

Chapter 6

Taiwan

Tariffs

Tariff Structure

* This particular case was included in light of the following concerns despite it being a trade or investment policy or measure that does not expressly violate the WTO Agreements or other international rules.

<Outline of the Measures>

The binding coverage on all products is 100% as of 2019. As of 2019, the simple average bound tariff rate for all products is 6.9% and that for non-agricultural products 5.0%, but high tariffs exist on certain industrial products, such as motor trucks (maximum 25%), motorcars and small motor vehicles (maximum 17.5%), special purpose motor vehicles (maximum 30%), etc.

At the time of accession to the WTO in November 2002, Chinese Taipei's tariff rate quota system (See Part II, Chapter 5, 1 (.1) (2), Functions of Tariffs) applied to motor vehicles, but this system was removed in 2011.

<Concerns>

As long as the high tariff itself does not exceed the bound rate, there is no problem in terms of the WTO Agreements, but in light of the spirit of the WTO Agreements that promotes free trade and enhances economic welfare, it is desirable to reduce tariffs as much as possible.

<Recent Developments>

With the aim of expanding the number of items subject to elimination of tariffs on IT products, ITA expansion negotiations were launched in May 2012, and an agreement was reached in December 2015. Elimination of tariffs on 201 items started gradually in July 2016. By January 2024, tariffs on all 201 items will have been completely eliminated for 55 members (see 2. (2)

“Information Technology Agreement (ITA) Expansion Negotiation” in Chapter 5 of Part II for details). As for Chinese Taipei, elimination of tariffs started in July 2016. For example, high tariff items include video recorders and players (14%), switching devices (12.5%), television receivers (10%), etc. Tariffs on all subject items including the above items will be eliminated gradually and will have been completely eliminated in 2021.

In terms of the impact of the new coronavirus infection, on February 27, 2020, in order to deal with the infection, Chinese Taipei announced that it would reduce tariff rates on raw materials for medical alcohol from 20% to 10% and temporarily eliminate the 7.5% tariff rate on masks made of spun materials during the period from February 27 to May 26 of the same year in accordance with Article 71 of the Customs Law.

Subsequently, the tariff rate reduction on raw materials for medical alcohol was extended three times, and as of November 25, the reduction would expire on February 26, 2021.

Trade in Services

Regulations in the Telecommunications sector

Refer to page 141 of the 2017 Report on Compliance by Major Trading Partners with Trade Agreements -WTO, FTA/EPA and IIA-.

