

# Cross-Party Group on Taiwan

3<sup>rd</sup> May 2023 6pm

Minute

Present

MSPs

Jamie Greene MSP: *Chair*

Rhoda Grant MSP

Clare Adamson MSP

Invited guests

Chia-cheng Chang

Thomas Huang

Mindy Chang

Minford Yu

Danielle Thomson

Hsien-lin Ro

Ian Ross

Hsiao-Chen Shen

Frank Siedlock

Justine Vonpierre

Robert Mark

Apologies

Ian McKee

James Dornan MSP

Jeremy Balfour MSP

Lindesay Low

Mercedes Villalba MSP

Sandy Sneddon

Seona Shand

Thomas Mitford

# Introduction and Apologies

Jamie Greene MSP warmly welcomed all attendees to the first in-person meeting following the Covid-19 pandemic and conveyed gratitude for their presence. He acknowledged and expressed regrets for the absence of certain members. The primary objective of the meeting was emphasised, namely to discuss the positive aspects related to trade, specifically focusing on the commercial relationship between Scotland and Taiwan, highlighting the mutual benefits derived from this partnership for both nations.

## Guest Presentation

*Taiwan: Your Next Business Partner*

*An introduction to Taiwan's competitiveness and business opportunities*

Delivered by Mr. Thomas Huang Director of Taiwan Trade Centre London

### Key points

- According to the Department for International Trade (DIT), Taiwan is a skilled workforce with excellent innovation capabilities and high disposable income and was ranked 21<sup>st</sup> largest economy in the world (IMF).
- Taiwan ranks 12th in overall Global Competitiveness by the World Economic Forum and 4th in Asia
- Bilateral trade between the UK and Taiwan has experienced steady growth in recent years. Notable UK imports from Taiwan include communication devices, automobile parts, bicycles, and sporting goods. Top UK exports to Taiwan consist of beverages, spirits, vinegar, vehicles, machines, and scientific instruments.
- Examples of UK products with the highest market share in Taiwan include whiskey (94%, No.1) and gin (55%, No.1).
- Examples of Taiwanese products with the highest market share in the UK include bicycle parts (54%, No. 1) and computer parts & accessories (19%, No. 2).
- Three sectors of trade with significant trade potential:
  - *Smart Solutions & creative industry*
    - Collaboration in areas like gaming, education technology, and payment mechanisms can leverage the complementary expertise of the UK and Taiwan.
  - *Food and drink*
    - Taiwan is the 4th largest importer of Scotch Whisky, and there is growing potential in the import of other alcoholic beverages such as gin and rum.
  - *Renewable energy and net zero*
    - Scotland leads in renewable energy, including offshore wind power, hydraulics, hydrogen energy, and carbon capture and storage. Taiwan is the UK's largest offshore wind market in the Asia Pacific. Collaboration opportunities exist in wave & current energy, as well as carbon capture, utilisation, and storage.
- Future events (Location: Taipei Nangang Exhibition Centre)
  - Computex Taipei: *Asia largest ICT show* from 30<sup>th</sup> May to 2<sup>nd</sup> June 2023.

- Food Taipei: *Explore food and drink in Taiwan* from 14<sup>th</sup> to 17<sup>th</sup> of June.
- Energy Taiwan: *Platform demonstrating renewable energy and Net Zero solutions* from 18<sup>th</sup> to 20<sup>th</sup> October 2023.

## Discussion

Recent engagements in renewable Energy between the UK and Taiwan.

- Inward delegations visited from Taiwan in last October and December
- 8 Scottish companies visited Taiwan in the past years.

Support in the gaming industry Taiwan that contributed to its growth.

- A distinction can be made between mobile and video game development in Taiwan. Mobile games are typically created in large volumes, leading to intense competition and rapid progress and development in the industry.
- The Taiwanese government plays a significant role in supporting the gaming industry. It provides support for mobile game development through budgets and investment initiatives. Additionally, the government invests in fostering creative skills, such as game design, and supports smaller companies in the gaming sector.
- Collaborations with partners are also part of the support ecosystem. An example includes the refinement of payment mechanism through collaboration with banks.

How can companies get involved with business in Taiwan?

- *TaiwanTrade*: An online marketplace organised by the Taiwan External Trade Development Council. Companies can become members for free and utilise the platform for product promotion and sales.
- Trade shows in Taiwan: Companies can explore opportunities by participating in various trade shows held in Taiwan.
- Establishing a channel through agency: Companies can consider partnering with agencies or local representatives to establish a presence and navigate the Taiwanese market.
- *GlobalScot*: Scotland's international business network that offers guidance to Scottish companies looking to enter and collaborate in international markets, including Taiwan.

Trade opportunities in Education.

- Taiwan has allocated 10 billion Taiwanese dollars to fulfil the 2030 Bilingual Education Policy, creating a significant market opportunity.
- The current landscape presents an ideal time for UK EdTech companies to enter the Taiwanese market, particularly in the field of online teaching programs.
- There is potential for UK companies to provide formal accreditation in British English Proficiency, catering to the specific language learning needs in Taiwan.
- Consideration can be given to establishing physical establishments or campuses associated with UK schools or universities, as there may be demand for immersive language learning experiences. However, it's worth noting that the market for universities is already quite saturated, which could pose a challenge.

Market for the locally produced Taiwanese whisky *Kavalan*?

- Kavalan, a Taiwanese whisky brand, enjoys greater recognition and popularity globally compared to its local market presence.
- Other popular drinks from Taiwan include those made by Nantou Distillery, founded by the Taiwan Tobacco & Liquor Corporation, who produce a range of drinks including whisky and Scotch Malt Whisky. These beverages are renowned for their distinct tastes, influenced by the geographical locations and maturation processes involved.

## Closing Remarks

Jamie Greene MSP expressed gratitude to all the guests and attendees for their participation in the meeting. He then extended an invitation to Director General Chia-cheng Chang to deliver the closing remarks.

Remarks by Chia-cheng Chang, *Director General of the Taipei representative Office in the UK Edinburgh Office.*

Key points

- The Director General thanked the guest speaker, Thomas Huang for his insightful talk, and the attendees and guests for their attendance.
- Gratitude was expressed to the Scottish Parliament for their long-standing support of Taiwan's meaningful participation in the World Health Organisation (WHO) and World Health Assembly (WHA).
- The decreasing impact of the Covid-19 pandemic is acknowledged as well as the ongoing efforts to strengthen global health systems.
- The disruptive effects of the pandemic on international trade, transportation, and supply chains for vaccines, medicines, and personal protective equipment were highlighted. In addition to these challenges, current concerns were raised regarding energy supply, inflation, and rising living costs.
- It was emphasised that discussions should now focus on core economic issues and the strengthening of supply chains among liberal democracies through trade and investment.
- The valuable partnership between Scottish companies and Taiwan in the development of Taiwan's offshore wind power industry was acknowledged. Anticipation was expressed for future collaboration opportunities in the semiconductor industry, decarbonisation technology, and hydrogen energy.
- The UK's expected membership in the comprehensive and progressive agreement for Trans-pacific Partnership (CPTPP) was highlighted, indicating the trade blocs significance as a market second only to the EU. Taiwan's keenness to join the CPTPP as soon as possible was mentioned.
- Strong belief was expressed in the prospect of closer and stronger economic relations between Taiwan, the UK, and Scotland in the Indo-Pacific era.
  
- Next meeting date to be confirmed.