competitive economy (WEF)
- World's 5<sup>th</sup> safest country for investment (IMD)
- World's 4<sup>th</sup> country in term of profit opportunities (BERI)
- World's 4<sup>th</sup> currency reserve (394 bn USD, Feb. 2012)

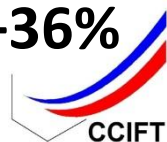
### A LARGE POTENTIAL

- 68% services, 30% industry, 2% agriculture
- 23,1 M population with high revenues (Asia's 5<sup>th</sup> GDP per capita: 20 139 USD )
- World's 24<sup>th</sup> economy, Asia's 6<sup>th</sup> economy (2010)

### A PROMISING MARKET

- A regional hub to Mainland China
- Household consumption & trust at highest level since 2002
- French exports in 2011: **+36%**

March 22, 2012

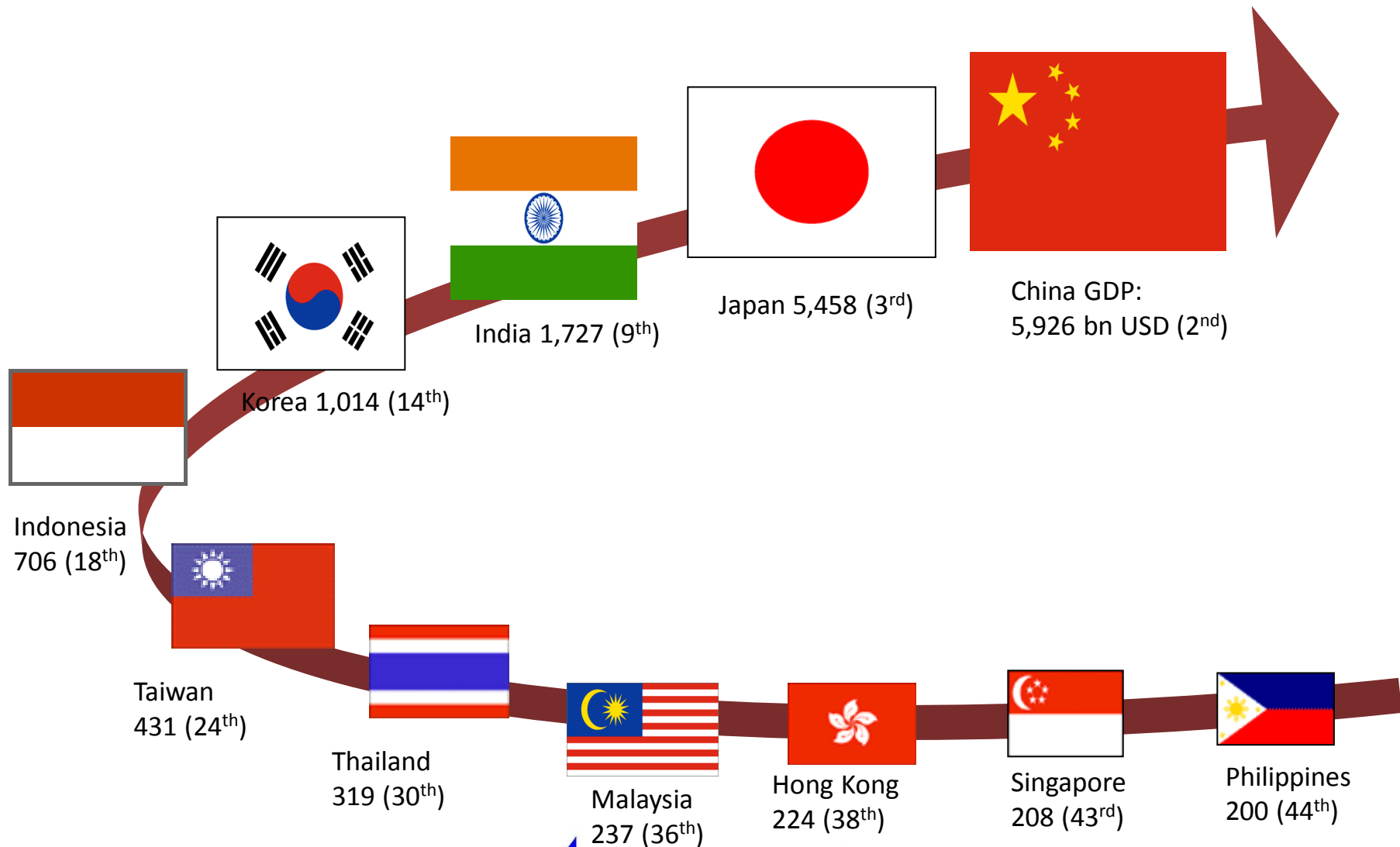


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# Taiwan in the globalized economy

## Taiwan, 6<sup>th</sup> Asian Economy



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# The economic situation in Taiwan

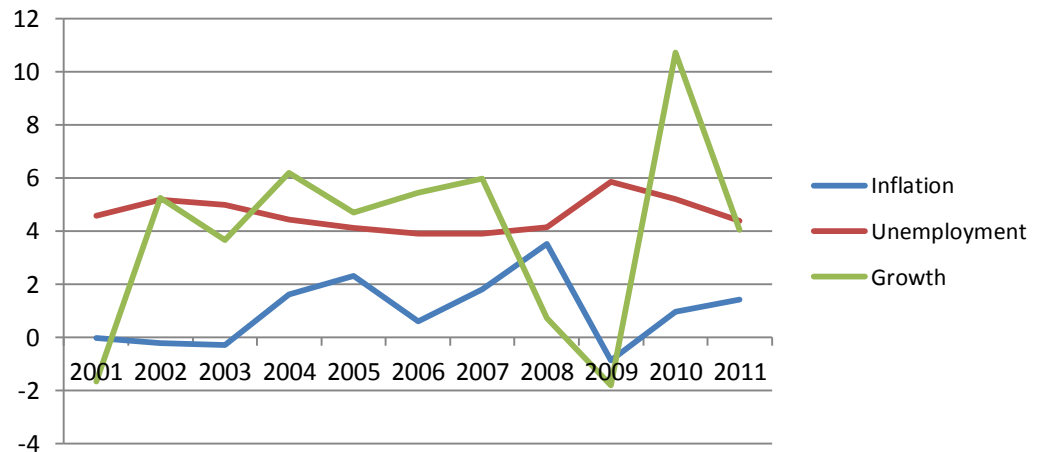
## Taiwan's economic recovery after the 2008/09 slowdown



**Contributions to economic growth**

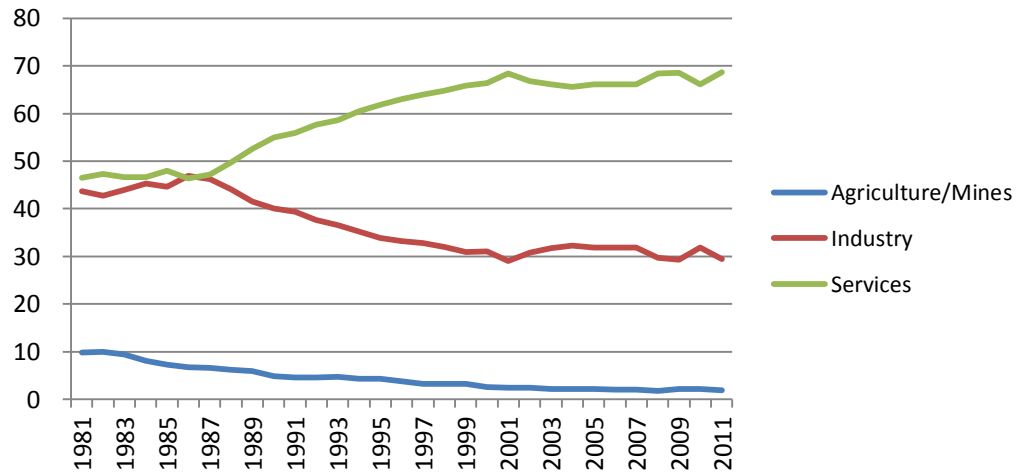
Source : DGBAS

**The main economic indicators**



# The major role of the industrial sector

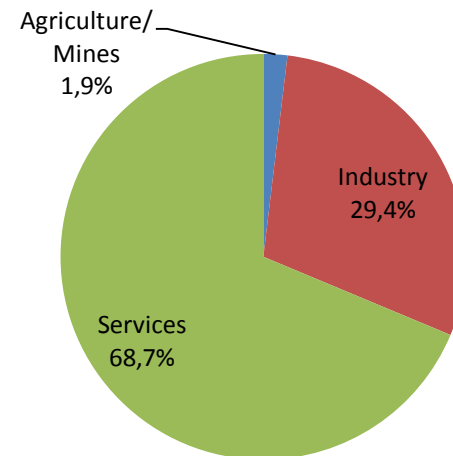
## Composition of GDP by economic sectors



### GDP by economic sectors

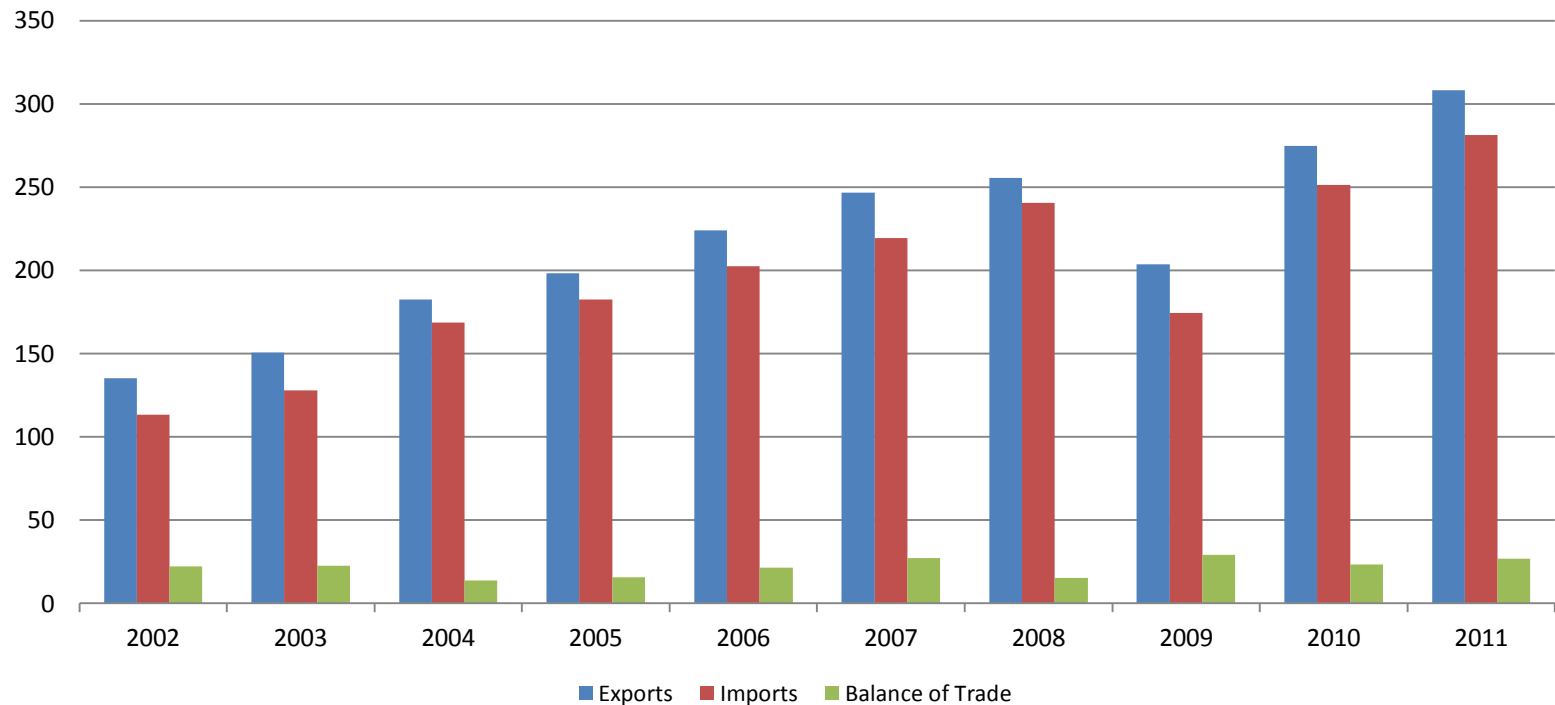
Source : DGBAS/MOEA

**Industry accounts for nearly 30% of GDP in 2011**



# Taiwan's Foreign Trade

## Exports are driving the taiwanese economy



**In 2011, exports have reached 308 bn USD (+12,3%), imports 281 bn USD (+12,1%), for a trade surplus of 27bn USD (+17,4%)**

Source: DGBAS, BOFT

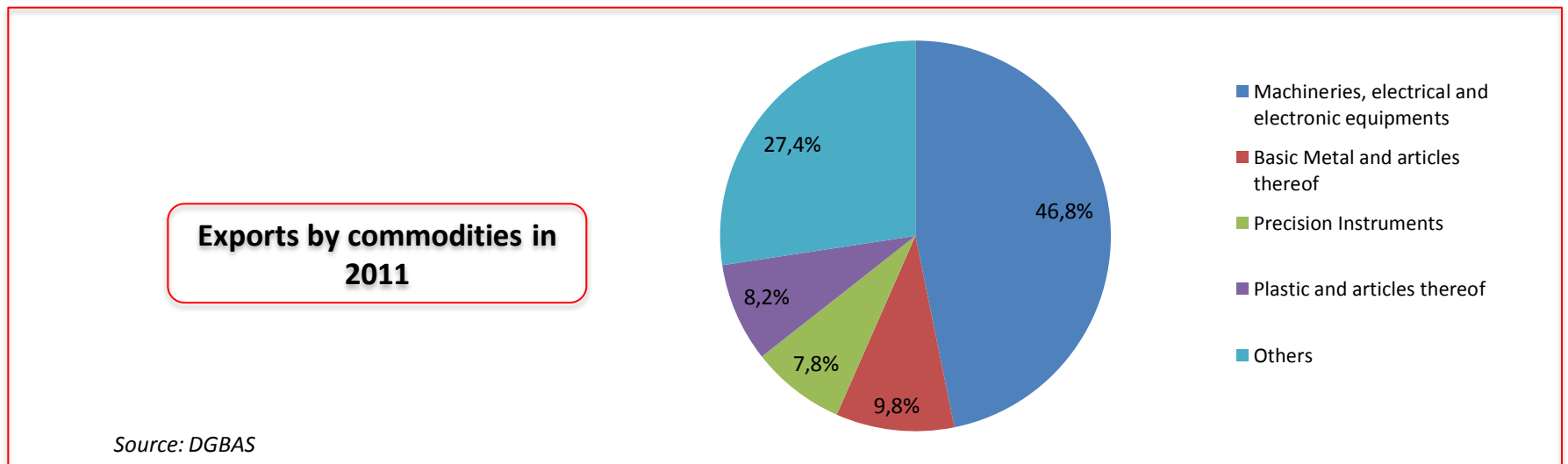
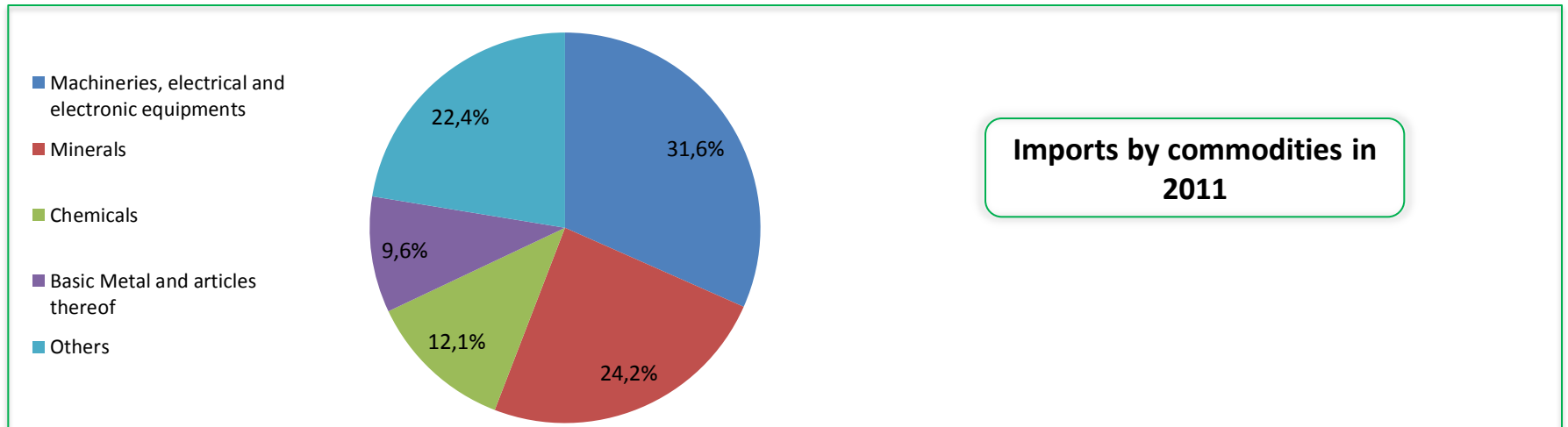
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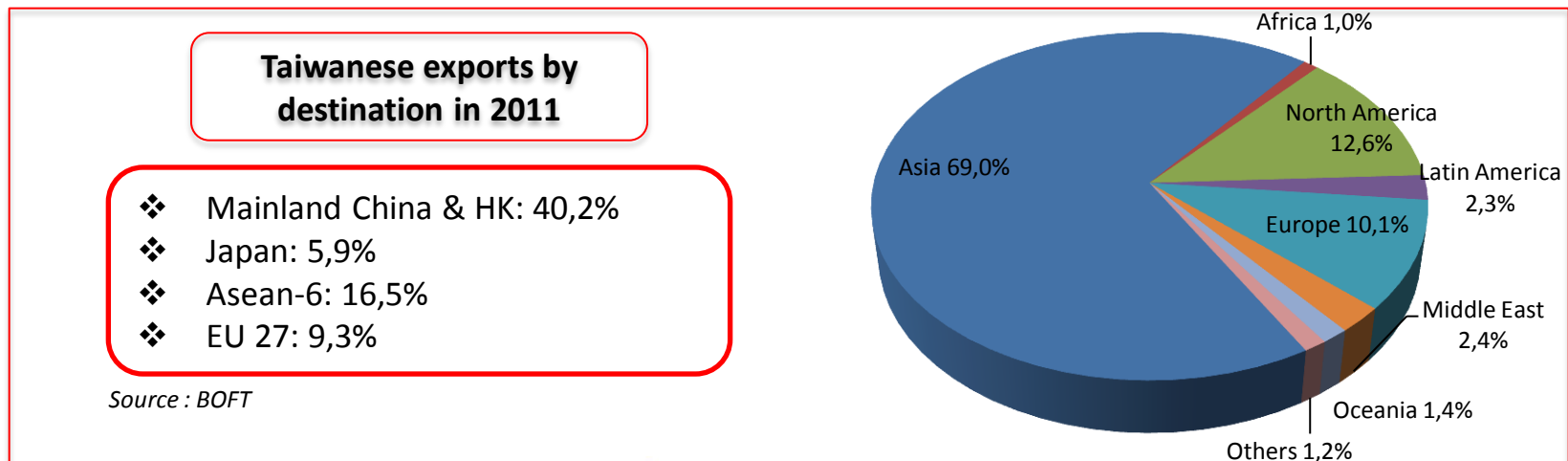
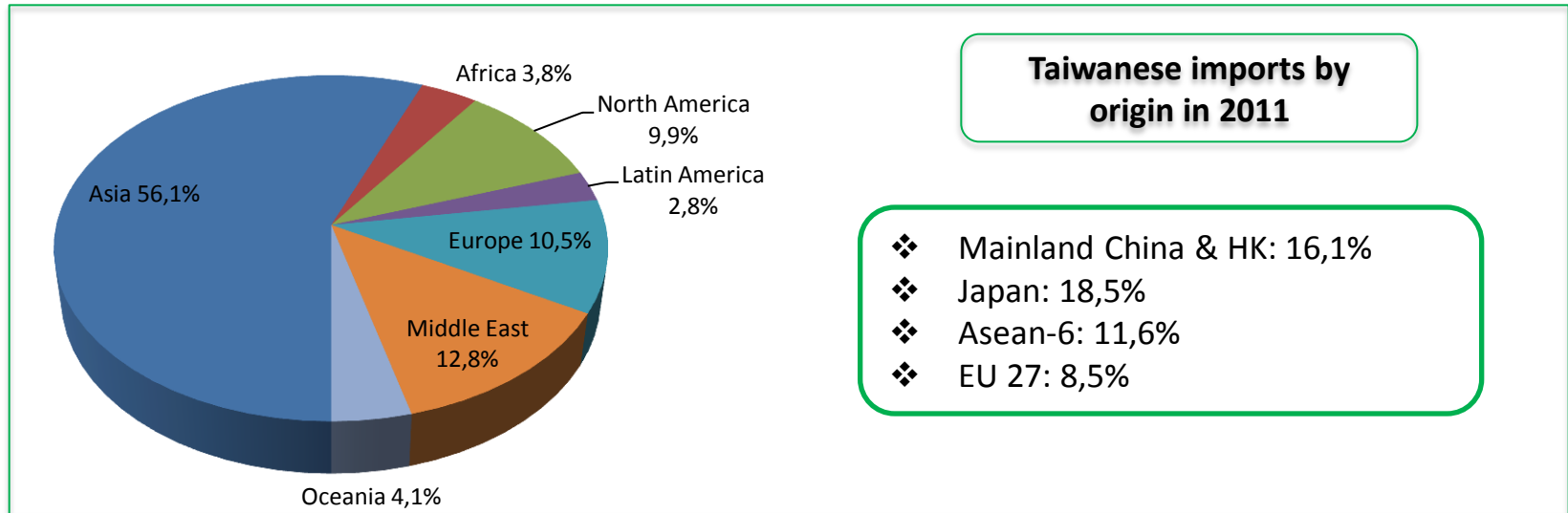
# Taiwan's Foreign Trade

## Contribution to imports & exports by commodities



# Taiwan's Foreign Trade

## Contribution to imports & exports by trade partners





# France's foreign trade with Taiwan

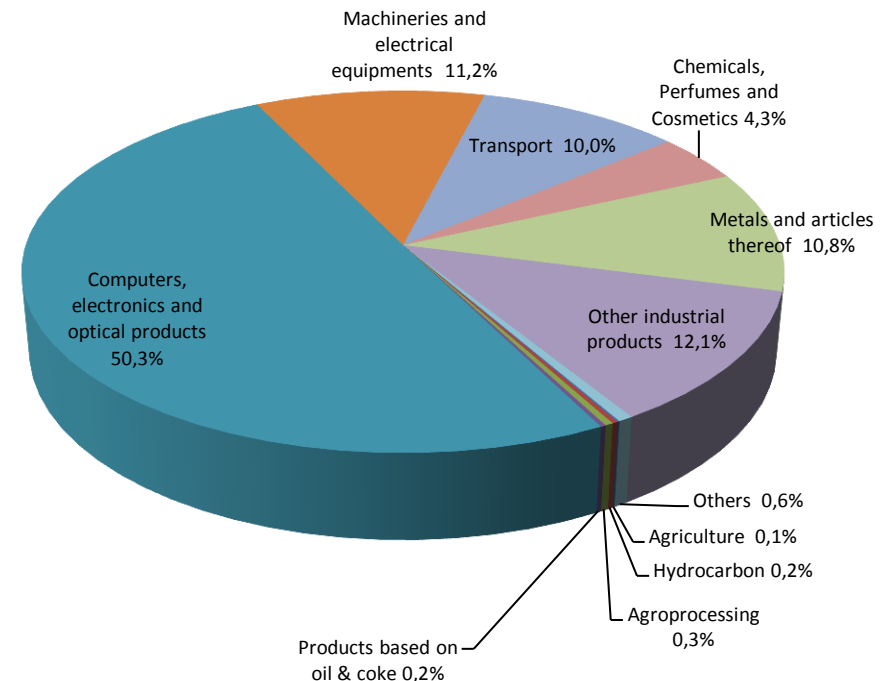
## Slowdown of French imports from Taiwan in 2011

- ❖ **Total Trade in 2011 : 4,2 bn EUR ( France, 24<sup>th</sup> trade partner of TW)**
- ❖ **French imports : 2,33 bn EUR (20<sup>th</sup> client of TW)**
- ❖ **French Exports : 1,88 bn EUR (19<sup>e</sup>th supplier of TW)**
- ❖ **446 M EUR of Trade deficit**

Commodities	Imports from Taiwan in value (K euros)
Computers, electronics and optical products	1 170 410 (-33%)
Other industrial products	280 516 (-2,5%)
Machineries and electrical equipments	260 810 (+2%)
Basic metals and articles thereof	251 710 (+12,6%)
Vehicles, Aircraft, Vessels and associated transport equipment	232 185 (+8,3%)
Chemicals, Perfumes and Cosmetics	99 360 (+9,5%)
Others	12 988 (64,2%)
Agroprocessing Industry	7 095 (+31,1%)
Natural Hydrocarbon, other products from extractive industries, electricity, waste	4 948 (125,2%)
Products based on refined oil & coke	4 691 (-86,1%)
Agricultural Products	1 923 (-20,8%)
<b>Total</b>	<b>2 326 636 (-19%)</b>

Source : French Customs

**French imports from Taiwan in 2011**



# France's foreign trade with Taiwan

## Increase of French exports to Taiwan in 2011

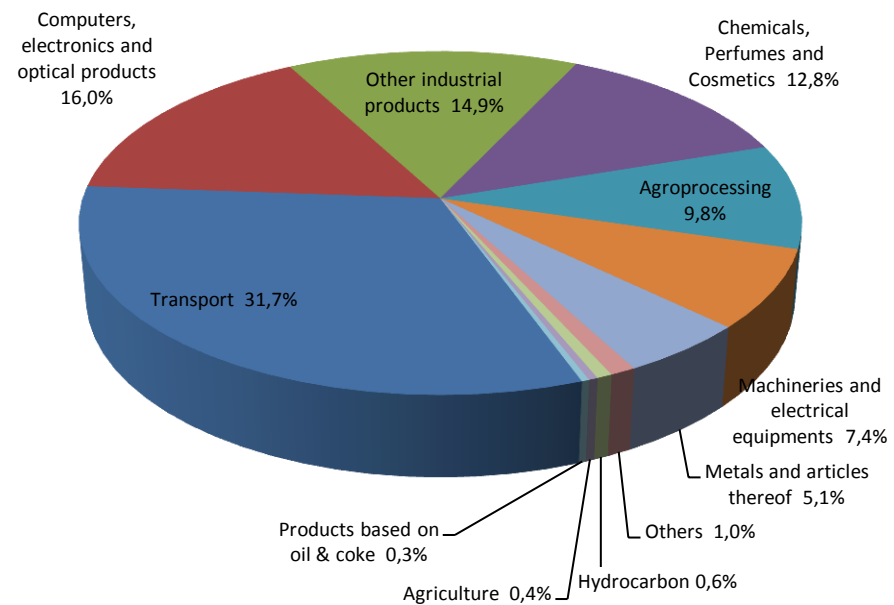
Commodities	Exports to Taiwan in value (K euros)
Vehicles, Aircraft, Vessels and associated transport equipment	596 450 (+227,3%)
Computers, electronics and optical products	300 598 (-2,1%)
Other industrial products	280 832 (+6,3%)
Chemicals, Perfumes and Cosmetics	240 159 (+5,6%)
Agroprocessing Industry	184 860 (+15,6%)
Machineries and electrical equipments	139 872 (+10,4%)
Basic metals and articles thereof	95 227 (+18,6%)
Others	18 891 (+2,4%)
Natural Hydrocarbon, other products from extractive industries, electricity, waste	11 502 (+243,3%)
Agricultural Products	6 716 (-10,6%)
Products based on refined oil & coke	5 694 (+23,4%)
<b>Total</b>	<b>1 880 801 (+36,1%)</b>

Source : French Customs

30 mars 2012



### French exports to Taiwan in 2011



# Conclusion

## Taiwan's strengths and weaknesses

### Strengths

- Strong Financials
- WW #4 producer of electronics components and systems
- Improvement in cross strait relations giving access to China's huge market
- Highly educated workforce and strong social unity
- Competitive businesses and good business environment
- Very responsive companies and efficient government support
- Internal market still presenting significant growth opportunities
- High Purchasing Power

### Weaknesses

- Lack of UN recognition limits political and commercial agreements
- Foreign trade mostly depending on China and USA
- Trade dependence on China may lead to political dependence
- Risk of increasing delocalization of jobs to China
- Lack of competitiveness of Services
- Insufficient global infrastructures
- Internal consumption too low
- Financial system spread among too many actors
- Lack of Brands (OEM/ODM focus)