



January 19, 2016
For Immediate Release

AmCham Taipei Business Climate Survey Spotlights Strengths and Weaknesses

The sixth annual Business Climate Survey, released today by the American Chamber of Commerce in Taipei, includes findings that may be useful reference for the incoming new government. The survey of voting representatives of AmCham Taipei member companies, conducted between October and December 2015, cited both favorable and unfavorable factors impacting business operations in Taiwan.

On the positive side, the vast majority of companies (67%) were profitable in 2015, continuing the trend of previous survey results. “Our companies regard Taiwan as a good place to do business because of such attributes as its industrious and well-educated workforce and its safe and hospitable living environment,” said Chamber Chairman Dan Silver. “A high proportion of respondents reported that their companies are profitable and are continuing to increase investment and expand employment.”

Asked about the 5-year outlook for their business, however, only 47% of those surveyed expressed optimism, down sharply from the 60% registered last year. “Many factors may have contributed to that decline,” said Silver, “including the sluggish state of the world and Taiwan economies, and uncertainties over whether Taiwan will be able to avoid marginalization by gaining entry into emerging regional trade groupings such as the Trans-Pacific Partnership (TPP).”

In addition, asked to identify the factors having the most impact on their business operations, the respondents cited various types of difficulties encountered in dealing with the regulatory system. The number-one item mentioned this year was “inadequate or outdated laws,” followed by “inconsistent regulatory interpretations.” Among the other categories cited within the top 10 were “insufficient notice before changes to regulations or laws are introduced,” “inconsistent application of the Rule of Law,” “differences between local and internationally accepted standards,” and “lack of transparency.”

“Fortunately, with an eye to preparing Taiwan’s prospective bid for TPP membership – and more fundamentally to enhancing Taiwan’s competitiveness in the global marketplace – the current government has already been seeking to bring Taiwan’s regulatory procedures more fully in line with standard international practices,” said Silver. “We hope that the long transition period before the new administration takes office does not slow the process, and that the new government will carry the reform effort forward with vigor.”

In particular, he proposed that revising Taiwan’s Administrative Procedure Act to ensure ample opportunity for public response to proposed new regulations – and government consideration of that response – would go a long way in remedying existing shortcomings in the regulatory regime.



The survey results also indicated a desire to see more diversification in Taiwan's external economic relations, with a substantial 87% supporting Taiwan's pursuit of membership in the TPP.

In addition, one of the chief concerns of AmCham Taipei member companies is the state of domestic demand. "We encourage the government to undertake programs and policies designed to boost consumption," said Silver, "including broadening employment opportunities and investing in the development of domestic infrastructure and human capital."

The survey was conducted with the assistance of the firm Independent Marketing & Research. The 406 voting representatives of AmCham Taipei member companies (generally the top executive) were invited to participate, and 208 took part for a 51% response rate.

About AmCham Taipei

Founded in 1951, the American Chamber of Commerce in Taipei (AmCham Taipei) is a non-profit, non-partisan business organization dedicated to promoting the interests of international business in Taiwan. With around 1000 members representing more than 500 companies and 26 committees advocating for various industry interests, AmCham speaks with collective authority on international business matters in every sector of the economy.

For more information, please contact:

Erica Lai

ericalai@amcham.com.tw
(02) 2718-8226 Ext. 213

Katrina Ku

katrinaku@amcham.com.tw
(02) 2718-8226 Ext. 511