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Taiwan

Exporter Guide

Annual

2005

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Report Highlights:

Renewed economic growth through 2003/2004 provided new growth opportunities for U.S. exports of food and beverages. WTO trade liberalization and consumer demand for novelty and variety have, however, created a highly competitive environment for U.S. exporters. This puts a strong emphasis on innovative product development, superior marketing skills, and a trend towards high value niche product markets.

Continued development of large-scale retail outlets and up-market food service, typified by the new Taipei 101 complex, will favor high added value and specialty products.

Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
Taipei [TW1]
[TW]

Taiwan Exporter Guide 2005

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I. Market Overview

General Economy in Brief

Taiwan has a dynamic, capitalist economy that continues to expand annually. Taiwan's foreign exchange reserves are the world's second largest, exceeded only by the PRC. The economy achieved strong and steady growth in 2004, expanding at a pace of 5.71%, a four-year high. However, the cabinet-level Council for Economic Planning and Development's forecast a between 4.1-4.8 GDP growth for 2005, due to slowing world economy in 2005.

Taiwan's economy is undergoing a fundamental restructuring in response to the challenges posed by the emergence of China as a global manufacturer and consumer. Much of Taiwan's own manufacturing capacity has relocated to China, while in Taiwan companies have focused on high tech production and the development of technical and industrial management skills. According to Taiwan's Council for Economic Planning and Development (CEPD), industrial products have steadily increased their share of Taiwan's exports, accounting for more than 90% of total exports in 1990 and reaching 98.6% in 2004. Within this category, exports of capital-and technology-intensive goods have shown impressive growth, raising their share of total exports from 32.2% in 1981 to 77.2% in 2004. And as efforts to develop high-technology industries have borne fruit, electronics and products related to information technology have seen their share of total exports rise considerably, from 13.7% in 1981 to 30.6% in 2004.

Japan and the United States have long been the major suppliers of Taiwan's imports. Before 1995, these two countries consistently provided more than half of Taiwan's total imports. In 2004, however, they accounted for only 38.9%. On the other hand, the share of Taiwan's imports originating in ASEAN has gradually increased, from 10% in 1994 to 12% in 2004, while that from the PRC has jumped from 2% to 10%. Agricultural/industrial raw materials, capital goods, and consumer goods each accounted for 60%, 21.4%, and 8.2% respectively in 2004.

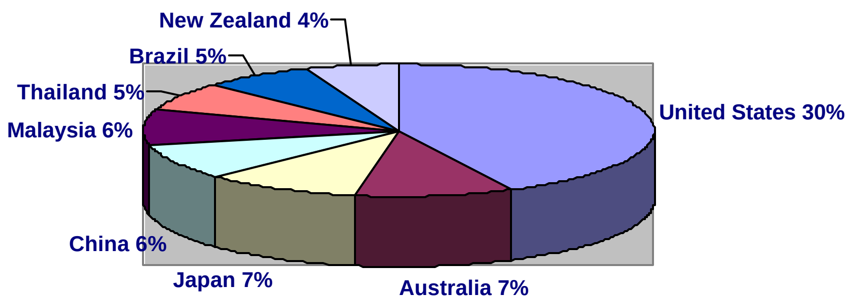
	2002	2003	2004
GNP: US$ billion	288.6	295.6	316.7
GNP: US$ per person	12,884	13,139	14,032
Average Disposable Income US$ per Household	25,206	25,947	N/A
Food & Beverage Total Spend as % of Total Spend	24%	24%	N/A
Changes in Consumer Price Index (CPI) %	-0.2	-0.3	1.6
Unemployment Rate	5.2	5.0	4.4
Economic Growth Rate %	3.9	3.3	5.7
Average Annual Exchange Rate NT$ to 1.00 US$	34.8	34.0	31.9

Source: Taiwan Directorate General of Budget, Accounting, and Statistics.

Food Market in Brief

Taiwan is the sixth largest market for U.S. food and agricultural product exports. In 2004, the United States exported US$2.6 billion of agricultural products to Taiwan, a nearly 2 percent increase from the previous year, capturing 30 percent of total Taiwan's agricultural imports (US$8.9 billion). The United States (30%), Australia (7%), and Japan (7%) were top three largest suppliers of Taiwan's agricultural imports.

2004 Taiwan Food and Agricultural Imports
Total US$8.9 billion



While maintaining its position as a substantial supplier of bulk commodities, such as soybeans and products (55%), corn (95%), and wheat (87%), the Untied States supplies 96% of turkey meat, 56% of fresh & frozen pork and products; 40% of vegetable & products; and 17% of fruits and products. The United States is the top supplier of most varieties of imported fresh fruits: apples (51% or US$46 million), table grapes (56% or US$13 million), grapefruits (81% and US$3 million), oranges (66%, or US$4 million), cherries (73%, or US$32 million), peaches (81%, or US$34 million), and plums (64%, or US$5 million). ** Figures inside parentheses represent total US exports and US market share.

Taiwan became a full member of the World Trade Organization (WTO) in 2002. The lowering of tariff and non-tariff trade barriers for food and agricultural products has provided improved market access for a wide range of U.S. agricultural products including fresh produce, dairy products, meat, seafood, and processed food products. Given Taiwan's relatively small agricultural sector, Taiwan's dependence on imports is expected to continue to grow. Taiwan's continued modernization, and increased adoption of American and western food tastes make the country an extremely attractive market for U.S. exporters.

Taiwan's consumers are becoming more sophisticated. Two income families as well as single unit households are replacing the traditional extended family. For the food industry this is creating a demand for more "Western-style" food items, as well as an emphasis on pre-cooked and convenience foods and snacks. Also, Taiwan's population is aging. The elderly (age 65 and above) currently make up 9.2 percent of the island's population and are increasing rapidly. According to Taiwan Food Industry Research and Development Institute (FIRDI), products with low sugar, low salt, natural, high calcium are most popular among Taiwan's elderly people.

Demographics

Taiwan is located off the southeast coast of the Asian continent, between Japan to the north and the Philippines to the south, with a current population of 23 million people. The total area is about 36,006 square kilometers, roughly equal to the size of the Netherlands. About two-thirds of the island is covered with lushly forested mountains. With 627 persons per square kilometers, Taiwan is one of the most densely populated areas in the world. Taipei and Kaohsiung on the west coast are the two major metropolises of Taiwan with population of 6.6 million and 2.8 million respectively. The elderly (age 65 and above) currently make up 9.2 percent of the island's population, and is increasing rapidly.

Consumer Demographics				
	2001	2002	2003	2004
Female Labor Force Participation %	54.6	54.4	54.5	n.a.
Birth Rate per 1000	11.65	11.02	10.06	n.a.
% of Aging population	8.8	9.0	9.0	9.2
Average Space per household, square feet	1,476	1,512	1,512	n.a.
Average Disposable Income per household (Adjusted for inflation) US$	25,700	25,206	25,947	n.a.
Consumption Expenditure per household US$	19,464	19,356	19,611	n.a.
Household Consumption of Food, and Beverage as % of total consumption	23.6	23.6	23.9	n.a.

Source: Directorate General of Budget, Accounting and Statistics.

There exist, however, two long-term trends that will impact future food and beverage demand.

- The birth rate is falling and people are living longer. This means less demand for infant formula and baby foods and more demand for healthy foods and nutrients. These are probably long term structural developments arising from more women in the workforce, more divorces and smaller families, improved diet, and better health care.

- The great majority of people living in apartments and new high-rise apartments with elevators are getting a little bigger in floor-space. This means more room for food storage, cooking and home entertainment, although we do not expect this to have a major impact on Taiwanese consumer habits to eat out and shop frequently and in small quantities.

These trends will favor Taiwan's attraction to U.S. lifestyle, with its emphasis on space, leisure and personal enjoyment. This trend began with McDonald's, a U.S. experience in low cost fast food for youngsters, and continues with Starbucks, a U.S. experience in sipping rare coffees in elegant surroundings for the young and affluent. A U.S. format for fine dining as the economy develops, undoubtedly presents a future opportunity.

Advantage	Challenges
U.S. products are perceived by Taiwan consumers to be of high quality	Competition among major world agricultural and food exporters for a share of Taiwan's growing food import market further intensifies due to Taiwan's WTO accession
The majority of Taiwan consumers can afford imported food products	Low price competitors, e.g. China and S.E. Asia, are threatening U.S. in areas such as fresh produce, seafood, confectionery, juices, and food ingredients
Taiwan's WTO accession in early 2002 resulting in further market liberalization and import tariff reduction has provided U.S. exporters with more market opportunities	Lack of importer and retail knowledge and training in purchasing, handling, and merchandising U.S. products
Taiwanese consumers are increasingly affluent and open to Western food products	Lack of buyers' awareness regarding U.S. food products – availability, varieties, and U.S. suppliers.
The growing modern retail industry is looking for new imported food products	Lack of brand awareness by Taiwan consumers

II. Exporter Business Tips

Appointment of Import Agents

Except for major exporters with their own offices in Taiwan, the appointment of an effective import agent is a critical decision. Background research with assistance from the Agricultural Trade Office, the U.S. representatives of commodity/trade associations/cooperators, and others willing to share experience cannot be over-emphasized.

Although factors will vary from case to case, key issues to be considered include:

- The extent of the agent's network of distributors, owned or leased storage capacity and owned or leased transport arrangements. In particular, does the agent have strong contacts with the responsible purchasing officers in the target sales channels?

- Does the agent have a high proportion of direct-to-market channels or is he/she heavily dependent on multiple distribution levels.

- Is the agent developing added-value communications and promotions or is he/she dependent on price discounts as the major sales tool.

- Does the agent have complementary product lines? Although cases vary, exclusivity can provide a better incentive to the agent and can help the exporter to maintain improved supervision over price and product integrity.

Entry Strategy

Entry Strategy

Taiwan's supermarket, hypermarket, and warehouse store chains purchase from local importers, wholesalers, and manufacturers. However, the current tendency is to increase the volume of direct imports to avoid the higher cost of products purchased from importers and local manufacturers.

The best method to reach Taiwan's retail buyers as well as prospective importers is to initially contact them directly via e-mails or faxes. Product catalogues and price lists are essential. Sample products are very helpful. U.S. suppliers can obtain lists of major Taiwan retail stores as well as potential importers from the ATO Taipei. A visit to Taiwan is an excellent way to start establishing a meaningful relationship with potential Taiwan buyers. It is advisable to bring along samples to meetings with potential buyers while visiting Taiwan as many importers and retailers rely heavily upon subjective factors when deciding on new products to represent.

The typical Taiwan businessman usually has several interests rather than a single product line. The Taiwanese consumers' income continues to increase and so is their taste in foods. In order to meet the increasing demand, Taiwan importers keep seeking new products, e.g. new-to-market products and new brands of certain products. On the other hand, many Taiwan importers follow the customary Taiwanese pattern of collecting basic information (samples, catalogues, price, supply schedule, etc) initially for consideration. A trial order to test the market response might then be placed after further contact.

Sales and marketing

Although sales and marketing techniques in Taiwan are in a process of evolution and development, there remains a high reliance on price discounts in promotion strategies. To minimize reliance on discounting strategies, U.S. food and beverage suppliers, particularly those higher added value categories, may benefit from a focus on market education and sales training to develop brand recognition (demand-pull) and consumer preference.

Consumer concern for their personal health as well as the health of immediate family members (children and parents), mean that foods and beverages believed to provide specific health or nutritional benefits can and often do earn a retail premium above what the market might normally bear. Taiwanese consumers tend to be less concerned about cost when shopping for products they believe provide such benefits and may alter purchasing habits and behavior in order to include such foods or beverages in their diet. Fresh fruit, dried berries, fruit juices, yogurt, fresh baked breads, and a wide range of nutritional supplements are just a few examples of product categories for which marketing strategies founded in nutritional and health messages have proven highly successful.

U.S. companies are, however, advised to keep in mind the strict product labeling requirements enforced in Taiwan, which require that any health or nutritional claim be first assessed and approved by the Taiwan Department of Health (DOH) prior to inclusion on product packaging. For more information regarding DOH labeling requirements, please refer to the USDA "Food and Agricultural Import Regulations and Standards (FAIRS)" Report (TW5024) at website: http://www.fas.usda.gov

Taiwan Business Customs

Taiwanese businessmen are often refreshingly direct and informal in their business approach and do not have the business rituals associated with, for example, Japan. Nonetheless, there are some local customs that are well worth observing, for example, greetings and gifts to mark the major festivals such as the Mid-Autumn Moon Festival and the Chinese New Year.

The most popular Taiwanese recreation is eating. Even at your first meeting, your Taiwanese counterpart may invite you to lunch or dinner. Entertaining is not only a basic tool to influence business relationships, the Taiwanese consider it essential to building friendships that will enhance mutual understanding.

Although agents and purchasing managers are always searching for new products, they are also very thorough in their evaluation. They like to see product samples whenever possible and will often place small initial shipments to test the market response.

Language Barrier?

No. You do not have to learn to speak Mandarin or Taiwanese to do business in Taiwan. You will probably be surprised at how well your business counterparts here speak English. In any case, interpreters are easy to find. At the same time, written materials from name cards to product brochures will be far more helpful to your sales efforts if translated into Chinese.

Due Diligence

Although Taiwan purchasers have a high reputation for contract performance, consolidation and financial pressures within the industry make it important to maintain normal due diligence on contracts and payment procedures. As always, foreign exchange fluctuations need to be guarded against.

Food Standards and Regulations

Labeling Requirements

Since Taiwan's "Act Governing Food Sanitation" went into effect on March 7, 1995, Taiwan authorities have strictly enforced food and beverage labeling requirements. Improper or altered labels risk rejection by local inspectors at the port of entry. The "Act Governing Food Sanitation" was amended and implemented on January 30, 2002. The enforcement rules were amended and came into force starting on June 12, 2002.

All processed food products or food additives imported into Taiwan for retail sale must have a Chinese language label (NOTE: Taiwan uses traditional Chinese characters, not the simplified characters used in Mainland China). In 2002, Taiwan Customs allowed Chinese labels be affixed in government-approved logistics centers or government-approved self-managed bonded warehouses prior to Customs clearance. Currently, nine facilities are qualified to provide this service. The Chinese label must indicate the following information:

-- Product name
-- Name, weight, volume or quantity of the contents (if a mixture of two or more components, they must be listed separately)
-- Name of food additives

-- Name, telephone number, and detailed address of manufacturer
-- Name, telephone number, and detailed address of importer, for imported foods
-- Expiration date (year, month, date) must be printed in that order. To distinguish the month from the date, the Chinese characters for "month" and "date" may be included on the label. If the normal shelf life exceeds three months, the expiration date may be indicated by year and month only. Date of manufacture, shelf life, and conditions of storage may also be used, if required by the health authorities.
-- Dairy products in liquid form must also indicate shelf life and conditions of storage

Frozen Foods - for imported frozen foods, the following information is also required in Chinese on the label:

* Type of Frozen Foods
  Frozen fresh fish/shellfish
  Frozen fresh ready-to-eat oysters
  Frozen fresh fish/shellfish ready-to-eat (i.e. sashimi)
  Frozen fresh meat
  Frozen fruits/vegetable,
    --fresh ready to-eat
    --which must be heated up

* Method and conditions of storage

* Cooking instructions if the products require cooking or are not ready-to-eat.

Exemptions - the following types of businesses may apply for an exemption from the Chinese labeling requirements:

(1) Food processing plants that import food for processing.
(2) Restaurants, fast food stores, and bakeries, which import food for their own kitchens.
(3) Importers who import food for processing, for repack or change-pack, i.e. products not for direct sale to consumers.

For detailed information on requirements specific to health foods, bioengineered food, pet food, as well as nutritional labeling, please refer to ATO's "food and Agricultural Import Regulations and Standards (TW5024) at USDA's website: www.fas.usda.gov.

Food Additive Regulations

Imported processed food products that contain artificial food additives are subject to strict tolerance levels and acceptable use requirements as prescribed by Taiwan's Department of Health (DOH). The DOH's "Scope and Application Standards of Food Additives" covers several hundred food additive standards and regulations. DOH has an useful website (http://www.doh.gov.tw/dohenglish/) with additives listed in 17 categories:

(1) Preservatives
(2) Sanitizing Agents
(3) Antioxidants
(4) Bleaching Agents
(5) Color Fasting Agents
(6) Leavening Agents
(7) Food Quality Improvement, Fermentation, and Food Processing Agents
(8) Nutritional Additives
(9) Colors

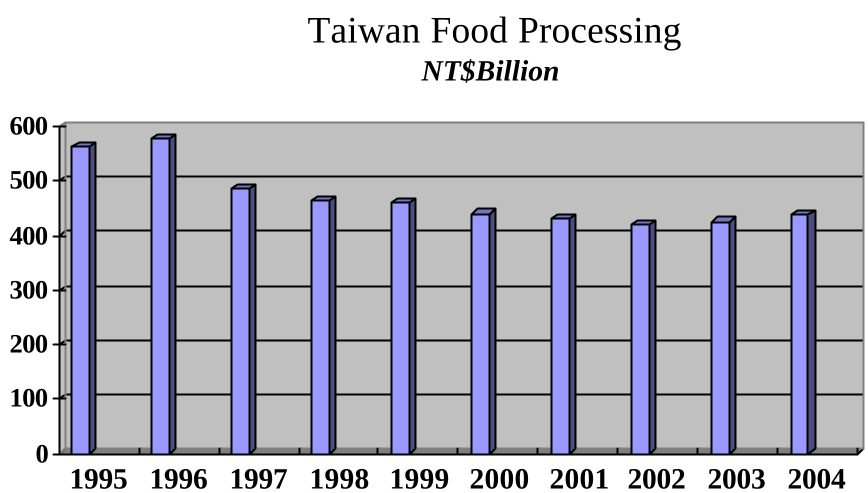
(10) Flavoring Agents
(11) Seasoning Agents
(12) Pasting Agents
(13) Coagulating Agents
(14) Chemicals for Food Industry
(15) Solvents
(16) Emulsifiers
(17) Others

Imported foods are inspected at the port of entry by the Bureau of Standards, Metrology, and Inspection (BSMI) of the Ministry of Economic Affairs (MOEA). The food safety inspection focuses on labeling, food hygiene, and food additives.

III. Market Sector Structure and Trends

Manufacturing

The total production value of the domestic food and beverage industry in 2004 amounted to approximately US$14 billion, ranking it the fourth largest among manufacturing industries island-wide, behind electronic/electrical machinery, chemicals, and metal industries. Projected annual growth for 2004 is 3.5 percent. Oriented primarily towards domestic sales, the food industry consists of more than 6,000 manufacturing enterprises employing more than 110,000 persons. Food production has declined since 1997 due to the outbreak of foot and mouth disease in 1997 and SARS in early 2003 which had a ripple effect throughout the food and agricultural sector and the overall slowdown in Taiwan. Shortly afterward the economy began turning around in response to recovery of the global economy. The food & beverage production posted a 3.5 percent growth in 2003. It continued to grow by 3.5% in 2004. Overall food exports grew approximately by 9.8%. Frozen foods and condiments accounted for 78% of total Taiwan's food exports in 2004. The Taiwan Food Industry and Development Institute forecasted an annual growth rate of 3%-4% for Taiwan's food & beverage processing industry for 2005.



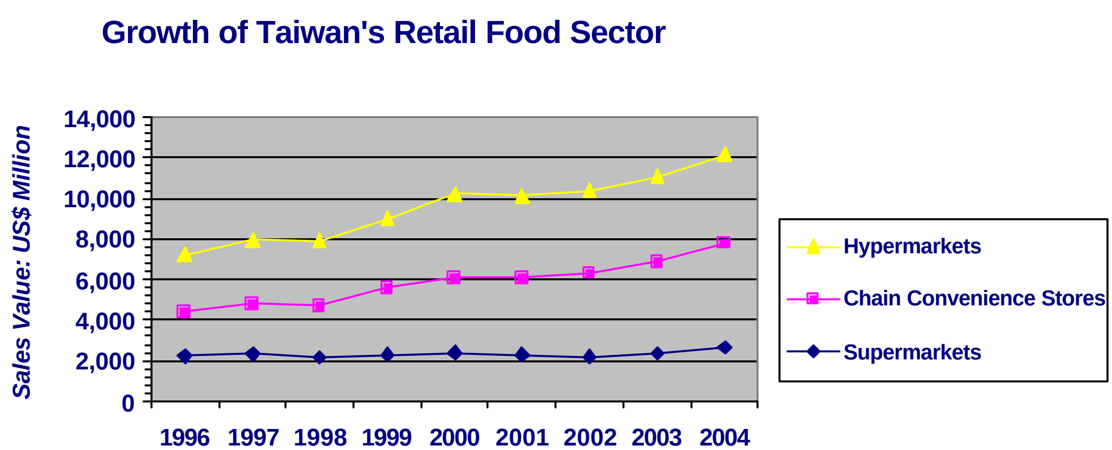
According to U.S. statistics, Taiwan imported approximately US$1.3 billion worth of US bulk agricultural commodities, $291 million worth of US intermediate food and agricultural products, $33 million worth of US edible fish & seafood products, and $489 million worth of US consumer-oriented products in 2004. Major ingredient categories that offer opportunities for U.S. exporters include snack food and bakery ingredients; gluten, starch, and dextrins, ingredients for functional and health foods; ingredients for frozen prepared foods; ingredients for high fiber food and low calorie food; soy products; and flavorings.

Although Taiwan's accession to the WTO in 2002 has benefited the domestic food processing industry from the market liberalization. However, at the same time imported finished food products have been taking increased market share from domestically produced products since the WTO accession and this trend is expected to continue. Taiwan's food processing industry is facing a vigorous competition in the more open environment. Taiwan's foreign investments in food processing have grown tremendously in recent years. To take advantage of lower costs and to expand their global markets, many of Taiwan's food processors establish production facilities outside Taiwan. According to the Ministry of Economic Affairs, as of 2004, Taiwan's food companies have invested nearly US$2 billion in the PRC and US$515 million in other countries (mainly Southeast Asia). However, the recent tendency is to relocate processing facilities to Southeast Asia.

Retail Food Sector

Taiwan's food retail industry has entered a phase of maturity. Mergers and strategic alliances will continue to take place over the next few years. The larger chains continue to grow at a constant rate while small chains have begun to stagnate. Reportedly, Carrefour SA, the world's second largest retailer, recently announced that it is taking over Tesco Taiwan's six stores and two development sites as part of an asset-swap deal with Tesco plc in the UK valued at a total of around US$159 million. The deal which is currently pending approval by Taiwan's Fair Trade Committee, will boost Carrefour's market presence in Taiwan from 33 percent with 36 outlets nation-wide to a promising 40 percent with 42 outlets.

The Globalization is a distinguishing characteristic of Taiwan's food retail market. Foreign operators, including Wellcome (167), Carrefour (36), Auchan of France (23), Britain's Tesco (6), France's Geant (13), and Costco (4) of the United States continue to dominate Taiwan's food retail market. Currently, the five major convenience store chains, including 7-Eleven (3,834), Family Mart (1,726), Hi-Life (1,079), Circle K (839), and Niko Mart (360) altogether account for an estimate of 92% of the total convenience store market. ** Figures inside parentheses represent # of stores of the chains, as of May 2005.



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HRI Food Service Sector

Total sales for Taiwan's food service sector was estimated at US$8.6 billion in 2004. Growth over the coming three years is expected to average 10 percent. Taiwanese dine outside the home with much greater frequency than most westerners. The high propensity to dine out is driven by a combination of factors:

Small size of apartments
High female participation in the labor force
A high level of disposable income
Restaurant availability

Household Dinning-Out Expenditure as % of Total Food & Beverage Expenditure

Year	1996	1997	1998	1999	2000	2001	2002	2003
	24.6%	25.8%	27.2 %	28.1%	29.0%	29.6%	29.8%	31.0%

Source: Taiwan Food Industry Research and Development

Competition among the various hotel restaurants in Taiwan has become intense. Consequently, innovative promotions such as country theme promotions, Taiwan/Western holiday/festival promotions, and seasonal promotions are popular year-round. These promotions offer market opportunities for U.S. foods such as high quality meats, fruit, vegetables, nuts, seafood, beverages, wines, and juice concentrates.

IV. Best high-Value Product Prospects

	2003 Imports (US$Mil)	2004 Imports (US$Mil)	5-Yr. Avg. Annual Import Growth	Import Tariff Rate	Key Constraints Over Market Development	Market Attractiveness for USA
Red Wine	$37.2	$56	100%	10% plus a NT$7 per one percent alcohol for grape wines.	French wine still dominates the red wine market. Knowledge about wines is generally low throughout wine distribution channels.	Currently, the United States is Taiwan's second largest wine supplier. Despite the front-runner position of French wines, US wines continue to gain consumer recognition and acceptance. The growth was fueled by the perception that wine is good for health
Cheese	$34	$49	20%	5%	Although the import volume is large, it is dominated by New Zealand (37%) and Australia (26%).	The US share is growing faster than the larger competitors, meaning that those US cheese currently coming into the market are finding faster acceptance than those of competitors

Whey	$10	$11	4%	5%	Intense competition from major exporting nations such as New Zealand and Australia.	The U.S. is the major supplier of whey due to competitive pricing and successful promotion efforts into hotel/restaurant/institutional and processed food channels by U.S. exporters and the U.S. Dairy Export Council.
Stone Fruit	$91	$93	6%	20% plum/peach /nectarine	Taiwan's WTO accession (2002) opened the island's fruit market. Consequently, competition, in terms of new suppliers and new varieties from both abroad and domestic producers, is intensifying now.	Effective marketing programs targeting reliable quality, competitive pricing, and brands of US stone fruits has been undergone by the California Tree Fruit Agreement that could help retain and improve the market for US stone fruit in Taiwan.
Berries	$1.1	$2	79%	Blueberries 7.5% Strawberries 20%	Consumer/trade lack of product knowledge. Educational programs by US exporters are necessary.	Consumers in Taiwan are becoming more health conscious. Berries continue to enjoy a steadily increasing share of both consumer/retail and food service channels. There are strong growth prospects for berry, strawberries and blueberries in particular, category.
Chicken Meat & Offal	$22	$40	56%	20%	The TRQ controls on chicken meat was eliminated in January 2005 and replaced by ordinary tariffs. However, an SSG assessment would add an estimated 633% to normal tariffs, resulting in an effective tariff of about 26.33% for chicken meat.	Imports are rising significantly in the wake of Taiwan's elimination of all tariff rate quota restrictions in January 2005. The United States is currently in a strong supply position, being one of only six countries certified for poultry exports to Taiwan and the only one of these with sufficient volumes and competitive pricing points.
Tree Nuts	$29	$36	6%	Sweet almonds: in shell 5%; shelled 2.5% Bitter almonds: 10% Hazel nuts: shelled 7% In-shell 7.5% Walnuts 5%	Currently, the US dominates the following nut market: almonds, and walnuts. Cashes from China and SE Asia has shifted some market share away from U.S. suppliers. The greatest competition to US pistachio exporters is from Middle East and Australia.	Nuts (mainly almonds, and walnuts) are very popular as ingredients used in baking. The US currently dominates these categories. Constant communication with the baking industry technical seminars and trade shows is essential to grow in this category.

				Pistachios 3% Pecan 7.5%		
Red Meat & Offal	$395	$432	11%	Beef-10% per kg Beef offal – 15% Pork-12.5% Variety meat-15%	Beef-The primary competitor is Australia, whose advantage is customer-perceived comparable/acceptable quality at a low price. Pork-is a market where the domestic producers have many competitive advantages.	U.S. beef is perceived to be high quality. There are growth opportunities for U.S. pork that meets local food processors' needs.
Seafood	$307	$314	-5%	9%-38%	With a bias towards fresh fish and SE Asia-variety crustaceans, the seafood segment currently ahs development problems	The food service/HRI venues with a strong Western orientation and up-market positioning offer the current best opportunities for U.S. exporters

Source: Taiwan Council of Agriculture

V. Key Contacts and Further Information

American Institute in Taiwan

Organization Name Agricultural Trade Office
Address Room 704, 7F, 136 Renai Road, Section 3, Taipei, Taiwan
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E-mail ato@ait.org.tw
Internet Homepage http://www.ait.org.tw/en/agriculture/ato/

Organization Name United States Department of Agriculture
Department Foreign Agricultural Services
Address U.S. Department of Agriculture, Washington, D.C. 20250
E-mail info@fas.usda.gov
Internet Homepage www.fas.usda.gov

Taiwan Central Authority Agencies

Organization Name Bureau of Standards, Metrology & Inspection (BSMI)
Address No. 4 Chinan Road, Section 1, Taipei, Taiwan
Telephone (886-2) 2321-2790; Fax: (886-2) 2356-0998
Internet Homepage http://www.bsmi.gov.tw

Organization Name Council of Agriculture, Executive Yuan
Address No. 37, Nanhai Road, Taipei, Taiwan
Telephone (886-2) 2381-2991; Fax: (886-2) 2331-0341
E-mail coa@mail.coa.gov.tw
Internet Homepage http://www.coa.gov.tw

Organization Name Bureau of Animal & Plant Health Inspection & Quarantine

	(BAPHIQ)
Address	9 Fl., No. 51, Chungching S. Rd, Sec. 2., Taipei, Taiwan
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E-mail	baphiq@mail.baphiq.org.tw
Internet Homepage	http://www.baphiq.gov.tw

Organization Name	Department of Health (DOH)
Department	Bureau of Food Sanitation
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Telephone	(886-2) 2393-8209; Fax: (886-2) 2392-9723
Contact Person	Dr. Lu-hung Chen, Director
E-mail	fslhcn@doh.gov.tw
Internet Homepage	http://www.doh.gov.tw

Organization Name	Directorate General of Customs, Ministry of Finance (MOF)
Address	No. 13, Ta Cheng Street, Taipei, Taiwan
Telephone	(886-2) 2550-5500; Fax: (886-2) 2550-8111
E-mail	customs@mail.dgoc.gov.tw
Internet Homepage	http://www.dgoc.gov.tw

Organization Name	Food Industry Research and Development Institute
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Telephone	(886-3) 5223191; Fax: (886-3) 5214016
Internet Homepage	http://www.firdi.org.tw

Organization Name	Bureau of Foreign Trade (BOFT), Ministry of Economic Affairs
Address	No. 1, Hukou Street, Taipei, Taiwan
Telephone	(886-2) 2351-0271; Fax: (886-2) 2351-3603
E-mail	boft@trade.gov.tw
Internet Homepage	http://www.trade.gov.tw

Major Taiwan Trade Associations

Organization Name	Taiwan Chain Stores and Franchise Association (TCSFA)
Address	7F, 197 Nanking E. Road, Section 4, Taipei, Taiwan
Telephone	(886-2) 2712-1250; Fax: (886-2) 2717-7997
Internet Homepage	http://www.tcfa.org.tw

Organization Name	Taiwan External Trade Development Council (TAITRA)
Address	333 Keelung Road, Sec. 1, Taipei Taiwan
Telephone	(886-4) 2725-5200; Fax: (886-2) 2757-6443
Internet Homepage	www.taiwantrade.com.tw

Organization Name	Importers and Exporters Association of Taipei (IEAT)
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Internet Homepage	http://www.ieatpe.org.tw

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APENDIX - STATISTICS

Table A. Key Trade & Demographic Information		
Agricultural Imports From All Countries ($Mil)/U.S. Market Share (%) 1/	$8,862	29.5%
Consumer Food Imports From All Countries ($Mil)/U.S. Market Share (%) 2/	$2,063	24%
Edible Fishery Imports From All Countries ($Mil)/U.S. Market Share (%) 3/	$442	6%
Total Population (Millions) Annual Growth Rate (%) 4/	22.7	0.37%
Urban Population (Millions)/Annual Growth Rate (%) 5/	15.7	0.65%
Number of Major Metropolitan Areas 6/	7	
Size of Middle Classes (Millions)/Growth Rate (%) 7/	13.5	0.6%
Per Capita Gross Domestic Product (U.S. Dollars) 8/	$13,529	
Unemployment Rate (%) 9/	4.44%	
Per Capita Food Expenditures (U.S. Dollars) 10/	$2,094	
Percent of Female Population Employed 11/	54.5%	
Exchange Rate (US$1=NT$) 12/	$33.43	
1/ Council of Agriculture		
2/ UN Trade Data 2003		
3/ UN Trade Data 2003		
4/ Ministry of Interior Affairs Statistics (2004)		
5/ Ministry of Interior Affairs Statistics		
6/ Ministry of Interior Affairs Statistics (2004)		
7/ ATO Taipei Estimate		
8/ Directorate General of Budget, Accounting & Statistics (DGBAS) 2004		
9/ DGBAS 2004		
10/ DGBAS 2004		
11/ DGBAS 2003		
12/ 2004		

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Table B. Consumer Food & Edible Fishery Product Imports									
Taiwan Imports (US$Million)	Imports from the World			Imports from the U.S.			U.S. Market Share		
	2002	2003	2004	2002	2003	2004	2002	2003	2004
CONSUMER-ORIENTED AGRICULTURAL TOTAL	1,804	2,063	1,148	465	495	503	26%	24%	44%
Snack Foods (Excl. Nuts)	76	90	48	11	13	11	14%	14%	23%
Breakfast Cereals & Pancake Mix	7	8	2	0.8	0.8	0.7	11%	10%	35%
Red Meats, Fresh/Chilled/Frozen	289	352	228	77	105	54	27%	30%	24%
Red Meats, Prepared/Preserved	11	16	6	9	12	5	82%	75%	83%
Poultry Meat	24	30	45	22	29	44	92%	97%	98%
Dairy Products (Excl. Cheese)	227	239	131	13	14	14	6%	6%	11%
Cheese	26	33	23	2	3	4	8%	9%	17%
Eggs & Products	5	6	2	0.2	0.3	1	4%	5%	50%
Fresh Fruit	281	319	152	116	115	124	41%	36%	82%
Fresh Vegetables	30	44	33	20	24	28	67%	55%	85%
Processed Fruit & Vegetables	138	155	92	66	57	69	48%	37%	75%
Fruit & Vegetable juices	19	22	12	6	7	6	32%	32%	50%
Tree Nuts	40	62	15	10	11	12	25%	18%	80%
Wine & Beer	101	109	67	19	16	22	19%	15%	33%
Nursery Products & Cut flowers	24	24	2	0.2	0.1	0.8	0.8%	0.4%	40%
Pet Food (Dog & Cat Food)	27	47	37	11	13	13	41%	28%	35%
Other Consumer-Oriented Products	481	508	253	79	76	95	16%	15%	38%
FISH & SEAFOOD PRODUCTS	485	442	182	32	25	30	7%	6%	16%
Salmon	29	35	19	2	1	0.8	7%	3%	4%
Surimi	10	15	5	5	4	4	50%	27%	80%
Crustaceans	171	112	45	11	6	4	6%	5%	9%
Groundfish & Flatfish	126	93	41	2	0.4	1	2%	0.4%	2%
Molluses	67	76	26	1	3	5	1%	4%	19%
Other Fishery Products	82	110	46	12	11	15	15%	10%	33%
AG PRODUCTS TOTAL	4,215	4,275	2,923	1,972	1,523	1,469	47%	36%	50%
AG FISH & FORESTRY TOTAL	5,416	5,484	3,739	2,090	1,628	1,584	39%	30%	42%

Source: FAS' Global Agricultural Trade System using data from the United Nations Statistical Office

* Last statistics update: July 25, 2004

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Table C. Top 15 Suppliers of Consumer Foods			
Taiwan Imports - Consumer-Oriented AG Total (US$1,000)			
	2002	2003	2004
United States	464,505	494,695	502,563
Australia	251,911	259,029	305,427
France	53,826	69,881	99,060
Canada	39,542	46,609	53,805
Malaysia	35,774	36,316	44,585
Singapore	24,504	25,382	30,610
Germany	21,167	23,593	26,267
Indonesia	19,134	23,056	26,070
Ireland	26,688	21,221	17,071
Hong Kong	10,716	10,578	12,156
Brazil	6,065	N/A	9,278
South Africa	N/A	7,640	8,714
Switzerland	6,244	N/A	8,035
Finland	N/A	N/A	3,738
Sri Lanka	N/A	N/A	588
Total	1,804,343	2,063,103	1,148,319

Source: United Nations Statistics Division

Last statistics update: July 25, 2004

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Table C. Top 15 Suppliers of Consumer Foods			
Taiwan Imports - Fish & Seafood Products (US$1,000)			
	2002	2003	2004
Australia	71,151	42,587	38,698
Indonesia	22,574	29,557	30,850
United States	31,952	24,906	29,898
Norway	21,562	24,562	22,502
Canada	15,069	17,983	21,455
Iceland	17,058	10,238	13,392
Singapore	20,173	11,493	12,926
Malaysia	5,004	3,219	4,006
Sri Lanka	N/A	1,737	2,020
Mauritius	2,299	N/A	1,959
Brazil	N/A	N/A	1,951
Germany	N/A	N/A	1,007
South Africa	N/A	N/A	632
Hong Kong	N/A	N/A	275
Fiji	N/A	N/A	234
Total	484,794	441,543	181,851

Source: United Nations Statistics Division

Last statistics update: July 25, 2004