

Taiwan's Economic Performance and Policies in Addressing the Impacts of COVID-19

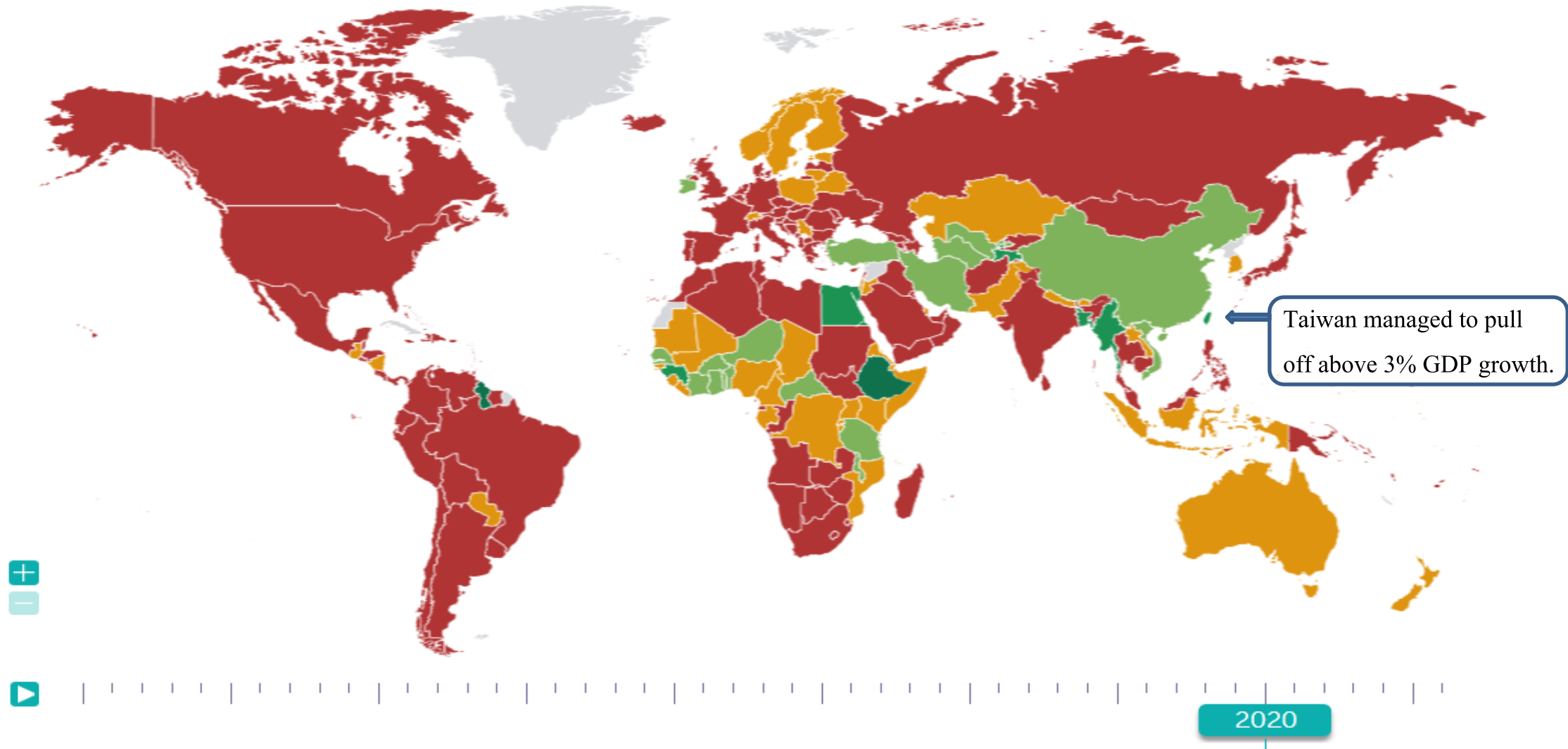


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Impacts of COVID-19 on Global Economy

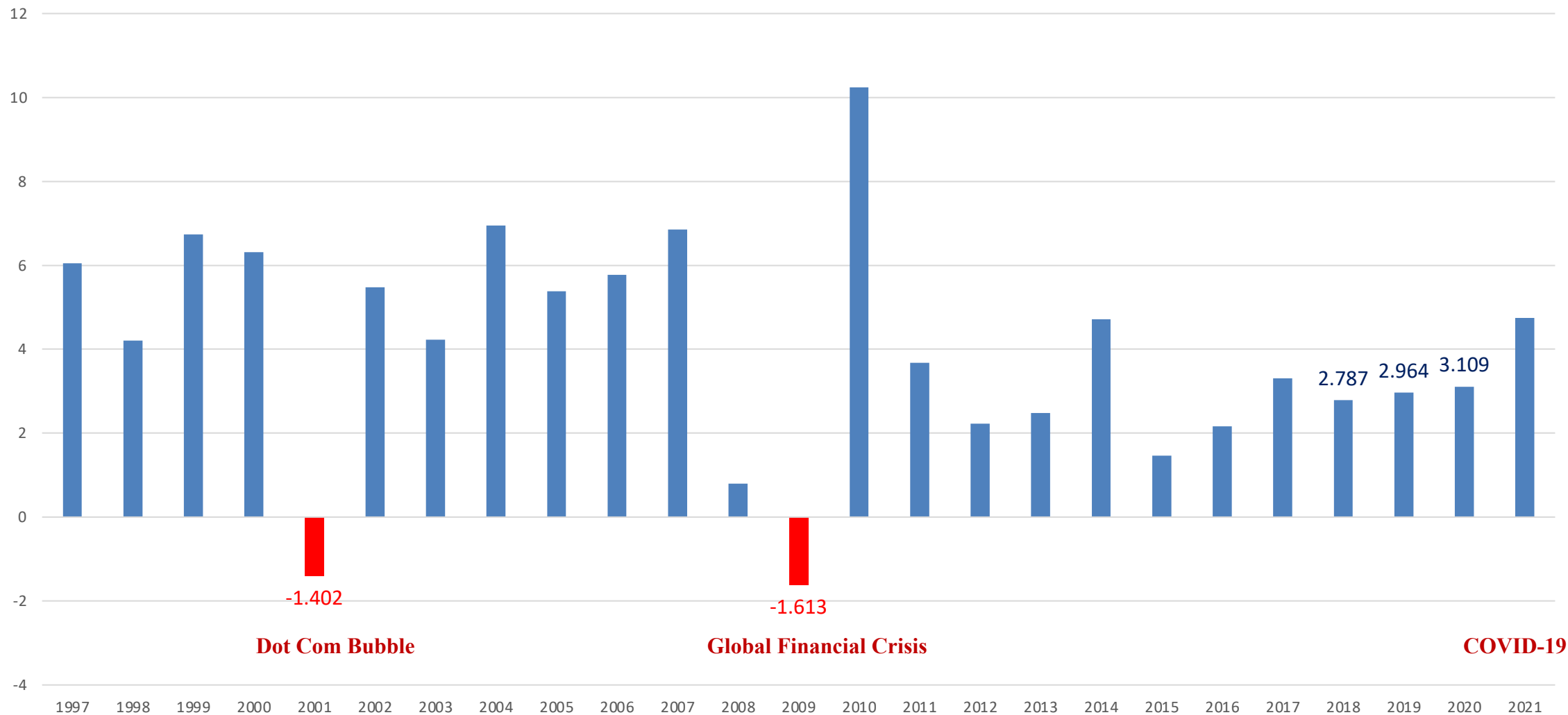


● 6% or more ● 3% - 6% ● 0 - 3% ● -3% - 0 ● less than -3% ● no data



Source: IMF, April 2021.

External Impacts on Taiwan's Economy

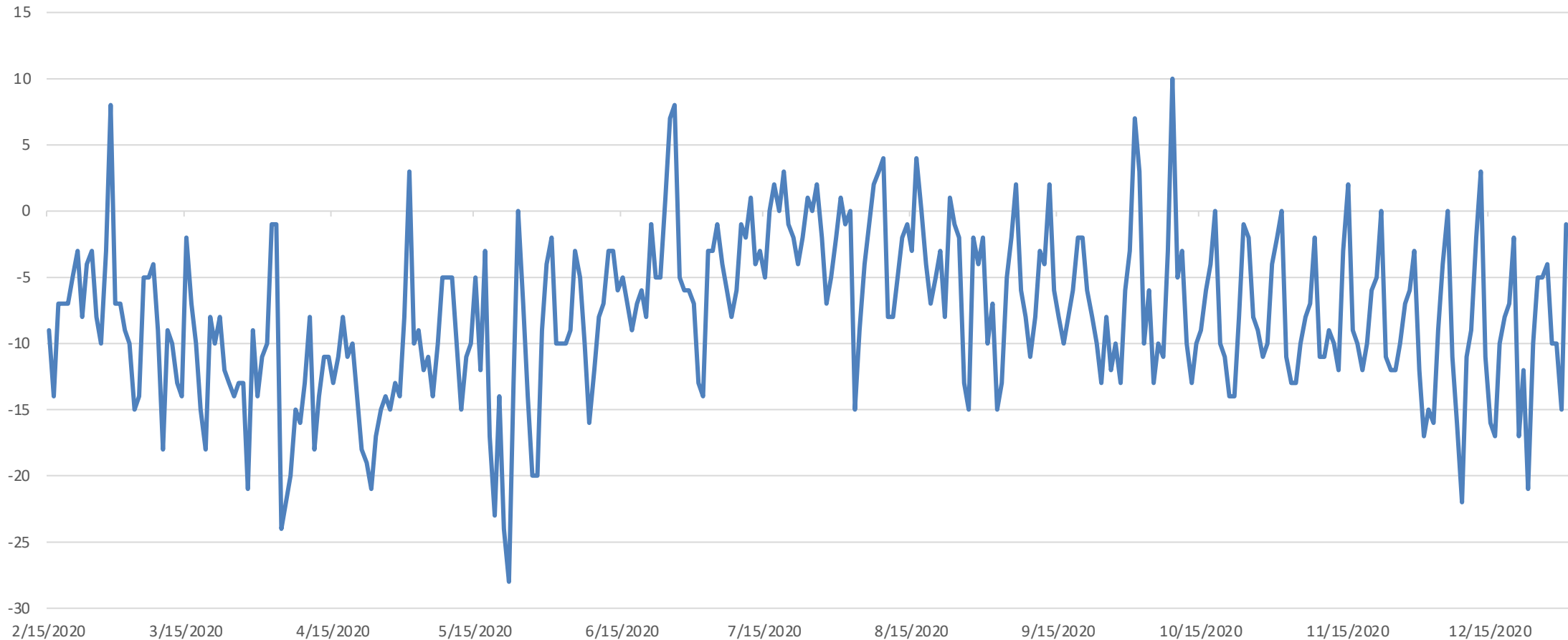


Source: IMF, April 2021.

Google Crowd Mobility Analysis



retail_and_recreation_percent_change_from_baseline

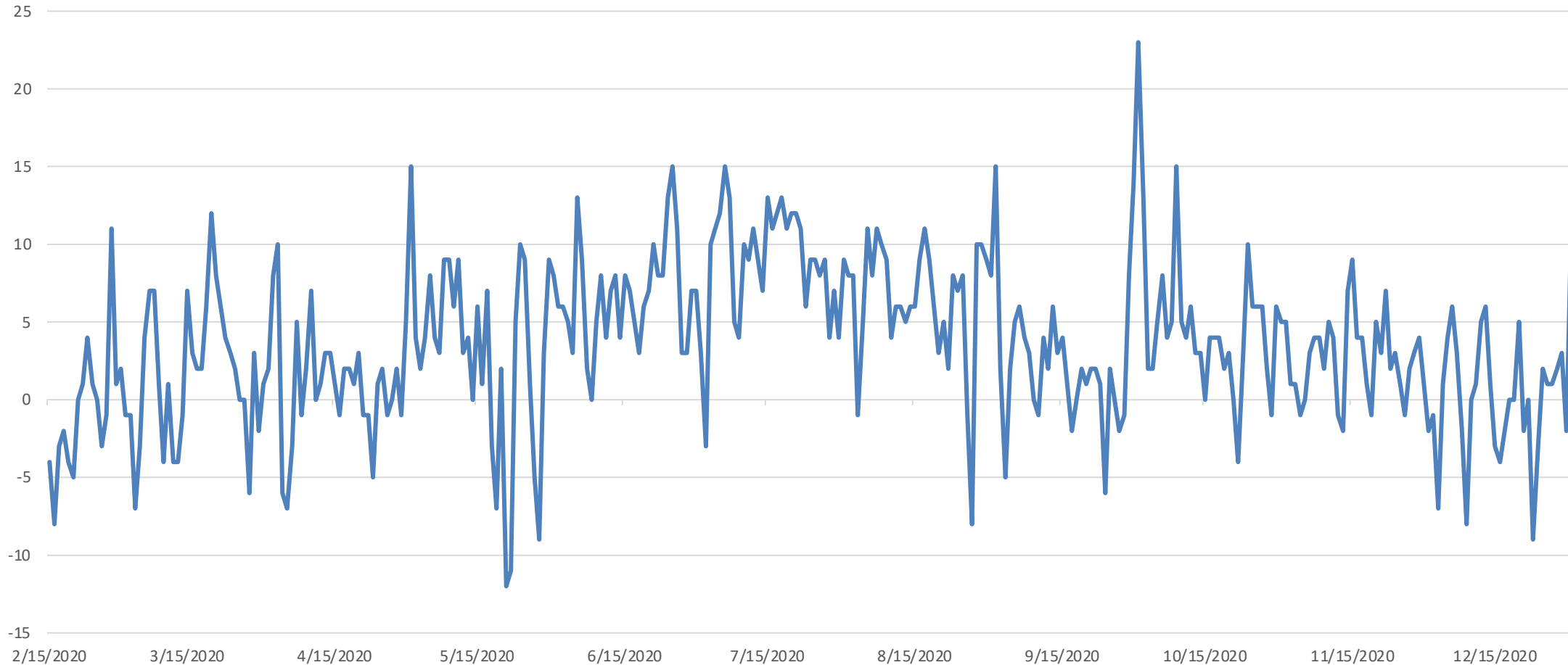


Source: Google.

Google Crowd Mobility Analysis

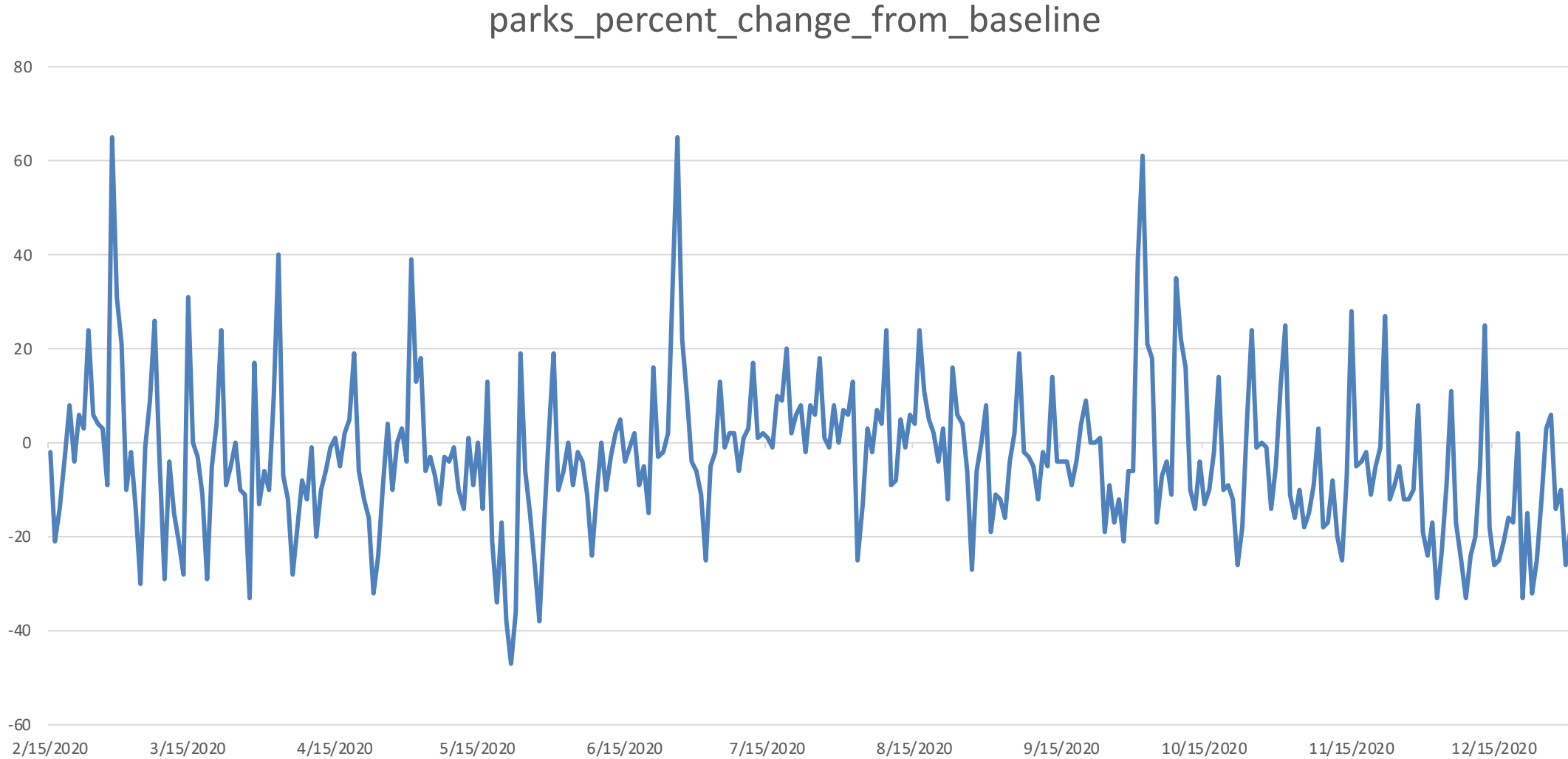


grocery_and_pharmacy_percent_change_from_baseline



Source: Google.

Google Crowd Mobility Analysis

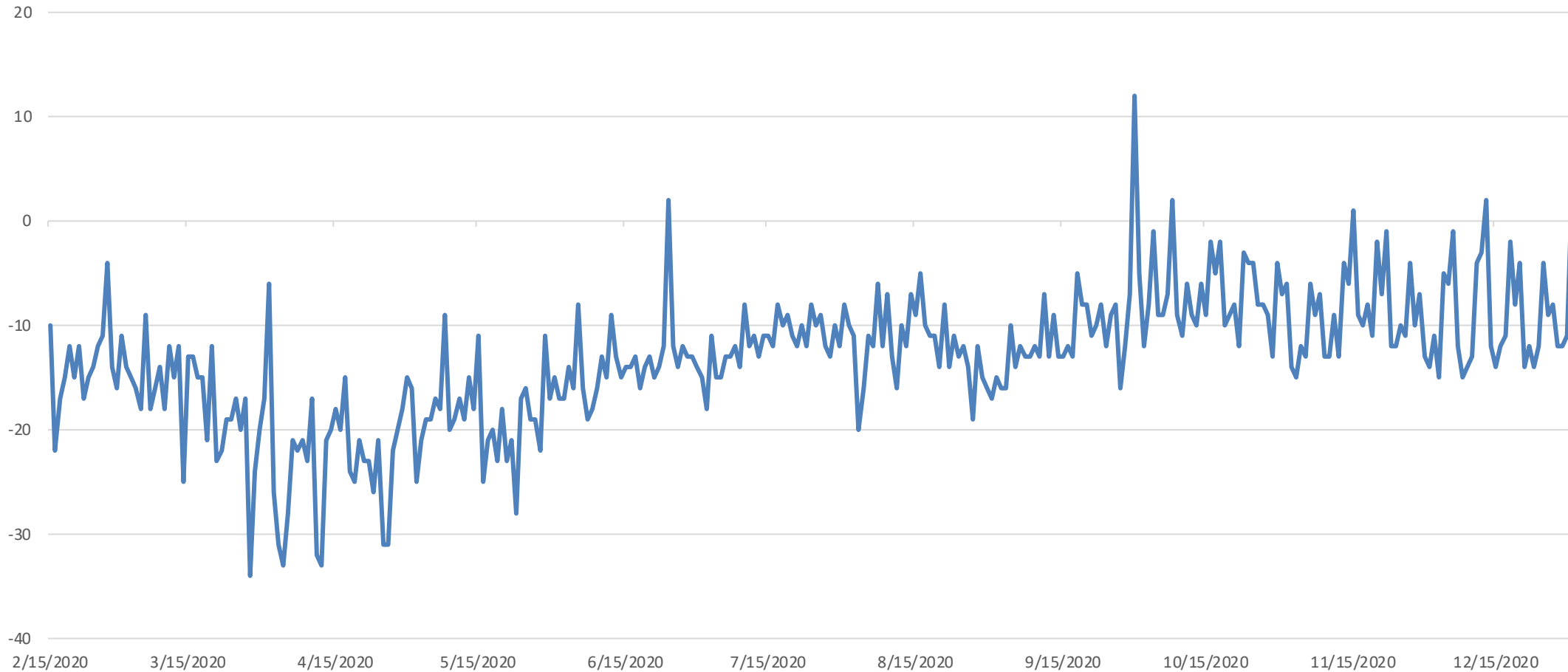


Source: Google.

Google Crowd Mobility Analysis



transit_stations_percent_change_from_baseline

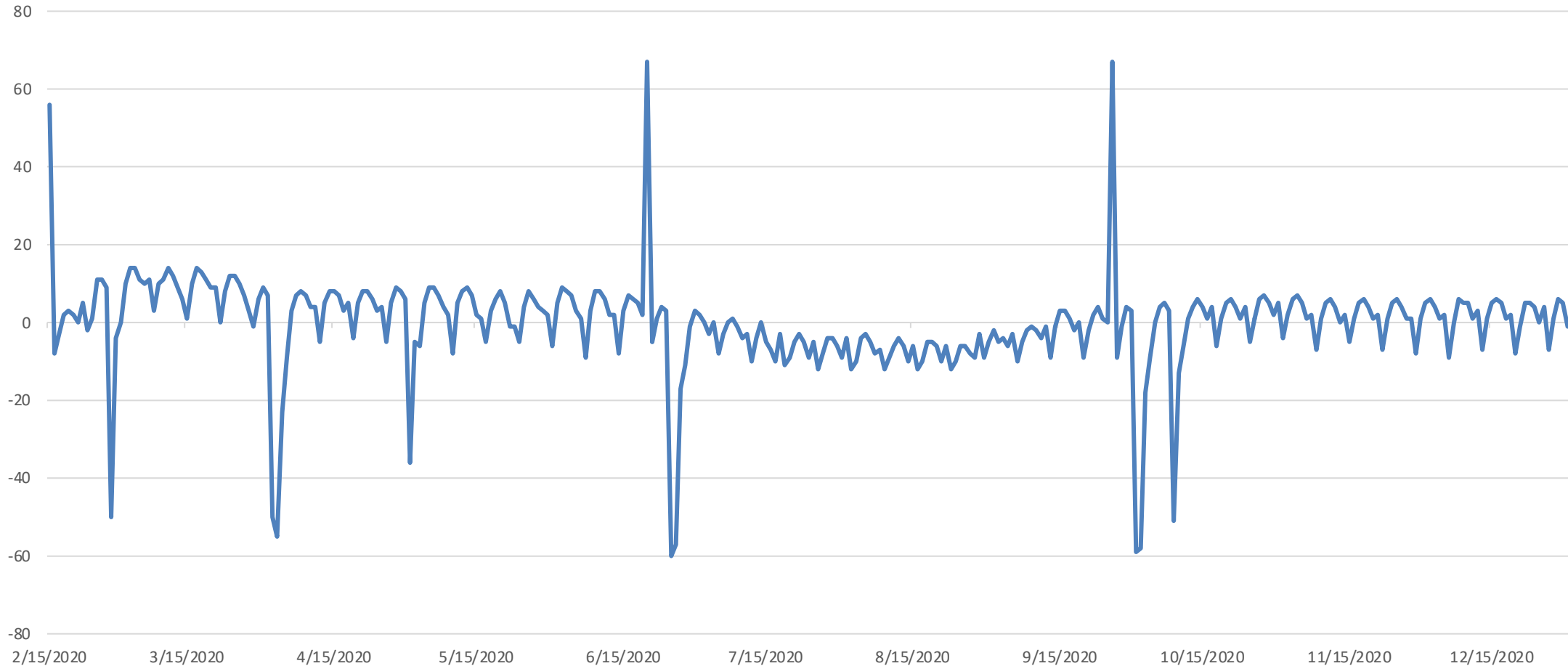


Source: Google.

Google Crowd Mobility Analysis

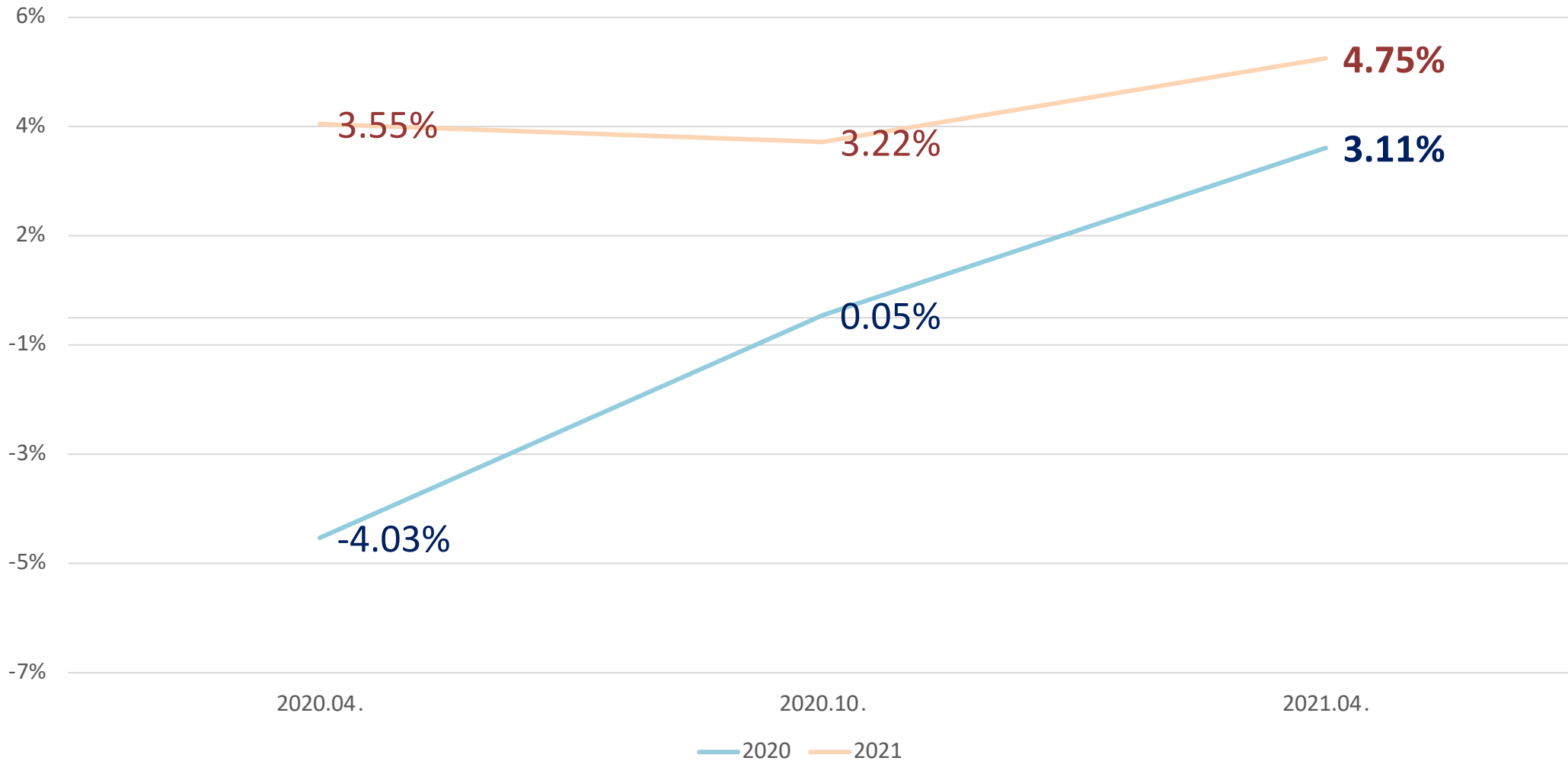


workplaces_percent_change_from_baseline



Source: Google.

Outsider's Forecast on Taiwan- IMF



Outsider's Forecast on Taiwan- IHS Markit





Coronavirus relief & stimulus

Equitable benefits, rapid results, stronger base & new infrastructure

01 Financial aid	02 Employment assistance	03 Tax breaks
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Targeted industries

Domestic-demand businesses & manufacturing

COVID-19

A graphic featuring the text 'COVID-19' in a large, dark, textured font. Small red virus icons are placed around the letters 'C', 'I', 'D', and '9'.



- NT\$750 billion in financing for businesses, medical organizations, educational institutions and workers facing COVID-19 disruptions.
- Interest subsidies for existing loan repayment extensions, borrowing to cover salaries and rent, and loans to fund stimulus-driven capital expenditures and cash-flow requirements for SMEs.

Employment assistance

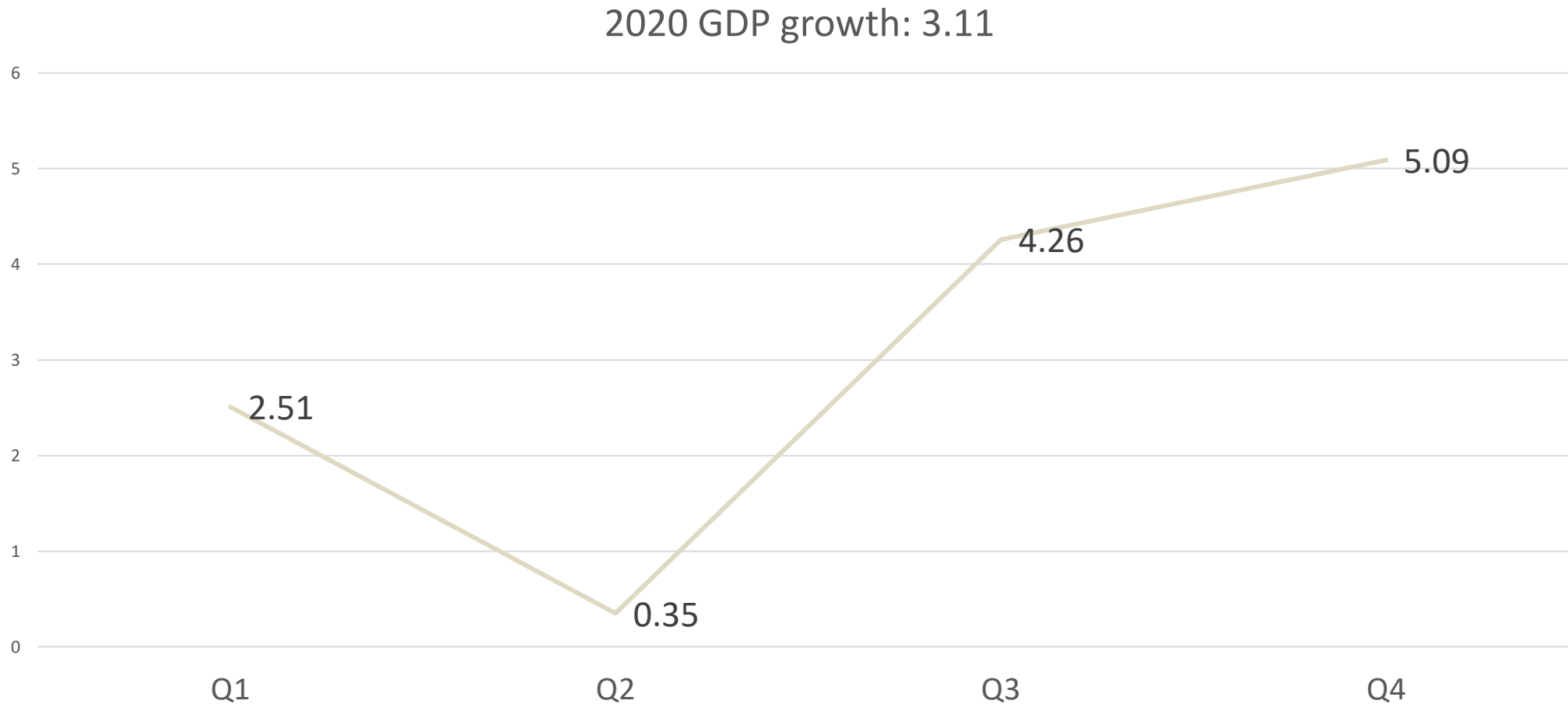


- Subsidies to supplement salaries and training for furloughed workers.
- Provide unemployment payments for temporarily unemployed and compensation for companies.
- Priority assistance given to affected SMEs and high-risk manufacturers for health and safety-focused facility and equipment upgrades during the pandemic. Subsidies have also been expanded to encourage companies to promote a healthier work-life balance for employees.



- For hard-hit small companies exempt from revenue reporting, tax authorities are lowering assessed sales and taxes.
- Enterprises that lose business income due to COVID-19 can deduct the losses from taxable income, and deadlines have been eased to allow for temporary postponements and instalment payments.
- Tax breaks will be given to employers who pay employees during time off due to the COVID-19.

Taiwan's GDP Growth in 2020 y-o-y (%)



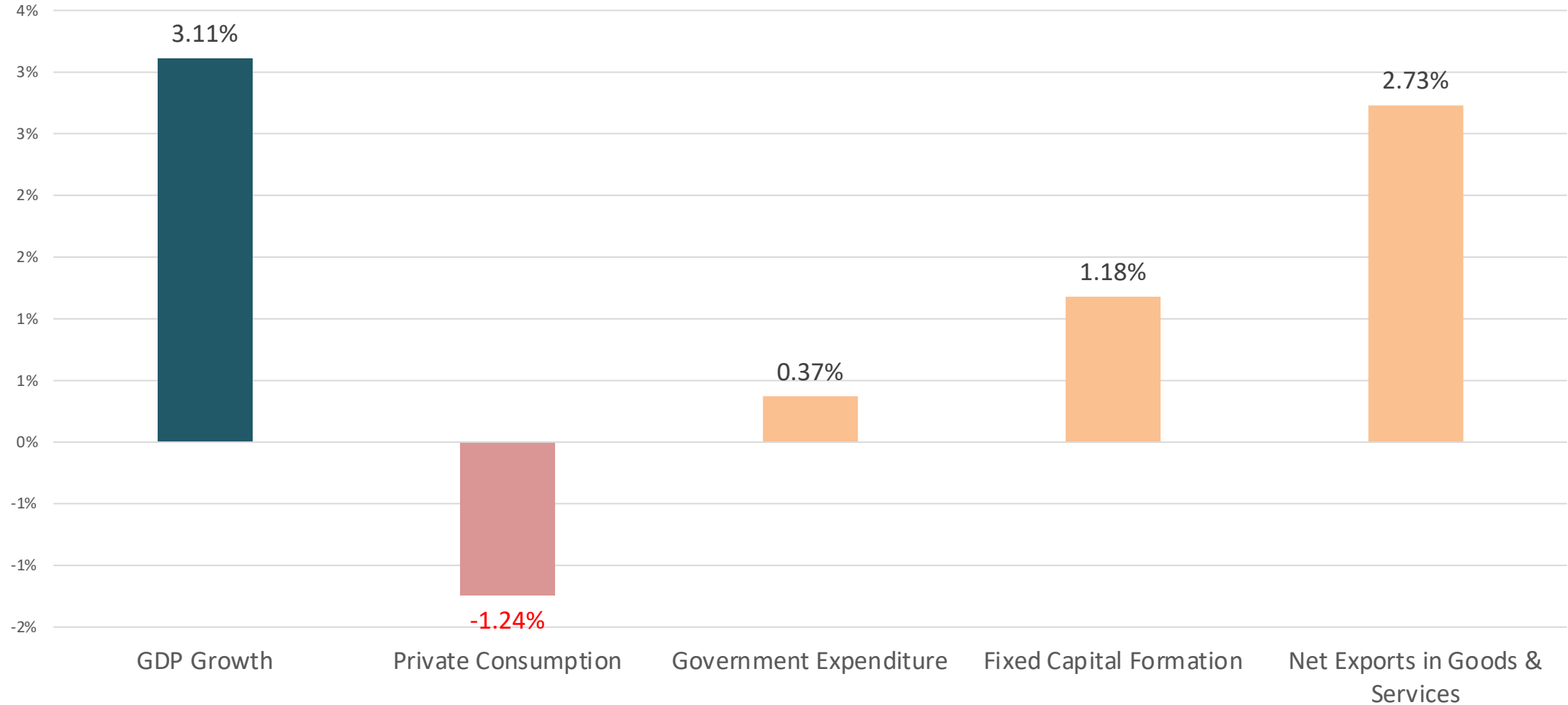
Source: National Statistics, Taiwan.

GDP in 2020 and Forecast for 2021



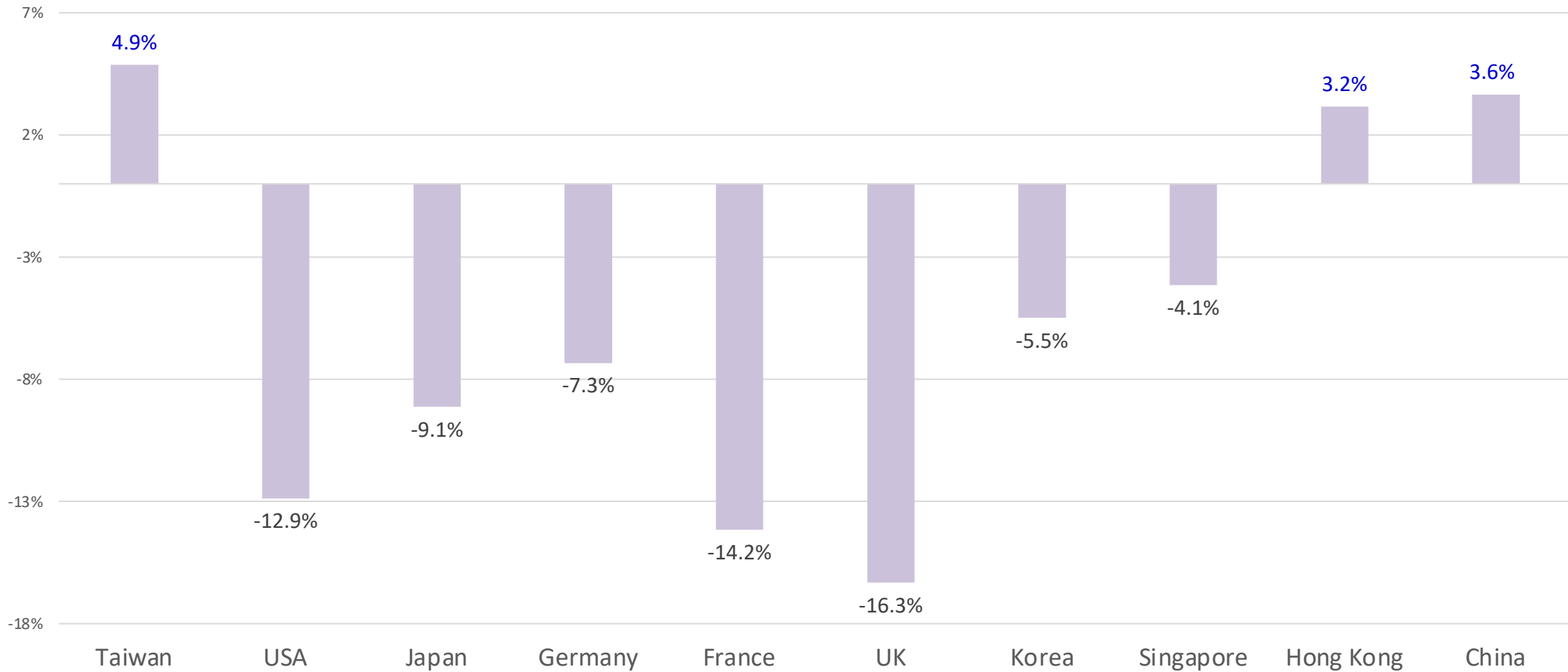
	GDP	Private Consumption	Government Consumption	Fixed Investment	Exports (G&S)	Imports (G&S)
Structure						
2020		48.61%	14.03%	23.77%	58.55%	44.87%
2021		48.65%	13.83%	23.69%	58.15%	44.64%
Growth						
2020	3.11%	-2.37%	2.61%	4.96%	1.06%	-3.86%
2021	4.64%	3.74%	2.07%	3.50%	5.05%	3.76%

Factor Contribution to GDP Growth in 2020



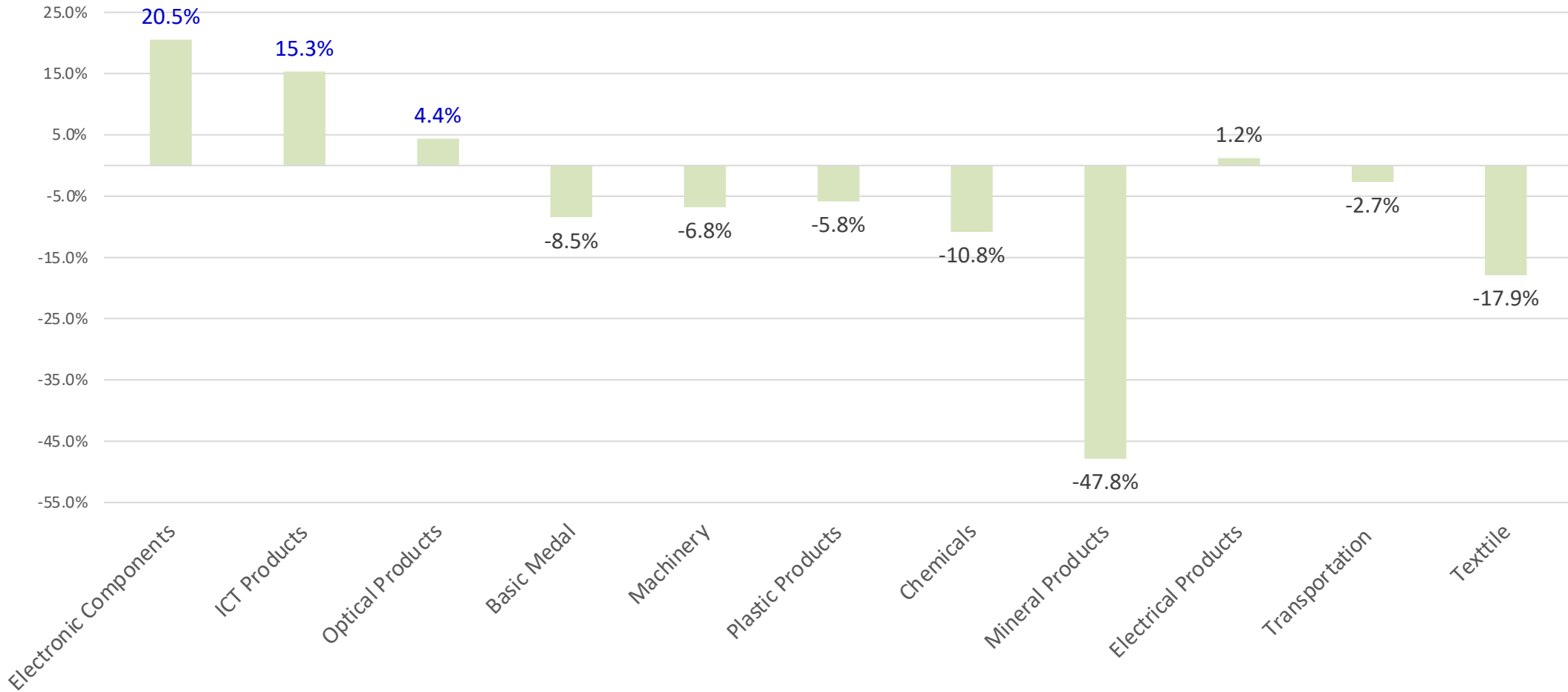
Source: National Statistics, Taiwan.

2020 International Comparison: Growth-Exports in Goods



Source: National Statistics, Taiwan.

Taiwan's Exports in Sectors, 2020

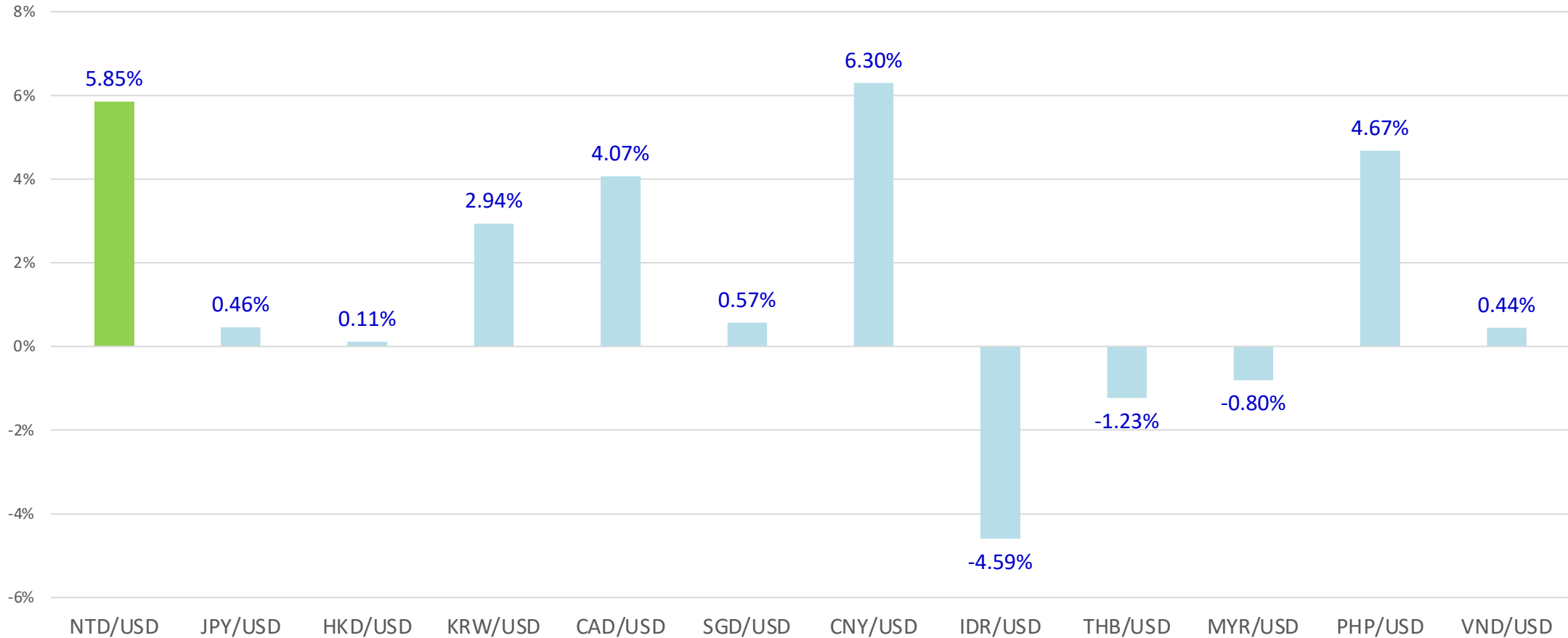


Source: National Statistics, Taiwan.

NTD: One of the Strongest Asian Currencies



2020.01.-2021.03.



Source: CBC, Taiwan.

Conclusions



- As an export-oriented economy, Taiwan's economic performance is highly correlated with the global conditions.
- The COVID-19, an anomaly that has triggered paradigm-shift in global economic format, whereas Taiwan's unique status in ICT supply chains helped pick up Taiwan's GDP growth in 2020.
- The government's policies also helped relieve the impacts to certain extent.

THANK YOU.

