2016 TAIWAN SME Development and Policy Measures

Small and Medium Enterprise Administration
Ministry of Economic Affairs
Outlines

I. SMEs in Taiwan

II. Supporting Measures for SMEs

III. Conclusion
I. SMEs in Taiwan

### SME Development

- **1.3 million SMEs**
- **98% Total Business**
- **78% Employment**

### 2015 WEF Global Competitiveness

- **15th Overall Ranking (140 Countries)**
- **11th Innovation**
- **5th Cluster Development**

### 2016 Doing Business

- **11th (189 Countries)**
- **61st**
- **2008-2016**

### 2016 Global Entrepreneurship Index

- **6th (130 Countries) Global**
- **1st Asia**

SMEs in Taiwan Enjoy Sustainable Growth

**Award Strategy**
1. National Award
2. Rising Star Award
3. Start-up Award
4. SMEs Innovation Award

**Guidance Strategy**
1. Mutual Cooperation
2. Industry Cluster
3. Local Cultural Industry
4. Financing Programs

**Clustering Strategy**
Supporting Startup & Innovation

- Top SMEs: 1%
- Middle Layer of SMEs: 34%
- Foundation of SMEs: 65%
II. Supporting Measures for SMEs

Policy Focus: Fostering Innovation-Driven Economic Growth
Policy Planning

- Create a Favorable Environment for the Development of SMEs

Research and Legal Services
- Publish White Paper on SMEs in Taiwan to provide guidance and reference
- Recruit Honorary consultant lawyers to provide free legal consultancy for SMEs

Smart Regulation
- Advocate the fair laws for SMEs
- Review and Amend SME-related Regulations ex. Limited Partnership Act

Social Enterprise
Promoting Social Enterprise Action Plan instructed by Taiwan Executive Yuan since 2014

International Cooperation
Participate in international SME organizations such as APEC SME Ministerial Meeting (SMEMM), International Business Innovation Association (InBIA), and Asia Association of Business Incubation (AABI), etc.
Financing

- Integrate the SME financing mechanisms

**One Stop Service Center**
- Financing analysis and management
- Government information for SMEs
- Debt Negotiation with Banks

**SME Credit Guarantee Fund**
- Provide Guarantee
- Apply for Loan
- Guarantee Coverage
- Share Risks
- SMEs
- Banks

**SME Direct Investment**
- Setup Investment Service Office to match investments
- National development fund (10 billion NTD)
- Co-invest with venture capital companies in SMEs with potential

**Financial Management Assistance**
- Financial Education
- Financing Strategy Consultation
- Financial Training & Certification
- Improving SME Financial and Accounting Systems
Financing Resources

SMEs & Startups

- Capital Markets
- Private Funds
- SME Investment Companies
- Domestic Banks
- VC

Government Agencies
Incubation Fund Account
SME Development Fund
SME Credit Guarantee Fund
National Development Fund

Reward
Invest
Loans
Guarantee
Invest
Invest
Invest
Invest
Invest
Invest
Strengthen SME Management Capabilities and assisting them to Upgrade and Transform

Promote SME Service Network & Mutual Assistance Mechanism

Develop local culture industry with One Town One Product (OTOP) project and Local Industry Development Fund
SME Service Network

CYCDA

Branches of the CYCDA in 21 counties / cities

County and City Government

21 Local Service Centers

NASME

Branches of the NASME in 18 counties / cities

General Chamber of Commerce of the ROC and Taiwan Chamber of Commerce

24 counties / cities chambers of commerce

SMEs

MOEA Central Region Office

MOEA SMEA

0800-056-476 One-Stop Service Center

Chinese National Federation of Industries and Provincial Federation of Industries

23 counties / cities industrial association

MOEA Southern Region Office

MOEA

Note: SMEs located in special zones such as Industrial Districts, Export-processing Zones or Science Parks can receive services provided by the zone administration.
One Town One Product

One Town One Product

Images of various products are shown, including food and beverages.
Establishment of a mechanism for **supporting** Start-ups and innovation

Strengthening the **SME innovation and incubation** function

Enhancing **SME human resource development and women entrepreneurship**
Supporting Start-ups and innovation

Youth Start-up Programs

Innovation & start-ups Taskforce
One-stop Web Portal
One-stop Startup Hub
Start-up Hub Touring Car
Awards-Winning Incubation Performance

- IPO Companies: 96
- Startups: 5,000+
- Incubatees: 10,000+
- Incubators: 130+
- InBIA+EBN Soft-landings: 4+4

Of Taiwan Stock Market: 6% of Taiwan Stock Market
Output/Input: 37
110 / 3 billion Output/Input

Incubating Domain:
- Biotech & Medicals: 27%
- Machinery: 10%
- Tourism and Leisure: 4%
- Green Energy: 5%
- Others: 13%
- Chemistry: 4%
- ICT: 28%
- Culture: 8%
Awards and Recognition

AABI
Best Incubator & Enterprise Awards:
- Industrial Technology Research Institute, ITRI (2005)
- Nangang Software Incubator, NSC (2013)
- National Chaotung University, NCTU (2014)
- National Kaohsiung Marine University, NKMU (2015)

InBIA
Best Incubator & Enterprise Awards:
- Industrial Technology Research Institute, ITRI (2006)
- National Kaohsiung Marine University, NKMU (2014)

UBI
University Business Incubator Award:
- NCTU (2013 & 2014)
- Chaoyang University of Technology, CUT (2015)
Start-up Taiwan Accelerator

America

Europe

Emerging Markets

Asia

Mentoring
Coaching of all levels and stages

Funding
Integrated funding sources

Networking
Strategy partners and global connect

Cloud Computing

Internet of Things

Biotech

Green Energy

Digital Content

machinery

Emerging Markets
Information Technology

- Strengthening SMEs’ Information Management Capabilities
- Providing e-learning program
- Promoting 4G Mobile Commerce Application Service
Enhancing SMEs Information Application

- **SME ICT Innovation Upgrading Program**
  - **Int’l E-commerce Program**
  - **4G Computing Promotion Service Program**
- **SME E-learning Program**
- **Digital Inclusion for SME Program**

**Value-added Innovation**

**O2O Actual/virtual integration**

**Digital application**

**Service Level**

- **Micro Business**
- **Small Business**
- **Clusters**
- **Industry Chain**

- **Scale 0**
- **Scale 200**
TAIWAN

Your Best Business Partner!

Taiwan has the world-class entrepreneurship and industrial cluster environment. We look forward to further cooperation with the other countries around the world.