Electric Vehicles

3-1 Intelligent Electricity Vehicle Pilot Project

Basic Project Information

- Project Category:
 Intelligent Electricity Vehicle (D2)
- Authority in Charge:
 Industrial Development Bureau Ministry of Economic Affairs
- 3. Project Overview
 - (1) Project Scope/Content:

IDB raise the proposal of Intelligent Electricity Vehicle Pilot run Program in order to build up the EV user-friendly environment, increase the industry competitiveness, in the long run, make Taiwan become a low-carbon Dioxide Island.

The purposes of the project are encouraging the development and extend the penetration rate of EV. The objects of subsidy are below: 1.Local governments.2. Legal Private entities hat have healthy relationship with banks and their net value is bigger than half of their capital. If applicants are manufacturers, they have to attach related documents which are Factory Registration Form or substituted approvals.

There are two types of model for the proposal. 1. Earlier-stage Research. All of the searches on market tread, technical research, business model research, expecting benefit are accepted. 2. Pilot run project. That means applicants have to make a complete proposal of how to run a demonstration area. All of the details have to be included, such as the team members, adopted models of EV, the business the business model, the recharging model, the application of



of telematics and the expected benefits. There are no limitations on applying sequence.

The project will subsidize on the below items. 1. Intelligent Electricity Vehicles. That means 4 wheel Vehicles that pass the examinations from Vehicle Safety Certification Center and get the EV license plates legally. Public affair vehicles that be subsidized by this program should provide public transportation service.2. Soft-wares /hard-wares and other supporting items, they are includes: the facilities of recharging stations, vehicle control and dispatch center, related soft-wares, the facilities that be used on the international technical cooperation. All of the hard-wares need to pass the validation and testing regulations.

There are no limitations on the size of land and zoning, but the location need to meet different purpose of the R&D, manufacturing or service display. They must be convenient for travelling and near to subway stations, express way interchanges. It is necessary to complete public facilities, such as Eco friendly area, electricity system, internet accesses at the offices and incubator centers.

(2) Estimated Total/Private Investment Amount:

703.5 millions NT dollars

(3) Estimated Business Opportunity and Return on Investment:

The program will help EV industry set up the standard of recharging station, level up the abilities of the whole industry, and it will encourage private companies to invest on recharging stations, telematics application, battery rental business.

The program will also rise up the R&D ability and lower the high battery cost to 30%.

120 high speed recharging stations and 3000 standard recharging stations will be built up. With the completion of infrastructure, more than two EV service providing companies will be established spontaneously.

Investment Conditions

- 1. Location Conditions:
 - (1) Zoning: No limitations. But they should be used for R&D, production and sales legally.
 - (2) Size of land: No limitations.

- (3) Accessibility of traffic: It should be convenient for travelling and near to subway stations or expressway interchanges.
- (4) Public facilities: Eco friendly area, electricity system, internet accesses at the offices and incubator centers.
- 2. Scope and Duration of Concession Rights:

The applicant have to acquire land and make the plan within 3~5 years.

- 3. Scope and Requirements of Work by Private Entities:
 - (1) Work Scope
 - a. Build up EV-related-facility manufactures
 - b. Build up power operation facilities
 - c. Build up operation and service display center
 - (2) Work requirement (category requirement, investment scope requirement, operation requirement...etc.): Related requirements will be announced in the future.
- 4. Qualifying Criteria for Applicants:
 - (1) City government, county government.
 - (2) Legal Private entities that have healthy relationship with banks and their net value is bigger than half of their capital. If applicants are manufacturers, they have to attach related documents which are Factory Registration Form or substituted approvals.
- 5. Support from Government

If the proposal is workable, IDB will coordinate with other departments to help the invest team to acquire the land, pass the environment evaluations and other administration and monitoring regulations.

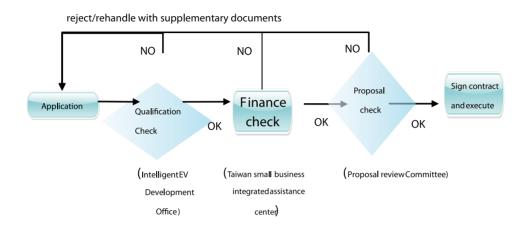
6. Other Related Information:

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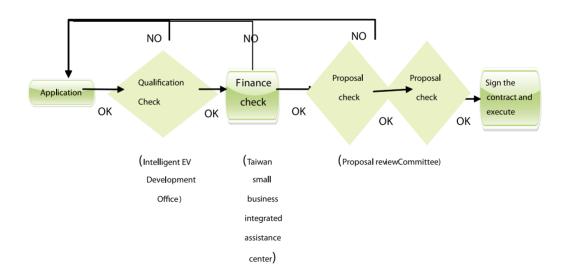
Procedure and Schedule

(Show in Flowchart)

1. Phase 0- Earlier stage Research application process



2. Phase 1- Pilot run project application process



Contact Window Information

- 1. Contact Agency: Industrial Development Bureau Ministry of Economic Affairs
- 2. Contact Person: Yun-Sheng Lee
- 3. Position: Technical Specialist Metal and Mechanical Industries Division
- 4. Phone: 02-27541255 ext 2135
- 5. Email: yslee@moeaidb.gov.tw
- 6. Website for more detailed project information:

http://proj.moeaidb.gov.tw/lev/default o.asp

Biotech and Medical Tourism

4-1 Project to Establish a Bio-Medical Devices Industrial Cluster in the Southern Taiwan Science Park

■ Basic Project Information

1. Project Category:

"Industrial Innovation Corridors" of the i-Taiwan 12 Projects"

2. Organizer

Southern Taiwan Science Park Administration (STSPA)

- 3. Project Overview
 - (1) Project Scope/Content
 - a. Project Scope

The project includes the following respective fields: dental equipment system, orthopedics medical devices, medical cosmetology devices or equipment, medical alloys, technological development of bio-medical devices with potential, industrial talent training, and R&D platform establishment.

b. Project Content

The major objectives of the project are to enhance the quality of orthopedics medical devices and localize dental and cosmetic surgery equipment, so as to reinforce or establish private brand image, expand the marketing range from Asia Pacific area to the international market and, in the end, turn the Park into an special zone and a demonstration platform of the international bio-medical device industry.

c. Position



The major implementation area is the Southern Taiwan Science Park.

(2) Amount of Investment NT\$5000 million.

(3) Estimated Business Opportunities and Return on Investment (ROI)

While we are becoming an ageing society, the medical industry is becoming increasingly important. The global medical device market is expected to grow 6.1% on average from 2006 to 2011, reaching US\$230 billion.

Taiwan's medical device industry is mainly based on OEM/ODM, in which the products are mostly in medium and low end levels. Even though its growth is far beyond the global growth, Taiwan takes merely 1% of global market share.

It illustrates that there is a considerable room for Taiwan to expand its medical device industry.

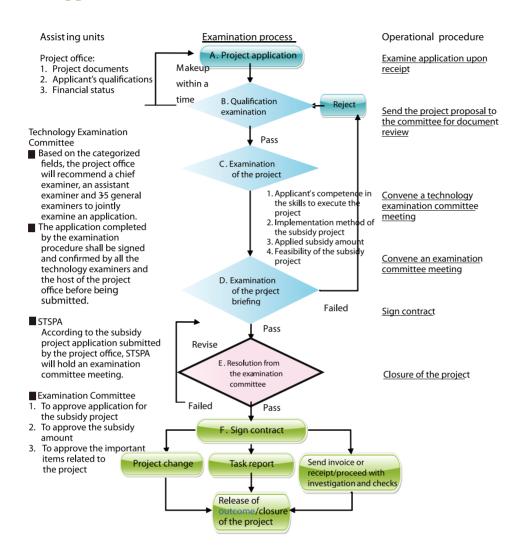
Investment Conditions

1. Project Period:

The project period is from 2009 until 2012...

- 2. Application qualifications
 - (1) Public and private colleges and public research institutions
 - (2) The companies established in accordance with Company Act; Their financial status shall meet the following terms:
 - (3) A juridical person or a non- profit corporation (hereunder referred to as a legal person)
- 3. Support from Government
 - (1) Tax Incentives
 - (2) Land and factory building rental benefit
 - (3) Subsidy measures for the Bio-Medical Devices Industrial Cluster Establishment Project at Southern Taiwan Science Park

Application Procedure and Schedule



Contact Window Information

- 1. Contact Agency: Southern Taiwan Science Park Administration
- 2. Title of the Contact Persons: Officer and associate researcher
- 3. Contact Persons

Tseng, Chun-Chih – Officer

Weng, Chen-Jui - Associate researcher

4. Phone : (06)5051001-2112, 2188

5. E-mail: tscc1001@stsipa.gov.tw

rayweng@stsipa.gov.tw

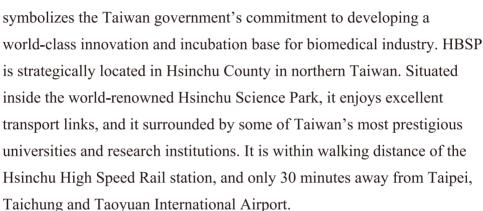
6. Website for more detailed project information: www.ksmd.org.tw

4-2 Hsinchu Biomedical Science Park

■ Basic Project Information

- 1. Project Category:
 - i-Taiwan 12 Projects (Industrial Innovation Corridors)
 Six Emerging Industries (Biotechnology)
- 2. Authority in Charge: Science Park Administration
- 3. Project Overview
 - (1) Project Scope/Content/Location:

Hsinchu Biomedical Science Park (HBSP)



Occupying an area of 38.1 hectares, the park is designed to play a lead role in fostering Taiwan's biomedical industry. The park will house the HBSP Hospital, biomedical R&D centers, and an incubation center. It will have facilities for the conduct of clinical trials, translational medicine, innovative research, clinical trial cooperation and legal consultancy, and seed business planning services. In addition, the Biotech Building inside the park will offer 36 rental units for biomedical companies at reasonable rents, offering ready-to-use space for laboratory-based R&D activities. HBSP not only furnishes ideal conditions for the development of biotech enterprises, but also provides a platform for cross-disciplinary collaboration and a comprehensive training system for biomedical companies in the park.





Land Allocation of the Hsinchu Biomedical Science Park

- (2) Estimated Total/Private Investment Amount: Approximately NT\$1.8 billion over 5 years from 2009.
- (3) Estimated Business Opportunity and Return on Investment:

 To support the development and growth of Taiwan's biomedical industry,

 HBSP is dedicated to strengthening the industrial value chain from basic
 research, clinical trials and product/process development to manufacturing.

 With the synergy of resource sharing, knowledge exchange, and clinical
 research networks, HBSP will pave the way for biomedical companies'
 future success.

■ Investment Conditions

1. Qualifying Criteria for Applicants:

The targeted investors are firms developing and making new drugs and advanced medical devices. "New drugs" include drugs with new ingredient, new therapeutic effects or new administration methods, as verified by the central competent authorities. "Advanced medical devices" include Class II or Class III medical devices, as stipulated in the Regulation Governing the management of Medical Devices.

Cultural and Creative / Digital Content

5-1 Flagship Project of Digital Content Industry

■ Basic Project Information

- Sub-project of "Six Rising Industries" and "Key Services Industries"
- 2. Authority in Charge:
 - (1) Directive Ministry: Ministry of Economic Affairs
 - (2) Host Institute: Industrial Development Bureau, MOEA
- 3. Project Overview
 - (1) Project Scope/Content:
 - a. The Integration and development of industrial parks:
 - Integration of existing Digital Content Industry Centers:

 Digital Content Industry professionals are tended to work in high functional work environment. The Digital Content Industry

 Development Centers are mostly concentrated in Taipei Area and Kaohsiung Software Technology Park at present. The regional industry cluster is formed by the existing Science Park connected in the adjacent vicinity. For example, the Science Parks in Nankang Software Park and the Kaohsiung Software Technology Park is in series connection in respectively with the industry bases of Digital Game, Computer Animation, Digital Publication and Archive, e-Learning, and Digital A/V in the same vicinity to form cooperation and labor specialization within the industrial value chain.
 - b. The Development of New Digital Content Industry Parks:
 - Taiwan's industrial development as the key to open the golden years,

forward-looking economic development needs of the Ministry of Industry will be the main consideration. Overall planning of the overall development of industrial park, has been actively working with Taipei City, New Taipei City, Taichung City and other local governments. The assessment could be released to provide the digital content industry for the development of park land, and develop future investment stationed in supporting incentives to facilitate the industry to attract more investment into development or presence. In addition, at the same time it will set up an incubation center, the introduction of venture capital and industry share the facilities to encourage and nurture more new startups and talents to promote the industry to flourish.

- In line with the Executive Yuan to promote the "digital convergence development program" and "cloud computing industry development program," Ministry of Economic Affairs is actively promoting the Asia Pacific Information engraved logistics service centers, to improve ICT infrastructure and services for the spindle, to promote innovative services to the formation of industrial clusters, counseling, e-supply chain, value chain to enhance performance, industry awards such as building green data centers to help manufacturers and government together to create a good basis for the environment, and to promote international investment and Taiwanese return to manufacturing in Taiwan, in aiming to shift into technology services base of Taiwan. In the near future, the digital content Parks will be more fully integrated. The main purpose is constructing Taiwan to become very competitive of industry base in the Asia-Pacific regions.
- (2) Estimated Total/Private Investment Amount:

 The estimated project is approximately at the scale of NTD 10 billion.
- (3) Estimated Business Opportunity and Return on Investment:

 The Digital Content Industrial Park will recruit enterprises in hardware and software digital content industry and venture capital firms to invest in developing or stationed investment, and the estimated annual revenue generated should reach over NTD 5 billion. The related business revenue in the future brought by the Digital Content Industrial Park following the impact of cluster efficacy will be growing even faster, in which the estimated investment return at least will reach 200-300%.

Information for Investors

- 1. Location Conditions: Taipei City / New Taipei City / Taichung City / Kaohsiung City
- 2. Scope and Duration of Concession Rights: Investor's business is the development of Digital Content industry which are allow to lease (30, or 50 years) on designating above ground structure, or purchase land to build manufacture shop on permanent base.
- 3. Scope and Requirements of Work by Private Entities:
 - (1) Business sector: Digital Content Industry
 - (2) Business requirement (e.g. industry sector requirement, investment scale requirement, and operational requirement etc.): The consecutive demand will be bringing up.
- 4. Qualifying Criteria for Applicants:

Domestic and international investor (individual and company) are all welcome.

- 5. Support from Government:
 - Statue and other assistance of hindrance elimination.
 Assistance includes obtaining the land use, or land modification in the industrial Park.
 - (2) Investment Incentive measures (e.g. financial loan assistance, tax incentive etc.)
 - i. Central government related land lease and tax reduction measurement.
 - a. Business income tax rate at 17%: The tax rates for business income in Taiwan is relatively competitive in comparison with China (25%) and Korea (22%), and matched with Singapore (17%) and Hong Kong (16.5%).
 - b. R & D Grants: Industrial Technology Development Program (ITDP), and other domestic and foreign R & D Center Project, such as Multinational Innovative RD Centers in Taiwan Program (MNCF), Industrial Technology Innovative Center Program (MNCD).
 - c. R&D Subsidies: 15% of a company's R&D expenditures may be claimed as a deductable expense against the current fiscal year's payable business income tax, however, the amount may not exceed 30% of the current year's total payable business income tax.
 - d. Importing machinery not manufactured domestically: Imported

- machinery of a kind not yet manufactured domestically may enjoy tariff-free treatment.
- e. Income tax exemption on licensee fees paid overseas: A company that imports new production technology or products from abroad that also uses the patent, trademark, or other special right owned by a foreign profit-seeking business may, with special approval by the Industrial Development Bureau of the Ministry of Economic Affairs, enjoy tax exemption on the licensee fees paid to the foreign profit-seeking business.
- f. Other tax incentives which are refer to the Industrial Innovation Act.
- g. Training Program: Digital Content Institute will provide an "Enterprise Package Class" of which is object for the corporate internal staff. The subsidy is up to 50%.
- ii. Provincial government investment reward incentive acts includes house interests subsidization, house tax subsidization etc.

Contact Window Information

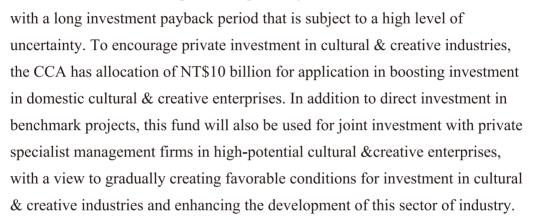
- 1. Contact Agency: Industrial Development Bureau, MOEA
- 2. Contact Person: Ching-Chin Lin, Chine-Fang Chu
- 3. Positions: Ching-Chin Lin, Senior engineer; Chien-Fang Chu Researcher
- 4. Phone: +886 2 2754 1255 ext.2242 or ext.2245
- 5. Email: jclin@moeaidb.gov.tw; cfchu@moeaidb.gov.tw
- 6. Website for more detailed project information: http://www.cepd.gov.tw/

5-2 Plan to Promote Private Investment in Cultural and Creative Industries

■ Basic Project Information

- Project Category: The Six Emerging Industries (Cultural & Creative Industries)
- 2. Authority in Charge: Council for Cultural Affairs (CCA)
- 3. Project Overview
- (1) Project Scope/Content:

Cultural and creative enterprises are generally SMEs,



(2) Estimated Total/Private Investment Amount:

The NDF has allocated NT\$10 billion for use in boosting investment in cultural & creative enterprises. Currently, the CCA is tentatively planning to allocate NT\$6 billion for indirect investment by specialist management firms, which will be required to jointly invest no less than 30% of the amount invested by the CCA in any project. It is projected that this will induce at least NT\$1.8 billion of private investment in cultural & creative industries. Projected Total Private Investment: At least NT\$1.8 billion.

■ Investment Conditions

- 1. Location Conditions: Nationwide
- 2. Scope and Duration of Investment Rights: November 2010 to May 2020.
- 3. Scope and Requirements of Undertaking by Private Entities:

Scope of Undertaking

(1) Before investing, a specialist management company (SMC) should carefully assess the business plan of a targeted investee, and prepare an investment



Land Development

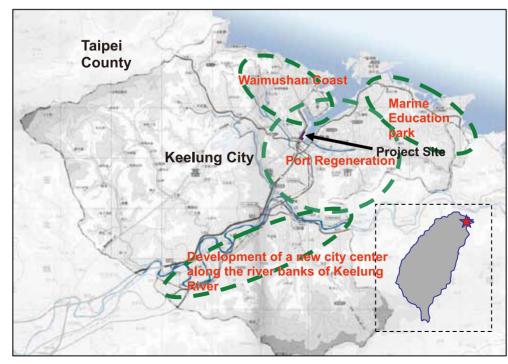
6-1 Keelung Railway Station & Wharves W2 and W3 Project (Renewal Unit 1)

■ Basic Project Information

 Project Category:
 i-Taiwan 12 Projects [A7 Urban and Industrial Zone Renewal]



- 2. Authority in charge:Keelung City Government
- 3. Project Overview
 - a. Project Location: The project planning area is located in the port area at the center of Keelung City, and adjacent to Taipei County; National Highway No.1 is only a 2 minute drive, and Taipei 101, which is in the Xinyi Planning District of Taipei City, is roughly 30 minutes away by driving. Keelung Train Station is the starting point

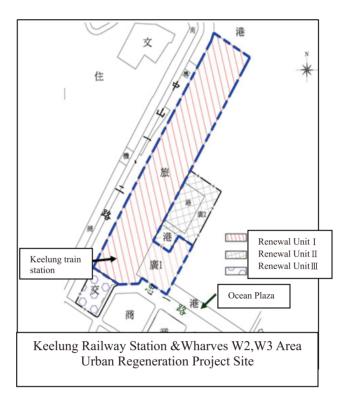


Keelung Railway Station & Wharves W2, W3 Area Urban Regeneration Project Site

- of the Western Rail Line and also an important external transportation system; after the light rail system is completed, this area will become even more closely linked with developments of Taipei City and County.
- b. Project Scope: The project site covers the Keelung Railway Station area and Wharves W2 and W3. The renewal unit I designates the harbor special area for commercial, tourism, transport use (60,900m², superficies area) and the plaza (9,360m²) to a total of 70,260m².

(1) Project Content:

- i. The project site, as the passenger center for cross-strait travel, a center for marine transport and a hub for land transport in northern Taiwan, takes a significant postition in the overall development of Keelung City. The project involves the creation of a new city center of commerce and tourism. It combines infrastructure (the railway station, an inter-city transportation hub, a city bus station, a shipping transportation center and plaza) with commercial and tourism functions to enhance redevelopment of neighboring shopping areas and to stimulate local tourism and the local industrial economy.
- ii. Land development density in the harbor special area:
 - (1) Building Coverage Rate (BCR): 50%.
 - (2) Floor Area Ratio (FAR): 300%.
 - (3) Strategic renewal units are eligible to a maximum of 2 times FAR incentive.
- (2) Estimated private investment amount: NT\$10.9 billion.
- (3) Estimated Business Opportunity and Return on Investment
 - i. Estimated business opportunity: Convenient transportation from Keelung to Taipei (about 30-40 minutes by car), located in the transportation hub of Keelung and beneath Keelung Harbor and the center of the city, and good potential for waterfront recreation and commerce management.
 - ii. Source of profits: Operation of a shopping mall, a tourist hotel and scenic residential housing.
 - iii.Estimated return on investment: 7%.



■ Investment Conditions

- 1. Scope and Duration of Concession Rights:
 - (1) Scope: Mode of superficies right: Provision of land for urban renewal for new businesses.
 - (2) Duration: Creation of superficies for 50 years.
- 2. Scope and Requirements of Undertaking by Private Entities:
 - (1) Scope
 - i. Drafting a detailed plan (covering renewal units 1, 2 and 3).
 - ii. If approval of soil and water preservation, environmental impact assessment, urban renewal assessment, urban design assessment, and traffic impact assessment, etc. is required for applications, the contractor should deal with the application process and pay for the paper.
 - iii. The contractor should construct the following infrastructure around Keelung Railway Station:
 - (1) a shipping transportation hub of Keelung Harbor Bureau;
 - (2) parking and waiting space for city buses;
 - (3) a road exclusively for public transportation;
 - (4) an inter-city bus transportation hub;
 - (5) a plaza and related facilities for the yacht harbor;

- (6)sidewalk facilities to separate movement of pedestrians and vehicles across public space;
- (7) reserved space for the light rail transit system.
- iv. Invite foreign architects, who have experience in developing a harbor, transportation hub, or large commercial area, to participate in the project.
- v. Apply for a construction permit, begin construction, and acquire a building use permit within the stipulated time period.
- vi. The contractor must coordinate with the Railway Reconstruction Bureau to match the plan for the southward relocation of Keelung Railway Station either.

3. Applicant Qualifications

(1) General criteria

The corporation winning the bidding should complete the registration as a newly company operating specifically for the project when signing the contract with the authority in charge. And the original applicant shall share joint liabilities.

- (2) Competence (Development ability, Financial ability)
 - i. Development ability: applicants must have experience of harbor, transportation center, or large-scale real estate development.
 - ii. Financial ability:
 - 1) Paid-in capital:
 - A. a single-company applicant shall have paid-in capital of at least NT\$500 million.
 - B. an alliance of companies shall have paid-in capital amounting to at least NT\$500 million, with the leading enterprises having paid-in capital of at least NT\$200 million.
 - 2) Applicants must provide details of business income tax payment in the latest tax year and the latest turn of business tax.
 - 3) Applicants must not have any instance of defaulting on financial liabilities recorded against them during the last three years.

4. Government Support Measures

- (1) Drawing up urban renewal plan (master plan), defining renewal area, and promulgating regulations required for implementation.
- (2) Carrying out the construction of Zhongshan 1st Rd and Zhongshan 2nd Rd, and adjusting the road width in accordance with the Keelung Railway Station

relocation plan.

- (3) Acquiring the private land in the project site.
- (4) Carrying out the relocation of Keelung Railway Station.
- (5) Consigning the ownership of existing buildings to the contractor for demolition, except for the Keelung Harbor Passenger Center outside the apron (30x250 meter area) of W2 and W3, which will not be consigned until the temporary passenger center is completed.
- (6) Helping the contractor apply for incentives, tax reductions, and preferential loans.

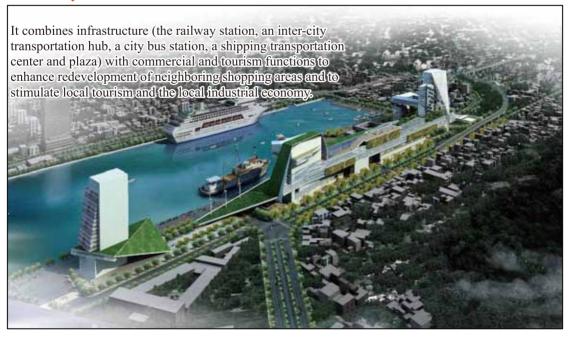
Scheduled Announcement Date

Bidding for the project is expected to take place in October 2011.

Contact Window Information

- 1. Contact Agency: Keelung City Government
- 2. Contact Persons: Wen-chih, Chiu, Section chief Chia-hui, Lin, Technical Specialist
- 3. Telephone Number: +886-2-24201122 ext 1805~1808
- 4. E-mail: cpeter@ mail.klcg.gov.tw;chiahui@mail.klcg.gov.tw
- 5. Project Website: http://www.klcg.gov.tw/urban/index.jsp

A new city center of commerce and tourism



3D Simulation of Keelung Railway Station & Wharves W2, W3 Area