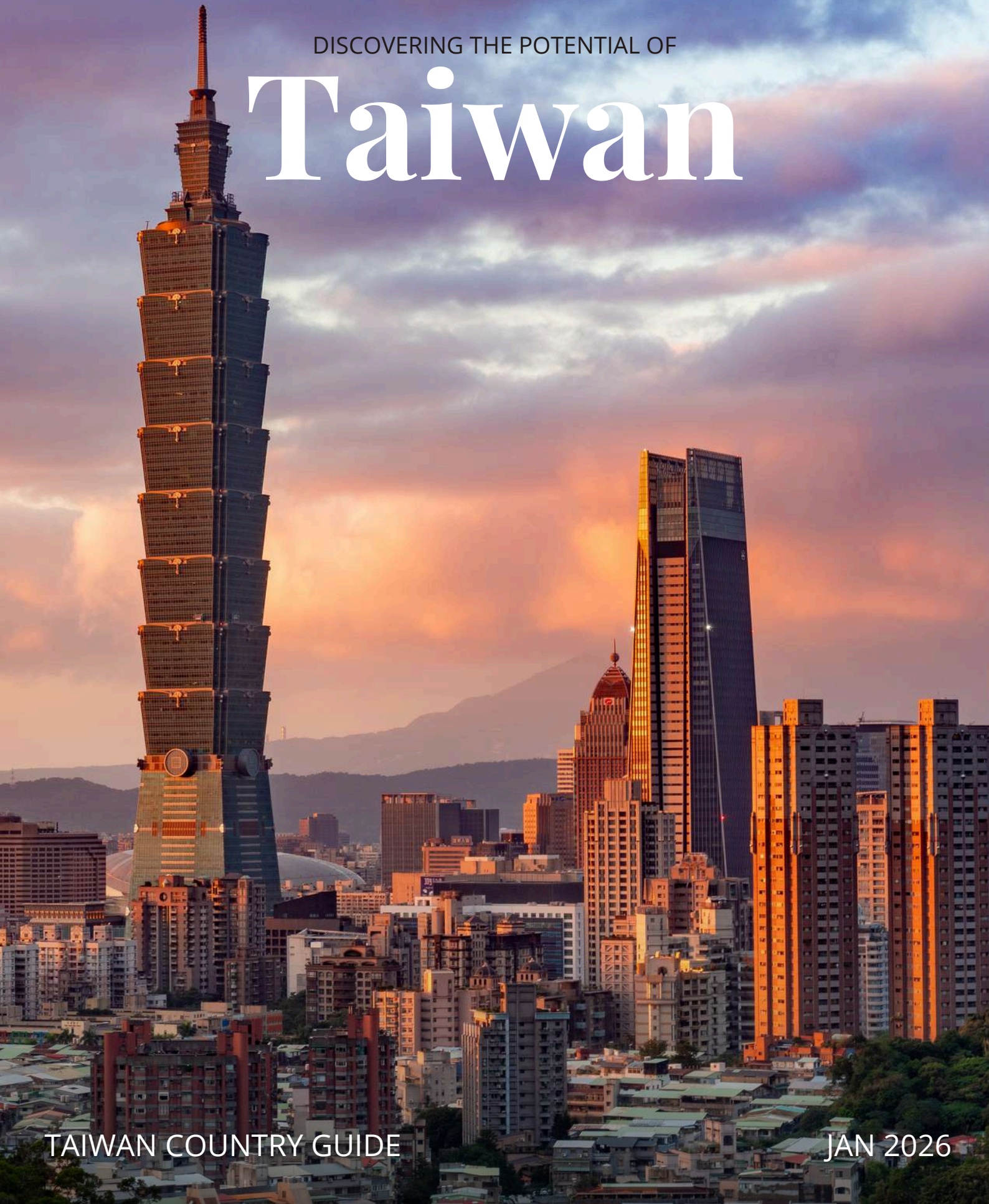


Vol. 13



DISCOVERING THE POTENTIAL OF

Taiwan



TAIWAN COUNTRY GUIDE

JAN 2026

Taiwan: A Strategic Hub for Advanced Manufacturing and Innovation



Welcome to Taiwan, one of Asia's most dynamic and export-driven economies. Known for its global leadership in semiconductors, advanced manufacturing, and technology innovation, Taiwan offers a stable, business-friendly environment supported by strong infrastructure, skilled talent, and robust institutions.

Positioned at the heart of East Asia, Taiwan plays a critical role in global supply chains, particularly across electronics, ICT, and precision manufacturing. Its close integration with regional markets, combined with strong research capabilities and a resilient industrial base, continues to attract international investment.

This Taiwan Country Guide provides essential insights into the business landscape, regulatory requirements, workforce considerations, and high-growth sectors to help companies enter the market and scale with confidence.

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About Taiwan



Geography & Climate

Location

Located off the southeastern coast of mainland China in the western Pacific, Taiwan sits along key East Asian trade routes with close proximity to Japan, South Korea, China, and Southeast Asia. Its coastal position and modern ports support strong regional connectivity for trade, logistics, and advanced manufacturing.

- Northern Taiwan: Political, financial, and technology centres, including Taipei, Hsinchu, and Taoyuan, with strong semiconductor and R&D clusters.
- Central Taiwan: Manufacturing and industrial hub, particularly for precision machinery and advanced components.
- Southern Taiwan: Major industrial and logistics base, anchored by Kaohsiung Port and growing semiconductor capacity.
- Eastern Taiwan: Less urbanised, with strengths in tourism, agriculture, and renewable energy potential.

Terrain and Climate

Taiwan is a mountainous island with most urban and industrial development concentrated along the western plains. The central mountain range limits large-scale development in the east.

The climate is subtropical in the north and tropical in the south, with high humidity and seasonal rainfall.

- Temperature: Generally ranges from 15°C to 28°C in the north and 20°C to 32°C in the south.
- Rainfall: Heavier rainfall occurs from May to October, including the typhoon season.
- Seasonal considerations: Typhoons and monsoon rains may cause temporary disruptions to transport and logistics.

Currency

New Taiwan Dollar (NT\$ / TWD)

The New Taiwan Dollar (TWD) is Taiwan's official currency, regulated by the Central Bank of the Republic of China (Taiwan). It is widely used across retail, digital, and business transactions and is supported by a stable and well-regulated financial system.

Denominations

Banknotes: NT\$100, NT\$500, NT\$1,000, NT\$2,000

Coins: NT\$1, NT\$5, NT\$10, NT\$50

Key Features for Businesses

- **Exchange Rate Stability:** The TWD operates under a managed float system, with the central bank intervening when necessary to maintain stability. This supports predictable trade and investment conditions.
- **Convertibility:** The TWD is freely convertible through authorised banks. While capital flows are generally open, certain large or cross-border transactions may require reporting.
- **Digital Payments:** Taiwan has high adoption of digital and contactless payments, including credit cards, mobile wallets, and QR-based systems, particularly in urban and commercial centres.
- **Currency Trends:** The central bank focuses on financial stability rather than targeting a specific exchange rate. Businesses should monitor monetary policy announcements and global trade conditions when planning currency exposure.



Population

Size and Demographics

- Total Population (2025): Approximately 23.3 million
- Population Trend: Gradual decline, driven by low birth rates and an ageing society
- Median Age: Approximately 44.8 years, reflecting a mature and ageing population
- Elderly (65+): Approximately 19–20% of the population
- Ethnic Composition:
 - Han Chinese: ~97%
 - Indigenous peoples and others: ~2.5–3%

Business Insight: Taiwan's ageing demographics are increasing demand for healthcare, biotech, automation, and productivity-enhancing technologies.

Urbanisation

- **Urban Population:** Approximately 84% of the population lives in urban areas
- **Key Urban Centres:**
 - Taipei and New Taipei: Political, financial, and corporate headquarters
 - Taoyuan: Logistics, aviation, and manufacturing base
 - Taichung: Manufacturing and industrial hub
 - Kaohsiung: Port city supporting heavy industry and logistics

Business Insight: High urban concentration supports efficient infrastructure, strong consumer markets, and well-developed industrial clusters.

Population

Workforce

- **Labour Force Size:** Approximately 11.6 million
- **Participation Rate:** Around 59–60%, influenced by ageing demographics
- **Workforce Profile:** Highly educated, technically skilled, and strong in engineering, manufacturing, and technology disciplines

Business Insight: Taiwan’s workforce is well-suited for high-value manufacturing, R&D, and knowledge-based industries, though competition for skilled talent is increasing.

Foreign Workforce and Migration

- **Foreign Workforce Profile:** Concentrated in technology, engineering, education, manufacturing, and selected professional services
- **Work Permit Framework:** Foreign professionals require employer sponsorship and role-specific justification
- **Talent Attraction Measures:** Policies support skilled foreign professionals, particularly in semiconductors, AI, and advanced manufacturing

Business Insight: Employers should plan early for work permit approvals and consider talent localisation strategies alongside foreign hiring.



Infrastructure

Transportation

Airports

Taiwan Taoyuan International Airport is the country's main international gateway, handling over 45 million passengers annually and supporting strong cargo operations for high-value exports. Ongoing expansion and terminal upgrades aim to enhance capacity and regional connectivity.

Ports and Maritime Infrastructure

Kaohsiung Port is Taiwan's largest and one of the busiest ports in East Asia, serving as a key hub for container shipping, bulk cargo, and industrial exports. Other major ports include Taichung and Keelung, supporting regional trade and logistics efficiency.

Rail Network

Taiwan's rail system is highly developed, combining conventional rail with the Taiwan High Speed Rail (HSR), which connects major cities along the western corridor from Taipei to Kaohsiung. The HSR supports efficient intercity travel and business mobility.

Road Connectivity

An extensive highway network links industrial zones, ports, and urban centres across the island, enabling reliable domestic logistics and supply chain movement.

Digital Infrastructure

Digital Government and Connectivity

Taiwan has high broadband penetration and advanced digital public services, enabling efficient business registration, tax filing, and regulatory processes. Internet penetration exceeds 95%, supporting a digitally mature economy.

5G Rollout and Smart Industry

Nationwide 5G deployment supports advanced manufacturing, smart logistics, and emerging technologies such as AI and IoT. Industrial zones increasingly integrate smart factory and automation solutions.

Infrastructure

Energy

Energy Mix and Security

Taiwan's energy mix is primarily driven by natural gas (around 43%) and coal (around 39%), with renewables accounting for approximately 10–12% of total electricity generation. Nuclear power was fully phased out in May 2025. Energy security and grid resilience remain national priorities, particularly for industrial and high-energy users.

Renewable Energy Expansion

The government continues to invest in offshore wind, solar power, and energy storage to support long-term decarbonisation goals and supply stability.

Science Parks and Industrial Zones

Hsinchu Science Park

Taiwan's flagship technology cluster and global semiconductor hub, hosting major chipmakers, R&D centres, and advanced manufacturing facilities.

Central Taiwan Science Park

Focused on precision machinery, electronics, and smart manufacturing, supporting high-value industrial supply chains.

Southern Taiwan Science Park

Anchored by semiconductor expansion and advanced materials, with strong links to Kaohsiung's port and industrial base.



Regional Opportunities

Northern Taiwan (Taipei, New Taipei, Taoyuan, Hsinchu)

Technology, Finance, Corporate Services

Northern Taiwan is the country's political, financial, and technology centre. Taipei and New Taipei host corporate headquarters, financial institutions, and service industries, while Hsinchu is a global semiconductor and R&D hub. Taoyuan supports logistics, aviation, and manufacturing through its airport and industrial zones.

Key Opportunities: Semiconductors, R&D and innovation, financial services, regional headquarters, and advanced technology manufacturing.

Central Taiwan (Taichung and Surrounding Areas)

Precision Manufacturing, Machinery, Industrial Supply Chains

Central Taiwan is a major manufacturing base, particularly for precision machinery, automotive components, and industrial equipment. Its strong supplier networks and industrial parks support export-orientated manufacturing.

Key Opportunities: Precision engineering, industrial automation, smart manufacturing, and component supply chains.

Southern Taiwan (Tainan, Kaohsiung)

Semiconductors, Heavy Industry, Logistics

Southern Taiwan combines advanced semiconductor manufacturing with heavy industry and port-led logistics. Kaohsiung Port underpins international trade, while Tainan is a growing centre for semiconductor fabrication and advanced materials.

Key Opportunities: Semiconductor expansion, petrochemicals, maritime logistics, energy infrastructure, and industrial manufacturing.

Regional Opportunities

Eastern Taiwan (Hualien, Taitung)

Tourism, Agriculture, Renewable Energy

Less urbanised and environmentally rich, Eastern Taiwan focuses on tourism, agriculture, and sustainability-related activities. Development is more selective, with emphasis on environmental protection and niche industries.

Key Opportunities: Eco-tourism, agribusiness, renewable energy projects, and sustainable development initiatives.

Outlying Islands (Penghu, Kinmen, Matsu)

Tourism, Logistics, Public Sector Projects

These islands play strategic and economic roles, with activity centred on tourism, local logistics, and government-supported development.

Key Opportunities: Tourism infrastructure, regional logistics services, and public sector partnerships.





Why Taiwan?



Economic Indicators & Outlook

GDP Growth

- **2025 Performance:** Taiwan's economy is projected to grow by around 7–7.5%, driven by strong exports of semiconductors, AI-related hardware, and advanced electronics.
- **2026 Outlook:** GDP growth is expected to moderate to around 3–3.5% but remain supported by global demand for advanced chips, high-performance computing, and technology manufacturing.
- **Business Insight:** Taiwan's growth remains closely tied to global technology cycles, with sustained demand for AI, semiconductors, and high-value manufacturing supporting medium-term expansion.

Inflation

- **2025 Average:** Inflation is projected to remain moderate at around 1.7–1.8%, reflecting easing price pressures and stable domestic demand.
- **2026 Outlook:** Inflation is expected to stay contained at around 1.6–1.7%, providing a predictable cost environment for businesses.
- **Business Insight:** Stable inflation supports purchasing power, wage planning, and long-term operational budgeting.

Unemployment

- **2025 Rate:** The unemployment rate averaged around 3.3–3.4%, indicating stable labour market conditions.
- **2026 Trend:** Unemployment is expected to remain low and stable, though competition for skilled talent in technology and engineering roles is likely to persist.
- **Business Insight:** Tight labour conditions in high-tech sectors highlight the importance of proactive talent planning and competitive hiring strategies.

Economic Indicators & Outlook

Trade Balance

- **2025 Performance:** Taiwan maintained a strong trade surplus, driven by exports of semiconductors, electronics, and precision machinery.
- **2026 Outlook:** The trade surplus is expected to remain robust, supported by continued global demand for AI infrastructure and advanced manufacturing inputs.
- **Business Insight:** Taiwan's export-led model reinforces its role as a critical node in global technology and industrial supply chains.

Foreign Direct Investment (FDI)

- **2025 Inflows:** FDI remained steady to strong, with investment concentrated in semiconductors, advanced manufacturing, green energy, and R&D-intensive industries.
- **2026 Prospects:** Investment momentum is expected to continue, supported by science parks, innovation incentives, and Taiwan's strong IP protection framework.
- **Business Insight:** Taiwan continues to attract long-term, strategic investment from companies seeking high-value production and innovation capabilities.

Economic Outlook Summary

Taiwan enters 2026 with solid economic fundamentals, supported by strong export performance, controlled inflation, and stable labour market conditions. While growth is expected to moderate from the exceptional pace seen in 2025, Taiwan's leadership in semiconductors, AI-related manufacturing, and advanced engineering underpins its resilience and long-term attractiveness as a strategic base for business expansion in Asia.

Strategic Advantages

Economic Stability

Taiwan's economy demonstrates strong resilience, supported by export strength, sound macroeconomic management, and a highly competitive industrial base.

- **Export-Led Growth Engine:** Strong performance in semiconductors and advanced electronics underpins economic momentum and external resilience.
- **Prudent Monetary Management:** Stable inflation, substantial foreign exchange reserves, and cautious fiscal policy support investor confidence.
- **Industrial Depth:** A mature manufacturing ecosystem helps partially offset reliance on the semiconductor sector while supporting long-term stability across electronics, machinery, and components.
- **Business Continuity:** Reliable infrastructure and institutional strength support uninterrupted business operations, even during global disruptions.

Strategic Location and Regional Trade Hub

Taiwan's geographic position anchors it firmly within East Asia's core trade and technology corridors.

- **East Asia Connectivity:** Proximity to China, Japan, South Korea, and Southeast Asia enables efficient regional supply chain integration.
- **Maritime and Air Access:** Major ports and international airports facilitate high-volume exports and time-sensitive logistics.
- **Trade Integration:** Participation in regional trade frameworks and strong bilateral economic ties support cross-border business activity.
- **Technology Supply Chain Node:** Taiwan plays a central role in global electronics and semiconductor value chains.



Strategic Advantages

Sectoral Strengths and Key Industries

Taiwan excels in high-value, technology-driven industries backed by deep technical expertise.

- **Semiconductors:** Global leadership in advanced chip manufacturing and foundry services.
- **Advanced Manufacturing:** Strength in precision machinery, electronics, and industrial components.
- **ICT and Hardware:** Strong OEM and ODM capabilities supporting global technology brands.
- **Healthcare and Biotech:** Growing innovation in medical devices, pharmaceuticals, and life sciences.

Trade and Investment Climate

Taiwan offers a transparent and business-friendly environment with strong legal and institutional foundations.

- **IP Protection:** A robust intellectual property regime aligned with international standards, supporting innovation-led investment.
- **Regulatory Transparency:** Clear regulatory frameworks and predictable enforcement reduce operational and compliance risk.
- **Investment Incentives:** Targeted support through science parks, R&D credits, and innovation-focused programmes.
- **Trusted Jurisdiction:** Strong rule of law and contract enforcement enhance investor confidence.

Innovation and Technology Development

Innovation remains a core pillar of Taiwan's long-term economic strategy.

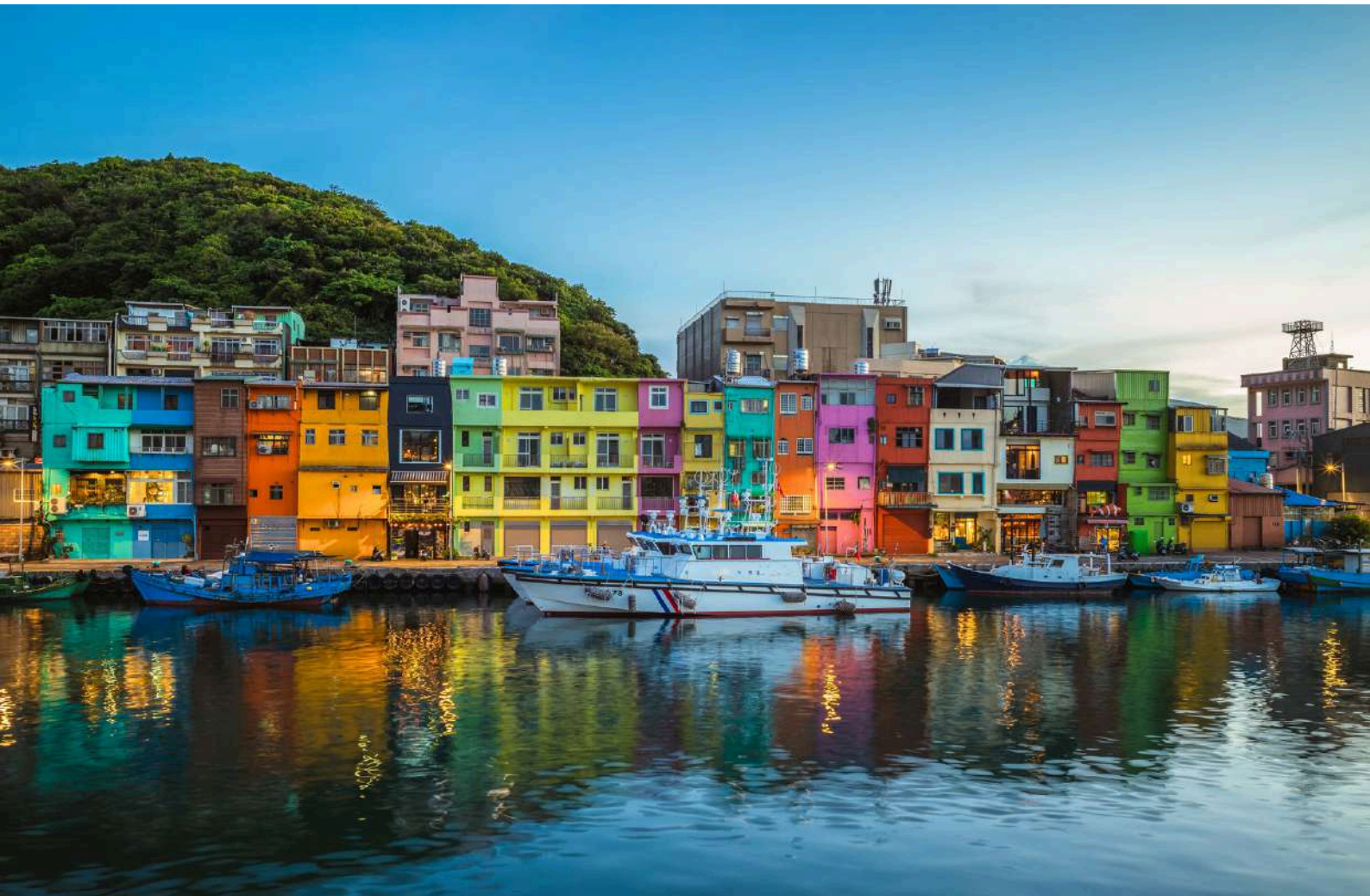
- **R&D Intensity:** High public and private investment in research, particularly in semiconductors, AI, and applied technologies.
- **Science Park Ecosystem:** Hsinchu, Central Taiwan, and Southern Taiwan Science Parks anchor innovation, R&D, and advanced manufacturing.
- **Industry-Academia Collaboration:** Strong links between universities, research institutes, and industry support commercialisation.
- **Next-Generation Technologies:** Expanding focus on AI, high-performance computing, and smart manufacturing solutions.

Strategic Advantages

Supply Chain and Manufacturing Competitiveness

Taiwan is a critical manufacturing and supply chain hub for high-value industries.

- **End-to-End Manufacturing Capability:** Integrated supply chains support speed, quality, and scalability.
- **High Reliability:** Consistent delivery performance and technical precision are widely recognised by global partners.
- **Supply Chain Diversification:** Taiwan's stability and technical depth support China+1 and broader diversification strategies.
- **Advanced Industrial Infrastructure:** Well-developed industrial parks and logistics networks enable complex manufacturing operations.



Major Industries Driving Growth

Semiconductor Manufacturing

- **Contribution to GDP:** Manufacturing contributes roughly 30–33% of Taiwan’s GDP, with the semiconductor industry accounting for around 15–20% of GDP and forming the core of Taiwan’s high-tech manufacturing base.
- **Key Segments:** Advanced logic chips, foundry services, and semiconductor equipment and materials.
- **Recent Performance:** Semiconductor exports surged in 2025, driven by strong global demand for AI, high-performance computing, and advanced electronics.
- **Strategic Initiatives:** Expansion of science parks and advanced fabs in Hsinchu, Tainan, and Kaohsiung reinforces Taiwan’s leadership in next-generation chip manufacturing.

Electronics and Advanced Manufacturing

- **Economic Impact:** Taiwan is a global leader in electronics manufacturing and industrial components, supporting exports across consumer electronics, automotive, and industrial equipment.
- **Key Segments:** Electronics assembly, precision machinery, components, and smart manufacturing.
- **Growth Drivers:** Rising demand for automation, electric vehicles, and smart devices is strengthening production and export performance.
- **Strategic Focus:** Industry 4.0 adoption and supply chain integration enhance productivity and global competitiveness.

Information and Communication Technology (ICT)

- **Sector Role:** ICT remains a critical pillar of Taiwan’s economy, supporting both domestic innovation and global technology supply chains.
- **Key Strengths:** Hardware manufacturing, OEM and ODM services, networking equipment, and data infrastructure.
- **Growth Areas:** AI infrastructure, cloud hardware, and edge computing solutions.
- **Strategic Direction:** Continued investment in digital infrastructure and smart industry applications.

Major Industries Driving Growth

Logistics and Trade

- **Strategic Positioning:** Taiwan's ports and air cargo capabilities support its export-driven economy and integration into global supply chains.
- **Key Assets:** Kaohsiung Port, Taichung Port, and Taiwan Taoyuan International Airport enable efficient trade flows.
- **Sector Contribution:** Trade and logistics remain essential enablers of manufacturing and cross-border commerce.
- **Growth Outlook:** Rising high-value exports, particularly semiconductors, continue to drive logistics demand.

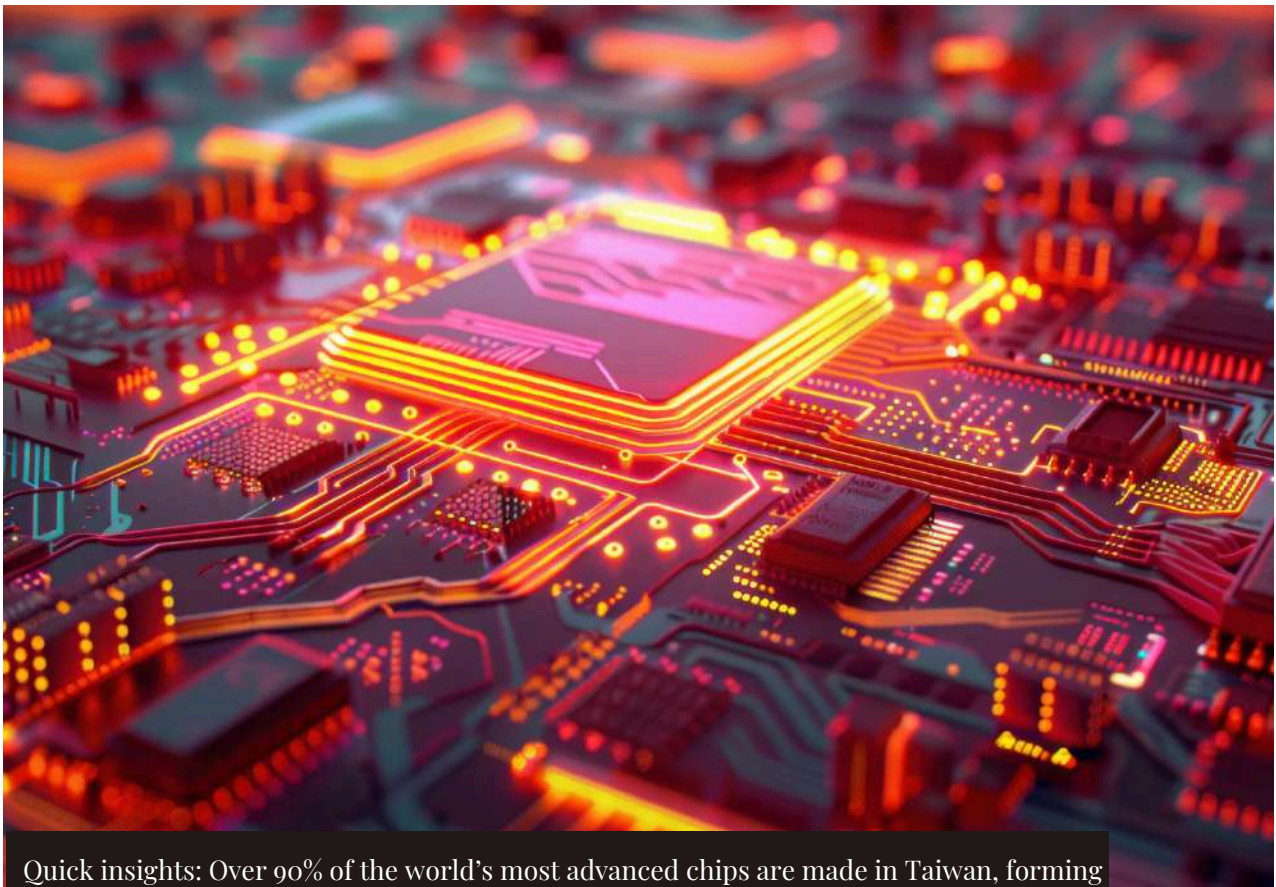
Healthcare, Biotech, and Medical Devices

- **Sector Overview:** Taiwan's healthcare and biotech sector is expanding, supported by strong research capabilities and a robust healthcare system.
- **Key Segments:** Medical devices, pharmaceuticals, diagnostics, and digital health solutions.
- **Recent Trends:** Increased investment in precision medicine, ageing-related healthcare, and clinical research.
- **Growth Potential:** Ageing demographics and innovation funding support long-term sector growth.

Major Industries Driving Growth

Green Economy and Renewable Energy

- **Policy Direction:** Taiwan is advancing its energy transition through renewable energy expansion and sustainability initiatives.
- **Key Focus Areas:** Offshore wind, solar power, energy storage, and energy efficiency solutions.
- **Investment Landscape:** The green economy continues to attract domestic and foreign investment, particularly in offshore wind and supporting infrastructure.
- **Business Impact:** Sustainability requirements are increasingly shaping supply chains and industrial development.



Quick insights: Over 90% of the world's most advanced chips are made in Taiwan, forming the backbone of global smartphones and AI technology.



Legal Essentials



Business Registration Process and Requirements

Setting up a business in Taiwan is relatively straightforward, supported by a transparent regulatory framework. Foreign investors should understand ownership structures, capital requirements, and sector-specific licensing obligations.

Common Business Structures

- **Company Limited by Shares (Co., Ltd.):** The most common structure for foreign investors. Offers limited liability and separate legal status. Foreigners may fully own the company. Typically requires two individual shareholders or one corporate shareholder and three directors, including a chairperson.
- **Limited Company:** Used for smaller or closely held businesses. Liability is limited to capital contributions, though ownership interests are less freely transferable than in a Co., Ltd.
- **Branch Office:** An extension of a foreign parent company. Not a separate legal entity, with the parent company bearing full liability. A local responsible person must be appointed.
- **Representative Office:** Used for liaison, market research, and sourcing activities. Cannot issue invoices or engage in revenue-generating business.
- **Sole Proprietorship or Partnership:** Primarily used by local individuals and rarely suitable for foreign investors due to unlimited liability.

Key Steps to Register

1. Reserve a business name with the Ministry of Economic Affairs (MOEA).
2. Choose the business structure and prepare incorporation documents.
3. Apply for foreign investment approval, where required, through the Investment Commission.
4. Inject and verify registered capital via a local bank and CPA, where applicable.
5. Register the entity with the MOEA and obtain a Unified Business Number.
6. Complete tax registration with the National Taxation Bureau and set up uniform invoices.
7. Open a corporate bank account in Taiwan.
8. Apply for sector-specific licences, if required.

Note: Requirements and timelines vary by industry and ownership structure. Working with **Eos Global Expansion** helps ensure compliance and a smooth setup process.

Taxation Overview

Taiwan operates a transparent, rules-based tax system with taxation primarily based on source of income. The regime combines competitive headline rates with targeted incentives and an extensive tax treaty network to support cross-border business activity.

Corporate Income Tax (CIT)

- Standard CIT Rate: 20% on taxable income above NT\$120,000.
- Income Basic Tax (IBT): Companies may also be subject to a 12% income basic tax. A higher 15% rate is proposed for certain large multinational groups in line with OECD Pillar Two implementation.
- Dividend Taxation: Taiwan applies a classical tax system, under which corporate profits are taxed at the company level and dividends are taxed separately in the hands of shareholders.

Business Tax (Value-Added Tax)

- Standard VAT Rate: 5% on the sale of goods and services and on imports.
- Zero-Rated Supplies: Exports and certain cross-border services are generally zero-rated.
- Registration Requirement: Businesses must register for VAT unless operating under an exempt regime.
- Exempt Sectors: Financial services, healthcare, education, and certain real estate transactions.

Personal Income Tax (PIT)

- Residents: Subject to progressive tax rates ranging from 5% to 40%, depending on income level.
- Tax Residency: Individuals staying in Taiwan for 183 days or more in a calendar year are generally treated as tax residents.
- Non-Residents: Taiwan-sourced employment income is generally taxed at a flat 18% if the individual stays less than 183 days in a tax year, subject to limited exemptions.

Taxation Overview

Withholding Tax (WHT)

- Withholding tax applies to certain Taiwan-sourced payments made to non-residents.
- Dividends: 21%, subject to reduction under applicable tax treaties.
- Interest: 20% as a general rule. A 15% rate applies to certain qualifying interest, such as specific bonds or financial products. Treaty reductions may apply.
- Royalties and Technical Service Fees: 20%, subject to exemptions or reductions under tax treaties.
- Taiwan maintains a broad network of double tax agreements, which can significantly reduce withholding tax exposure.

Tax Incentives

- Taiwan provides targeted tax incentives to support innovation, advanced manufacturing, and strategic industries.
- R&D Tax Credits: Available for qualifying research and innovation activities.
- Industry Incentives: Support for sectors such as semiconductors, AI, biotech, green energy, and advanced manufacturing.
- Science Park Benefits: Additional incentives may apply for companies operating within designated science and industrial parks.

Global Minimum Tax

- Taiwan is aligning with the OECD Global Minimum Tax (Pillar Two) framework.
- Scope: Multinational groups with global revenues exceeding EUR 750 million.
- Effective Rate: 15% minimum effective tax rate, with implementation targeted for 2025–2026.
- Impact: In-scope multinationals should assess potential top-up tax exposure and compliance obligations.

Labour Laws

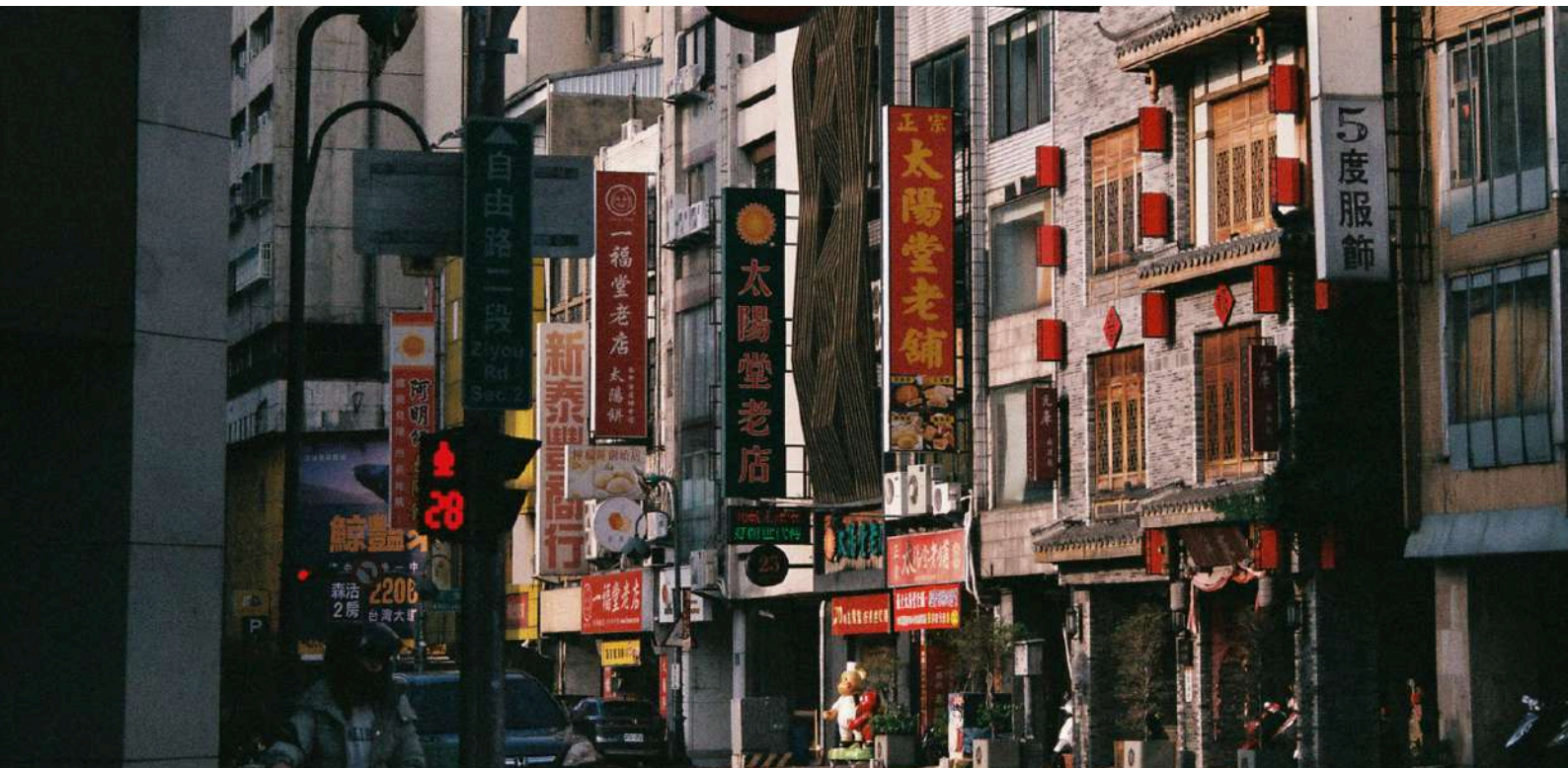
Taiwan's labour framework is governed primarily by the Labour Standards Act (LSA), which sets minimum standards for working conditions, employee protections, and employer obligations, while allowing flexibility within defined legal limits.

Working Hours and Overtime

- Standard Working Hours: Up to 8 hours per day and 40 hours per week.
- Overtime: Permitted with employee consent and subject to statutory limits.
- Overtime Pay Rates:
 - First 2 overtime hours: 1.33× hourly wage
 - Additional overtime hours: 1.66× hourly wage
- Overtime Cap: Generally limited to 46 hours per month, with exceptions under approved flexible arrangements.

Minimum Wage

- Statutory Minimum Wage (2026):
 - Monthly: NT\$29,500
 - Hourly: NT\$196



Labour Laws

Employment Contracts

- Both fixed-term and indefinite-term contracts are recognised.
- Written contracts are strongly recommended and should specify job scope, working hours, compensation, benefits, and termination terms.
- Employers must issue itemised payslips and maintain proper employment records.

Termination and Severance Pay

- Notice Periods:
 - Less than 3 months: No notice required
 - 3 months to 1 year: 10 days
 - 1 to 3 years: 20 days
 - Over 3 years: 30 days
- Severance Pay: Mandatory for qualifying terminations and generally calculated as half a month's average wage per year of service under the post-2005 Labour Pension system.
- Immediate Termination: Allowed only in cases such as serious misconduct.

Leave Entitlements

- Annual Leave:
 - 3 days after 6 months
 - 7 days after 1 year, increasing with tenure
- Sick Leave: Up to 30 days per year, with non-hospitalised sick leave paid at half salary.
- Maternity Leave: 8 weeks, with pay subject to eligibility.
- Paternity Leave: 7 days of paid leave.
- Parental Leave: Available under childcare and family care regulations.

Social Security and Benefits

- Employers must enroll employees in labour insurance and the labour pension system.
- Labour Pension Contributions:
 - Employer: Minimum 6% of monthly salary
 - Employee: Voluntary contributions up to 6%
- Employees are also covered under national health insurance and employment injury insurance schemes.

Visas for Foreign Nationals

Taiwan offers several work permit and visa options for foreign nationals, depending on role, qualifications, salary level, and industry. In most cases, a work permit must be approved before employment can begin.

Key Work Permit and Visa Types

Work Permit for Foreign Professionals

- For foreign nationals in professional, technical, managerial, or specialised roles.
- Requires sponsorship by a Taiwan-registered employer and approval from the Ministry of Labour (MOL).
- Minimum salary thresholds apply and vary by role and sector.
- Typically issued for up to 3 years, with renewals permitted.

Employment Gold Card

- A talent attraction programme for highly skilled professionals in fields such as technology, finance, science, education, and culture.
- Combines work authorisation and residency rights into a single permit.
- No employer sponsorship required.
- Valid for 1 to 3 years, renewable.
- Offers tax incentives for qualifying professionals during the initial residency period.

Intra-Company Transferee

- For employees transferred from overseas entities to related Taiwan companies.
- Requires proof of prior employment, specialised expertise, and employer sponsorship.
- Work permit approval is required before relocation.

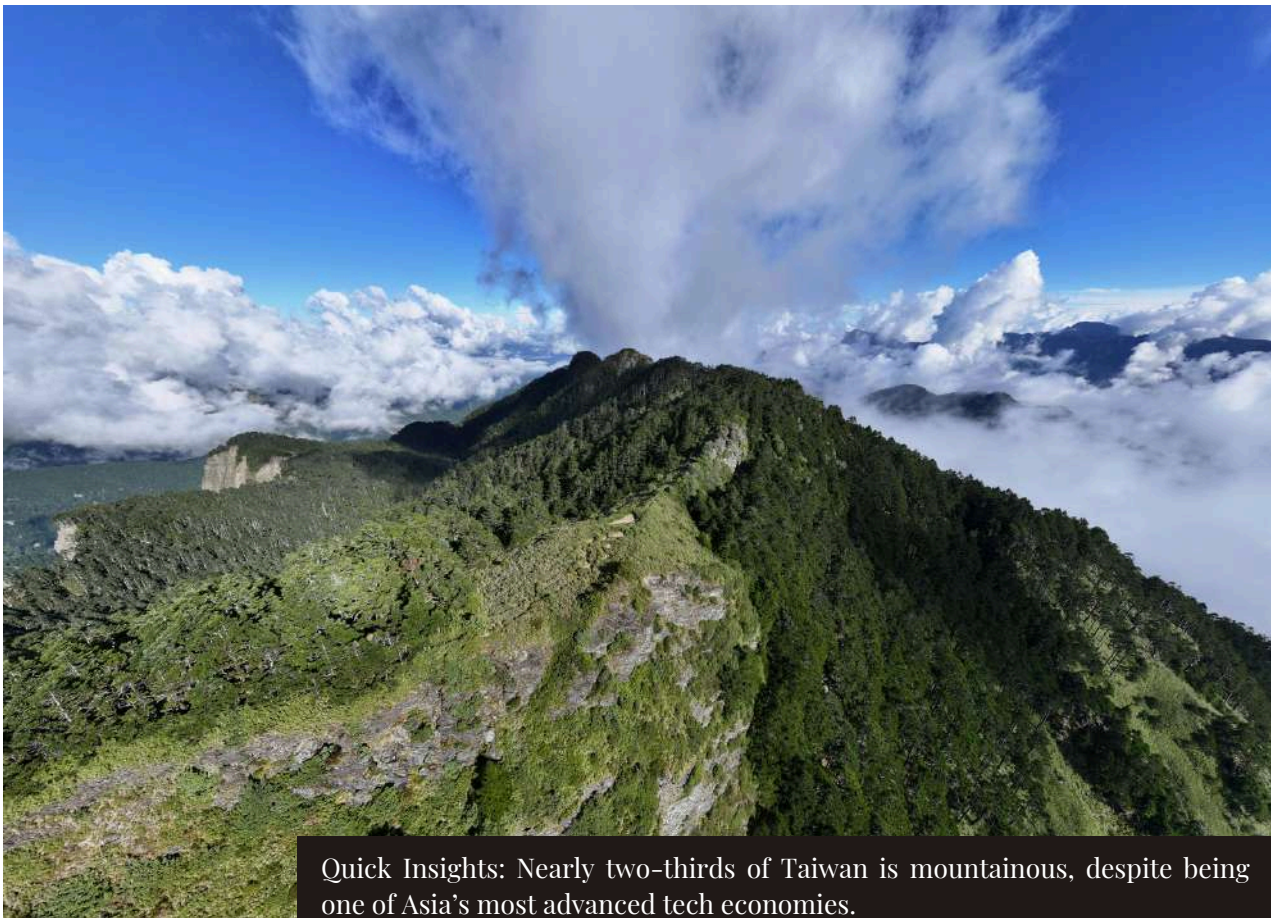
Visas for Foreign Nationals

Entrepreneur Visa

- For foreign entrepreneurs establishing startups in Taiwan.
- Applicants must meet innovation, funding, or incubator participation criteria.
- Initially issued for 1 year, with extensions subject to business performance and regulatory review.

Recent Developments

- Taiwan continues to strengthen its global talent attraction strategy, with expanded uptake of the Employment Gold Card and improved digital processing.
- Salary thresholds, eligible sectors, and qualification criteria are reviewed periodically to align with labour market needs and economic priorities.



Quick Insights: Nearly two-thirds of Taiwan is mountainous, despite being one of Asia's most advanced tech economies.



Cultural Tips



Professional Culture Insights

Understanding Taiwan's workplace culture helps build trust, avoid misunderstandings, and support long-term business relationships.

Workplace Norms and Practices

- **Respect for Hierarchy and Seniority:** Taiwanese organisations tend to be hierarchical. Seniority, job titles, and experience are respected, and decisions are often led by senior management.
- **Diligence and Reliability:** Employees are generally hardworking, detail-orientated, and committed to meeting expectations. Reliability and consistency are valued more than assertive self-promotion.
- **Consensus-Orientated Decisions:** Decision-making may take time, as internal alignment and consensus are important, particularly in larger or more traditional companies.

Communication Preferences

- **Indirect and Polite Communication:** Communication is typically polite and measured. Direct confrontation or overly blunt language is avoided, especially in group settings.
- **Saving Face:** Maintaining harmony and avoiding embarrassment are important. Criticism is best delivered privately and in a constructive, non-confrontational manner.
- **Language Considerations:** Mandarin Chinese is the primary business language. English is commonly used in multinational firms, though local-language support is helpful when working with domestic partners.

Networking and Relationship-Building

- **Trust Built Over Time:** Business relationships develop gradually and are based on trust, credibility, and long-term commitment rather than quick transactions.
- **Personal Rapport Matters:** Informal conversations and shared meals often help strengthen relationships, particularly in traditional industries.

Professional Culture Insights

Meetings and Negotiations

- Preparation Is Expected: Meetings are structured, and participants are expected to come prepared with clear information and supporting details.
- Deliberate Negotiations: Negotiations tend to be careful and methodical. Patience is important, as rapid decisions are uncommon.
- Decision Authority: Final decisions are usually made by senior leaders, even if discussions involve multiple stakeholders.

Work-Life Norms and Holiday Practices

- Work Culture: Long working hours can be common, though work-life balance is increasingly valued, particularly among younger professionals and international firms.
- Public Holidays: Business activity may slow during major holidays such as Lunar New Year, Dragon Boat Festival, and Mid-Autumn Festival.

Business Attire

Business attire is generally conservative and professional. Men typically wear collared shirts and trousers, with jackets for formal meetings. Women favour modest, professional office wear. Smart casual may be acceptable in start-ups and tech environments, but a polished appearance is expected in most business settings.



Social and Cultural Norms

Taiwanese society places strong emphasis on respect, harmony, and courtesy. Awareness of local customs supports smoother interactions in both business and social settings.

Greetings and Respect

- A light handshake with a polite nod is common in business settings.
- Use formal titles such as Mr, Ms, or professional titles followed by the surname, especially in initial meetings.
- Respect for seniority and hierarchy is important, particularly in traditional or family-run businesses.

Gift-Giving

- Gifts are not required for first meetings but are appreciated during festivals or as a gesture of thanks.
- Suitable gifts include branded items, local delicacies, or small souvenirs from your home country.
- Present gifts with both hands. Avoid clocks, sharp objects, or items associated with bad luck.

Dining Etiquette

- Business meals are common and often used to build rapport.
- Wait for the host to begin eating and follow their lead on seating and ordering.
- Sharing dishes is typical; using serving utensils is appreciated.
- Tipping is not customary, as service charges are usually included.

Public Behaviour

- Polite, calm behaviour is valued. Public confrontation or raised voices are generally avoided.
- Punctuality is appreciated, though some flexibility may be shown in social settings.
- Shoes should be removed when entering private homes and certain traditional spaces.

Religious and Cultural Sensitivities

- Taiwan has a mix of Buddhist, Taoist, Christian, and folk religious practices.
- Dress modestly when visiting temples or religious sites.
- Avoid sensitive discussions around politics or cross-strait relations in business or casual conversation.

Social and Cultural Norms

Practical Tips

- Public transport is efficient, and ride-hailing services are widely available.
- Cashless payments are common, though cash is still used in smaller establishments.
- Offering seats to the elderly, pregnant women, or those in need is considered good etiquette.

Festivals and Traditions

- Lunar New Year: The most important holiday; many businesses close or operate on reduced hours.
- Dragon Boat Festival: Marked by dragon boat races and traditional food.
- Mid-Autumn Festival: Often celebrated with family gatherings and gift exchanges.
- National Day: Observed with public events and celebrations.
- Business activity may slow during major holidays, and advance planning is recommended.



Quick Insights: Taiwan has one of the highest numbers of convenience stores per capita in the world, reflecting its highly efficient urban life.



Opportunities



High-Growth Industries and Sectors

Semiconductors and Advanced Electronics

Taiwan is a global leader in semiconductor manufacturing, particularly in advanced logic chips and foundry services. Strong demand for AI, high-performance computing, and automotive electronics continues to drive investment and capacity expansion across the supply chain.

Opportunities:

- Advanced chip design and manufacturing
- Semiconductor equipment, materials, and testing services
- AI, HPC, and automotive electronics supply chains

Artificial Intelligence and Digital Technologies

AI adoption is accelerating across manufacturing, healthcare, finance, and smart city applications. Taiwan's strength in hardware manufacturing complements growing capabilities in software, data processing, and edge computing.

Opportunities:

- AI hardware and infrastructure
- Smart manufacturing and automation solutions
- Cloud, edge computing, and data analytics

Green Energy and Sustainability

Taiwan is advancing its energy transition, with continued focus on offshore wind, solar, energy storage, and carbon reduction technologies. Despite a slower-than-planned rollout, green energy remains a strategic priority supported by policy incentives and foreign investment.

Opportunities:

- Offshore wind and renewable energy infrastructure
- Energy storage and grid modernisation
- Sustainability consulting and clean technology

High-Growth Industries and Sectors

Healthcare, Biotech, and Medical Devices

An ageing population and strong public healthcare system are driving demand for medical devices, pharmaceuticals, diagnostics, and digital health solutions. Government support continues to strengthen the biotech and life sciences ecosystem.

Opportunities:

- Medical devices and diagnostics
- Biopharmaceutical R&D and manufacturing
- Digital health and precision medicine

E-Commerce and Consumer Technology

High internet penetration and widespread digital adoption support growth in e-commerce, online services, and consumer tech. Cross-border platforms and logistics integration are expanding access to regional markets.

Opportunities:

- Cross-border e-commerce platforms
- Digital payments and last-mile logistics
- Consumer electronics and smart devices

Fintech and Digital Finance

Taiwan's fintech sector is developing steadily, supported by regulatory sandboxes and growing consumer adoption of digital banking and payments. Collaboration between banks and technology firms is increasing.

Opportunities:

- Digital payments and e-wallets
- RegTech and cybersecurity solutions
- Embedded finance and financial software

Government Initiatives and Incentives

Taiwan supports business growth through a range of investment incentives, R&D programmes, and talent policies, with strong emphasis on advanced manufacturing, technology, sustainability, and innovation.

Investment Promotion and Business Support

Key government bodies provide coordinated support to foreign and domestic investors:

- Invest Taiwan and the Ministry of Economic Affairs (MOEA) offer assistance for market entry, site selection, and investment approvals.
- Incentives are available for companies establishing manufacturing, R&D, or regional operations, particularly in strategic industries.
- Dedicated support is provided for SMEs, startups, and high-growth technology firms.

Tax Incentives and Sector Schemes

Taiwan's incentive framework encourages high-value investment and industrial upgrading:

- Statute for Industrial Innovation (SII): Offers tax credits and deductions for R&D, smart machinery, and digital transformation.
- Accelerated Depreciation: Available for qualifying equipment and technology investments.
- Industry-Specific Incentives: Target sectors include semiconductors, AI, biotech, green energy, and advanced manufacturing.



Government Initiatives and Incentives

R&D and Innovation Support

The government actively promotes innovation through funding and collaboration:

- R&D tax credits for qualifying research activities and technology development.
- Support for industry-academia collaboration through national research programmes and science parks.
- Grants and subsidies for automation, digitalisation, and productivity upgrades.

Science Parks and Innovation Zones

Taiwan's science parks anchor its innovation ecosystem:

- Hsinchu Science Park: Core hub for semiconductors, electronics, and ICT.
- Central Taiwan Science Park: Focus on precision machinery and advanced manufacturing.
- Southern Taiwan Science Park: Concentrates on semiconductors, optoelectronics, and green technology.
- Companies operating in these zones may benefit from infrastructure support, streamlined approvals, and talent access.

Green Economy and Sustainability Incentives

Taiwan is promoting sustainable development alongside industrial growth:

- Incentives support renewable energy, energy efficiency, and carbon reduction projects.
- Offshore wind, solar, and energy storage projects continue to attract public and private investment.
- ESG reporting, green finance, and sustainable manufacturing are increasingly encouraged through policy support.

Talent and Digital Transformation Initiatives

To remain competitive, Taiwan prioritises talent attraction and digital capability:

- The Employment Gold Card programme targets global professionals in key sectors.
- Support for AI, smart manufacturing, and digital infrastructure development continues to expand.
- SMEs receive assistance to adopt digital tools, automation, and cybersecurity solutions.

Emerging Trends and Business-Friendly Regions

Taiwan continues to strengthen its position as a global technology and manufacturing hub, supported by innovation-driven policies, supply chain realignment, and regional development strategies.

Emerging Business Trends

AI, Semiconductors, and Advanced Manufacturing

- Strong growth in AI-related hardware, high-performance computing, and advanced chip manufacturing.
- Increased investment in smart factories, automation, and Industry 4.0 solutions across manufacturing sectors.
- Rising demand for AI-enabled industrial, automotive, and edge computing applications.

Green Energy and Sustainability

- Continued focus on offshore wind, solar energy, and energy storage, despite slower-than-planned deployment.
- Growing emphasis on energy efficiency, carbon reduction, and sustainable manufacturing practices.
- Increased participation by foreign investors in renewable energy and related infrastructure projects.

Healthcare, Biotech, and Precision Medicine

- Expansion in medical devices, diagnostics, digital health, and biotech R&D.
- Government support for precision medicine, ageing-related healthcare solutions, and clinical innovation.
- Strengthening links between hospitals, research institutions, and biotech firms.

Supply Chain Resilience and Regional Diversification

- Companies are reconfiguring supply chains to reduce risk and improve resilience.
- Taiwan's role in high-value manufacturing supports diversification strategies beyond single-market dependence.
- Demand is rising for advanced logistics, supplier localisation, and cross-border trade services.

Emerging Trends and Business-Friendly Regions

Business-Friendly Districts and Zones

Hsinchu Science Park

- Taiwan's flagship technology cluster and global centre for semiconductor R&D and manufacturing.
- Home to leading foundries, fabless firms, and advanced electronics suppliers.

Southern Taiwan Science Park (Tainan and Kaohsiung)

- Focused on semiconductor fabrication, optoelectronics, and green energy.
- Attracts large-scale investment and supports next-generation manufacturing capacity.

Central Taiwan Science Park

- Specialises in precision machinery, smart manufacturing, and industrial components.
- Strong links to automotive, aerospace, and advanced equipment supply chains.

Taipei and New Taipei City

- Taiwan's financial, administrative, and commercial centre.
- Concentration of corporate headquarters, professional services, startups, and fintech firms.

Taoyuan International Airport City

- Logistics and industrial hub centred around Taiwan's main international airport.
- Supports aviation services, warehousing, high-value manufacturing, and regional distribution.



Quick Insights: Night markets are a key part of daily life, with some operating well past midnight, reflecting Taiwan's vibrant consumer culture.



Resources



Official Government Websites and Investment Agencies

Taiwan offers a transparent and well-documented business environment, supported by official platforms covering investment, company registration, taxation, labour, and immigration.

Invest Taiwan

<https://investtaiwan.nat.gov.tw>

National investment promotion platform supporting foreign and domestic investors with market entry guidance, incentives, site selection, and regulatory approvals.

Ministry of Economic Affairs (MOEA)

<https://www.moea.gov.tw>

Oversees industrial policy, business regulation, and trade development, and provides guidance on company setup and sector-specific requirements.

Department of Commerce (Company Registration Authority)

<https://gcis.nat.gov.tw>

Handles company and business registration, including name reservation, incorporation filings, and corporate record management.

Ministry of Finance (MOF)

<https://www.mof.gov.tw>

Responsible for taxation policy and fiscal regulation, including corporate income tax, business tax (VAT), withholding tax, and incentive frameworks.

Ministry of Labour (MOL)

<https://www.mol.gov.tw>

Governs labour regulations, employment standards, minimum wage policies, and foreign work permit approvals.

Industry Associations and Chambers of Commerce

Taiwan External Trade Development Council (TAITRA)

Taiwan's main trade promotion body, supporting international trade, market entry, and business matching.

<https://www.taitra.org.tw>

American Chamber of Commerce in Taiwan (AmCham Taiwan)

Represents multinational and US-affiliated businesses, offering advocacy, policy insights, and networking.

<https://www.amcham.com.tw>

European Chamber of Commerce Taiwan (ECCT)

Represents European businesses in Taiwan and engages with authorities on regulatory and market access issues.

<https://www.ecct.com.tw>

Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)

Key association for Taiwan's electronics, ICT, and semiconductor industries.

<https://www.teema.org.tw>

Taiwan Association of Machinery Industry (TAMI)

Represents machinery and precision equipment manufacturers across Taiwan's industrial sector.

<https://www.tami.org.tw>

Eos's Service Offerings in Taiwan

Eos Global Expansion supports businesses entering and operating in Taiwan by delivering compliant, flexible workforce solutions. Whether companies are hiring local employees, engaging contractors, or exploring market entry options, Eos provides practical guidance to navigate Taiwan's regulatory and employment landscape with confidence.

Our Services Includes:

- **Local Payroll and HR Administration:** Managing compliant payroll in New Taiwan Dollar (NTD), including labour insurance, pension contributions, tax withholdings, and statutory filings for locally hired employees.
- **Contractor Engagement and Payments:** Supporting the onboarding and management of independent contractors with compliant contracts, timely local payments, and guidance on tax and classification considerations.
- **Entity Setup and Local Employment Advisory:** Advising businesses on establishing a Taiwan entity to directly employ staff, including regulatory requirements, incorporation processes, and post-registration compliance considerations.
- **Work Permit and Immigration Guidance:** Providing support on viable work permit and visa pathways, including professional work permits and Employment Gold Card options, and helping businesses understand eligibility and compliance requirements.
- **Regional Payroll and Workforce Coordination:** Coordinating payroll and employment compliance for teams operating across Taiwan and the wider Asia-Pacific region through a single point of contact.
- **Ad Hoc Consulting:** Advising on workforce planning, labour law updates, hiring strategies, and operational setup aligned with Taiwan's employment and regulatory framework.

Partner with EOS for Success in Taiwan

Taiwan offers strong opportunities across technology, manufacturing, and innovation-driven sectors, but local employment and compliance requirements can be complex. [Eos Global Expansion](#) helps businesses operate with clarity and confidence. Whether you are managing local hires, engaging contractors, or preparing for entity setup, our team ensures your operations remain compliant, efficient, and ready to scale.



Expert Tips



Overcoming Common Challenges

Taiwan offers a stable and business-friendly environment, but foreign companies may face challenges related to approvals, hiring, and compliance. The following tips help reduce risk and support a smoother market entry.

Understand Foreign Investment Approval Requirements

Most foreign investments require prior approval from Taiwan's Investment Commission before company registration and capital remittance. Structuring ownership and business scope correctly from the outset helps avoid delays.

Plan Work Permit and Hiring Timelines Early

Foreign hires must obtain approved work permits before employment begins. Salary thresholds, job scope, and employer eligibility are closely reviewed, and timelines can vary by role and industry.

Ensure Compliance with Labour Standards

Employers must comply with the Labour Standards Act, including working hour limits, overtime rules, statutory leave, severance obligations, and mandatory labour insurance and pension contributions.

Avoid Contractor Misclassification Risks

Taiwan applies strict tests to distinguish employees from independent contractors. Contractor arrangements must reflect genuine independence, with clear scopes of work and compliant contracts.



Avoiding Potential Cultural Misunderstandings

Understanding Taiwan's communication style and social norms helps build trust and avoid missteps.

Indirect and Respectful Communication

Taiwanese professionals favour polite, indirect communication. Avoid blunt criticism or public confrontation. Feedback should be constructive and delivered privately.

Respect for Seniority

Hierarchy matters, particularly in traditional organisations. Use formal titles and allow senior figures to lead discussions unless invited otherwise.

Saving Face

Preserving harmony is important. Openly challenging opinions in group settings may cause discomfort. Diplomatic language and patience are valued.

Sensitive Topics

Avoid discussions on politics or cross-strait relations in business or casual conversations, as these topics can be sensitive.

Social Etiquette

Calm behaviour and punctuality are appreciated. Follow local customs, such as removing shoes in private homes or traditional spaces.



Quick Insights: Taiwan's high-speed rail allows you to cross the island in under two hours, linking major business hubs north to south.

Additional Tips

Update Company Records Promptly

Report changes to company address, directors, capital, or shareholding to the Department of Commerce (GCIS) to remain compliant.

Check Licensing Requirements Early

Regulated sectors such as finance, healthcare, food services, education, and import or export activities require additional approvals.

Register Employees for Statutory Coverage

Enrol employees in labour insurance, national health insurance, and the labour pension system on time and submit contributions accurately.

Use Written Agreements for All Hires

Ensure clear written contracts are in place for both employees and contractors, outlining roles, pay, and termination terms.



Thank You for Exploring Taiwan!

We hope this guide helps you uncover Taiwan's business potential and rich cultural landscape. Whatever your next step, we're here to support you.



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Ready to expand into Taiwan?
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experts and unlock tailored guidance for
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