



ANZCham  
TAIWAN

# ANZCham Taiwan 2024 White Paper



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This paper was prepared with the assistance of KPMG Taiwan



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- Deepening the Education Interaction Between Taiwan and Australia

## **Energy Committee**

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- Advancing Resource Management for Scaling Geothermal Energy in Taiwan
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## Letter from the Chairman

As we reflect on the evolving landscape of global commerce, it is heartening to witness the strengthened ties between Australia, New Zealand, and Taiwan. The past year has been marked by significant advancements in our economic relationships, underscoring our shared commitment to deepening collaboration and fostering mutual growth.

Australia remains Taiwan's premier energy partner. We look forward to continuing our reliable partnership with Taiwan on the 2050 Net Zero Transition, particularly in the areas of offshore wind, solar, energy storage, and hydrogen. Additionally, we are witnessing increasing investments from Taiwanese companies in Australia's renewable energy projects, further solidifying our mutual commitment to sustainable development.

For the year ending in 2023, New Zealand was Taiwan's largest supplier of dairy products, the second largest supplier of fruits and honey, and the fourth largest supplier of meat. Notably, technology has emerged as New Zealand's second largest export sector to Taiwan, highlighting the growing diversification of our trade relationship.

Building on the success of the ANZTEC (Agreement between New Zealand and the Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu on Economic Cooperation), we continue to advocate for the signing of an economic cooperation agreement between Australia and Taiwan. We also support Taiwan's efforts to join the CPTPP, which would further enhance our economic integration.

I extend my heartfelt gratitude to our members and sponsors for their unwavering support and dedication. Special thanks to our Platinum members: ANZ Bank; Gold members: iBASE Solutions, Macquarie; and our Silver members: Blackmores, KPMG Taiwan, Manildra, MMA Offshore, Orient EuroPharma, Voodoo Cycles, and Zespri. Your contributions are vital to our success.

I also wish to acknowledge the invaluable support of the Australian Office, New Zealand Commerce and Industry Office, New Zealand Trade Development Centre, Trade and Investment Queensland, and Investment NSW. Your collaboration has been instrumental in advancing our shared objectives.

It is a privilege to serve as Chairman during this pivotal period for our bilateral relations. I look forward to our continued growth and the opportunity to further strengthen our ties.



Dr. Jeffrey Chen  
Chairman  
Australia New Zealand Chamber of Commerce in Taiwan

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## Letter from the Executive Director

In the past three decades, ANZCham has continually evolved and progressed to better serve and represent the community as the leading association for Australian and New Zealand businesses in Taiwan.

This year, we have witnessed robust membership growth and the formation of numerous business partnerships. We have also expanded our collaborations with external partners in areas including media, advocacy, and community networks. These developments highlight our commitment to fostering a thriving business environment.

The ANZCham White Paper provides a framework for direct communication between our members and policymakers in Taipei, Canberra, and Wellington. This publication addresses broad business themes and opportunities to further strengthen our partnerships. Additionally, it identifies specific challenges faced by our members and proposes potential solutions to these issues.

This year's ANZCham White Paper highlights the strides made in our economic cooperation while identifying new opportunities for growth and collaboration in energy transition, health, and education. We are proud to present our latest insights and recommendations, which we believe will further enhance the economic and strategic partnership between our nations.

We are grateful to the National Development Council for coordinating and facilitating the discussions proposed in our White Paper. We look forward to continuing to work closely with relevant ministries and agencies to stimulate free and open discussions and find solutions to make Taiwan an even more attractive trade and investment destination. This cooperation will drive our bilateral relationships forward.

Lastly, I would like to thank all members who have contributed your voice to further the discussion on how to improve our business environment, raise the profile of the Australia-New Zealand-Taiwan business community, and advance our partnership. Most importantly, I would like to express the Chamber's sincere gratitude to KPMG Deal Advisory Limited for partnering with us to help put together this year's White Paper.



Glenn Lio  
Executive Director  
Australia New Zealand Chamber of Commerce in Taiwan

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## Executive Summary

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Australia New Zealand Chamber of Commerce in Taiwan proudly presents our fifth edition White Paper. In 2022, we have seen a significant growth in trade and investment between Taiwan, Australia, and New Zealand as we continue to move forward from the pandemic. Even though a decline in trade was seen in 2023 due to the price fluctuations of coal and natural gas as the impact of Russia-Ukraine War is dissipating, a rebound of trade value was witnessed in the first half of 2024 as Taiwan continues to increase its energy demand. In this Paper, we summarised Taiwan's key economic indicators and trade between Taiwan and its key partners, as well as an update on trade between Taiwan, Australia, and New Zealand.

The Chamber, as always, appreciates immensely the abundant support and the willingness to assist our members by Taiwanese governments. The Chamber looks forward to continuously working closely with the NDC under the leadership of the new Minister, Mr Liu, to further strengthen the relationship between Taiwan, Australia, and New Zealand, in various aspects.

Eight submissions from Education, Energy, and Health & Wellness Committees in total are included in this year's White Paper. The following includes the highlights of these submissions:

Taiwan has been facing continuous population decline since 2020, exacerbating a talent shortage in various industries. With the current job market emphasising academic qualifications, vocational talents are even more undervalued. In contrast, Australia's Vocational Education Training (VET) system offers diverse and industry-relevant courses that directly prepare students for the workforce or further education. Promoting vocational education exchanges and study-abroad programs between Taiwan and Australia can enhance Taiwanese

students' vocational skills and international competitiveness. Returning students would bring valuable insights back to Taiwan, improve the labour market's quality and efficiency, change public perceptions of vocational education, and ultimately enhance Taiwan's industrial competitiveness.

Since 2020, Taiwan has been promoting "Bilingual 2030" policy to strengthen the international competitiveness of younger generation. However, the bilingual policy is still facing challenges and therefore not meeting its expectations. On the other hand, Australia possesses abundant English education resources and located in a geographically-friendly location for Taiwanese students and teachers to study in. By promoting English education interaction and exchange programs between Taiwan and Australia, Taiwan can improve the environment in English education.

As global climate change intensifies, countries worldwide are committed to promoting the development of renewable energy, with a major focus on solar PV. Current agricultural land use policies are lengthy and do not differentiate low-productivity, subsidence-prone land, hindering timely green electricity availability. Our recommendation advocates simplifying the land conversion approval process for solar PV projects on agricultural land in ground subsidence areas and classified as low productivity (categories 8, 9, and 10). Simplifying these processes will accelerate solar PV installations, meeting renewable energy targets and supporting economic growth while preserving vulnerable land.

The introduction of the Regulations Governing the Permission and Management of Geothermal Power Generation Exploration and Development marks Taiwan's first regulatory framework for geothermal energy. While the new regulations are a positive step, enhanced resource management is

essential for scaling commercial geothermal projects. The recommendation is to initiate a policy research program with international and domestic experts to develop feasible regulatory measures and establishing a discussion platform involving project developers, the geothermal industry, NGOs, academia, and other stakeholders. This collaborative approach aims to create effective regulations, enhancing sustainable geothermal development in Taiwan.

The offshore wind power industry in Taiwan faces critical challenges in investment and financing. To overcome these obstacles, the government is suggested to introduce timely financial support and renewable energy procurement platforms, alongside strengthening national credit guarantee mechanisms. Our recommendations include providing financial assistance through Feed-in Tariffs (FiTs) or subsidies/tax credits, establishing a government-supported procurement platform with a pricing adjustment mechanism, and reflecting the CPI on Taiwan Power Company's pricing for surplus renewable energy. These measures aim to create a sustainable framework to address structural challenges, thus promoting the growth and stability of Taiwan's offshore wind power industry.

Australia and Taiwan have significant potential in clinical trial collaboration, given their robust regulatory frameworks and world-class research facilities. However, Taiwan's current regulations favour FDA approvals over TGA approvals. This discrepancy creates barriers for Australian companies and hampers bilateral medical research collaboration. The recommendation for the Taiwanese Government is to amend its regulations to recognise TGA approvals on par with FDA approvals, allowing expedited reviews for TGA-approval trials. This alignment ensures rigorous standards, fosters greater

collaboration, simplifies the review process, and unlocks new opportunities for innovation.

Taiwan's National Health Insurance Administration announced that since 1 July 2023, bilateral cochlear implant for children under the age of 18 are covered by National Health Insurance. Likewise, hearing care for adults and seniors is worth focusing as growing research have shown that hearing loss is potentially linked to dementia. Presently, hearing aids are partially covered for people with mild to moderate hearing loss in social welfare system by the local government. To effectively mitigate the potential costs of future dementia and maintain a healthy ageing population, it is suggested that funding for adults with severe to profound hearing loss should be included, and that hearing assessment should be included in senior population's annual physical examinations.

Recent studies have demonstrated the varying impacts of essential oils on cognition, emotions, and the central nervous system, confirming that these essential oils have specific mechanisms of action that can more effectively support conventional medicine. Globally, some countries (i.e. Switzerland and Australia) have incorporated aromatherapy as one of the complementary therapies in conventional medicine. Therefore, it is recommended that Taiwan improves regulations on essential oil use by learning from international practices such as Australia's TGA regulations to establish certification system and recognised inspection organisations to ultimately benefiting general wellbeing of the Taiwanese population.



## Message to Canberra

The Chamber is very pleased with the increasingly warm relationship between Australia and Taiwan. There is an increased interest of Taiwanese businesses looking to expand investment in Australia, particularly in areas of renewable energy, energy storage, biomedicine, and green mobility. On the other hand, more than 2,300 Australian companies trade with Taiwan, one of the highest levels for any market.

As of last year, Taiwan is Australia's sixth-largest exporting market and ninth-largest bilateral trading partner. Australia is Taiwan's biggest energy and mineral supplier and a major partner in the renewable energy transition. Australia is also a significant source of agricultural goods for Taiwan. Currently, Australian wine has the second-largest market share by volume in Taiwan. For Taiwanese youth, Australia is the second most popular destination of education.

Australia has signed free trade agreements with 9 of its top 10 global partners, including the recent Regional Comprehensive Economic Partnership (RCEP) and trade agreements with India and the UK. Strengthening the collaboration between Australia and Taiwan's complementary economies holds the promise of further propelling Australian exports, fostering economic growth, and promoting job creation.

Taiwan has a proven track record as a reliable trading partner. As the House Joint Standing Committee on Foreign Affairs, Defence and Trade concluded, Taiwan's accession to the CPTPP and an Australia-Taiwan Economic Cooperation Agreement (ECA) will provide the opportunity for our businesses to further diversify their global supply chain and distribution, just like the significant benefits ANZTEC has delivered.

The recent geopolitical developments have made it clearer than ever that diversification is essential for Australia and all countries to ensure supply chain resilience, long-term growth, and security. It is our belief that the time is ripe to solidify this partnership by establishing a bilateral Economic Cooperation Agreement to complete the top 10. A well-planned and executed ECA will drive significant value to both Australia and Taiwan.

Australian agricultural produce and health supplements face significant tariffs to enter the Taiwan market. Although these goods are in high demand in Taiwan, these trade barriers make it more economically viable to source from other countries. New Zealand for one has seen strong growth since the signing of the ANZTEC agreement in 2013. Benefitting from the success of the agreement, 100% of New Zealand goods to Taiwan will enjoy zero tariffs starting from 2025.







## Message to Wellington

The Chamber extends its commendation to the New Zealand Government for the adept execution of the ANZTEC agreement, providing a robust foundation for the New Zealand-Taiwan relationship, yielding tangible benefits for our members and the community.

As a testament to the success of ANZTEC, Taiwan is New Zealand's seventh-largest exporting market. New Zealand stands as Taiwan's largest importing country for dairy products, second largest for fruits and honey, and fourth largest for meat in 2023. Notably, technology has emerged as New Zealand's second largest export sector to Taiwan, highlighting the growing diversification of our trade relationship.

Last year marked the 10th anniversary of ANZTEC's signing, underscoring the importance of maintaining momentum by actively promoting and exploring opportunities within its framework. Areas deserving further attention include digital trade, education, youth exchange, technology collaborations, and harmonising regulations for agriculture and health products.

Taiwan, standing among the world's top 20 economies and a significant player in the global tech supply chain, enhances the value it brings to our complementary economies and regional prosperity. Taiwan's inclusion in the CPTPP aligns with our shared commitment to a transparent, rule-based, multilateral international trade order.

Taiwan's tariff liberalisation commitment under ANZTEC will cover 100% of trade in goods starting next year, demonstrating Taiwan's determination to participate in high-quality, standards-based economic agreements like the CPTPP. Taiwan's involvement in regional trade will further deepen our partnership beyond ANZTEC, embracing new rules and disciplines in trade and investment for the modern era.

Both New Zealand and Taiwan, deeply rooted in the Pacific, continue to play pivotal roles in the region. The shared Pacific heritage provides an opportunity for collaboration on development initiatives, with potential for creating attractive investment opportunities by consolidating projects across neighbouring markets.

## Message to Taipei

We are pleased with the continued robust partnership between Australia, New Zealand, and Taiwan, particularly under the New Southbound Policy. In an era of increasing demand for food and energy security, Australia and New Zealand proudly serve as Taiwan's trusted partners and suppliers of food and energy.

Australian and New Zealand businesses are increasingly considering the opportunity Taiwan presents. We continue to support Taiwan's inclusion in the CPTPP and discussions with Australia for an Economic Cooperation Agreement (ECA), aiming

to replicate the success of the ANZTEC agreement.

We extend our thanks to the Taiwan government for its ongoing support and openness towards the Australian and New Zealand business communities. We appreciate Taiwan's efforts to facilitate international flows of goods, services, people, capital, and ideas, particularly in relaxing regulations to create a more favourable environment for foreign professionals working and living in Taiwan.

We encourage the Taiwan government





to capitalise on current successes by developing integrated and effective regulatory frameworks to further attract investors and businesses. Looking ahead, key opportunities include hydrogen, geothermal energy, energy storage, and the digital economy. We also encourage Taiwan to align health and medicine regulations with international best practices.

Taiwan, Australia, and New Zealand share a robust partnership rooted in education and youth exchange. We can enhance collaboration in English language training and vocational education under the Bilingual

2030 Policy, cultivating a diverse, highly skilled global workforce to drive our future industries.

Furthermore, Australia and New Zealand have strong competence in renewable development, health and earth sciences. While Taiwan is strong in the areas of health, semiconductors, and telecommunication. This positions us perfectly to collaborate on advancing "Smart Nation", "2050 Net-Zero Transition", and "Building a Healthy Taiwan" under the recently proposed National Project of Hope.



## Trade Relations Update

Table below presents a snapshot of the Taiwan economy:

Taiwan's economic indicators				
Category	Indicators	2022	2023	2024
Economy	Economic growth rate	2.6%	1.3%	5.8%(H1)
	GDP (USD billion)	760.8	755.1	384.6 (H1)
	GDP per capita (USD thousand)	32.6	32.3	16.4 (H1)
Inflation	Consumer price index growth rate	3.0%	2.5%	2.2% (Q2)
Production	Industrial production growth rate	1.8%	(6.4%)	9.3% (Q2)
Consumption	Private consumption growth rate	3.8%	8.2%	2.8% (Q2)
Investment	Fixed capital formation growth rate	7.8%	(8.2%)	4.6% (F)
Trade	Imports growth rate	12.1%	(17.9%)	12.7% (Q2)
	Exports growth rate	7.4%	(9.8%)	9.9% (Q2)
Labour	Unemployment rate	3.7%	3.5%	3.4% (H1)
Tourism	Inbound travel growth rate	537.8%	624.0%	41.8% (H1)
	Outbound travel growth rate	311.9%	695.5%	67.9% (H1)

Sources: Directorate-General of Budget, Accounting and Statistics, Executive Yuan and Ministry of Transportation and Communications

With the inflation appearing under control, the global economy is projected to grow at a steady pace in 2024. Taiwan's economic growth rate at 5.83% in H1 of 2024 indicates that Taiwan has fully recovered from the decrease it experienced in 2023. The most remarkable growths are marked by industrial production and trade, which are primarily caused by the expansion of Taiwan's manufacturing sector and exports because of the increasing demand for advanced technological applications. As a result of the increase in exports of innovative application goods and inbound travel services, real exports of goods and services increased by 12.7% and imports increased by 9.9%. The 2.8% growth in the consumption sector is a result of the strong labour market, increased minimum wage, rising stock market, and recovering outbound tourism. Additionally, the increase in investment activities is directly influenced by the expansion of its semiconductor companies' production capacity in advanced technology and the significant increase in R&D investments.

According to the World Economic Outlook published by the International Monetary Fund in April 2024, economic activities has shown resilient throughout the global disinflation of 2022-2023, which reflecting supportive demand from government spending and household consumption, boost of labour force participation and substantial savings in major advanced economies. Global growth, is projected to continue growing at 3.2% between 2024 and 2025, at the same pace as in 2023. Due to the close connection between Taiwan's economy and the global economy, Taiwan is anticipated to experience a relatively steady pace in 2024.



## Trade Partners

Taiwan's trade with its largest trading partners								
USD billion	2021		2022		2023		2024 Jan-Jun*	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
<b>China (including Hong Kong)</b>	273.1	26.3%	271.4	(0.6)%	224.0	(17.5)%	108.2	3.0%
<b>USA</b>	104.9	26.3%	120.5	14.8%	116.9	(3.0)%	78.4	47.5%
<b>EU (including UK)</b>	85.8	32.1%	92.1	7.3%	88.9	(3.5)%	41.5	(6.8)%
<b>Japan</b>	85.3	23.1%	88.2	3.4%	75.8	(14.1)%	34.8	(11.0)%
<b>Australia</b>	19.7	74.9%	32.2	63.1%	23.3	(27.7)%	10.5	(20.5)%
<b>New Zealand</b>	1.6	26.5%	1.9	14.2%	1.5	(18.2)%	0.7	(10.6)%

Note\*: Compared to same period in the previous year  
Source: Ministry of Finance

Taiwan and Australia have long been each other's important trading partners. The reported value of trade between the two countries amounted to USD23.3 billion in 2023. Due to the complementary nature of the two countries' economies, Taiwan was Australia's 6th largest exporter and 11th largest importer. Australia is also one of Taiwan's primary exporters of agricultural and forestry products. In 2023, the two-way services trade between the two countries increased by more than 50%, reaching AUD1.9 billion in value with Australia exporting AUD1.2 billion to Taiwan and importing AUD700 million worth of services. The strong bond between Taiwan and Australia extends beyond the business sphere to areas such as the arts, education, and tourism, which further accentuates the complementary nature of the two countries. According to the table above, the value of trade between the two countries have been declining after reaching the record high value of USD32.2 billion in 2022, which is a trend seen amongst Taiwan's other largest trading partners. The value of trade between the two countries amounted to USD10.5 billion in the first half of 2024, which is a 20.5% decrease from the previous year. Taiwan experienced significant decline regarding trades with most foreign countries except for the U.S. According to Taiwan's Ministry of Economic Affairs, the growth of trade value with the U.S. is primarily due to the growing demand of advanced technological products within these five major industries: automated information system, stored media, liquid crystal display, computer components, and lens. However, since Taiwan and Australia share interests in areas including education, green energy innovation and investment, biotechnology, smart cities and multilateral affairs, and Taiwan remains a major tourism and education market for Australia, the trade value between Taiwan and Australia is anticipated to increase by the end of 2024.

# Trade Relations Update

## Australia and Taiwan

The economic bond between Taiwan and Australia continues to strengthen year-on-year.

Since the overall economy has recovered from the pandemic, geopolitical challenges, and the rising inflation rates in 2022, trades with Australia had demonstrated remarkable growth in 2021 and 2022, which is expected to continue in the years to come. The main driver of the trade between Taiwan and Australia is the increase in import from Australia starting from the second half of 2021 and peaking in the second half of 2022, which reached USD13.3 billion. The annual growth rate of import from Australia witnessed a remarkable rate at 65%, exceeding a total value of USD24.6 billion in 2022. However, trade with Australia has shown significant decrease by 27.7% in 2023 and 20.5% in 2024 due to the fluctuations in the price of liquefied natural gas (LNG) and coal, which are considered the most important products of trade between Taiwan and Australia. Since LNG, coal and iron ore represent over 84.17% of total import from Australia to Taiwan, the significant rise in the price of LNG and coal following Russia's invasion of Ukraine in 2022 set a higher base and reduced value of trade in 2023 and 2024 when prices returned to their pre-war level.

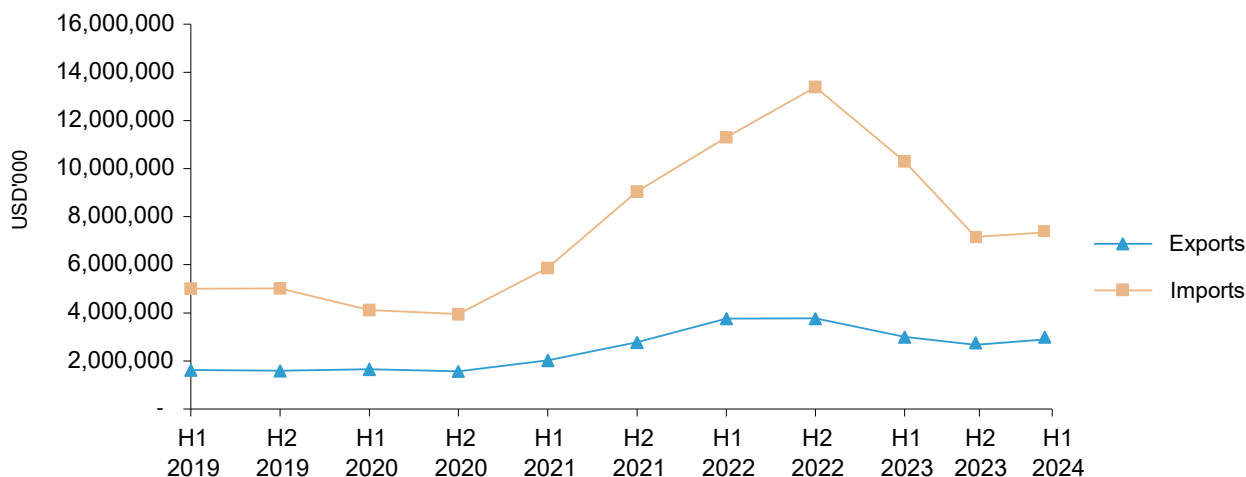
Import from Australia has demonstrated a stronger growth compared with export. It appears to be a significant opportunity for Taiwan to increase two-way trade with Australia, facilitated by the reduction of trade barriers and tariffs.

Australia's abundance of natural resources and Taiwan's high-tech industries are naturally complementary. Taiwan's top exports to Australia include petroleum products, machinery and electrical equipment, base metal, plastics and chemicals; while Australia's major exports to Taiwan include coal, natural gas, iron ore, copper and beef. The trade relationship between Taiwan and Australia will continue to grow as both economies seek to diversify, as evident by the increase in the mix of products exported to Australia.





## Trade between Taiwan and Australia



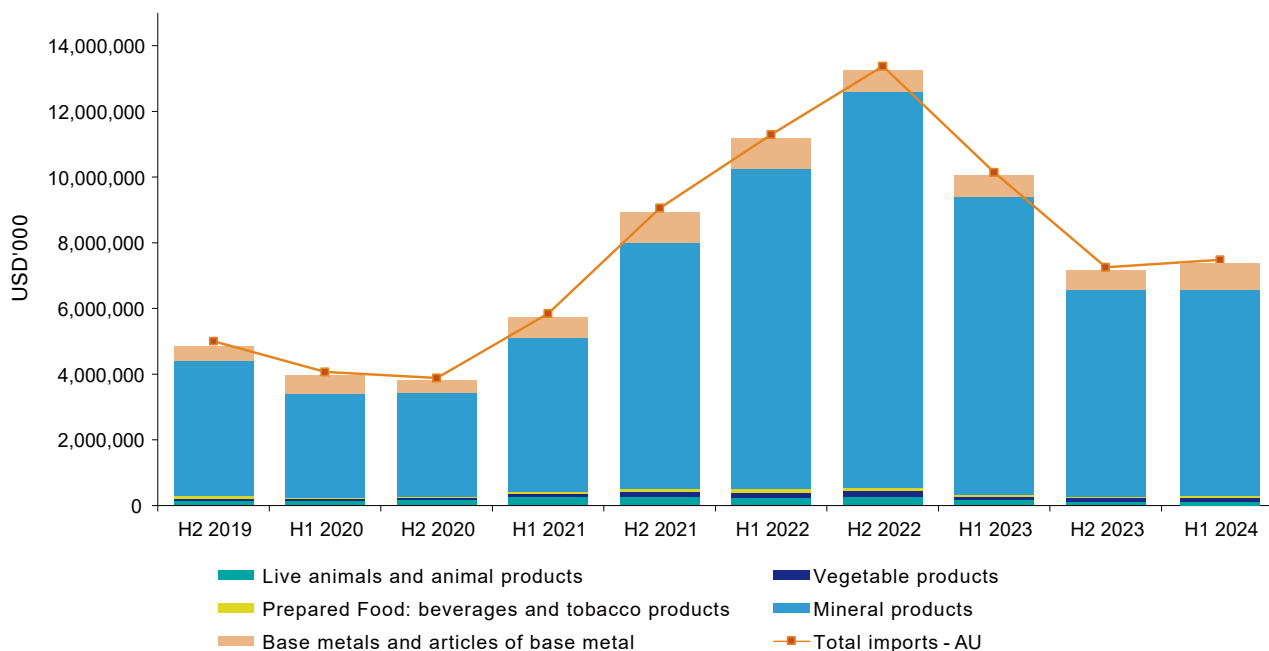
Source: Trade Statistics Database of Ministry of Finance Republic of China (Taiwan)

Imports from Australia have shown a significant growth starting from H2'21, primarily driven by the increase in mineral products. However, the value of imports underwent an exponential decrease in 2023 due to price fluctuations of coal and natural gas and is currently witnessing a slight rebound in the first half of 2024 resulting from Taiwan's increasing demand in liquefied natural gas.

Export to Australia have also increased but at a slower pace. Despite undergoing a slower growth, the overall trend of export value remains to be both steady and positive. The growth mainly occurred within mineral products due to increasing demand in aviation fuel and diesel.



## Major imports from Australia

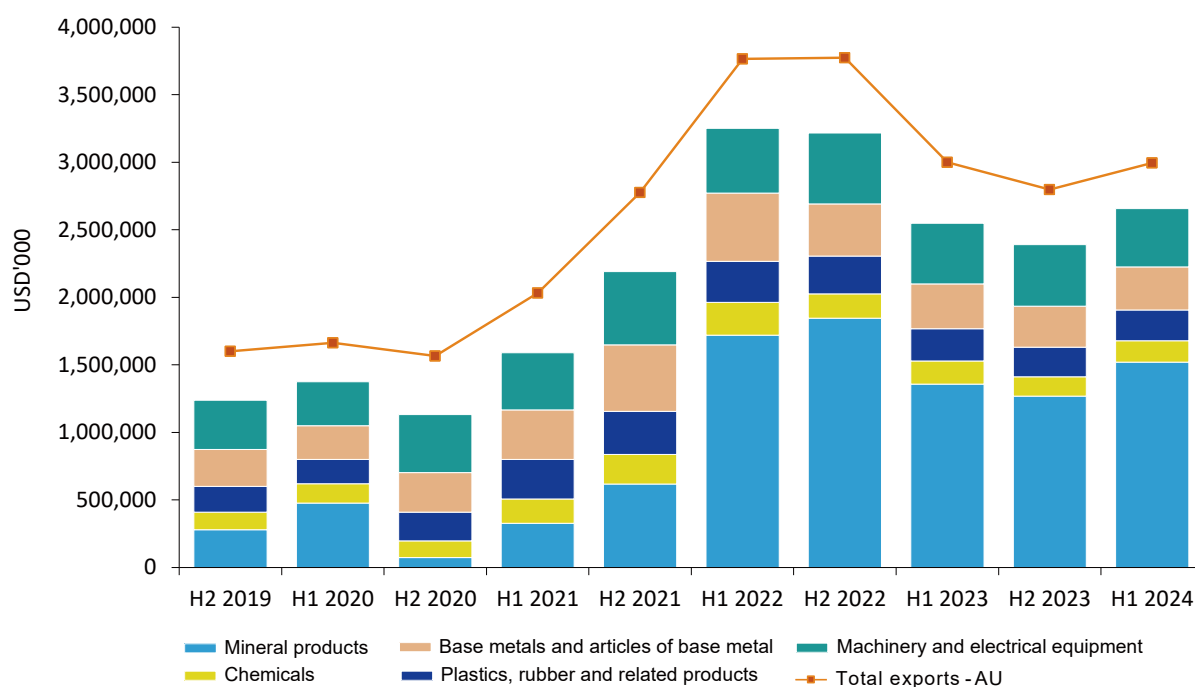


Source: Trade Statistics Database of Ministry of Finance Republic of China (Taiwan)

Mineral products (mainly coal and liquefied natural gas) constitute the largest group of import from Australia and directly influence the overall growth trend of import. The total value of goods imported from Australia was USD7.5 billion in the first half of 2024, which marked a 2.7% growth from the previous half year and was primarily driven by mineral products and metal ores. Due to the Russia-Ukraine War in the beginning of 2022, the supply of natural gas from Russia was disrupted. This led to an increase in global demand for natural gas elsewhere and substitute energy such as coal, and significantly increasing the price for coal and natural gas. The decrease in import in 2023 was caused by the price fluctuations for coal and natural gas as the uncertainty of Russia-Ukraine War was dissipating. However, the trend has demonstrated an increase in H1'24 and is expected to continue rising in 2024 following Taiwan's increasing demand of liquefied natural gas (LNG), which provides an opportunity for Australia to increase LNG exports while strengthening Taiwan's national and energy security. Even though Australia is forecasted to experience a decrease in minerals export earnings from 2024-2025 due to the slower growth in demand for electric vehicles and increased material supply, Australia's long term critical minerals' export is projected to continue increasing through 2028-2029, which is mainly driven by the continued industrial demand from key Asian markets.



## Major exports to Australia



Source: Trade Statistics Database, Ministry of Finance Republic of China (Taiwan)

A significant increase in export of refined petroleum products (classified under mineral products) was seen in 2022 due to the closure of Australia's refineries in 2021 that plunged the refinery capacity, moving the country towards the reliance on import. According to the Department of Climate Change, Energy, the Environment and Water of Australia, the imports volume of refined petroleum products reached 25,812.5 megalitres throughout January to June in 2024, which marks a 2% growth from the same period in 2023. Additionally, the import value of total refined petroleum products has been increasing from January to June this year by 4% and is projected to continue to grow in 2024. Another primary factor that caused the fluctuations in the amount of refined petroleum products exporting to Australia was the overall increase in oil prices in 2022 and a slight decrease in 2023. Despite the minor decrease in the exports of mineral products to Australia in 2023, the number has demonstrated a rebound in the beginning of 2024, prompting an increase in the overall trend of the amount of export to Australia. This rebound was mainly related to the rising demand for refined products such as aviation fuel and diesel in Australia.

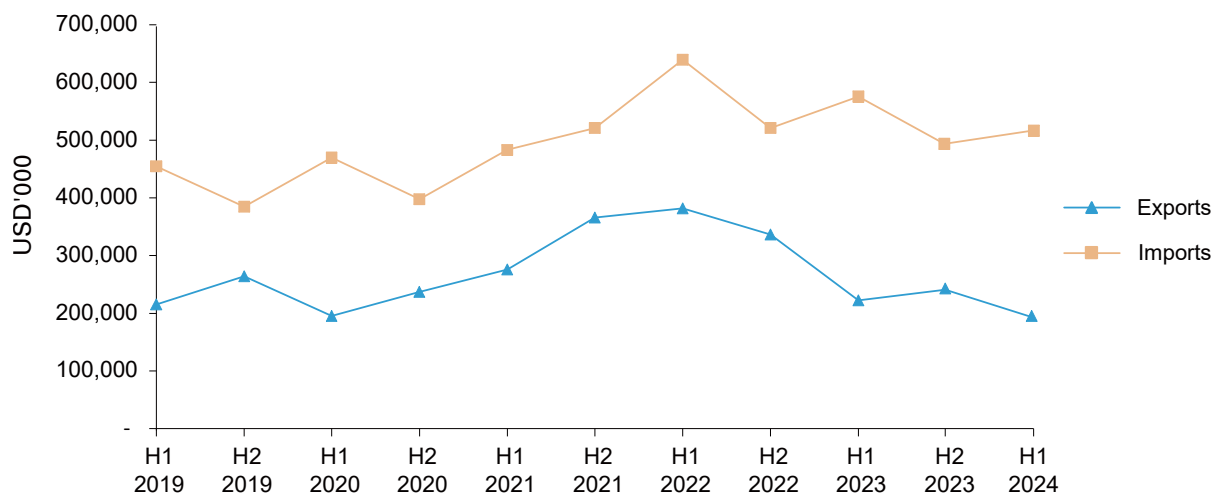
Australia is an important supplier of agricultural products, minerals, and energy to Taiwan. Additionally, Taiwan's high-tech industries also have a strong foothold in Australia. The two country's bilateral trade relations have been showing continuous growth ever since the pandemic in 2020, reinforcing the complementary nature of bilateral trade. Despite the relatively small size of the Taiwan market, Australia and Taiwan are natural partners in energy, and this partnership is anticipated to strengthen in the years to come.

# Trade Relations Update

## New Zealand and Taiwan

The economic bond between Taiwan and New Zealand continues to strengthen. New Zealand and Taiwan share the commitment to democracy, secure intellectual property rights, and human rights. These shared values are the principal drivers fostering the trade between the two, with companies seeking certainty and assurance in their investments.

### Trade between Taiwan and New Zealand



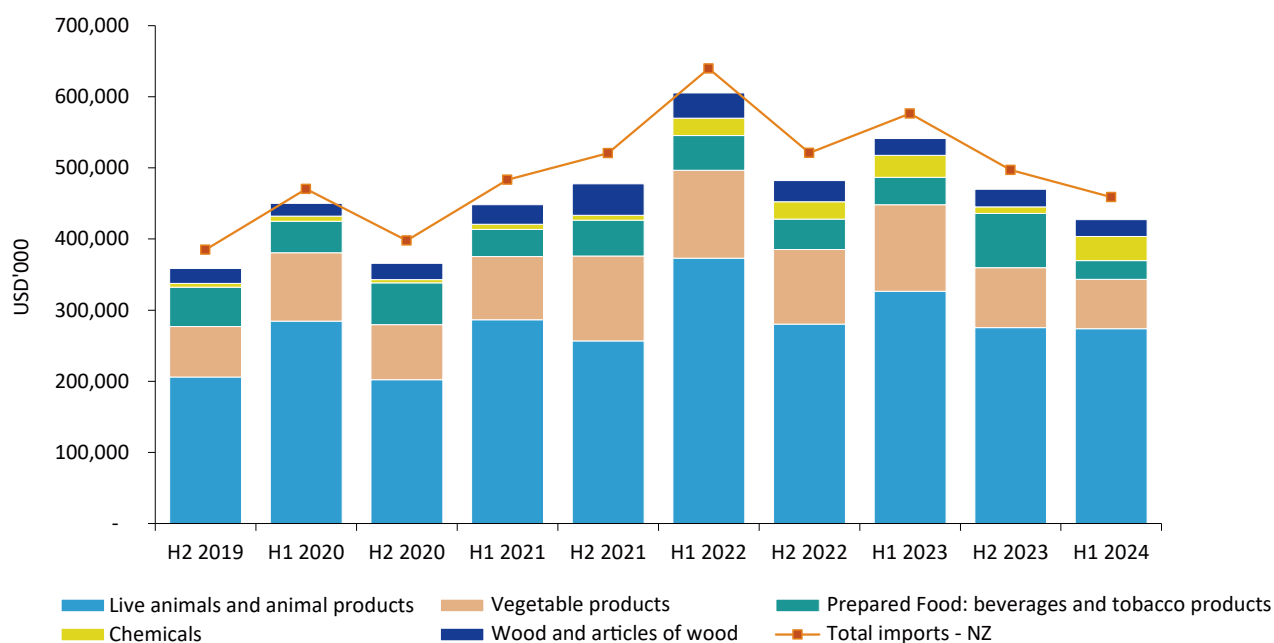
Source: Trade Statistics Database, Ministry of Finance Republic of China (Taiwan)

Taiwan is currently New Zealand’s 7th largest goods export market, 16th-largest source of imports as of March of 2024, and 12th largest two-way trading partner of goods. As a result of the ANZTEC agreement, trade between Taiwan and New Zealand has been showcasing an overall upward trend with the value reaching a record high of USD1.9 billion in 2022 and slightly decreased to USD1.5 billion in 2023. Top exports to Taiwan include dairy, meat, fruit, and seafood while top imports from Taiwan include electrical machinery, vehicles, and mineral fuels and oils. However, trades started to decline in the second half of 2022, decreasing by 3% in H1’24 compared to H2’23 following rising trad distortions and geoeconomic fragmentations, which are major factors affecting the level of global trade in 2023 and 2024.





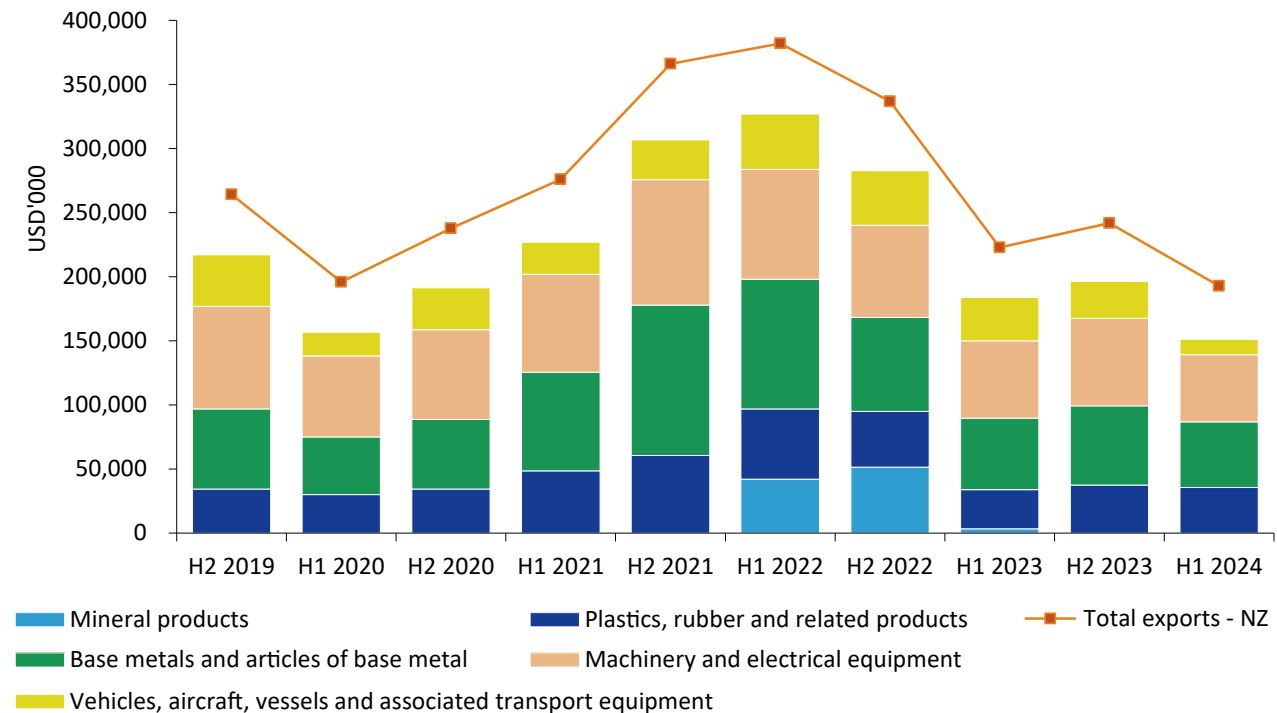
## Major imports from New Zealand



Source: Trade Statistics Database, Ministry of Finance Republic of China (Taiwan)

After witnessing a remarkable increase in imports from New Zealand in 2022 due to the growing demand and increased prices of dairy, meat, vegetables, and chemical products, the amount of import from New Zealand has been experiencing a decline in 2023 and in H1'24. The decrease is most notably influenced by the decrease in import of vegetable products and prepared food in 2023 and 2024, respectively. The drop in vegetable products and prepared food, especially wine, import is caused by overall disruptions in horticulture by Cyclone Gabrielle.

## Major exports to New Zealand



Source: Trade Statistics Database, Ministry of Finance Republic of China (Taiwan)

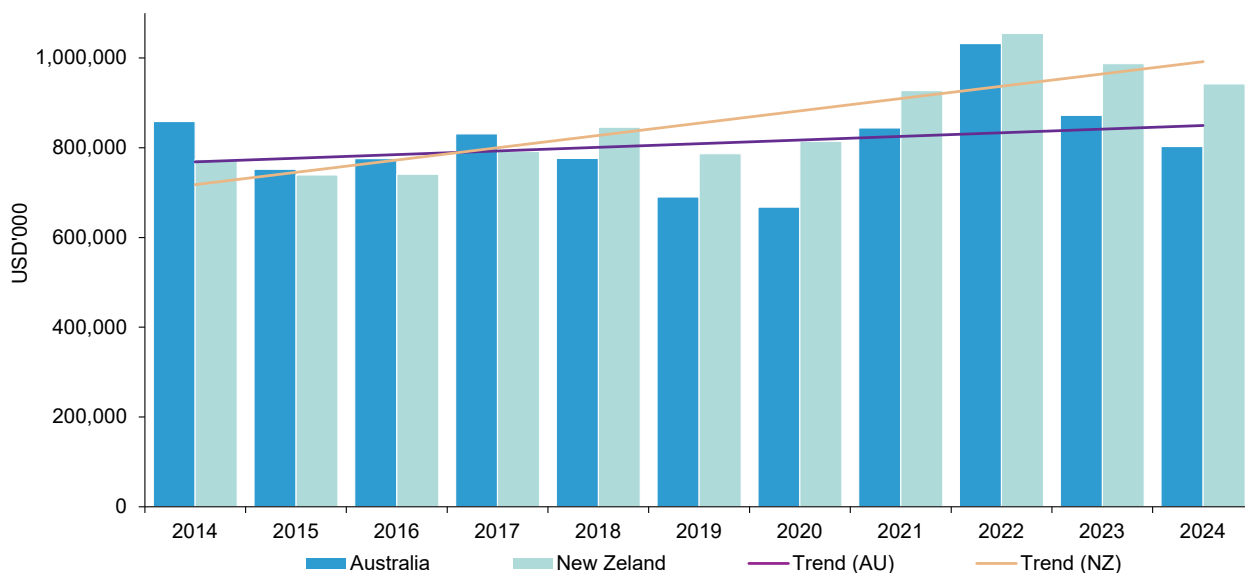
Base metal, machinery and electrical equipment are the primary drivers of the fluctuations in exports from 2022 to H1'24. The increase in mineral products in 2022 was caused by the closure of the only oil refinery plant in New Zealand in April 2022. However, exports to New Zealand have been decreasing in 2023 and H1'24, which is most notably a result of a large decrease in the export of mineral products and base metal, leading to an overall downward trend. New Zealand has changed its mix of oil import and improved its fuel supply resilience since the closure of the refinery, with Singapore, South Korea, and Malaysia being the main import sources. As a result, there is a lower demand of mineral products from Taiwan.

Additionally, the ANZTEC continues to pay dividends since preferential tariff rates promote trade. Since January 2017, all Taiwan exports to New Zealand have become duty free. Additionally, 99.6% of New Zealand exports to Taiwan are duty free, with the remaining to be progressively eliminated by 2025 (except certain rice products).

Furthermore, Taiwan and New Zealand signed the Customs Mutual Recognition Arrangement (MRA) on 18 December 2020, which aims to strengthen the security of the supply chain and facilitate trade between the two countries. Certified companies will be able to enjoy preferential customs clearance treatment and trade facilitation at the border.



## Agricultural imports from Australia and New Zealand



Source: Agricultural Statistic search, Council of Agriculture

Due to the 2013 ANZTEC Agreement between Taiwan and New Zealand, agricultural import from New Zealand has been showcasing an upward trend. New Zealand is currently Taiwan's largest supplier of dairy products, the second-largest supplier of fruits, and the third largest supplier of meat. In 2021, Taiwan and Australia signed the "Agricultural Working Group – Terms of Reference", establishing a framework and providing direction for bilateral agricultural interactions in trade, investment and exchange in technology.

Building on this agreement, Taiwan and Australia have discussed many topics including market entry for agricultural products, upgrade of agricultural technology, agricultural carbon emission and mutual recognition on plant breed certifications. The impact of such an agreement is shown in the table that agricultural import from Australia has started to increase in 2021 and peaked in 2022. However, import declined with reduced production and lower prices in 2023 to 2024. Import from New Zealand has been compellingly greater than that of Australia's ever since 2017 and the gap has widened, with the difference exceeding USD200 million over the past three years.

Compared to the important progress in bilateral trade relations between Taiwan and New Zealand after the signing of ANZTEC, although Taiwan and Australia are both one of the top ten importers of each other markets, most goods are still not entitled to tariff preferences. This is not only detrimental to the growth of trade relations, but also reduces the possibility of both sides seeking further investment and cooperation opportunities. ANZCham reiterates that it welcomes and advocates the negotiation of a bilateral economic cooperation agreement between Taiwan and Australia.

# Industry Specific Opportunities

## Education Committee

### Promoting Vocational Education and Talent Exchange

Taiwan has experienced population decline since 2021, making low birth rates a critical national concern, which directly contributes to a talent shortage in various industries. Amidst the already scarce population, vocational talents are even more undervalued. According to the Ministry of Education, the number of high school students decreased from 406,187 to 301,979 between the 2012 and 2023 academic years, a reduction of 104,208; vocational high school students dropped from 541,445 to 297,941, a staggering decrease of 243,504. In 2023, for the first time, vocational students were fewer than high school students by about 4,038<sup>1</sup>, prompting the Ministry of Education to implement exit mechanisms for some vocational schools.

With the current job market emphasising academic qualifications, Taiwan's industries generally undervalue vocational talents. As a result, vocational students' starting salaries are lower than those of university graduates. This trend causes most vocational high schools to focus on advancing students to technical universities, diverging from the essential prioritisation of technical training in vocational education. Additionally, vocational certifications often lack practical relevance. The prevalent mindset in Confucian societies, which values academic education over vocational training, leads most parents to plan for their children to attend general high school and then university. Over time, with the ongoing low birth rate, vocational schools and talents will diminish, and the disconnect between vocational education and job requirements will severely impact Taiwan's manufacturing and traditional industries, affecting the nation's industrial competitiveness.

Australia's Vocational Education Training (VET) system offers courses in various fields such as information technology, tourism, business, construction, agriculture, legal studies, automotive, health, and creative industries<sup>2</sup>. These courses are divided into different levels (Certificate I to Certificate IV and Diploma) and are taught by instructors with industry experience, imparting relevant knowledge, skills, and industry trends. This ensures that the learning content is directly applicable to work, serving as a pathway for immediate employment or further university education.

According to the National Centre for Vocational Education Research (NCVER), in 2022, Australia had 3,589 registered training organisations providing nationally recognised VET courses. In terms of enrolment, 2.1 million individuals registered for VET courses in 2022 (there are no age restrictions for VET courses), a 3.3% increase from 2020, with approximately 95% being Australian residents and 5% international students. This indicates that VET courses primarily attract Australian residents<sup>3</sup>.

Therefore, promoting a vocational education exchange and study-abroad programs between Taiwan and Australia, encouraging Taiwanese students to pursue VET courses in Australia, can broaden their vocational perspectives and skills. Through the experience of

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## Education Committee

### Promoting Vocational Education and Talent Exchange

living, studying, working, and interning overseas, Taiwanese students can enhance their international competitiveness. The long-term benefits of these programs include returning vocational talents bringing Australian vocational experiences and insights back to Taiwan, improving the quality and efficiency of Taiwan's labour market, changing public stereotypes about vocational education, and ultimately enhancing Taiwan's vocational education environment and salary structure. This will improve Taiwan's overall industrial structure and competitiveness.

#### Recommendations

1. Reference from Australia's vocational education structure and implementation methods to improve the quality and content of Taiwan's vocational education.
2. Promote vocational education exchanges and study-abroad programs between Taiwan and Australia to enhance the abilities and competitiveness of Taiwanese vocational talents.
3. Establish an overseas vocational education certification system linked to Taiwan's vocational certification system, allowing overseas certifications and experiences to be converted domestically.
4. The government should lead efforts to shift industry hiring practices, value vocational talents' abilities, and improve the salary structure.

#### References

1. Ministry of Education Statistics  
[高級中等教育高中職學生比查詢 \(moe.gov.tw\)](http://moe.gov.tw)
2. Study Australia, Australia Government  
[Vocational Education and Training \(VET\) and TAFE | Study Australia](#)
3. National Centre for Vocational Education Research  
[Total VET students and courses 2022 \(ncver.edu.au\)](http://ncver.edu.au)



# Industry Specific Opportunities

## Education Committee

### Deepening the Education Interaction Between Taiwan and Australia

Taiwan, located at the hub of the Indo-Pacific region and primarily driven by international trade, aims to strengthen the international competitiveness of its younger generation, meet the demands of bilingual talent in international supply chains, attract foreign investment, increase employment opportunities and income levels for its citizens, and showcase Taiwan's global value. In 2020, the National Development Council officially launched "Bilingual 2030." This initiative focuses on six major measures: accelerating the development of bilingual higher education, balancing and optimizing bilingual conditions for schools at the senior high school level and below, developing digital learning, eliminating the gap in rural areas, expanding provision of affordable English proficiency tests, and raising civil servants' English proficiency to achieve its goals.

The "Forward-looking Infrastructure Development Program – Human Resources – Bilingual 2023" proposed by the National Development Council and the Ministry of Education has a total budget of NT\$10 billion. The first revised plan, proposed in July 2022, pointed out that the bilingual policy is not meeting expectations mainly due to the lack of English-speaking environments, English proficiency tests limited to scores instead of application, lack of qualified bilingual teachers, challenges in English learning in remote areas, and the absence of institutions promoting the bilingual policy. For bilingual teachers, the Ministry of Education launched the "Bilingual Teacher Training Implementation Plan" in 2020, with 14 universities applying to offer related courses. However, the plan to introduce foreign English teachers is insufficient, out of total 3,370 elementary and junior high schools in Taiwan, only about 80 foreign teachers receiving annual subsidies.

According to "Bilingual 2030," the Ministry of Education collaborated with the British Council from 2020 to 2021 to assess the English proficiency of 9th grade (15-year-old) and 12th grade (18-year-old) students. About 20% of 12th-grade students reached the B2 level of the Common European Framework of Reference for Languages (CEFR), but only 19.81% and 8.27% reached B2 in writing and speaking, respectively, while 27.68% and 27.32% reached B2 in listening and reading, respectively. This indicates that to improve overall English proficiency, Taiwanese students should focus on enhancing their writing and speaking skills.

In summary, although Taiwan is actively promoting its bilingual policy, there is still room for improvement in the overall English proficiency of students due to the lack of English-speaking environments, insufficient bilingual teachers, ineffective teacher training systems, and inadequate subsidies for foreign teaching staff.

According to statistics from the Ministry of Education, 10,673 Taiwanese students studied in Australia in 2023, second only to the United States with 21,834 students<sup>1</sup>, indicating close talent mobility between Taiwan and Australia. Additionally, Australia has advantages

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## Education Committee

### Deepening the Education Interaction Between Taiwan and Australia

over other English-speaking countries in terms of time zone differences, geographical location, flight time, political culture, and safety. Australia has 42 universities<sup>2</sup> and 76 English education institutions<sup>3</sup>, offering hundreds of English courses, including general courses, academic courses, business and legal courses, English teacher training, and exam preparation. The English teacher training courses can directly benefit Taiwan's English teachers, enhancing their abilities through interaction with foreign teachers and cultural exchanges, immersing them in an all-English learning environment.

#### Recommendations

1. Increase Budget for Higher Education Exchange: Collaborate with Australian universities or English education institutions to invite Australian training teams to Taiwan to provide English education courses for Taiwanese teachers or send Taiwanese teachers to Australia for English education training.
2. Sister School Exchanges: Have government or appropriate public schools take the lead in forming sister school exchanges between high schools in Taiwan and their counterparts in Australia, enabling teachers and students from both sides to visit or exchange, fostering early interest and understanding of English and English culture among students.
3. Enhance Collaboration with Australian Organizations: Deepen cooperation with other Australian educational organizations, government departments, or private organizations to improve the English proficiency and service capabilities of Taiwan's public sector personnel.

#### References

1. Department of International and Cross-strait Education  
[112 年度世界各主要國家之我留學生人數統計 \(更新\) \(moe.edu.tw\)](http://moe.edu.tw)
2. Study Australia, Australia Government  
[List of Australian Universities | Study Australia](#)
3. United Education Group PTY LTD  
[All English Language Schools in Australia \(studyenglishinaustralia.com\)](http://studyenglishinaustralia.com)

## **Industry Specific Opportunities**

### **Energy Committee**

#### **Optimisation of Land Use Policy for Utility Scale PV Installation**

The proposed recommendation advocates for a more efficient and simplified land conversion approval process for the solar PV projects using agricultural land that is (i) located in the ground subsidence areas, published by Ministry of Economic Affairs (“MOEA”), and (ii) classified as low productivity, specifically categories 8, 9, and 10 under the agro-productivity grading standard<sup>1</sup>, published by Ministry of Agriculture (“MOA”). This will accelerate the solar PV installation to not only meeting the renewable targets to drive the economy growth but also preserving the ground subsidence area to prevent irreversible damage to the neighborhood environment and the society.

As global climate change intensifies, countries worldwide are committed to promoting the development of renewable energy. Solar PV is a major focus, being a renewable energy source that is affordable for the widespread public and accessible by corporations to meet their carbon reduction targets. However, the agricultural land use policies make it challenging to develop utility scale solar projects that require a land conversion approval process which is lengthy and does not differentiate the agricultural land that is low productivity and located in the ground subsidence area which is not unsuitable for long-term farming that consumes underground water.

Such challenge during the early-stage project development hinders the timely availability of green electricity needed by the enterprises to meet their RE100 targets. If the land conversion approval process can be simplified for utility scale solar PV projects using agricultural land that meet both criteria as described above, it will expedite the progress to bring new renewable capacity into the energy mix to support business’ need to drive economic growth while preserving ground subsidence area for irreversible damage.

Between 2015 and 2017 MOA published 38 unsuitable farming land zones which only requires the application of agricultural land use permit (“ALUP”) with the local government for the solar PV project installation. Post the announcement, land prices in these areas have risen over other areas. This indicates that such lands with an alternative planning for solar PV facilities can increase in value to improve the economics of the local resident and to create an efficient use of lands.

Subsequent announcements have been made for other types of unsuitable farming areas which include ground subsidence area, also known as groundwater control area, and soil salinisation areas. These announcements indicate that the government wishes these lands no longer used for farming activities for the long run, aiming to prevent the land from further damaging and to rest and recover. However, there has been no corresponding regulations in place to encourage the usage of the land for alternative plannings, such as solar PV project installation, to materialise government’s intent to preserve the environment



## Industry Specific Opportunities

### Energy Committee

#### Optimisation of Land Use Policy for Utility Scale PV Installation

from irreversible damage. In addition, local resident may suffer economically as the announcement signals a reduction in the land utilisation and the land value.

Therefore, a similar approach shall be adopted to allow a corresponding permitting regulation for the alternative usage of these unsuitable farming land for the solar PV projects which not only preserving the land but also increase the value of the land to support the livelihoods of the local and aging farmers.

#### Recommendations

For agricultural lands that are located in the ground subsidence areas, and classified as low productivity, specifically categories 8, 9 and 10 under the agro-productivity grading standard, we recommend the government to simplify the land conversion permitting process or to adopt the ALUP procedure for the solar PV project installation using the agricultural lands that meet the above two criteria, aiming to preserve the land, promote land value, and accelerate the solar PV installation to fuel economic growth of Taiwan.

#### Reference

1. [https://talis.moa.gov.tw/ALIES/Docs\\_Help/index-10.htm](https://talis.moa.gov.tw/ALIES/Docs_Help/index-10.htm)

# Industry Specific Opportunities

## Energy Committee

### Advancing Resource Management for Scaling Geothermal Energy in Taiwan

Taiwan, located on Pacific Ring of Fire, boasts abundant but largely untapped geothermal resource, estimated at approximately 989 MW in shallow depths and 40GW in deeper strata according to government research. From a baseline of zero, the market has installed 7.29 MW of capacity within 4 years, with ongoing projects set to add around 52MW.

At the beginning of 2024, the government announced an ambitious plan to develop geothermal energy, targeting 20MW by 2025, 200MW by 2030, 6GW by 2050. In June 2024, the government introduced the Geothermal Exploration and Development Permit and Management Regulations, marking the first regulatory framework for geothermal energy in Taiwan.

The committee acknowledges the government's efforts to establish a regulatory framework through the new regulation. However, to effectively scale up the development of commercial-sized geothermal projects, enhanced resource management is essential. While the current regulations include several measures, further research and improvements are preferable.

The regulation requires that applicants for exploration and development permits conduct impact assessments on surrounding hot spring wells, geothermal wells, or geothermal facilities within 500 meters, maintaining a 500-meter distance between geothermal wells. Developers must reinject more than 90% of tailwater after power generation; however, the authority may waive this requirement based on site-specific geological conditions, ecological environment, or other factors. Additionally, operators are mandated to submit quarterly reports and maintain daily documentation of electricity production, water consumption, and tailwater reinjection volume throughout the operational phase, in compliance with the Renewable Energy Development Act.

Despite these measures, the regulations may not sufficiently ensure the sustainability of a geothermal field, particularly given Taiwan's land size and project scale. The 500-meter spacing and regular water consumption reporting is arbitrary and therein may not effectively mitigate the risks of over-extraction and long-term viability of geothermal fields. To attract investment and enable financing support for scaling up geothermal projects, more feasible and comprehensive resource management measures would be beneficial.

#### Recommendations

To establish a resource management mechanism that ensures a geothermal field enthalpy is monitored and protected, it is recommended that the government initiate a policy research program. This program should involve a working group comprising international experts from mature geothermal markets and domestic experts with in-depth knowledge of Taiwan's geology and social contexts. The group's focus would be on developing feasible regulatory measures and methodologies for resource management, considering Taiwan's unique geological conditions, and ensuring the long-term sustainability of geothermal fields. Additionally, a discussion platform should be established to involve frontline experiences from current project owners, the geothermal industry, NGOs, academia, and other stakeholders.

Starting from the research phase, this collaborative approach is expected to result in the formation of practical and effective regulations soon, thereby significantly enhancing scalable and sustainable geothermal development in Taiwan.

## Industry Specific Opportunities

### Energy Committee

#### Offshore Wind Development

The offshore wind power industry is at a critical juncture, striving to overcome various adversities and structural obstacles.

The core challenges lie in the ability to 1) Invest and 2) Finance.

To achieve these goals, the government's timely introduction of financial support or government renewable energy procurement platforms is necessary, along with strengthening existing national credit guarantee mechanisms. These measures all require a robust and sustainable framework to address structural challenges.

#### Recommendations

1. **Financial Aid:** As seen in many other markets, the Taiwanese government should consider providing financial assistance, either in the form of FiTs to developers, or in the form of subsidies/tax credits to offtakers in the private business sector /domestic supply chains, as long as there CPPA execution is evidenced.
2. **Robust Renewable Energy Procurement Platform Framework:** Consideration should be given to establishing a robust RE procurement platform framework supported by the government. This platform should include a pricing adjustment mechanism reflecting the CPI and grid connection years, as well as an internationally bankable "take-or-pay" system to alleviate curtailment risks.
3. In addition, Taiwan Power Company's pricing for surplus RE should reflect the CPI to account for rising costs.



# Industry Specific Opportunities

## Health and Wellness Committee

### Enhancing Australia-Taiwan Clinical Trial Collaboration: Addressing Regulatory Disparities

Clinical trials are vital for the development and approval of new drugs, medical devices, and therapies. Collaborative efforts between countries facilitate innovation and provide patients with access to cutting-edge treatments. Australia and Taiwan have significant potential for collaboration in this area, given their robust regulatory frameworks and world-class research facilities.

While both the TGA and the FDA uphold stringent standards for approving clinical trials, a notable gap exists in the recognition of these approvals in Taiwan. Specifically, Taiwan's current regulations afford preferential treatment to studies approved by the FDA, overlooking the equally rigorous evaluations conducted by the TGA. This discrepancy creates unnecessary barriers for Australian companies seeking to conduct clinical trials in Taiwan and hampers the potential for bilateral collaboration in medical research.

#### Rationale

1. **Equivalence of Regulatory Standards:** Australia's TGA and the U.S. FDA adhere to comparable standards for evaluating the safety, efficacy, and ethical considerations of clinical trials. Recognising approvals from both agencies ensures that studies conducted in Australia meet the same rigorous criteria as those conducted in the United States.
2. **The TGA has been designated as a Stringent Regulatory Authorities (SRA) by the World Health Organisation (WHO).** The concept of an SRA was developed by the WHO Secretariat to guide decisions regarding procurement of medicines for humanitarian assistance. The idea is that countries with non-SRA drug authorities (such as Taiwan) can use an accelerated process to facilitate approval (registration or marketing authorisation) of medicines, including vaccines and biologics, which have already been approved by SRAs.
3. **Promotion of International Collaboration:** By harmonising regulations to recognise TGA approvals, Taiwan can foster greater collaboration with Australian companies and researchers. This alignment encourages knowledge exchange, resource sharing, and the expansion of clinical trial networks, ultimately benefiting patients worldwide.
4. **Streamlined Processes:** Recognising TGA approvals simplifies the review process for Australian companies seeking to conduct clinical trials in Taiwan. Eliminating redundant evaluations for studies already approved by reputable regulatory authorities reduces administrative burden and accelerates the timeline for bringing innovative treatments to market.

Harmonising regulatory frameworks to recognise approvals from Australia's TGA and the U.S. FDA represents a significant step towards enhancing Australia-Taiwan collaboration in clinical research. By addressing the current disparity and promoting equal treatment of clinical trial approvals, both countries can unlock new opportunities for innovation, strengthen bilateral ties, and improve patient outcomes. The Australia New Zealand Chamber of Commerce urges the Taiwanese government to consider this proposal and take proactive steps towards fostering a more inclusive and collaborative environment for medical research and development.

#### Recommendations

Taiwan Government amend regulations to recognise approvals from the TGA on par with those from the FDA. Specifically, we propose that all applications approved by the TGA for conducting clinical trials using new drugs (Investigational New Drug) be eligible for expedited review and approval in Taiwan under the same protocol number, upon submission of relevant documents and obtaining approval from the Ministry of Health and Welfare.

## Industry Specific Opportunities

### Health and Wellness Committee

#### Extend Hearing Health Coverage to Include Adults with Severe to Profound Hearing Loss

Earlier this year, the World Health Organisation (WHO) reported by 2050, nearly 2.5 billion people are projected to have hearing loss and at least 700 million will require hearing rehabilitation. This means an annual additional investment of less than US\$1.40 per person is needed to scale up ear and hearing care services globally.

On 1 July 2023, Taiwan's National Health Insurance announced bilateral cochlear implant coverage for children under the age of 18 years old. With hearing care for children in place, it is worth focusing on hearing care for adults and seniors given the growing body of evidence around the links between hearing loss and cognition. According to the Lancet Commission on Dementia Prevention, Intervention & Care, hearing loss is identified as the single largest potentially modifiable risk factor for dementia for people in mid and late life.

At present, hearing aids are partially covered under the social welfare system, providing access to hearing for citizens with mild to moderate hearing loss. If funding could be extended for people with severe to profound hearing loss and remove the age limit (subsidy only for population aged under 65), it would enable these citizens to retain access to hearing and communication and thus may be effective in mitigating against the potential costs of future cognitive decline. Early identification of hearing loss and prompt hearing intervention are keys to maintaining a healthy aging population.

#### International Coverage Standards

International subsidy for severe hearing loss generally does not have age restrictions. Advanced countries such as Australia, the United States, the United Kingdom, and Germany, as well as neighboring countries like Japan, South Korea, and China, do not impose age restrictions. In Australia, the US, and Germany, assistance is provided for moderately severe to profound hearing loss, while the UK, South Korea, and Japan provide support for severe hearing loss and above. Taiwan, however, still restricts coverage to profound hearing loss only; please see Appendix C for details.

Hearing loss, aside from congenital conditions, can also result from acquired causes, which involves both auditory disease and organ degeneration. Cochlear implants offer similar benefits for adults: multiple studies indicate that cochlear implants significantly improve various aspects of recipients' performance.

#### Hearing Abilities

- Post-implant word perception scores increased by 53.9% (Boisvert et al. 2020).
- Significant improvements in hearing ability, speech recognition, and quality of life (Debruyne et al.'s , 2020).
- Better sound source localisation, reduction in tinnitus caused by hearing loss (Donato et al. 2021), and reduction in dizziness and imbalance (Ramakers et al. 2015; Peter et al. 2019; Berardino et al. 2020; Desiato et al. 2021; Donato et al. 2021; Yuen et al. 2021).

## Industry Specific Opportunities

### Health and Wellness Committee

#### **Extend Hearing Health Coverage to Include Adults with Severe to Profound Hearing Loss**

#### **Significant improvement in music appreciation, pitch perception, and timbre recognition, as well as quality of life and cognition**

Cochlear implants substantially enhance communication abilities and listening performance in noisy environments; they can improve or maintain cognitive abilities in older adults (Claes et al. 2018; Kay-Rivest et al. 2022). These benefits are consistent across both younger and older adults, suggesting that cochlear implants' efficacy is not correlated with age (Berrettini et al. 2011; Clark et al. 2012; Schafer et al. 2021). This indicates that cochlear implants can also provide benefits for adults over 65.

#### **Additional Benefits**

For employed individuals, wearing cochlear implants increases social participation, raises salaries, improves chances of being employed, and enhances social cost-effectiveness (Nijmeijer et al. 2021).

The latest World Health Organisation (WHO) World Report on Hearing (2021) recommends that adults over 50 should undergo hearing screening every 5 years, and those over 65 should be screened every 1-3 years. This hearing screening can be integrated into routine health check-ups. As mentioned, hearing loss is the largest potentially modifiable risk factor for dementia. If not managed promptly, hearing loss could result in nearly \$1 trillion in global losses annually (Burton.MJ, et al., 2020; McDaid. D, 2021). Chadha et al. (2023) also emphasise the importance of regular hearing screening for adults over 50, using simple devices in community or home settings. This can promote timely, human-centred interventions and mitigate the impact of hearing loss.

#### **Recommendations**

1. Expand cochlear implant funding criteria to include adults with severe to profound hearing loss.
  - Phase 1 - Modify the funding criteria for those under 18 years old from extremely severe to severe hearing loss (refer to the standards of neighboring/advanced countries, Appendix C)
  - Phase 2 - Modify the adult's partial benefits from extremely severe hearing loss to severe hearing loss, and remove the upper limit of 65 years old. Hearing loss above severe hearing loss is a disease, there should be no age limit.
  - Phase 3 - Consider including adults with severe and profound hearing loss in health insurance benefits and removing the upper age limit to bring Taiwan in line with international coverage standards.
2. Include hearing assessment as part of the checkup items for senior population's annual physical examination (for population age above 50 or 65).

# Industry Specific Opportunities

## Health and Wellness Committee

### Enhancing Taiwan's Essential Oil Regulations

Aromatherapy has gained recognition as a complementary therapy integrated into mainstream medical treatments in several countries worldwide. It is widely used in healthcare institutions, shelters, and special care centers. Consequently, there has been a growing body of research, clinical trials, and reports on the applications of essential oils globally. These studies use scientific methods to analyze the pharmacological and toxicological properties of essential oil compounds, demonstrating their diverse effects on cognition, emotions, and the central nervous system. This evidence has helped establish specific mechanisms of action for plant-based essential oils, effectively supporting conventional medical practices, enhancing healthcare quality, and promoting holistic health approaches.

Switzerland has included aromatherapy within its government insurance coverage, reflecting its acceptance as a mainstream healthcare practice. In Taiwan, some healthcare institutions have begun using aromatherapy to reduce patient stress and discomfort. Moreover, the Traditional Chinese Medicine (TCM) Health Center at Taiwan's Chang Gung Memorial Hospital has integrated TCM and aromatherapy, making it a distinctive feature of Taiwan's international healthcare services. Techniques such as using Chinese herbal essential oils, steam inhalation therapy, and herbal baths are combined with TCM massage and meridian therapy to provide holistic treatment and wellness solutions. Another example in Asia is the Medical SPA at Thailand's St. Carlos Hospital, which uniquely combines medical care with spa health and wellness services.

Given the widespread use of aromatherapy and its scientifically supported benefits, it is recommended that Taiwan enhance its regulations related to essential oils by learning from the experiences and research outcomes of other countries. A structured regulatory approach will help ensure the safe and effective use of essential oils within the healthcare system, protect consumer rights, and promote industry standards.

#### Recommendations

1. **Refer to Australia's TGA Regulations:** Taiwan can look to the essential oil regulations of the Australian Therapeutic Goods Administration (TGA) as a model. These regulations provide clear definitions, production standards, quality control and testing requirements, safety assessments, and advertising guidelines. Adopting similar standards in Taiwan would help establish certification bodies, ensuring consumer protection and enhancing the credibility of the essential oil market.
2. **Establish Testing Agencies:** To address the current inconsistency in the quality of essential oils on the market, it is recommended to establish testing agencies accredited by the Ministry of Health and Welfare. These agencies would allow businesses to voluntarily submit their products for testing, enabling the grading of essential oils, identification of substandard products, and issuance of international certifications. The government could create a consumer assurance platform, similar to SGS, to provide greater confidence in product quality when purchasing essential oils.
3. **Promote the Medical Tourism Market:** Taiwan's advanced medical resources and technology position it as a leader in Asia. By integrating aromatherapy and other holistic health practices into its healthcare offerings, Taiwan can further develop its "medical tourism" market. This approach would attract international visitors seeking high-quality, holistic medical care, thereby contributing to Taiwan's economic growth.





ANZCham  
TAIWAN

# Appendices

- A. ANZCham Taiwan Overview
- B. Review of Issues Raised in 2023 White Paper
- C. Hearing Care Coverage of Other Countries



## Appendix A

### ANZCham Taiwan Overview

#### Background

The Australia and New Zealand Business Association (ANZBA) was established in 1991 to represent the interests of Australians and New Zealanders conducting business in Taiwan. The association aimed to complement other organizations dedicated to fostering trade, investment, and general relations among Australia, New Zealand, and Taiwan.

In January 2005, ANZBA merged with the Australia New Zealand Social Group to form the Australia and New Zealand Chamber of Commerce in Taipei (ANZCham Taipei). This merger broadened the Chamber's mission to advocate for Australian and New Zealand businesses in Taiwan and to serve as a conduit between the business sector, government, and the community.

Last year, the Chamber adopted a new name—Australia New Zealand Chamber of Commerce in Taiwan. This name change better reflects the Chamber's expanded activities and membership, encompassing engagements with both central and municipal governments across Taiwan.

Today, the Chamber stands as the foremost representative organization for Australian and New Zealand businesses in Taiwan. It continues to strengthen and promote business and people-to-people relations between the three countries through advocacy, business development and community social events.

#### Chamber Objectives

ANZCham's overarching goal is to strengthen ties between Australia, New Zealand and Taiwan.

This is achieved by:

- Providing a mechanism for business networking and support for Australian and New Zealand businesses and professionals in Taiwan.
- Representing and advocating for the Australian-New Zealand-Taiwanese business community and its collective interest.
- Disseminating information which enhances Members' understanding of the commercial, legal and cultural aspects of conducting business and living in Taiwan.
- Promoting business, cultural, and people-to-people ties.
- Providing a social network for the wider Australian and New Zealand community.

#### Membership

ANZCham members include businesses of all sizes from Australia, New Zealand and Taiwan as well as international corporations with key personnel or business connections to Australia or New Zealand. The Chamber is primarily business led, but embraces groups or individuals with government, education and social links to New Zealand and Australia.

To effectively serve the diverse interests of its members, the Chamber has established specialised industry groups. These groups focus on addressing sector-specific needs and facilitating targeted engagement within various industries.

The Chamber works closely with the Australian and New Zealand representative offices to promote and encourage bilateral relations and trade as part of "Team New Zealand" and "Team Australia" in Taiwan.

## Appendix B

### Review of Issues Raised in 2023 White Paper

In the previous White Paper publications, our members have raised several issues and challenges faced by their companies in Taiwan.

Below is a summary of the issues raised in last year's Paper and the Taiwanese government's responses.

#### Review of 2023 White Paper issues and recommendations

##### Issue 1: Increase Use of Local Plasma Derivatives

###### Description & recommendation:

- There is currently no mandatory or punitive provision for the use of domestic plasma preparations. Thus, plasma derived products have been relying on foreign suppliers.
- Taiwan could follow WHO recommendations and successful examples from other countries, including enforcement over use of national plasma, tendering imports amidst inventory shortage in national plasma derived products, and loosening IVIG guidelines for clinical use.

###### Government response:

- Even though the government is unable to restrict the use of specific products in hospitals, it has revised the rules of universal healthcare coverage in accordance with the national policy to prioritise the use of national blood preparations.
- Medical Welfare Association of the Ministry of Health and Welfare has written to the Ministry's hospitals to prioritise the use of national blood preparations and has also written to the Ministry's medical institutions to exclude the "one in, one out" principle in the use of national research and the development of incentive drugs.
- The market for national blood products and general blood products is stable, and the health insurance system can avoid price fluctuations of these products. There is currently no necessity or significant public interest for government intervention in procurement and distribution, so it is not advisable to promote such measure at this stage.
- Regarding the suggestion to relax the clinical usage guidelines for IVIG, the National Health Insurance Administration has recently been considering relaxing the payment regulations for IVIG. Subsequent discussions will be held in joint meetings according to the procedures.

##### Issue 2: Extend Hearing Health Coverage to Include Adults with Severe to Profound Hearing Loss

###### Description & recommendation:

- According to a study, hearing loss is highly related to dementia for middle-aged and older individuals. However, hearing aids could help reduce the risk of cognitive decline.
- Increasing cochlear implant funding for elder people with severe to profound hearing loss and including hearing tests as part of health assessment for the senior population would reduce the costs of future cognitive decline and help maintain a healthy population.

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### Government response:

- Since January 2023, hearing aids subsidies for individuals with hearing loss greater than 40 decibels in the better ear have been extended to individuals with Certification of Physical and Mental Disabilities. On the other hand, cochlear subsidies are for individuals between the ages of 18 and 65 considering local government finance condition and resources.
- Currently, no country has included hearing tests in adult preventive health examination and no significant evidence has indicated that adult hearing tests are directly linked to the diagnosis of early hearing loss.

## Issue 3: Recognition of Essential Oil Application

### Description & recommendation:

- Essential oil products are divided into three categories: cosmetics, environmental drugs and general goods. Although relevant laws and regulations have been provided, detailed requirements for essential oils are not clearly defined.
- Taiwan should draw inspirations from Australia's Therapeutic Goods Administration (TGA) through way such as, providing a model with clear definitions, production standards, quality control and testing requirements, safety assessments, and publicity provisions that can provide a useful reference for the essential oil products.

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### Government response:

- Regarding the existing regulations of essential oil products and the relevant sections of our department, the description is as follows:
  - Pharmaceuticals and cosmetics: regulated by the Ministry of Health and Welfare (Food and Drug Administration) under the Pharmaceutical Affairs Act, the Regulations for Registration of Medicinal Products and the Cosmetic Hygiene and Safety Act. The determination of pharmaceuticals primarily depends on the prescription, ingredients, content, usage, dosage, and descriptions of purpose/effect. Once determined to be subject to pharmaceutical regulation, it will be handled in accordance with relevant regulations. For essential oil products regulated as cosmetics, labelling and advertising are prohibited to make medical efficacy claims and the ingredients must comply with relevant restrictions and limitations.
  - Environmental drugs: managed by the Ministry of Environment under the Environmental Agents Control Act and the Working Standards for Environmental Agent Permit Application and Issuance. The Chemical Department in the Ministry accepts application for essential oil products to be used as environmental pest control, rodent repellent or attractants without any insecticidal effect.
  - General goods: managed by the Ministry of Economic Affairs under Commodity Labelling Act to promote accurate labelling and protect the rights and interest of consumers. Essential oil products that are classified as general goods must comply with the Act by indicating "purpose", "usage and storage methods" and "other matters that should be noted".
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## Appendix B

### Review of Issues Raised in 2023 White Paper

#### Issue 4: Daily Upper Allowance for Vitamin D and Its Impact

##### Description & recommendation:

- There has been severe deficiency of Vitamin D in Taiwanese population and respective deficiency are 40% to 90% for females and 60% for males. Currently, the maximum allowance for Vitamin D in food products ranges between 600 to 800 IU (15-20 mcg) in Taiwan while the number is significantly higher in other developed countries at 4000 IU (100 mcg).
- To improve public health and the accessibility of Vitamin D, it is recommended that FDA increase the maximum daily allowance for Vitamin D, shortening the gap between Taiwan's current regulated amount and the global standard, and to reclassify high dosage Vitamin D (>800 IU) from drugs to the food category.

##### Government response:

- Taiwan's "Dietary Reference Intakes (DRIs)" is designed for healthy individuals and is based on comprehensive statistics from domestic and international sources as well as multiple expert meetings. It has been advised that individuals obtain sufficient vitamin D through moderate sun exposure, natural foods, or fortified diets.
- The current adequate intake of Vitamin D (15-20 mcg) meets nutritional requirements, and it is important to note that excessive vitamin D intake may lead to hypercalcaemia and further harm the health of soft tissue.

#### Issue 5: Restrictions on Approved Food Categories for Permitted Preservatives

##### Description & recommendation:

- Taiwan's FDA currently has approved 24 preservatives in foods and functional foods in capsule and tablets forms, but no preservatives are permitted for liquid supplements.
- Since Taiwan's climate is known to be humid year-round, it is recommended that the FDA allow the addition of preservatives to liquid supplements to ensure the safety and quality of supplements.

##### Government response:

- Since liquid supplements are considered as a type of food, the use of preservatives is permitted for "beverage" (contains less than 10% natural or reconstituted fruit juice) and "fruit juice" (contains 10% or more natural or reconstituted fruit juice).
- Relevant regulations: Standards for Specification, Scope, Application and Limitation of Food Additives.

## Issue 6: Establishing Taiwan' s Qualification Framework and Promoting Bilateral Vocational Education Study and Exchange Program

### Description & recommendation:

- Currently, Taiwan does not have a national qualification framework or certification system for skill verification. For cross-border student exchanges, the imperfect mutual recognition standards may cause inconveniences when these students return to Taiwan for work after graduation.
- Taiwan should establish a national qualification framework, coordinate with Australia and New Zealand to mutually recognise the degrees, experiences and certifications from all three countries, and collectively promote exchanges and learning programs in technical and vocational education to facilitate the exchange of talents between nations.

### Government response:






- The central authorities overseeing relevant enterprises will discuss the feasible practices of the framework of occupational competency standards for the promotion of the “Directions of Promoting Development and Usage of Competency Standards” while the Ministry of Education will continue to work with and promote the program.
- Since the international cooperation and exchanges between universities are matters involving university autonomy and are included in the Higher Education SPROUT Project, it is advised to have the Ministry of Education oversee this issue.






# Appendix C

## Hearing Care Coverage of Other Countries

### Summary Criteria for Cochlear Implantation - Only Taiwan has an age limit

Country	Age	Audiometric Criteria	Aided Speech Perception Criteria
 UK	1. > 12 months - < 18 years 2. ≥ 18 years	Severe to profound hearing loss. > 80 dB at two or more frequencies (0.5, 1, 2, 4 kHz)	<ul style="list-style-type: none"> <li>Children: Speech, language, and auditory skills appropriate for age and cognitive level.</li> <li>Adults: Expression at 70 dB; AB sentence score in quiet: &lt; 50% (revised March 2018)</li> </ul>
 US	1. 9 months - < 2 years 2. Children 2 - < 18 years 3. Adults > 18 years	PTA > 90 dB (0.5, 1, 2, 4 kHz). Low frequency: Severe to profound; Mid-high frequency: Profound.	<ul style="list-style-type: none"> <li>No benefit from hearing aids.</li> <li>MLNT or LNT sentence score &lt; 30%.</li> <li>Speech recognition score &lt; 50% in the ear to be implanted, and &lt; 60% in the best-aided ear.</li> <li>SSD (Single-Sided Deafness):               <ul style="list-style-type: none"> <li>4.1 - Limited benefit from a unilateral hearing aid is defined as scoring ≤ 5% on the CNC word test.</li> <li>4.2 - Patients must have at least two weeks to one month of experience using a suitable Contralateral Routing of Signal (CROS) hearing aid or another appropriate hearing aid.</li> </ul> </li> </ul>
 Korea	1. Children < 1 years 2. Children aged 1-18 years 3. Adults > 18 years	<ul style="list-style-type: none"> <li>Profound bilateral HL &gt; 90 dB</li> <li>Severe bilateral HL &gt; 70dB</li> <li>Severe bilateral HL &gt; 70dB</li> </ul>	<ul style="list-style-type: none"> <li>No progress with auditory training after 3 month HA use</li> <li>No progress with speech discrimination or language ability after 3 month HA use</li> <li>&lt; 50% score of speech recognition</li> </ul>
 Taiwan	1. > 12 months - 18 years 2. Adult: 18 - 65 years	<ul style="list-style-type: none"> <li>90dBHL (0.5, 1, 2, 4 kHz)</li> <li>&gt; 70dBHL (0.5, 1, 2, 4 kHz) for surgical funding and partially covered by social welfare system (under age 65)</li> </ul>	<ul style="list-style-type: none"> <li>Speech perception standard after 3-6 months: word score &lt; 50% or &lt; 30% in noisy environment</li> </ul>
 Japan	1. ≥ 1 yrs or weight ≥ 8kg 2. > 18 years	<ul style="list-style-type: none"> <li>Unaided PTA &gt; 90dB</li> <li>Unaided PTA &gt; 70bB</li> </ul>	<ul style="list-style-type: none"> <li>Six months trial of hearing aids.</li> <li>Best listening environment threshold &gt; 45 dB; or &lt; 50% speech perception in best-aided condition</li> </ul>

Country	Age	Audiometric Criteria	Aided Speech Perception Criteria
 Germany	No age limit	Pure-tone average loss of moderately - severe to profound degree	Presentation level: 65 dBHL with an optimally fitted hearing aid. <ul style="list-style-type: none"> <li>• Monosyllabic score in quiet: &lt; 50%</li> <li>• Sentence score in noise: &lt; 60%</li> </ul>
 Australia	1.Up to 17 years 2.Aged > 18 years	<ul style="list-style-type: none"> <li>• Infants/ toddlers, bilateral profound PTA; Children unaided PTA 65-80dB HL1</li> <li>• Moderate sloping to profound</li> </ul>	<ul style="list-style-type: none"> <li>• Speech and languages progress vs age</li> <li>• Open set phoneme score in quiet of 55% or less and/or word score of 26% in the ear to be implanted.</li> </ul>
 China	1.Prelingual deafness > 1 year – 6 years 2.Prelingual deafness > 6 years – 18 years 3.Post-lingual deafness: Various ages 4.No age limit - Shanghai, Jiangxi, Yunnan, Jilin, ShanDong (Jinan), and Angui	<ul style="list-style-type: none"> <li>• 1 &amp; 2. Unaided PTA &gt; 80 dBHL (0.5, 1, 2 kHz) and aided &gt; 50dBHL (2kHz and above)</li> <li>• 3. PTA &gt; 80dBHL (0.5, 1, 2 kHz)</li> </ul>	3 – 6 month hearing aid trial <ul style="list-style-type: none"> <li>• Behavioural response</li> <li>• Closed disyllabic word test &lt; 70%</li> <li>• Open short sentence test &lt; 70%</li> </ul>

## References

- UK - Cochlear implants for children and adults with severe to profound deafness Technology appraisal guidance [TA566]Published: 07 March 2019
- <https://www.nice.org.uk/guidance/TA566/chapter/1-Recommendations>
- For the purposes of this guidance, severe to profound deafness is defined as hearing only sounds that are louder than 80 dB HL (pure-tone audiometric threshold equal to or greater than 80 dB HL) at 2 or more frequencies (500 Hz, 1,000 Hz, 2,000 Hz, 3,000 Hz and 4,000 Hz) bilaterally without acoustic hearing aids. Adequate benefit from acoustic hearing aids is defined for this guidance as: for adults, a phoneme score of 50% or greater on the Arthur Boothroyd word test presented at 70 dBA
- US - <https://www.cochlear.com/us/en/professionals/products-and-candidacy/candidacy/cochlear-implant>
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**ANZCham**  
TAIWAN

**Australia New Zealand  
Chamber of Commerce in Taiwan**

**E** [director@anzcham.org.tw](mailto:director@anzcham.org.tw)

**P** +886 2 2722 0067