Country Report 2002

Taiwan Market Background

After 12 years of effort, Taiwan finally became a member of the World Trade Organization (WTO) on Jan. 1 this year. With WTO membership, the nation is required to fulfill our government had following commitments:

Lowering of tariffs—The average tariff on agricultural products is to be cut from the original 20.02% to 14.01% in the first year of WTO membership (2002), and further to 12.89% between 2003 and 2011. —The average tariff on industrial products is to be adjusted downward from the original 6.03% to 5.78% in the first year of WTO membership, and further to 4.15% by 2011.

The government' s vigorous promotion of the Global Logistics Development Plan is attracting more and more domestic companies and multinational enterprises to establish their logistics position in Taiwan, indicating that under the framework of the World Trade Organization (WTO) the island' s competitive niche as a location for the establishment of American, Japanese, and Asian procurement and delivery bases aimed at mainland China and Southeast Asia. This also shows the island' s promising future for the development of the warehousing, express delivery, shipping, processing, and other industries.

According to data compiled by the Council for Economic Planning and Development on 1/10/2002, the following successes in this effort have already been achieved:

--Among domestic enterprises, the CTW Logistics Corporation, China President Logistics, and Jvan An Logistics International Corporation have received permissions from the customs administration to establish logistics centers.
--Among multinational enterprises, Applied Materials has set up in Taoyuan its first logistics center for semiconductor equipment outside of North America. This center cost US$60 million to build, occupies an area of 6,600 square meters, and serves customers in mainland China, Japan, South Korea, Singapore, and other areas as well as Taiwan, making it Applied Materials' center for the distribution of semiconductor equipment, parts, and components for the Asia-Pacific region. After evaluating six countries and territories including Taiwan Air is which like Applied Materials is an American company, has determined that the Kaohsiung Air Cargo Park which is being promoted by the Export Processing Zone Administration of the Ministry of Economic Affairs offers a fine geographic position, proximity to Kaohsiung' s Hsiao kang International Airport, and good cargo hub functions, and has made a preliminary decision to invest jointly with the Taiwan Sugar Corp. in the construction of an air cargo terminal, logistics center building, and office building there.

According to the planned schedule, the first stage of the project will get under way this year and be completed between the end of 2003 and the middle of 2004. Intel has taken note of the strength of Taiwan' s information industry and has announced the establishment on the island of its first warehousing center in the Asia-Pacific region; through e-commerce operations, this center needs only one day after

receiving an order to delivering the goods. This will make it easier for Taiwan' s motherboard makers to meet the challenges of a changing market with greater flexibility and efficiency. Intel has also announced the establishment of a quality support center in Taipei to provide motherboard manufacturers with immediate chip testing, quality assurance, and other services, and to report the results of testing to clients within 24 hours.
In view of the importance of Taiwan' s position as an Asian transportation hub, DHL has announced a plan for continuing large-scale investment in Taiwan through the year 2005. The express cargo carrier has signed a cooperative agreement with the Evergreen logistics firm to locate its express cargo hub in Evergreen' s second-stage air cargo terminal at Chiang Kai-shek International Airport with the aim of expanding its market share and strengthening its competitiveness. This transshipment hub for express parcels is expected to begin operating shortly.

NYK, which operates Japan' s largest merchant shipping fleet, has signed a contract with the Kaohsiung Harbor Bureau for the lease of Wharf 121 in Kaohsiung' s Fourth Container Center; NYK plans to use Kaohsiung as its main East Asian hub, and is considering the switching of its container transshipping from Singapore to Kaohsiung. The National Construction Plan for 2002, which was formulated by the Council for Economic Planning and Development (CEPD) and approved by the Executive Yuan (Cabinet), puts Taiwan's economic growth this year at 2.7%. At the same time, it forecasts a 1.2% growth in jobs, an unemployment rate of 4.5%, and a consumer price index increase that remains at the 2001 level of 0.1%.

Entering the e-age, many things change. Computer-related devices become people's favorite gifts, especially when the high-tech of computers advances forward with a large step every day.

Computer-related devices thus have found new homes naturally and easily. They have become a kind of gifts that people would like to buy for their family, relatives, or friends. People knowing the direction of buying peripheral devices for gifts have less headache in choosing or in deciding what to buy for proper ones, as peripheral devices vary in functions, prices, shapes, patterns, among many others. In these topics, we are discussing those computer peripheral devices that are good for gifts or giveaways, hoping that readers may have more choices and that people in the field may have better chances to harvest from business.

A. Peripheral equipment in USA market

1. Printer
According to Lexmark, office desk laser printers and color ink printers shall enjoy two-digit growth in 2002 in the USA market.

Technology in printers enjoys fast changes and competition. Non-hitting type printers share some 60% to 65% of the printers market though, makers like Lexmark, Canon, Tektronix, Xerox, Epson and IBM are warming up to seize more. Hitting-type printers are mainly made in Okidata, Printronix, Tally, and Genicom.

The competition factors to printers are mainly those about price, product function, reliabilities, durability, maintenance, after-sale service, and sales networks. As computer industry develops toward global standards, people in the field of printers are suggested to work on competition factors except that of unit price.

2. Multimedia Products
Projection devices used to be main equipment in conference and have been developed for desk-top products. After 1998, the article has been developed for personal uses on business trips. Traditional CRT has been replaced with Pro A/V LCD.

According to Pacific Media, global digital electronic projection equipment market value reached UD$2.3 billion for half million sets in 1998, which rose to 0.65 million sets in 1999, with growth rates of sales volume and sales amount for 30% and 15% respectively.

The personal projectors grew fast, with some 100% in 1999 over 1998. In 1998, there were over 40 plants in the States making projectors. After Pioneer, Chisholm, and Prolux left the market, those products made in Japan or in Taiwan flooded in, though the market was still under the controls of 3 to 5 plants. Main makers include In Focus, Proxima, Sharp, NEC, Epson for A/V projectors; and InFocus, Proxima, Epson for PC projectors.

3. Keyboards
Following the speedy development of computers, keyboard suppliers react with simultaneous R&D to meet the market demands. Main competitive makers of the device in the States are Key Tronic, Alps Electric, BTC, Fujitsu, Chicony, Sileteck, Maxiswitch, Mitsumi, NMB and Sejin. Competitions mainly come from price, quality, and function of the products.

4. Speakers
The reason s for the fast development of PC speakers fall on the fact that multimedia computers grow fast, that Internet services are in need of them, and that growing population of MP3 music.

Main makers of PC speakers include Labtec, Altec Laansing. Creative Technology of Singapore among others.

B. Small peripheral devices take advantages in the Netherlands

According to GfK, a sales service company in Europe, small devices like PC, displayers, printers, scanners, PDA, digital cameras, keyboards, CD writers, CDRs are not high in price though, sales amount in the first 4 months of 2001 reached some 75 million Holland dollars, equalling to three times as much as that for injection printers or that for scanners at the same period.

Among those small devices, CD writers and CDR had 70% market share. However, after computers enjoyed best sales in 2000, the business has been under depression ever since. In February to May 2001, though sales quantity increased 1% after the price had been down, sales amount downed 16%. CDR was worse: sales quantity increased 31%, but sales amount downed 10%. Price competition is to blame.

Main maker of CDR is TDK, while LG, Philip, and Plextor pioneer in CD writers.

In computer business, small peripheral devices account for small percentage of total sales amount. However, when depression comes, small ones become best sellers because of short money. We believe it a trend.

The trend that small ones become a main support of computer business falls on the fact that price stable, quality satisfactory, and most importantly, people of any age can easily afford to buy them.

C. Digital Consumption Electronics Become Hot

Economic depression doesn't stop the eagerness people have for owning the latest electronic products, which may be reflected in the hot sales of electronic consumption appliances in the first half of 2001.

According to NPD, a survey firm in the States, its investigation on 43 electronic items revealed that sales of digital TV sets, DVD, PVRs, digital cameras, digital walkmans in the first half of 2001 enjoyed some 200% growth rate over the same period of 2000. And, digital video devices such as digital TV sets took the first place, enjoying 230% growth rate, followed by digital recorders that had 198%.

Because of price down average US$70 lower than the prior year], DVDs also had a good time, Even those devices like VCRs that should have been replaced by DVDs or PVRs had hot sales as VCRs attracted consumers with low price, which people thought they didn't lose any when they had a new set to replace the old one.

The home cinema system also had a fantastic sales record. As home audio-visual systems became popular, all lines necessary had been preset as standard required in new buildings, people may free from much work in setting lines and cords, and that helps to some extent the sales of the devices. In the half of 2001, CD players had 47.2% growth rate while digital audio appliances had 58.5% over the same period in the prior year.

Though Mini Disk [MD] inclines to go downwards in sales, MD walkmans that may interlink PCs high jumps to be one of the best sellers, enjoying 319.1% growth rate in the first half of 2001. Also, because lower in cost, MDs become music fans another alternative, in addition to MP3s.

In video markets, sales of digital cameras and digital video recorders in the States also enjoyed 65.5% growth rate in the half of 2001 over the same period in 2000. The fact price of digital video cameras downed US$158 on an average did help stimulating people to buy the device. The result was growth rate 43.3%.

All the above products are related to computers. Broadly speaking, they are also computer peripheral devices.

Challenge 2008 – National Development Plan" has been published. The confidence from the market still very low. During the June 2002, Lin Hsin-i, vice premier: Establish core values "based on humanism and sustainable development" some of the businessman be asked What is the difference between the "Challenge 2008 - National Development Plan" and the previous major construction plans proposed by former premiers?

The answer is This National Development Plan is a response to changes in the domestic and international economic conditions and competition factors, and during its period of implementation it will feature numerous special characteristics in regard to the adjustments in the directions of government administration that must be carried out. One of these is a change in the past bias toward an emphasis only on a high level of economic development and a switch toward environmental protection, maintenance of the living environment, and cultural development, and the establishment of core values "based on humanism and sustainable development." Another characteristic is to grasp the trends toward international networks and the division of labor, and the creation of a unique competitive niche for Taiwan. The third is an appropriate scale of investment, with strict control of budgeting and careful planning under the existing administrative blueprint of the content of the development plan with consideration given to fiscal burden and the needs of the people, so as to exhibit the key points of administration. And the fourth is an emphasis on the establishment of intimate partnership relations between the government and the people with room set aside for private participation. This is different from the past plans, which featured the dominant hand of the central government.

During its long period of economic development, Taiwan has accumulated and stored away a great deal of energy including personnel, technology, and capital, systems, and cluster effects. If this energy that has been built up during past years cannot be directed properly, it may be dispersed and lost. At this pivotal time, therefore, the government has proposed this National Development Plan to play the role of a locomotive for Taiwan's development and guide the built-up energy in the right direction, so that this force can be fully released. The government announced Companies in greater numbers than ever are recognizing Taiwan's R&D and manufacturing capabilities, and are setting up operations headquarters on the island. According to statistics compiled by the Industrial Development Bureau of the Ministry of Economic Affairs, a total of 105 "operations scope certifications" for corporate operations headquarters had been issued as of Jan. 13 this year.

According to the report from the China Economic News Service, Over 80% of personal computer companies set up in mainland China by Taiwan's information technology (IT) companies are now procuring parts and components from local sources there, according to the Institute for Information Industry (III).

Figures compiled by the Market Intelligence Center (MIC) of the III show that although the PC companies still purchase parts and components they need mainly from Taiwanese-invest enterprises, there is a sharp rise in the number of suppliers established by indigenous mainland companies.

Researchers said that the manufacturing costs on the mainland were only between one fourth and one sixth of those in Taiwan. The differences of the production costs for motherboards and notebook computers between the two sides range from 10% to 20%. This major attraction to investors from the island.

But they also noted that the rising labor costs and land prices on the Mainland China would have certain impact on the investors' cost structure. In addition to the consideration for costs, the Taiwanese investors have set sights mainly for the long-term growth in the demand for IT products on the huge mainland market. The stock market and economics very clear to notify the government, we must improve for the business environment, otherwise, the Taiwan will no future.

In a move aimed at encouraging local governments to promote investment, and to implement the spirit of local autonomy, the president promulgated the "General Principles for Local Taxation" and "Government Fees Law" on Dec. 11, 2002 to provide a legal basis for the collection of special or temporary taxes by the local governments.

According to the "General Principles," local governments at the city, county, and town or township levels will be allowed to impose special taxes, temporary taxes, and surtaxes in accordance with the needs of their autonomous fiscal administration. These taxes may be collected for up to four years for special and surtaxes, and up to two years for temporary taxes. The taxes cannot be levied, however, until the local representative assemblies enact the necessary legislation. For the full text of the "General Principles for Local Taxation,"

12/09/2002 Taipei Customs Offers 24-hour Clearance for Air Cargo Following its implementation of 24-hour clearance for international parcel shipments, the Taipei Customs Bureau has announced that beginning on Nov. 18 it is offering after-hours clearance for general import and export cargo exceeding 70 kilograms per item (or bag). Shippers requiring customs to work overtime to clear their cargo should, after their cargo enters the warehouse, provide written information on the customs declaration number, bill of lading number, and a description of the goods, and should attach the customs declaration, invoice, and warehouse entry data, and submit an application to the original customs clearance unit. C2 cases (customs declaration to be examined but exempt from goods inspection) and C3 cases (subject to goods inspection and documentary examination) can now enjoy 24-hour customs clearance. On Dec. 25, 2002, the president promulgated a revision of the Labor Standards Law designed to help fill the manpower needs of companies during peak seasons as well as protect the rights of workers. The main points of the revision are as follows:

1.Added flexibility for working hours:

Under the precondition of no more than eight hours per day and 84 hours each two weeks for normal working times,

(1) Employers may, with the approval of the labor union or the Council of Labor Affairs (CLA), distribute normal working time for two days within a two-week period to other working days (the original limit was normal working time for one day within one-week period). The working hours transferred to other working days may not

exceed two hours per day, and the number of working hours per week may not exceed 48 (the original stipulation limited working time to 44 hours per week).
(2) Employers may, with the approval of the labor union or the CLA, distribute normal working time within eight weeks; however, normal working time may not exceed eight hours per day and 48 hours per week (this stipulation is newly added).

2.Relaxation of restrictions on nighttime working hours for women:
Employers may not have women work between 10:00 p.m. and 6:00 a.m. With the approval of the labor union or the CLA, and with the provision of necessary security and sanitary facilities as well as transportation or women' s dormitories, however, employers are not subject to this limitation. In the case of women who are unable to work between 10:00 p.m. and 6:00 a.m., employers may not compel them to work.

3.Unification of rules for working time extensions for men and women:
Employers that have a need for employees to work outside of normal working hours may, with the approval of the labor union or CLA, extend their working time. Such extended working hours (for men and women alike) plus normal working hours may not exceed 12 hours within one day. Working hour extensions may not exceed 46 hours within one month.

Another special feature of this revision is to reduce the extent of intervention by government authority while introducing a mechanism under which the arrangement of flexible working time must be handled through labor/ownership negotiations. This will help to establish a channel for negotiations between labor and ownership, reduce conflicts between the two, and create a win-win situation. For comparative texts of the revision and the original stipulations,

The unemployment rate is 5.31% on Oct. and 5.22% of Nov 2002. During the Jan.10, 2003. The Legislative Yuan has approved " Provisional Statute for the Expansion of Employment Through Public Services " The plan is expected to provide 75,000 jobs and cut the unemployment rate to 4.5% or less. Also approved " Infrastructure Expansion Program" that calls for spending NT$50 billion this year in such areas as agriculture, sewage systems, urban development, and tourism. The program is expected to increase the island' s gross domestic product (GDP) by NT$37.1 billion this year, raise the annual economic growth rate by 0.38 percentage points, and stimulate 40,000 job opportunities.

One of the new certifications went to the Walsin Technology, an affiliate of the Walsin Lihwa Group, which has announced an expansion of investment for the purpose of establishing a global operations headquarters and R&D center in Taiwan. The group plans to invest NT$5 billion in Kaohsiung over the next five years, bringing more than 1,000 jobs to the southern port city.

The Mitac Group has also announced its intention to set up a corporate operations headquarters in Taiwan. This new headquarters will encompass five major centers, one each for technological R&D, global logistics, logistical support, financial management, and brand marketing, with the aim of challenging a revenue target of US$10 billion. The Mitac Group reports that 30% of its high-end products will be manufactured in Taiwan this year, and that it will also set up a product development center here with the aim of using the joint development model to cooperate with large international manufacturers. The Mitac Group already has more than 1,000 R&D personnel working in Taiwan, and its investment in its local R&D center this year will top NT$2 billion.

Another significant development is the recent groundbreaking for Hwa Ya Semiconductor's 12-inch silicon wafer fab, which is being built in Taiwan's northern county of Taoyuan with an NT$80 billion joint investment from the Nanya Technology Co. and Germany's Infineon. The plant will begin operating at the end of 2004 with a production volume of 20,000 12-inch wafers per month, and the company will boost its production volume to 50,000 wafers in 2006 with the aim of becoming the world's largest wafer manufacturer. It will create a total of 3,000 jobs.

For information on criteria and incentives for the establishment of corporate operations headquarters in Taiwan President Chen Shui-bian announced during a recent address that over the next 15-month period the government would move to revitalize the domestic economy by strengthening the rectification of public security and the elimination of "black gold" in politics, the reform of education, the stimulation of employment, the invigoration of tourism, and the promotion of investment.

To rectify social order and eliminate "black gold", the government will continue carrying out the "Thunder stroke Project" (a program aimed at reinforcing public security), reorganize the police rapid strike force, increase the intensity of police patrols, complete legislation for such political sunshine bills as the "Political Parties Law" and "Political Contributions Law," and carry out planning for a clean-government administration within the Ministry of Justice.

Educational reform will be pursued by improving the "New System of Diversified University and High School Admissions," heightening the quality of textbooks, promoting senior high and vocational high school education within the community, and shortening the gap between urban and rural educational resources.

The government will move to stimulate employment by implementing the "Expansion of Employment through Public Services Plan" and "Infrastructure Expansion Program" more vigorously, promoting a portable labor retirement fund system, transforming labor-insurance payments to senior citizens into an annuity system, and inaugurating labor insurance relief loans.

The invigoration of tourism will be accomplished by expanding the visa-free entry program, integrating international promotion, using domestic private organizations and the government's overseas agencies to attract foreign travelers to visit Taiwan, enhancing the quality of tourism, providing more assistance for home-stay facilities, and helping with the organizing of major local festival activities.

To promote investment, the government will speed up the pace of financial reform, lower the cost of land acquisition, assure the quality of water and electricity supply, add more channels for the raising of capital, open up business opportunities in the area of national defense procurement, expand public investment, make plans for the establishment of free ports, organize investment promotion missions, and hold an international Taiwan investment conference.

Taiwan was ranked ninth globally in terms of networked readiness by the Switzerland-based World Economic Forum, according to its global information technology report 2002-2003 It is the first time that Taiwan has been listed in the top 10 in the networked readiness index rankings, advancing six notches from 15th last year. The report said that the rankings were based on an assessment of performance and progress in networked readiness conducted in 82 countries around the world. As the world experiences an economic slowdown, the use and application of information and communication technologies remains among the most powerful engines of growth

Taiwan should move swiftly to improve its investment climate in view of mainland China's magnet effect in pulling in foreign investment, Taiwan should upgrade and enhance its functions in order to provide foreign investors with an unfettered and sound investment climate and to allow the country to serve as an Asia-Pacific business operation center.

Taiwan invested US$455.29 million in mainland China in January 2003, which is a single-month all time high and represents a surge of 120.78 percent over the corresponding period of last year, according to the Investment Commission of the Ministry of Economic Affairs Calculated by industry, the non-metal manufacturing industry lead the pack, with a 633-fold growth to US$126.82 million in investment, followed by the textile industry, with a 215-fold growth to US$129.57 million, and precision machinery, with a 13-fold growth to US$154.24 million.

The basic metal industry posted a nine-fold growth to US$166.61 million, while the electronic and electrical industry doubled its investment to US$455.29 million. Warned that local businessmen should be wary when investing in the mainland, "as there are no guarantees of profit."

Citing a study by Germany's Deutsch Bank, Ho said opening direct trade; transport and postal links between Taiwan and mainland in 2004 would help businesses slash 50 percent and 30 percent in transport fees and financial transaction charges, respectively. Direct links would also help create a 2.5 percent economic growth rate for Taiwan during the 2004-2008, If Taiwan were to further improve its investment climate, including lowering transport costs for cross-Taiwan Strait travel and expanding its air link network, the island would have a stronger appeal than the mainland as an operational hub, for both Taiwan and foreign investors.

Reference the report from the Economics Affair, the physical Economics record of 2002 listed for reference as follows:

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Internal Trade Market Summary

	2002		2001			
	Cumulative, Jan. to date		Cumulative, Jan. to date		Cumulative, Jan. to date	
	Amount	As % of Total	Amount	As % of Total	Amount	Annual Change Rate (%)
Counted in N. T. Dollars (NT$ Hundred Million)						
Total Trade Value	84,048.6	100.0	77,571.7	100.0	6,476.9	8.3
Exports	45,090.5	53.6	41,377.4	53.3	3,713.1	9.0
Imports	38,958.1	46.4	36,194.3	46.7	2,763.8	7.6
Trade Balances	6,132.4	---	5,183.1	---	949.3	18.3
Counted in U.S. Dollars (US$ Million)						
Total Trade Value	243,232.7	100.0	230,103.7	100.0	13,129.0	5.7
Exports	130,641.5	53.7	122,866.3	53.4	7,775.2	6.3
Imports	112,591.2	46.3	107,237.4	46.6	5,353.8	5.0
Trade Balances	18,050.3	---	15,628.9	---	2,421.4	15.5

From the Internal Trade Market Summary, subject to the New Taiwan Currency, there is a increasing of 9% of Export and 7.6% of Import and 18.3% of trade Balances.

At the same time if the Internal Trade Market Summary, subject to the US Currency, there is a increasing of 6.3% of export, and 5% of Import, 15.5% of Trade Balance.

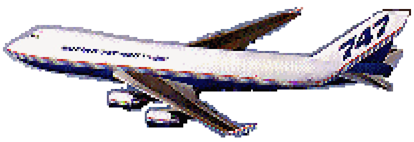
2002 Major Export Commodities

Unit：US$ Million

	2002		2001		Comparison	
	Amount	As % of Total	Amount	As % of Total	Amount	Annual Change Rate (%)
Total	130,641.5	100.0	122,866.3	100.0	7,775.2	6.3
1.Animals and Animal Products	1,282.3	1.0	1,180.5	1.0	101.8	8.6
Fishery Products	1,133.3	0.9	1,039.1	0.8	94.2	9.1
2.Vegetable Products	266.3	0.2	274.3	0.2	-8.0	-2.9
3.Prepared Foodstuffs, Beverages and Tobacco Products	469.3	0.4	488.0	0.4	-18.7	-3.8
4.Chemicals	4,667.3	3.6	4,137.9	3.4	529.4	12.8
5.Plastics and Articles Thereof; Rubber and Articles Thereof.	8,801.9	6.7	7,992.8	6.5	809.1	10.1
(1) Plastic Products	2,596.4	2.0	2,574.7	2.1	21.7	0.8
(2) Rubber and Articles Thereof	1,135.1	0.9	1,035.8	0.8	99.3	9.6
6.Leather and Fur Products	957.1	0.7	999.2	0.8	-42.1	-4.2
7.Wood, Articles of Wood & Allied Products, and Plywood	300.8	0.2	325.2	0.3	-24.4	-7.5
Plywood	27.0	0.0	33.5	0.0	-6.5	-19.4
8.Textile Products	12,150.8	9.3	12,630.2	10.3	-479.4	-3.8
(1) Fiber, Yarn, Linen and Fabric	8,654.5	6.6	8,981.5	7.3	-327.0	-3.6
(2) Garments	1,542.2	1.2	1,768.7	1.4	-226.5	-12.8
(3) Other Textile Products	1,954.1	1.5	1,880.0	1.6	74.1	3.9
9.Footwear, Headgear, Umbrellas, Artificial Flowers, and Articles of Human Hair	651.8	0.5	741.1	0.6	-89.3	-12.0
Footwear	441.8	0.3	481.9	0.4	-40.1	-8.3
10.Articles of Stone, Plaster, Cement, Ceramic, Glass and Articles Thereof	923.8	0.7	883.5	0.7	40.3	4.6
Ceramic Products	95.6	0.1	101.5	0.1	-5.9	-5.8
11.Basic Metals and Articles Thereof	12,546.9	9.6	11,330.9	9.2	1,216.0	10.7
(1) Iron & Steel and Articles Thereof	7,827.5	6.0	6,888.0	5.6	939.5	13.6
(2) Metal Products (Excluding (1))	4,719.4	3.6	4,442.9	3.6	276.5	6.2
12.Machineries and Electrical Equipments.	70,661.4	54.1	66,851.5	54.4	3,809.9	5.7
(1) Electronic Products	25,850.1	19.8	23,601.2	19.2	2,248.9	9.5
(2) Machineries	9,078.3	6.9	8,348.0	6.8	730.3	8.7

(3) Electrical Machinery Products	5,902.1	4.5	4,665.0	3.8	1,237.1	26.5
(4) Information and Communication Products	16,040.1	12.3	15,668.0	12.8	372.1	2.4
(5) Household Electrical Appliances	556.2	0.4	574.8	0.5	-18.6	-3.2
13.Vehicles, Aircraft, Vessels and Associated Transport Equipments	4,832.0	3.7	4,441.6	3.6	390.4	8.8
14.Precision Instruments, Clocks and Watches, Musical Instruments	4,570.2	3.5	3,329.9	2.7	1,240.3	37.2
(1) Optical, Photographic, Measuring, Medical Instruments, etc	3,812.8	2.9	2,595.1	2.1	1,217.7	46.9
(2) Clocks and Watches	100.1	0.1	114.0	0.1	-13.9	-12.2
15.Toys, Games and Sports Requisites; Parts and Accessories Thereof	1,729.7	1.3	1,735.3	1.4	-5.6	-0.3
16.Others	5,829.9	4.5	5,524.4	4.5	305.5	5.5
Furniture	1,198.9	0.9	1,313.3	1.1	-114.4	-8.7

1. Compared with the year of 2001, review those item who are increasing more than 10% are: Optical, Photographic, Measuring, Medical Instruments, etc is a increasing of 46.9%; Precision Instruments, Clocks and Watches, Musical Instruments is a increasing of 37.2%; Electrical Machinery Products is a increasing of 26.5%; Optical, Photographic, Measuring, Medical Instruments, etc is a increasing of 46.9%; Iron & Steel and Articles Thereof is a increasing of 13.6%. Chemicals s a increasing of 12.8%;.Plastics and Articles Thereof; Rubber and Articles Thereof. Is a increasing of 10.1%?
2. . Animals and Animal Products; Animals and Animal Products; Rubber and Articles Thereof; Machineries and Electrical Equipments. And Information and Communication Products compared with 2001is increasing.
3. For other traditional export item are decreasing against year of 2001.



2002 Major Import Commodities

	2002		2001		Comparison	
Unit：US$ Million	Amount	%	Amount	%	Amount	Change %
Total	112,591.2	100.0	107,237.4	100.0	5,353.8	5.0
1.Vegetable Products	2,082.4	1.8	1,986.4	1.9	96.0	4.8
(1) Wheat, Barley, and Similar Articles Thereof	223.3	0.2	205.4	0.2	17.9	8.7
(2) Maize	590.3	0.5	586.1	0.5	4.2	0.7
(3) Soy Bean	536.1	0.5	502.6	0.5	33.5	6.7
2.Prepared Foodstuffs, Beverages and Tobacco Products	2,006.9	1.8	2,052.0	1.9	-45.1	-2.2
Prepared Foodstuffs	946.4	0.8	904.4	0.8	42.0	4.6
3.Minerals	12,618.0	11.2	12,763.7	11.9	-145.7	-1.1
Crude Petroleum	6,752.5	6.0	6,808.6	6.3	-56.1	-0.8
4.Chemicals	11,340.2	10.1	10,231.8	9.5	1,108.4	10.8
Organic Chemicals	4,368.1	3.9	3,901.2	3.6	466.9	12.0
5.Plastics and Articles Thereof	3,114.6	2.8	2,864.0	2.7	250.6	8.7
Materials Of Plastics	1,527.2	1.4	1,507.1	1.4	20.1	1.3
6.Wood, Articles of Wood and Allied Products	912.8	0.8	847.6	0.8	65.2	7.7
Lumber	362.6	0.3	338.6	0.3	24.0	7.1
7.Pulp, Paper and Printing Products	1,708.6	1.5	1,786.9	1.7	-78.3	-4.4
8.Textile Products	2,470.2	2.2	2,358.6	2.2	111.6	4.7
Cotton	329.9	0.3	305.3	0.3	24.6	8.1
9.Pearls, Precious Stone / Metals, Imitation Jeweler, Coin	836.7	0.7	972.4	0.9	-135.7	-14.0
Gold	420.6	0.4	479.4	0.4	-58.8	-12.3
10.Basic Metals and Articles Thereof	9,187.5	8.2	7,783.8	7.3	1,403.7	18.0
(1) Iron & Steel and Articles Thereof	4,851.8	4.3	3,788.3	3.5	1,063.5	28.1
(2) Metal Products (Excluding (1))	4,335.7	3.9	3,995.5	3.8	340.2	8.5
11.Machineries and Electrical Equipments	50,130.0	44.5	47,549.3	44.3	2,580.7	5.4
(1) Electronic Products	23,121.2	20.5	21,026.9	19.6	2,094.3	10.0
(2) Machineries	9,763.3	8.7	10,489.0	9.8	-725.7	-6.9
(3) Electrical Machinery Products	4,615.8	4.1	4,282.5	4.0	333.3	7.8
(4) Information and Communication Products	8,246.2	7.3	8,119.5	7.6	126.7	1.6
(5) Household Electrical Appliances	566.2	0.5	449.1	0.4	117.1	26.1
12.Vehicles, Aircraft, Vessels and Associated Transport Equipments	3,471.4	3.1	4,237.8	4.0	-766.4	-18.1
13.Precision Instruments, Clocks and Watches, Musical Instruments	6,614.5	5.9	6,213.7	5.8	400.8	6.5
(1) Optical, Photographic, Measuring, Medical Instruments, etc	3,864.6	3.4	3,726.1	3.5	138.5	3.7
(2) Clocks and Watches	219.2	0.2	210.2	0.2	9.0	4.3
14.Others	6,097.4	5.4	5,589.4	5.1	508.0	9.1

The local market is very slow but for the average of Import Commodities against year of 2001 is a increasing of 5%; major items of increasing are. Item of Basic Metals and Articles Thereof, which has 18.including 28% of Iron & Steel and Articles Thereof and 8.5% of Metal products; another remarkable item is Household Electrical Appliances, which has increasing of 26.10% against of year of 2001.For Organic Chemicals also has 12% increasing against year of 2001.

2002 Market Share by Commodity

2002		Commodity	2002 Import Year-total	
				Total : 379,621,808
Item	Rank	貨物類別	Commodity	Sub-total
24	1	電力及電器	ELECTRONIC PRODUCTS & ELECTRIC PRODUCTS	131,611,143
27	2	其他製品	OTHERS	120,394,209
1	3	農產品	AGRICULTURAL PRODUCTS	28,159,337
4	4	水產品	AQUATIC PRODUCTS	26,478,427
23	5	機械	MACHINERIES	21,653,123
18	6	化學製品	CHEMICAL PRODUCTS	13,681,705
26	7	精密儀器設備		12,258,554
13	8	紡織衣著飾品	WEARING APPAREL & TEXTILE PRODUCTS	6,715,588
16	9	紙漿紙品印刷	PULP, PAPER & PRINTIGN PRODUCTS	2,819,408
32	10	金銀寶飾貴重品		2,626,536
25	11	運輸工具	TRANSPORT EQUIPMENT	2,542,572
20	12	非金屬礦物製品	ARTICLES OF NON-METAL	2,398,141
22	13	金屬製品	ARTICLES OF METAL	1,836,139
19	14	橡膠塑膠品	RUBBER & PLASTICS AND ARTICLES THEREOF	1,710,885
10	15	加工食品		1,113,029
14	16	皮革、毛皮品	LEATHER & FUR PRODUCTS	878,184
11	17	飲料及菸類	BEVERAGE & TOBACCO PRODUCTS	603,624
12	18	紡織類	TEXTILES	341,828
29	19	特殊商品	SPECIAL MERCHANDISE	339,926
17	20	化學材料	CHEMICAL	240,431
37	21	軍用物品	MILITARY STUFFS	195,571
2	22	林產品		185,427
21	23	基本金屬	BASIC METAL	140,612
30	24	私人後送行李	PERSONAL PACKAGE	87,024
31	25	外交郵袋	DIPLOMATIC POUCH	80,278

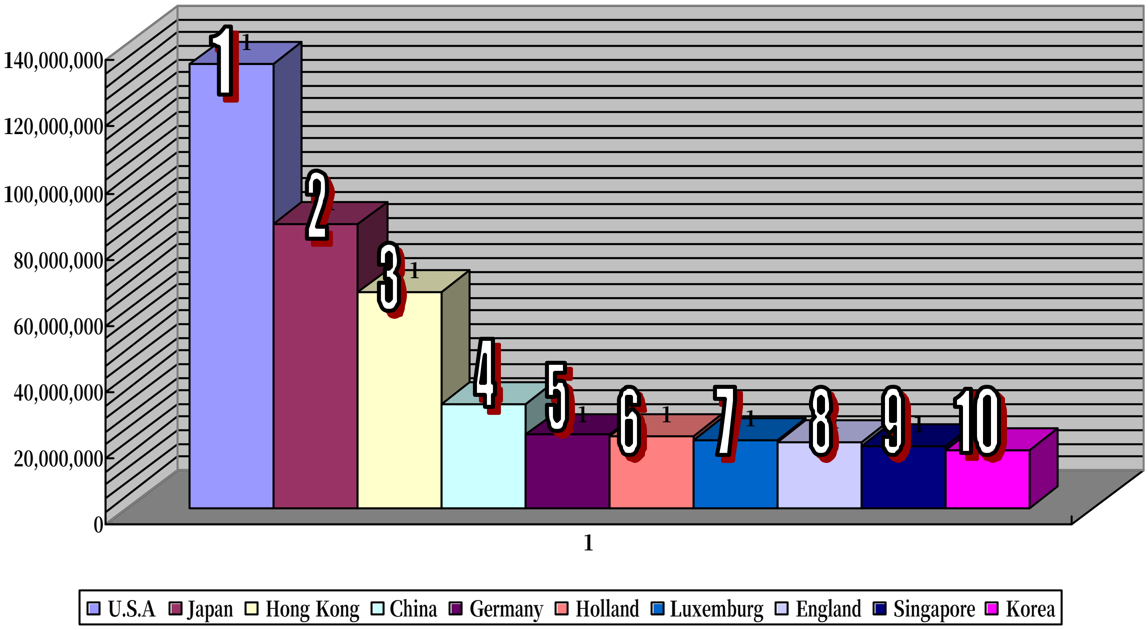
3	26	禽畜產品	ANIMALS & ANIMAL PRODUCTS	78,978
36	27	航空公司貨	AIRLINE CARGO	63,739
35	28	運動休閒器材	SPORTS REQUISITES	56,633
15	29	木竹、籐製品	WOOD, ARTICLES OF WOOD AND ALLIED PRODUCTS	53,793
34	30	文教器材	EDUCATIONS EQUIPMENT	45,243
33	31	玩具類	TOYS AND GAMES	42,593
9	32	寶石原石	PRECIOUS AND CURDE STONES	42,386
6	33	能源礦產品		18,013
28	34	藝術珍藏古董	WORKS OF ART, COLLECTORS' PIECES AND ANTIGUES	14,273
7	35	金屬礦石	METAL MINERAL	5,564
8	36	非金屬礦產品	NON-METAL MINERAL PRODUCTS	5,506
5	37	狩獵品	HUNTING PRODUCTS	77
		總　計		379,518,499
2002 年		調整 (增加)	103,309	
進	口	總　計		379,621,808
	2002	Export	Export 出口類別分類彙總	
2002 年		貨物類別	Year-total	
出	口	總　計		573,153,152
項	名次	貨物類別	Commodity	Sub-total
24	1	電力及電器	ELECTRONIC PRODUCTS & ELECTRIC PRODUCTS	334,327,616
27	2	其他製品	OTHERS	172,040,880
4	3	水產品	AQUATIC PRODUCTS	35,758,088
23	4	機械	MACHINERIES	14,625,132
12	5	紡織類	TEXTILES AND TEXTILE ARTICLES	5,894,619
1	6	農產品	AGRUCULTURAL PRODUCTS	5,208,336
16	7	紙漿紙品印刷	PULP, PAPER & PRINTING PRODUCTS	992,984
19	8	橡膠塑膠品	RUBBER, PLASTICS AND ARTICLES THEREOF	386,947
13	9	紡織衣著飾品	WEARING APPAREL & TEXTILE PRODUCTS	370,145
22	10	金屬製品	ARTICLES OF METAL	356,637
32	11	金銀寶飾貴重品		138,991

14	12	皮革、毛皮品	LEATHER & FUR PRODUCTS	103,402
36	13	航空公司貨	AIRLINE CARGO	87,626
35	14	運動休閒器材	SPORTS REQUISITES	80,435
18	15	化學製品	CHEMICLA PRODUCTS	72,582
26	16	精密儀器設備		62,426
2	17	林產品		54,559
25	18	運輸工具	TRANSPORT EQUIPMENT	47,255
10	19	加工食品		45,606
3	20	禽畜產品	ANIMALS & ANIMAL PRODUCTS	33,345
31	21	外交郵袋	DIPLOMATIC POUCH	26,085
20	22	非金屬礦物製品	NON-METAL MINERAL PRODUCTS	24,713
33	23	玩具類	TOYS AND GAMES	20,675
34	24	文教器材	EDUCTION EQUIPMENT	16,232
15	25	木竹、籐製品	WOOD, ARTICLES OF WOOD AND ALLIED PRODUCTS	14,917
37	26	軍用物品	MILITARY STUFFS	11,605
21	27	基本金屬	BASIC METAL	10,765
29	28	特殊商品	SPECIAL MERCHANDISE	9,443
28	29	藝術珍藏古董	WORKS OF ART, COLLECTORS' PIECES AND ANTIQUES	5,907
11	30	飲料及菸類	BEVERAGES AND TOBACCO PRODUCTS	5,172
8	31	非金屬礦產品	NON-METAL MINERAL PRODUCTS	2,168
30	32	私人後送行李	PERSONAL PACKAGE	1,579
9	33	寶石原石	RECIOUS, CURDE STONES	1,345
17	34	化學材料	CHEMICAL	1,035
6	35	能源礦產品		864
7	36	金屬礦石	NETAL MINERAL	249
5	37	狩獵品	HUNTING PRODUCTS	0
2002 年		總　計	570,840,365	
出	口	調整 (增加)		2,312,787
		總　計		573,153,152

2002 Market Share by Country

	國家	Country	Year-total
1	美國	U.S.A	133,865,679
2	日本	Japan	85,580,425
3	香港	Hong Kong	65,219,814
4	大陸	China	31,570,317
5	德國	Germany	22,029,533
6	荷蘭	Holland	21,751,612
7	盧森堡	Luxemburg	20,369,819
8	英國	England	20,013,654
9	新加坡	Singapore	18,534,110
10	韓國	Korea	17,369,295
11	泰國	Thailand	13,187,655
12	馬來西亞	Malaysia	12,884,383
13	澳門	Macau	11,616,337
14	澳洲	Australia	7,160,932
15	義大利	Italy	6,278,460
16	法國	France	6,261,470
17	菲律賓	Philippines	6,251,863
18	越南	Vietnam	6,074,224
19	印尼	Indonesia	5,787,401
20	加拿大	Canada	5,013,821
21	印度	India	4,764,769
22	西班牙	Spain	3,464,756
23	奧地利	Austria	2,747,702
24	瑞典	Sweden	2,507,907
25	比利時	Belgium	2,256,076
26	南非	South Africa	1,747,673
27	瑞士	Switzerland	1,549,002
28	斯里蘭卡	Srilanka	1,529,240
29	紐西蘭	New Zealand	1,029,812
30	挪威	Norse land	699,823
31	琉球	Okinawa	6,969
32	歐洲其他國家	European other	9,963,953
33	亞洲其他國家	Asia other	9,065,722
34	中東	Middle East	5,958,744
35	中南美	C/S America	3,159,934
36	東歐	Eastern Europe	1,610,511

37	非洲其他國家	African other	1,281,235
38	大洋洲	Oceania	675,733
	調整 (增加)	Adjusting	2,312,787
39	高雄	Kao Hsuing	55,194,936
	調整 (減少)	Adjusting	-255,556
	總　計	TOTAL	628,092,532



Trade with Major Trading Partners

Unit：US$ Million

	2002					2001				
Countries	Exports		Imports		Trade	Exports		Imports		Trade
(or Areas)	Amount	As % of Total	Amount	As % of Total	Balances	Amount	As % of Total	Amount	As % of Total	Balances
Total	130,641.5	100.0	112,591.2	100.0	18,050.3	122,866.3	100.0	107,237.4	100.0	15,628.9
Hong Kong	30,858.6	23.6	1,738.7	1.5	29,119.9	26,961.4	21.9	1,848.9	1.7	25,112.5
U.S.A.	26,768.9	20.5	18,138.9	16.1	8,630.0	27,654.5	22.5	18,229.2	17.0	9,425.3
Japan	11,991.5	9.2	27,291.0	24.2	-15,299.4	12,759.0	10.4	25,848.4	24.1	-13,089.4
Mainland	9,957.9	7.6	7,947.7	7.1	2,010.2	4,745.4	3.9	5,901.9	5.5	-1,156.5
Singapore	4,377.9	3.4	3,543.6	3.1	834.3	4,051.5	3.3	3,367.2	3.1	684.2
Korea	3,866.9	3.0	7,711.0	6.8	-3,844.1	3,275.6	2.7	6,705.1	6.3	-3,429.5
Germany	3,836.9	2.9	4,421.7	3.9	-584.8	4,480.4	3.6	4,246.0	4.0	234.4
Netherlands	3,772.0	2.9	1,439.6	1.3	2,332.3	4,229.2	3.4	1,524.2	1.4	2,705.0
Malaysia	3,132.6	2.4	4,151.9	3.7	-1,019.4	3,061.4	2.5	4,213.7	3.9	-1,152.3

U Kingdom	2,908.4	2.2	1,356.8	1.2	1,551.5	3,329.3	2.7	1,442.8	1.3	1,886.5
Thailand	2,293.7	1.8	2,170.9	1.9	122.8	2,125.7	1.7	2,181.0	2.0	-55.3
Viet Nam	2,287.7	1.8	448.4	0.4	1,839.2	1,726.9	1.4	419.1	0.4	1,307.8
Philippines	1,971.9	1.5	3,651.6	3.2	-1,679.7	2,148.7	1.7	3,250.5	3.0	-1,101.8
Australia	1,586.6	1.2	2,832.6	2.5	-1,245.9	1,362.7	1.1	3,084.9	2.9	-1,722.2
Canada	1,533.9	1.2	945.0	0.8	588.9	1,564.3	1.3	996.1	0.9	568.2
Indonesia	1,462.9	1.1	2,588.1	2.3	-1,125.3	1,474.6	1.2	2,523.4	2.4	-1,048.8
Italy	1,254.0	1.0	1,089.7	1.0	164.3	1,254.5	1.0	1,084.1	1.0	170.5
France	1,122.8	0.9	1,551.3	1.4	-428.5	1,166.0	0.9	2,130.5	2.0	-964.6
U Arab E	725.1	0.6	599.1	0.5	126.0	756.1	0.6	774.0	0.7	-17.9
Saudi Arabia	335.4	0.3	2,406.3	2.1	-2,071.0	344.9	0.3	2,745.4	2.6	-2,400.5
Other	14,596.1	11.2	16,567.2	14.7	-1,971.2	14,394.2	11.7	14,721.0	13.7	-326.7
★Europe	18,554.3	14.2	14,645.3	13.0	3,909.0	19,807.7	16.1	14,989.4	14.0	4,818.3
★ASEAN－5 ※	13,239.0	10.1	16,106.1	14.3	-2,867.1	12,861.9	10.5	15,535.8	14.5	-2,673.9

Airfreight Final Result

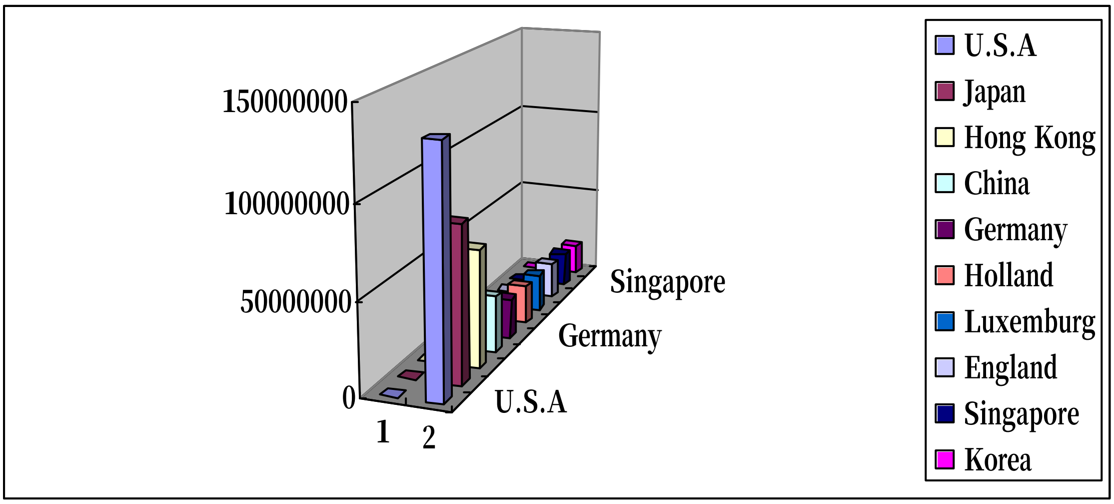
Market Share by Country 2002 V.S. 2002

1. China now is the top 4 destinations for export, compared with the year of 2001, the figures almost doubt.
2. Hong King and Macau is transit gateway for China, Hong Kong increased almost 15 millions kilos, and Macau also increased 6.2 millions kilos, those cargo considerable amount are transit to China.
3. United States and Japan still our top 1 and 2 destination of air cargo. Germany and Holland still keep the same rank and similar amount of weight; Luxemburg keep on same rank but increased 2.5 millions kilos of weight movement for transit to European country. England decreased rank from top 6 to 8, Singapore keep the weight and rank increased and Korea drop both of weight and rank, detail as follows: -

Export				Unit: Kilo
	排名	2002 年	排名	2001 年
Country	Rank	Year-total	Rank	Year-total
U.S.A	1	133,865,679	1	126,329,475
Japan	2	85,580,425	2	76,387,347
Hong Kong	3	65,219,814	3	50,332,724
China	4	31,570,317	9	16,293,172
Germany	5	22,029,533	4	22,614,090

Holland	6	21,751,612	5	21,617,769
Luxemburg	7	20,369,819	7	17,874,640
England	8	20,013,654	6	21,251,767
Singapore	9	18,534,110	10	16,183,973
Korea	10	17,369,295	8	16,509,428
Thailand	11	13,187,655	12	10,694,875
Malaysia	12	12,884,383	11	12,061,132
Macau	13	11,616,337	17	5,499,513
Australia	14	7,160,932	16	6,018,408
Italy	15	6,278,460	14	6,476,766
France	16	6,261,470	13	7,333,764
Philippines	17	6,251,863	18	5,498,542
Vietnam	18	6,074,224	21	4,244,437
Indonesia	19	5,787,401	20	4,460,977
Canada	20	5,013,821	19	4,941,872
India	21	4,764,769	22	4,227,484
Spain	22	3,464,756	24	2,939,377
Austria	23	2,747,702	27	2,633,568
Sweden	24	2,507,907	23	3,550,666
Belgium	25	2,256,076	26	2,622,691
South Africa	26	1,747,673	29	1,764,864
Switzerland	27	1,549,002	28	1,860,151
Sri Lanka	28	1,529,240	31	1,186,016
New Zealand	29	1,029,812	32	925,486

Norse land	30	699,823	34	469,437
Okinawa	31	6,969	35	6,699
European other	32	9,963,953	36	10,785,493
Asia other	33	9,065,722	37	10,597,065
Middle East	34	5,958,744	15	6,081,839
C/S America	35	3,159,934	25	2,742,829
Eastern Europe	36	1,610,511	30	1,474,976
African other	37	1,281,235	38	1,374,846
Oceania	38	675,733	33	503,578
Adjusting		2,312,787		
TACT(K.H.)		54,939,380		50,733,488
Total		628,092,532		559,105,224



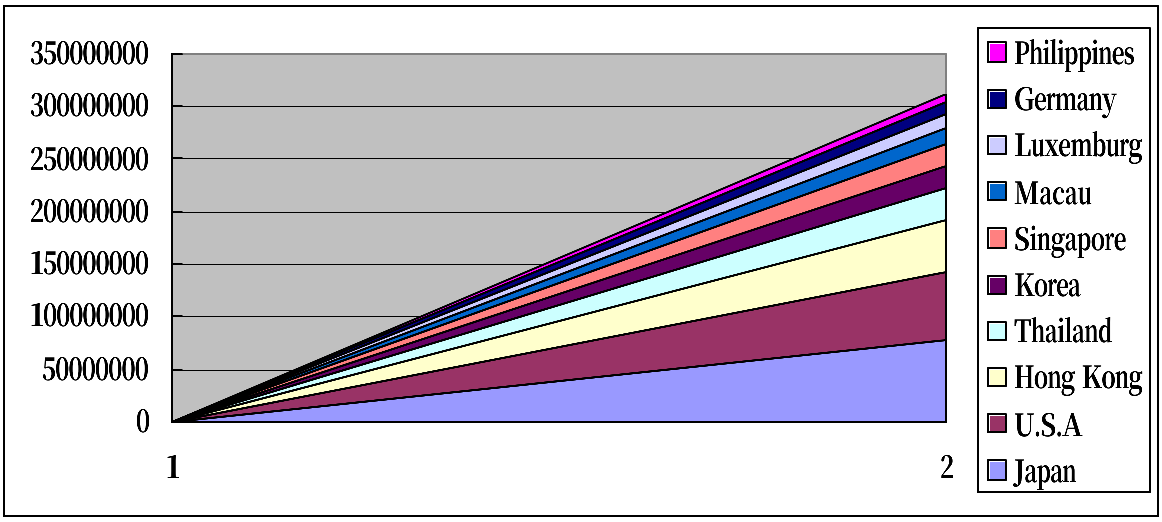
Import Air Cargo Market

1. Japan Still kilo on top rank of our air cargo import country, the weight compared with the year of 2001, there is a increasing of 13 millions kilos.
2. United States keep on rank 2, there is a increasing of 6.7 millions kilos.
3. Hong Kong, Thailand, Korea, Singapore still same as 2001 with small increasing of weight.
4. Macao push the rank from number 10 to number 7 with 4.8 millions weight increasing.
5. Luxemburg and Germany decrease of rank and weight since the Euro currency

strong plus the Taiwan both consumer and investment decreasing. Philippine import increasing because of some Japanese electronic part are outsourcing to Philippine for manufacturing.

Import				**Unit: Kilo**
	排名	2002 年	排名	2001 年
Country	Rank	Year-total	Rank	Year-total
Japan	1	76,896,436	1	63,882,697
U.S.A	2	64,861,382	2	58,121,045
Hong Kong	3	49,469,708	3	46,264,911
Thailand	4	30,643,836	4	28,961,990
Korea	5	22,128,896	5	22,978,654
Singapore	6	20,966,889	6	20,085,810
Macau	7	14,471,579	10	9,601,961
Luxemburg	8	13,298,209	7	14,224,837
Germany	9	10,429,591	9	10,199,344
Philippines	10	8,484,487	13	7,920,632
Malaysia	11	7,750,298	11	8,530,760
Indonesia	12	6,602,086	14	7,886,772
Canada	13	6,152,201	17	5,011,001
England	14	5,995,698	12	8,042,256
France	15	5,568,928	15	6,466,254
Holland	16	5,309,705	8	11,355,024
China	17	4,970,151	27	1,114,172
Australia	18	4,418,920	16	5,744,083
Italy	19	2,644,664	18	2,295,375
New Zealand	20	1,834,435	24	1,601,363
Vietnam	21	1,789,639	26	

				1,400,519
Norway	22	1,673,146	23	1,659,646
Belgium	23	1,629,861	22	1,710,013
India	24	1,210,684	28	801,445
Sweden	25	1,023,331	19	2,279,513
Switzerland	26	827,433	25	1,473,210
Austria	27	605,570	30	612,694
Spain	28	381,369	29	669,449
Sri Lanka	29	271,746	33	94,678
South Africa	30	122,838	32	139,832
Okinawa	31	1,776	35	2,092
Asia other	32	1,966,242	36	5,317,462
C/S America	33	1,782,823	21	1,943,288
European other	34	1,738,133	37	2,213,076
Middle East	35	809,611	20	1,951,116
African other	36	419,856	38	457,399
Eastern Europe	37	284,941	31	199,179
Oceania	38	81,401	34	93,754
Kao Suing		31,017,653		31,651,561
Total		410,639,461		394,958,867



THE FINAL EXPORT RESULT OF 2002

Jan. 01, 2002 to Dec. 31, 2002

	No. Of shipment	Package	Weight by Kilo	Ratio
1	41,105	1,127,755	28,688,173	5.002536
2	15,178	1,105,976	28,228,540	4.922387
3	6,196	689,738	16,947,463	2.955235
4	51,662	519,663	14,873,024	2.593502
5	18,161	398,728	14,501,621	2.528738
6	23,900	447,582	13,597,973	2.371163
7	11,417	688,220	12,904,221	2.25019
8	14,878	431,270	12,390,720	2.160647
9	14,759	665,138	11,698,887	2.040008
10	26,947	487,398	11,497,494	2.00489
11	17,611	264,851	11,128,207	1.940495
12	12,894	297,732	10,513,827	1.833362
13	4,662	369,722	9,673,936	1.686905
14	21,409	382,324	9,382,400	1.636068
15	12,895	412,929	8,965,460	1.563363
16	24,749	238,383	8,845,268	1.542405
17	8,892	274,328	8,736,488	1.523436
18	26,061	283,466	8,579,587	1.496076
19	7,660	440,131	8,320,216	1.450848
20	38,743	407,854	7,674,984	1.338335
21	15,542	381,899	7,289,915	1.271188
22	9,736	326,062	7,227,482	1.260301

23	2,430	322,160	6,912,399	1.205358
24	4,396	300,123	6,615,512	1.153588
25	11,792	374,911	6,228,856	1.086165
	1,049,384	26,651,617	573,472,608	50.81719

1. Total export of Taiwan market is 573,472,608 kilos (including the Perishable cargo)
2. First 25 agents already handled more than 50% market share.
3. The figure including the perishable and General Cargo.

THE FINAL GENERAL CARGO EXPORT RESULT OF 2002

Jan. 01, 2002 to Dec. 31, 2002

Rank	No. of Shipment	Package	Weight	Ratio	Total Share
1	41,105	1,127,755	28,688,173	5.412872	5.4128719
2	15,178	1,105,976	28,228,540	5.326149	10.73902
4	51,662	519,663	14,873,024	2.806236	13.545256
5	18,161	398,728	14,501,621	2.736159	16.281416
6	23,900	447,582	13,597,973	2.56566	18.847075
7	11,417	688,220	12,904,221	2.434763	21.281838
8	14,875	430,882	12,378,365	2.335544	23.617382
9	14,160	658,938	11,626,641	2.19371	25.811092
10	26,947	487,398	11,497,494	2.169342	27.980434
11	17,611	264,851	11,128,207	2.099665	30.080099
12	12,894	297,732	10,513,827	1.983744	32.063844
13	4,662	369,722	9,673,936	1.825274	33.889118
14	21,409	382,324	9,382,400	1.770267	35.659385
15	12,895	412,929	8,965,460	1.691599	37.350984
16	24,749	238,383	8,845,268	1.668921	39.019905
17	8,892	274,328	8,736,488	1.648397	40.668302
18	26,061	283,466	8,579,587	1.618793	42.287095
19	7,660	440,131	8,320,216	1.569855	43.856949
20	38,742	407,837	7,674,764	1.448071	45.30502
21	15,542	381,899	7,289,915	1.375458	46.680478
22	9,736	326,062	7,227,482	1.363678	48.044156
23	4,396	300,123	6,615,512	1.248212	49.292368
24	11,792	374,911	6,228,856	1.175258	50.467626
TOTAL	1,019,889	24,830,754	529,999,111		

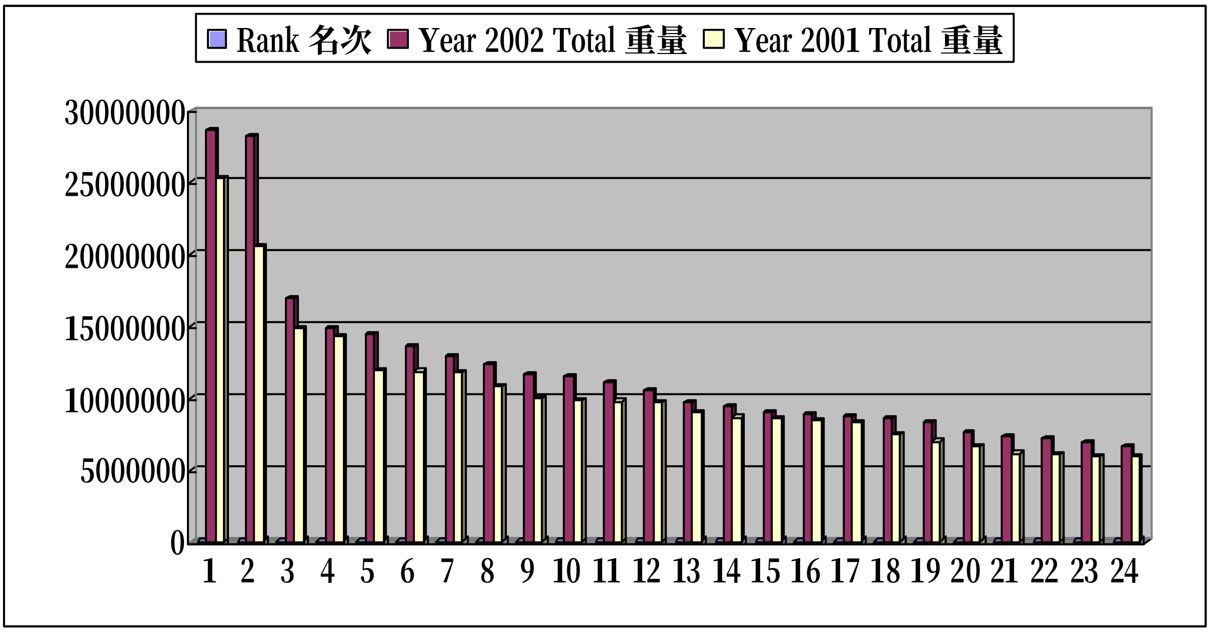
1. Total export of Taiwan market is 529,999,111 kilos
2. First 24 agents already handled more than 50% market share.
3. The figure including the perishable and General Cargo.

Top 24 Occupied more than 50% of market

排名前 50 名出口貨量 EXPORT

Unit : Kilo

Rank 名次	Year 2002 Total 重量	Year 2001 Total 重量	Ratio 成長率	Market Share 市場佔有率
1	28,688,173	25,370,617	13.08%	4.57%
2	28,228,540	20,602,784	37.01%	4.49%
3	16,947,463	14,816,401	14.38%	2.70%
4	14,873,024	14,361,161	3.56%	2.37%
5	14,501,621	11,912,165	21.74%	2.31%
6	13,597,973	11,854,037	14.71%	2.16%
7	12,904,221	11,799,077	9.37%	2.05%
8	12,390,720	10,810,277	14.62%	1.97%
9	11,698,887	10,025,684	16.69%	1.86%
10	11,497,494	9,851,632	16.71%	1.83%
11	11,128,207	9,777,441	13.82%	1.77%
12	10,513,827	9,744,184	7.90%	1.67%
13	9,673,936	9,055,188	6.83%	1.54%
14	9,382,400	8,650,828	8.46%	1.49%
15	8,965,460	8,622,437	3.98%	1.43%
16	8,845,268	8,466,183	4.48%	1.41%
17	8,736,488	8,251,587	5.88%	1.39%
18	8,579,587	7,517,871	14.12%	1.37%
19	8,320,216	6,969,403	19.38%	1.32%
20	7,674,984	6,618,993	15.95%	1.22%
21	7,289,915	6,154,427	18.45%	1.16%
22	7,227,482	6,069,130	19.09%	1.15%
23	6,912,399	5,954,152	16.09%	1.10%
24	6,615,512	5,882,373	12.46%	1.05%



Country	Year-total	Jan	Feb	Mar	Apr	May	June
U.S.A	133,865,679	8,240,137	8,114,134	12,176,809	11,470,061	11,244,757	11,805,808
Japan	85,580,425	6,182,775	5,952,947	8,901,267	7,380,180	8,405,043	7,426,902
Hong Kong	65,219,814	4,678,630	3,719,156	5,241,654	5,689,881	5,977,456	5,349,031
China	31,570,317	2,075,515	1,455,214	2,315,755	2,604,207	2,694,066	2,678,588
Germany	22,029,533	1,508,542	1,389,100	1,929,710	1,499,456	1,675,211	1,405,931
Holland	21,751,612	1,700,421	1,437,827	2,045,378	1,813,954	1,622,215	1,683,843
Luxemburg	20,369,819	1,606,283	1,579,331	2,800,432	1,773,134	1,462,750	1,149,312
England	20,013,654	1,396,995	1,430,155	1,966,869	1,622,871	1,535,314	1,540,096
Singapore	18,534,110	1,446,876	1,194,190	1,565,236	1,792,224	1,757,689	1,596,567
Korea	17,369,295	1,319,794	1,087,283	1,816,978	1,589,585	1,608,799	1,401,529
Thailand	13,187,655	1,055,875	803,807	1,245,945	1,095,494	1,489,228	1,186,664
Malaysia	12,884,383	1,152,925	1,040,112	1,281,166	1,317,323	1,232,659	1,108,075
Macau	11,616,337	759,308	522,825	992,111	1,154,100	1,235,442	1,169,418
Australia	7,160,932	390,146	400,277	689,911	619,900	590,323	662,542
italy	6,278,460	532,855	426,461	628,500	498,951	500,768	501,564
France	6,261,470	526,522	455,006	627,695	511,632	478,635	542,926
Philippines	6,251,863	400,708	424,203	551,964	602,987	738,993	612,339
Vietnam	6,074,224	454,175	149,708	455,485	544,754	608,987	531,144
Indonesia	5,787,401	291,767	276,015	495,394	705,931	705,153	743,033
Canada	5,013,821	339,434	385,798	457,210	375,862	429,536	459,405
India	4,764,769	347,338	339,941	441,260	401,061	446,510	448,504
Spain	3,464,756	259,505	232,249	260,831	260,403	240,311	251,490

Austria	2,747,702	205,256	201,914	259,342	232,938	257,284	199,759
Sweden	2,507,907	198,977	204,768	270,806	187,942	237,412	220,616
Belgium	2,256,076	146,132	113,837	219,530	149,506	190,933	164,874
South Africa	1,747,673	90,622	109,971	153,801	130,590	154,074	157,694
Switzerland	1,549,002	110,707	111,996	132,751	135,383	138,798	134,616
Srilanka	1,529,240	102,968	105,553	110,806	91,956	153,266	137,968
New Zealand	1,029,812	64,238	62,891	82,963	79,787	79,731	102,122
Norseland	699,823	44,111	45,294	52,413	38,415	39,672	46,396
Okinawa	6,969	35	554	3,902	340	571	260
European other	9,963,953	689,278	517,240	708,196	637,958	643,582	654,432
Asia other	9,065,722	563,521	486,936	654,003	714,946	936,516	898,543
Middle East	5,958,744	414,555	441,163	593,458	588,462	711,237	575,058
C/S America	3,159,934	174,201	184,893	244,333	235,897	295,623	256,582
Eastern Europe	1,610,511	126,451	99,646	146,912	131,660	140,448	113,551
African other	1,281,235	85,963	79,634	92,435	135,700	88,678	107,768
Oceania	675,733	42,559	30,657	32,379	57,697	118,459	78,233
Adjusting	2,312,787				2,305,850		
Kao Hsuing	55,194,936	4,442,421	3,453,094	5,653,535	5,480,102	5,262,753	4,902,206
Adjusting	-255,556				-255,556		
TOTAL	628,092,532	44,168,521	39,065,780	58,299,125	56,403,524	56,128,882	53,005,389

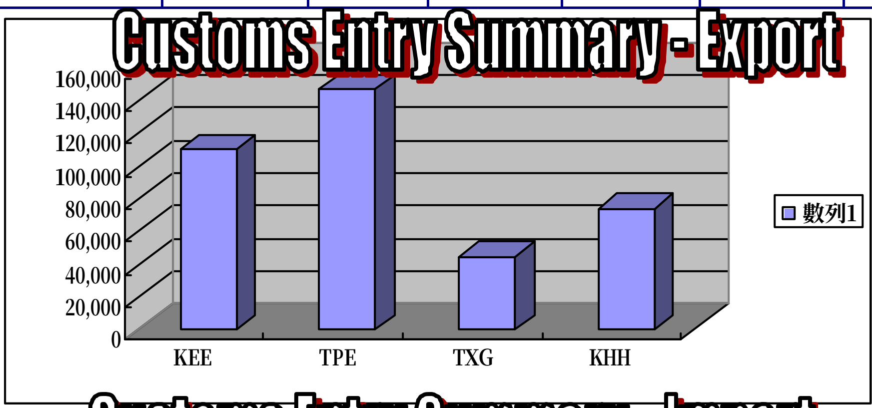
Country	July	Aug	Sept	Oct	Nov	Dec
U.S.A	11,014,517	10,853,574	11,394,486	15,015,017	12,940,093	9,596,286
Japan	7,757,354	6,053,954	5,950,464	6,717,056	7,214,603	7,637,880
Hong Kong	5,449,300	5,610,070	5,783,166	6,382,897	5,862,941	5,475,632
China	2,266,093	2,411,903	2,954,175	3,122,465	3,398,956	3,593,380
Germany	1,452,518	1,695,387	2,323,282	2,654,605	2,530,830	1,964,961
Holland	1,470,582	1,556,183	1,910,752	2,497,212	2,371,033	1,642,212
Luxemburg	1,178,868	1,468,638	1,564,226	1,877,052	2,168,252	1,741,541
England	1,500,746	1,611,025	1,634,722	1,985,177	2,196,269	1,593,415
Singapore	1,631,812	1,568,513	1,451,438	1,527,265	1,498,628	1,503,672
Korea	1,491,487	1,424,446	1,425,267	1,360,341	1,391,725	1,452,061
Thailand	1,142,829	1,048,358	1,006,217	1,084,444	1,075,316	953,478
Malaysia	1,110,682	1,004,791	903,331	995,123	903,927	834,269
Macau	1,017,837	891,957	895,919	1,025,356	1,063,634	888,430
Australia	586,311	574,250	666,186	653,156	762,426	565,504
italy	453,340	300,779	562,309	684,225	679,363	509,345
France	520,046	457,872	472,383	616,989	552,496	499,268

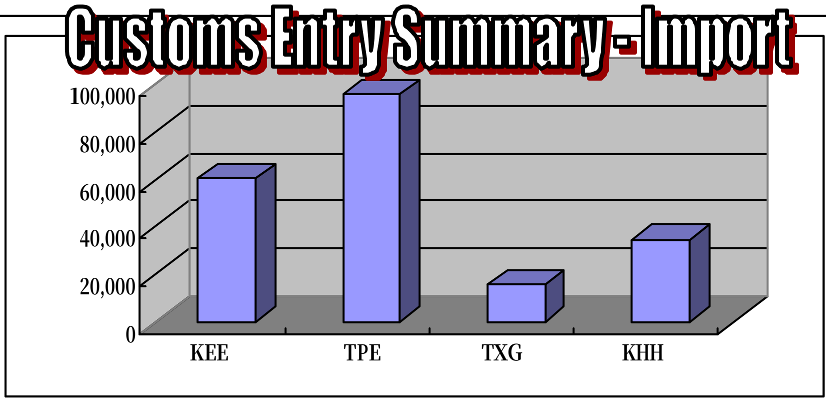
Philippines	459,403	492,620	475,426	510,783	546,792	435,645
Vietnam	456,590	412,570	496,796	604,706	658,555	700,754
Indonesia	524,049	453,828	414,520	551,619	391,796	234,296
Canada	465,957	489,680	437,203	453,328	400,588	319,820
India	368,754	405,970	404,972	407,391	340,852	412,216
Spain	221,518	208,160	276,329	319,900	516,616	417,444
Austria	181,803	244,579	212,268	263,519	229,162	259,878
Sweden	161,851	228,094	187,364	233,930	224,752	151,395
Belgium	158,117	223,243	161,818	240,961	269,410	217,715
South Africa	150,518	162,262	173,864	151,235	215,131	97,911
Switzerland	126,527	129,074	112,996	121,517	166,410	128,227
Sri Lanka	199,523	141,400	101,444	139,583	123,391	121,382
New Zealand	94,741	93,093	94,901	86,666	98,535	90,144
Norseland	47,338	71,601	83,103	86,025	71,980	73,475
Okinawa	226	249	438	161	233	0
European other	759,170	1,010,087	1,011,303	1,102,647	1,283,810	946,250
Asia other	800,045	920,632	758,283	832,854	754,594	744,849
Middle East	414,364	416,159	432,381	458,497	497,418	415,992
C/S America	293,795	287,549	219,274	293,679	369,286	304,822
Eastern Europe	112,260	125,141	146,969	157,889	155,806	153,778
African other	111,492	125,053	93,101	94,975	131,481	134,955
Oceania	75,314	57,363	39,629	61,875	34,973	46,595
Adjusting		6,937				
Kao Hsuing	4,598,724	4,425,521	4,239,429	4,620,349	4,170,485	3,946,317
Adjusting						
TOTAL	50,826,401	49,662,565	51,472,134	59,992,469	58,262,548	50,805,194

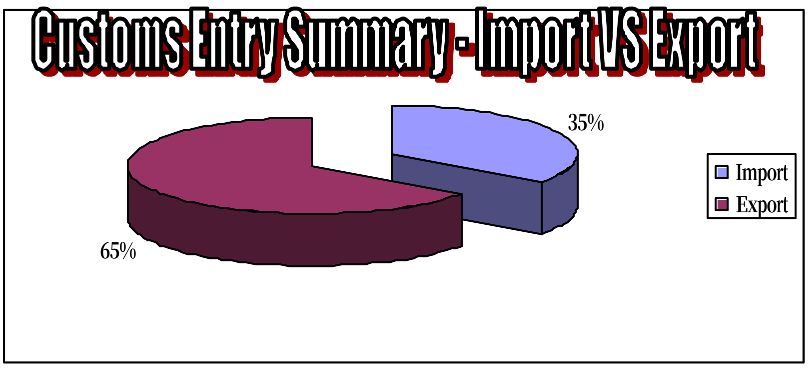
2002 Customs Entry Summary –Dec., & Yearly Total

Item	KEE	TPE	TXG	KHH	Total	Year Total
Import Entry	60,739	95,904	15,962	34,986	207,591	2,388,617
IP -Formal Express	0	46,074	0	0	46,074	519,400
IP-Informal Express	0	323,567	0	0	323,567	3,394,838
Golden gate - IP	25	0	0	18	43	289
Export Entry	110,373	146,132	44,648	73,925	375,078	4,444,955
EP -Formal Express	0	44,938	0	0	44,938	524,723
EP -Informal Express	0	205,598	0	43	205,641	2,679,048
Golden gate - EP	0	0	0	5	5	85
Transit Entry	1,948	12,363	2,795	17,495	34,601	418,223
Total Weight - Entry	0	35,514	0	3,948	39,462	454,120
Total Weight - Exit	0	50,813	0	5,489	56,302	674,279
Post Entry Package	2,308	46,800	9,844	10,747	69,699	712,753

Post Exit Package	18,061	29,925	6,256	11,827	66,069	756,376
ULD exit - PCS	56,151	0	18,157	37,036	111,344	1,265,008
ULD Entry - PCS	9,630	0	11,993	69,289	90,912	940,786
ULD Import - PCS	44,315	0	30,845	91,263	166,423	1,984,107
ULD export - PCS	2,280	0	359	28,908	31,547	349,156
No. Of Cargo Terminal	22	0	4	14	40	485
進出口貨棧家數	42	22	17	25	106	1,343
No. Of Customs Broker	532	521	100	312	1,465	17,470
Bond Warehouse	43	47	20	43	153	1,807
Bond Warehouse/DC	3	101	7	19	130	1,488
Distribution Center	0	4	0	2	6	50







3. OCEAN FREIGHT SECTION

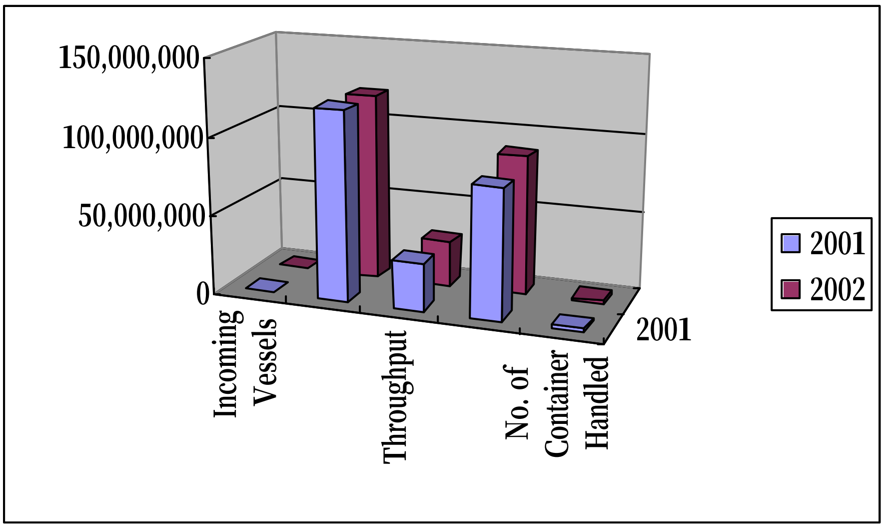
2002 OCEAN STATISTICS

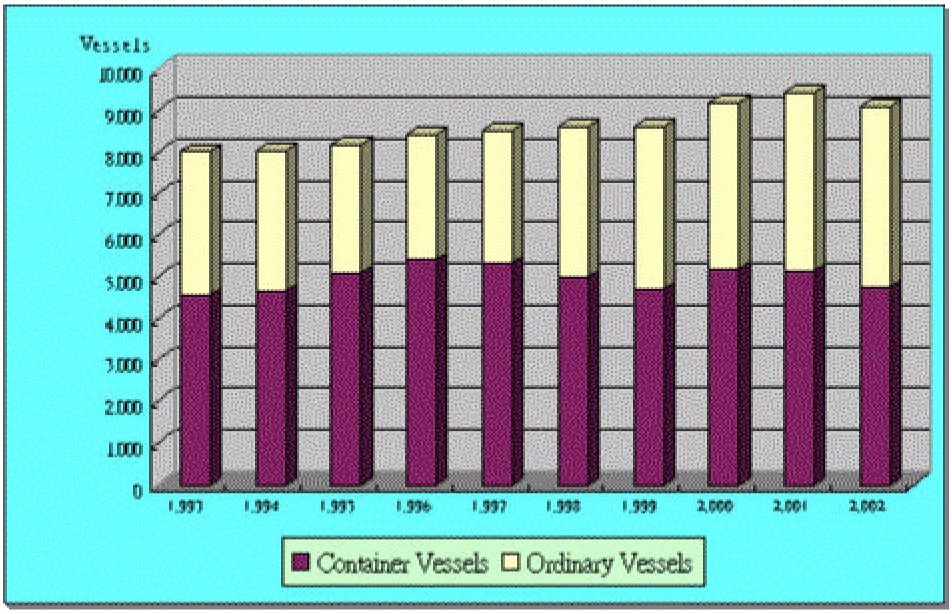
OCEAN KEELUNG PORT

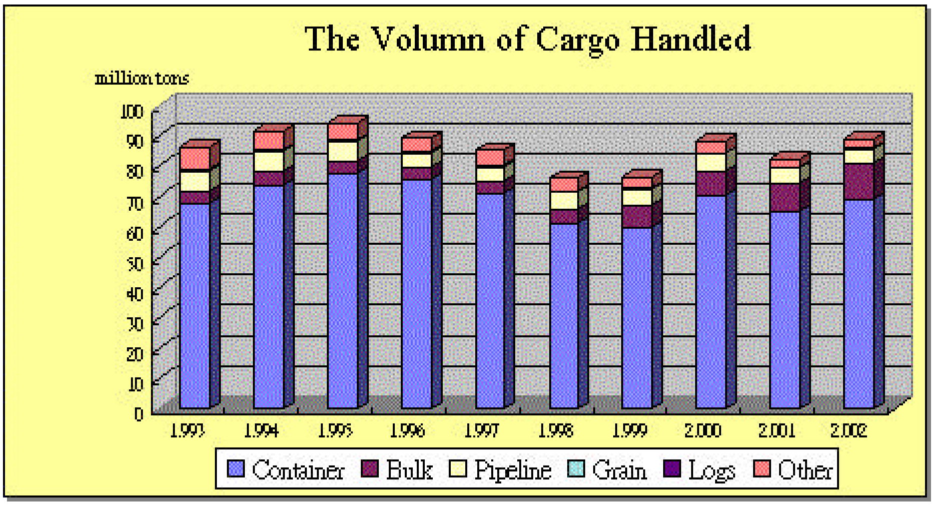
	Incoming Vessels		Throughput	Tonnage Handled	No. of Container Handled
	V.	G.R.T.	[M.t.]	[M.t.]	[TEU]
1976	4,766	30,351,837	7,701,640	20,372,255	338,883.50
1977	4,959	35,002,080	8,073,061	22,029,120	393,765.50
1978	5,223	37,454,475	8,881,426	24,924,902	473,669.00
1979	5,422	40,524,484	9,082,981	28,389,893	560,378.00
1980	5,536	43,650,224	10,298,353	35,185,553	659,644.50
1981	5,622	46,697,890	9,027,792	33,616,360	655,441.00
1982	5,763	50,292,979	8,283,007	33,281,635	702,921.75
1983	5,919	54,211,776	11,823,482	41,941,377	942,525.75
1984	6,237	62,403,372	14,213,408	53,487,360	1,233,794.00
1985	6,184	64,798,405	12,492,987	49,935,452	1,157,839.50
1986	6,648	75,657,688	16,417,277	66,173,400	1,587,328.25
1987	6,977	87,098,578	19,511,564	79,851,071	1,939,853.50
1988	7,243	92,915,606	21,979,341	76,592,926	1,761,695.00
1989	7,572	96,366,807	24,164,857	78,296,467	1,771,930.50
1990	7,623	97,928,414	25,190,289	79,614,832	1,840,794.00
1991	7,514	98,959,275	26,993,197	86,970,549	2,007,752.25
1992	7,908	107,424,625	26,146,190	85,267,124	1,940,587.25
1993	8,005	104,373,408	29,177,653	86,396,064	1,886,425.75
1994	8,026	109,224,152	29,586,162	91,626,299	2,046,588.50
1995	8,159	111,402,269	29,917,069	94,441,821	2,165,192.75
1996	8,431	116,557,500	26,300,924	89,407,242	2,108,578.50
1997	8,495	118,922,838	26,291,996	85,406,134	1,981,175.25
1998	8,609	111,985,171	23,958,060	76,148,902	1,706,873.25
1999	8,615	113,842,866	24,473,322	76,542,276	1,665,618.50
2000	9,165	121,045,686	24,975,629	88,336,130	1,954,573.50
2001	9,415	121,001,926	30,286,962	82,418,128	1,815,854.50
2002 Accumulative total	9,085	119,010,618	28,780,056	88,911,035	1,918,597.50
January	703	9,575,387	2,591,608	6,973,313	151,924.75
February	526	7,376,288	1,880,802	4,977,551	108,587.00
March	727	9,672,052	2,797,969	7,328,895	162,129.00
April	772	9,739,809	2,701,752	7,717,966	170,404.00
May	808	10,603,395	2,955,079	8,058,164	172,430.25

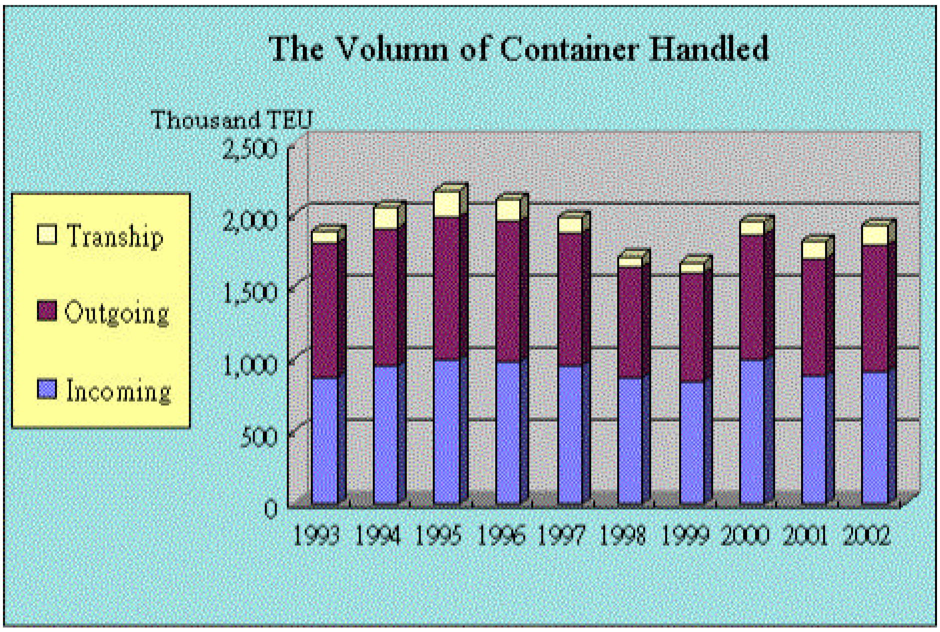
June		776	10,068,946	2,815,999	7,697,077	166,514.75
July		830	10,417,981	2,823,799	7,713,650	164,054.75
August		848	10,661,930	2,924,018	8,097,524	166,590.50
September		811	10,351,734	3,842,226	7,202,211	152,506.75
October		811	10,523,279	3,446,804	7,854,838	170,634.00
November		724	10,154,388	2,830,453	7,422,546	161,313.50
December		749	9,865,429	. . .	7,867,300	171,508.25
2002 Accumulative total		708	9,355,105	. . .	7,274,318	160,554.00
January		708	9,355,105	. . .	7,274,318	160,554.00
Compared with previous month	Number	-41	-510,324	. . .	-592,982	-10,954.25
	%	-5.47	-5.17	. . .	-7.54	-6.39
Compared with the same month of previous year	Number	5	-220,282	. . .	301,005	8,629.25
	%	0.71	-2.30	. . .	4.32	5.68
Cumulatived no. Compared with the same period of previous year	Number	5	-220,282	. . .	301,005	8,629.25
	%	0.71	-2.30	. . .	4.32	5.68

Recently Update: 2003/2/10
Data Source: Accounting & Statistics Dept. of Keelung Harbor Bureau




Vessels
10,000
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
1,993
1,994
1,995
1,996
1,997
1,998
1,999
2,000
2,001
2,002
Container Vessels
Ordinary Vessels


The Volumn of Cargo Handled
million tons
100
90
80
70
60
50
40
30
20
10
0
1,993
1,994
1,995
1,996
1,997
1,998
1,999
2,000
2,001
2,002
Container
Bulk
Pipeline
Grain
Logs
Other

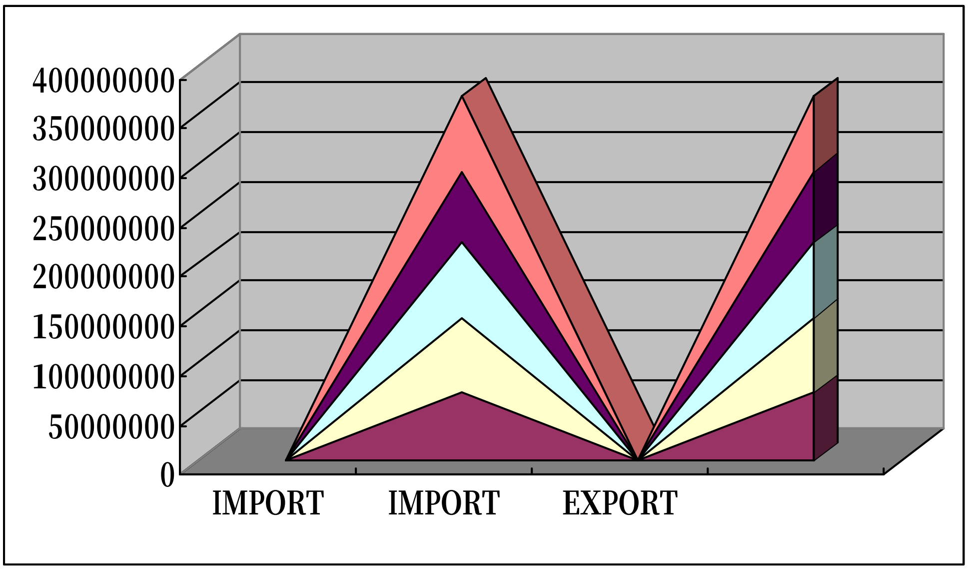

The Volumn of Container Handled
Thousand TEU
2,500
2,000
1,500
1,000
500
0
1993
1994
1995
1996
1997
1998
1999
2000
2001
2002
Tranship
Outgoing
Incoming

OCEAN TAICHUNG PORT

2002 OCEAN STATISTICS

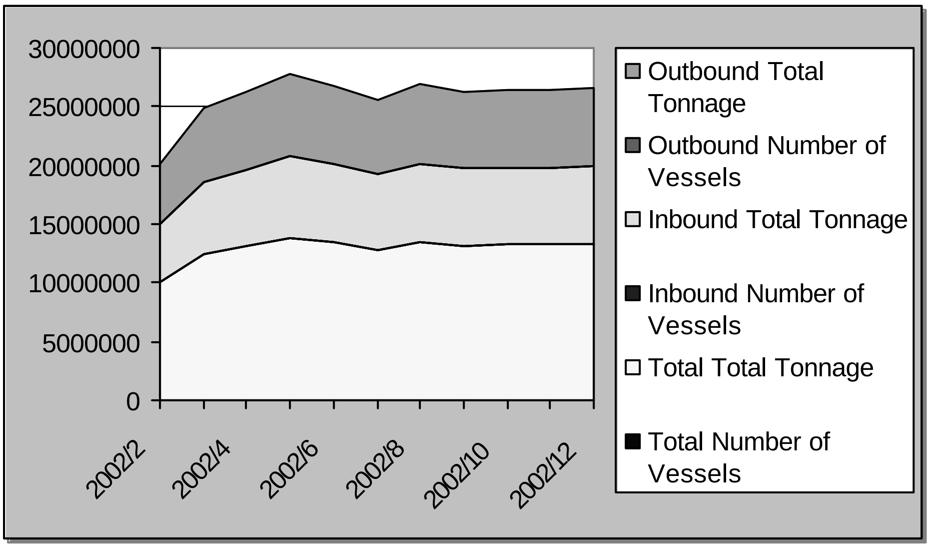
Inbound and Outbound Vessels

Year	Total		Inbound		Outbound	
	Number of Vessels	Total Tonnage	Number of Vessels	Total Tonnage	Number of Vessels	Total Tonnage
1991	5,234	57,374,136	2,620	28,724,285	2,614	28,649,851
1992	6,538	70,784,829	3,268	35,333,564	3,270	35,451,265
1993	7,073	79,733,715	3,538	39,961,068	3,535	39,772,647
1994	7,565	88,583,187	3,780	44,228,092	3,785	44,355,095
1995	8,172	99,018,098	4,088	49,531,016	4,084	49,487,082
1996	9,445	118,106,701	4,721	59,013,066	4,724	59,093,635
1997	10,737	137,926,702	5,369	68,996,136	5,368	68,930,566
1998	11,274	139,833,432	5,640	69,948,179	5,634	69,885,253
1999	11,545	150,764,036	5,769	75,353,636	5,776	75,410,400
2000	11,664	153,097,910	5,833	76,537,659	5,831	76,560,251
2001	10,694	142,286,231	5,343	71,021,435	5,351	71,264,796
2002	11,081	153,563,862	5,546	76,875,956	5,535	76,687,906



Volume of Throughput

Month	Total		Inbound		Outbound	
	Number of Vessels	Total Tonnage	Number of Vessels	Total Tonnage	Number of Vessels	Total Tonnage
2002/1	917	12,730,046	453	6,346,117	464	6,383,929
2002/2	739	10,080,659	368	4,958,274	371	5,122,385
2002/3	943	12,418,118	469	6,232,097	474	6,186,021
2002/4	904	13,094,021	450	6,555,295	454	6,538,726
2002/5	1,012	13,854,877	509	6,955,222	503	6,899,655
2002/6	967	13,417,146	482	6,651,729	485	6,765,417
2002/7	937	12,789,348	474	6,477,019	463	6,312,329
2002/8	977	13,465,279	481	6,633,304	496	6,831,975
2002/9	938	13,121,488	473	6,634,432	465	6,487,056
2002/10	913	13,245,553	457	6,597,326	456	6,648,227
2002/11	927	13,228,301	464	6,611,503	463	6,616,798
2002/12	957	13,306,776	481	6,659,800	476	6,646,976

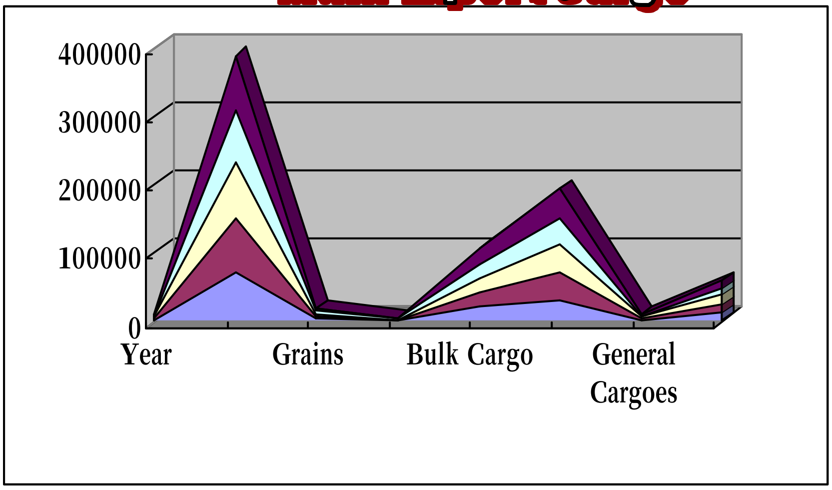


Volume of Cargo Handling

Year	Total	Grains	Logs	Bulk Cargo	Containers	General Cargoes	Pipeline-Discharged Cargoes
1991	27,547	3,607	1,110	7,250	7,517	2,038	6,025
1992	34,672	3,769	1,260	10,026	9,996	2,035	7,586
1993	39,940	3,873	736	11,571	10,895	2,716	10,149
1994	45,026	4,066	710	12,576	12,990	2,871	11,813
1995	49,170	4,191	791	13,382	16,085	2,348	12,373
1996	60,436	4,238	746	15,847	25,013	2,453	12,139
1997	69,783	3,989	908	20,199	30,311	2,663	11,713
1998	70,803	3,504	705	20,539	31,689	1,985	12,381
1999	79,240	3,533	775	21,012	39,841	1,735	12,344

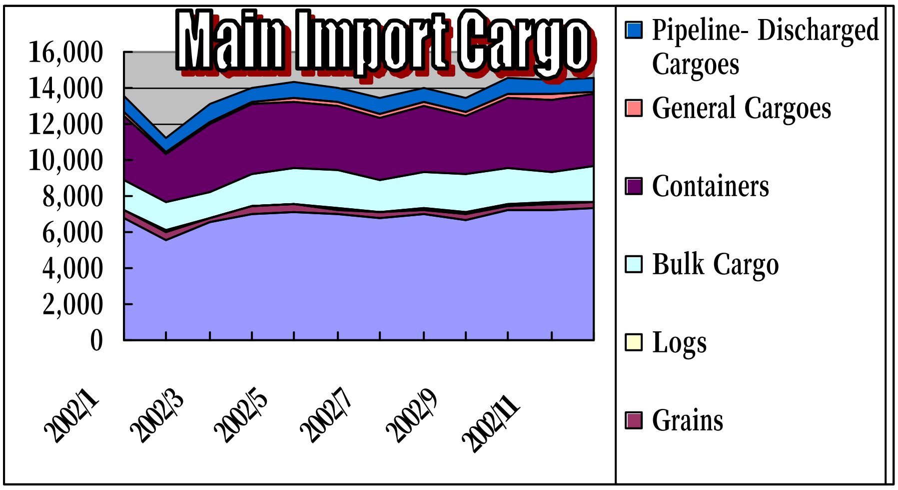
2000	82,014	3,785	768	21,570	40,694	2,211	12,986
2001	75,367	3,914	594	20,187	38,496	1,584	10,592
2002	81,508	3,780	663	21,910	42,971	2,057	10,127

Main Export Cargo



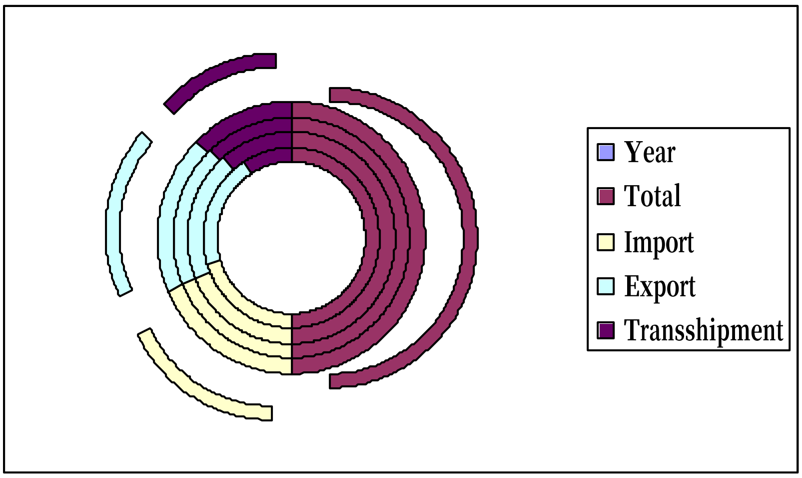
Main Import Cargo

Month	Total	Grains	Logs	Bulk Cargo	Containers	General Cargoes	Pipeline-Discharged Cargoes
2002/1	6,779	408	63	1,655	3,530	240	883
2002/2	5,587	409	63	1,603	2,685	78	749
2002/3	6,532	227	44	1,382	3,785	175	919
2002/4	6,986	411	47	1,818	3,795	145	770
2002/5	7,154	349	53	1,990	3,708	209	845
2002/6	7,004	258	73	2,082	3,563	188	840
2002/7	6,744	336	50	1,765	3,482	178	933
2002/8	6,995	263	71	2,004	3,634	206	817
2002/9	6,715	324	66	2,129	3,257	153	786
2002/10	7,252	234	40	1,985	3,953	184	856
2002/11	7,236	367	56	1,723	3,946	291	853
2002/12	7,294	340	57	2,026	3,898	119	854



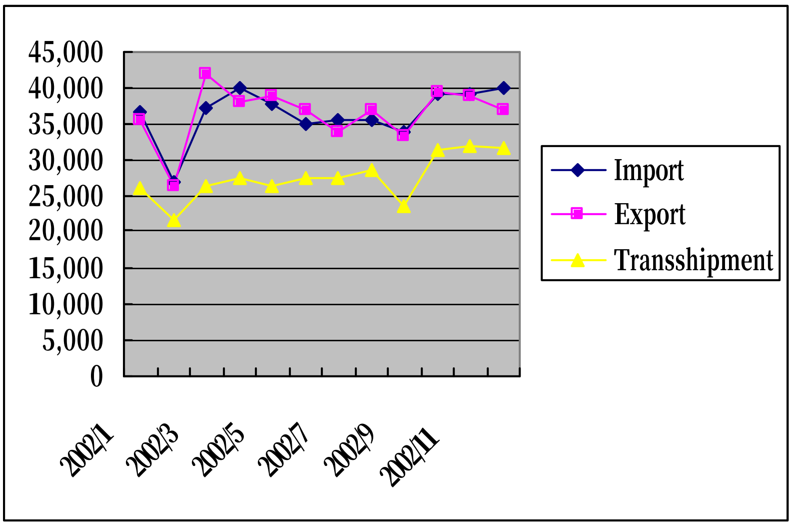
Import & Export Area

Year	Total	Import	Export	Transshipment
1991	208,807	100,640	108,063	104
1992	277,765	133,563	143,260	942
1993	302,651	142,481	159,598	572
1994	360,837	174,675	182,862	3,300
1995	446,802	219,629	222,820	4,353
1996	694,806	260,277	286,407	148,122
1997	841,972	334,989	358,831	148,152
1998	880,240	353,946	366,995	159,299
1999	1,106,668	416,872	434,641	255,155
2000	1,130,357	425,091	426,074	279,192
2001	1,069,355	398,316	401,488	269,551
2002	1,193,657	430,680	436,365	326,612

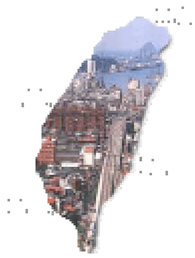


Container (TEU)

Month	Total	Import	Export	Transshipment
2002/1	98,054	36,696	35,468	25,890
2002/2	74,571	26,695	26,301	21,575
2002/3	105,135	37,061	41,914	26,160
2002/4	105,413	39,943	38,042	27,428
2002/5	102,999	37,803	38,972	26,224
2002/6	98,975	34,856	36,800	27,319
2002/7	96,729	35,464	33,817	27,448
2002/8	100,958	35,403	36,969	28,586
2002/9	90,469	33,844	33,255	23,370
2002/10	109,802	39,161	39,440	31,201
2002/11	109,618	39,050	38,813	31,755
2002/12	108,283	39,830	36,886	31,567



Recently Update: 2003/2/10
Data Source: Accounting & Statistics Dept. of Taichung Harbor Bureau

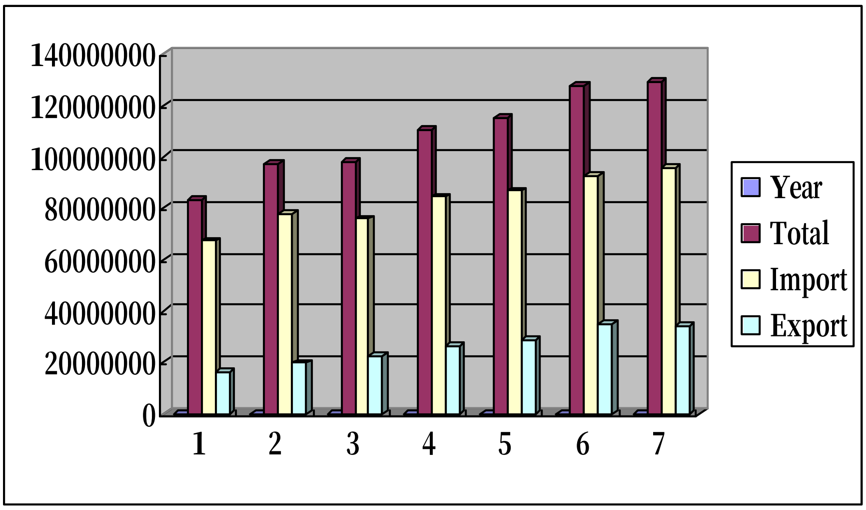


2002 OCEAN STATISTICS

OCEAN KAO HSIUNG PORT

Inbound and Outbound Vessel & Tonnage

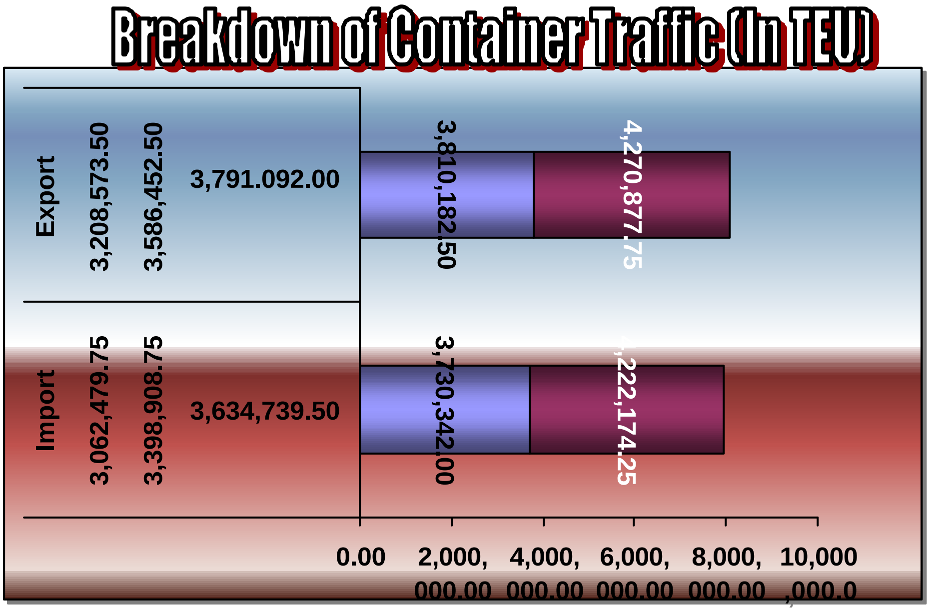
Year	Total	Import	Export
1996	83,232,072	67,212,409	16,019,663
1997	97,347,181	77,654,594	19,692,587
1998	98,202,961	75,853,579	22,349,382
1999	110,722,237	84,442,062	26,280,175
2000	115,286,857	86,690,132	28,596,725
2001	127,919,231	92,842,546	35,076,683
2002	129,413,525	95,422,786	33,990,739



Compared with the year of 2001, our physical export had decreasing ;for the increasing of result of import, the total is a 1,494,294 tons increasing against of year of 2001

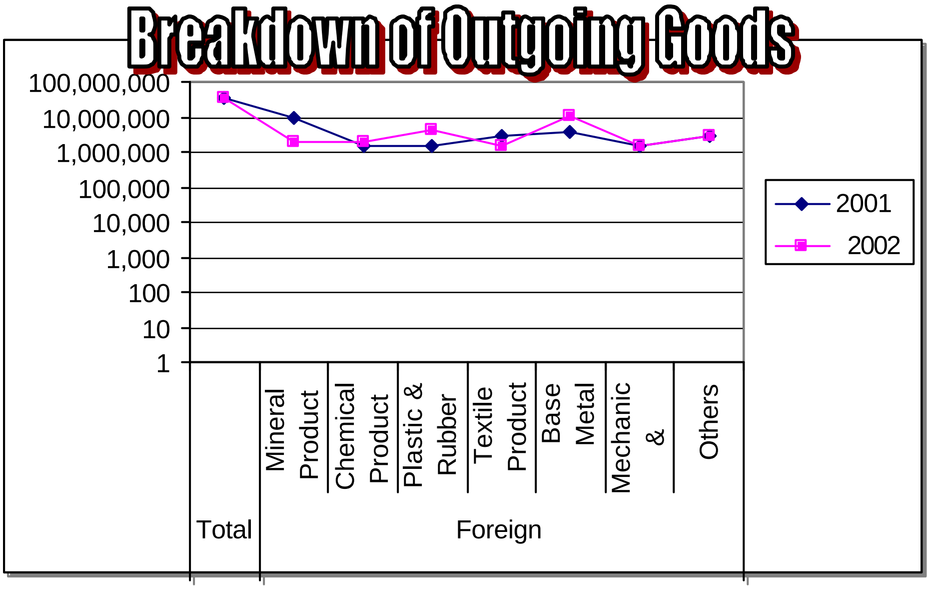
Breakdown of Container Traffic (In TEU)

Year	Total	Import	Export
1993	4,635,895.75	2,309,930.50	2,325,965.25
1994	4,899,879.00	2,420,140.75	2,479,738.25
1995	5,053,183.25	2,512,137.00	2,541,046.25
1996	5,063,048.00	2,523,896.00	2,539,152.00
1997	5,693,339.00	2,814,591.50	2,878,747.50
1998	6,271,053.25	3,062,479.75	3,208,573.50
1999	6,985,361.25	3,398,908.75	3,586,452.50
2000	7,425,831.50	3,634,739.50	3,791.092.00
2001	7,540,524.50	3,730,342.00	3,810,182.50
2002	8,493,052.00	4,222,174.25	4,270,877.75



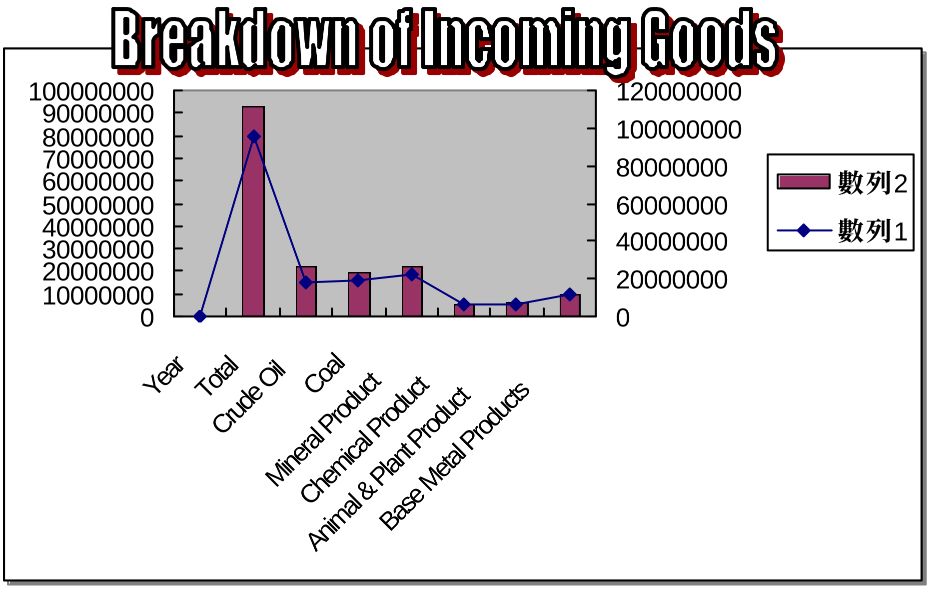
Breakdown of Outgoing Goods

Year	Total	Foreign						
		Mineral Product	Chemical Product	Plastic & Rubber Made Product	Textile Product	Base Metal Product	Mechanic & Electronic Product	Others
2001	35,076,683	9,719,424	1,564,313	1,468,463	2,938,382	3,820,240	1,466,690	2,864,182
2002	33,990,739	2,054,237	1,856,133	4,357,245	1,491,728	10,875,639	1,409,947	2,922,763



Breakdown of Incoming Goods

Year	Total	Crude Oil	Coal	Mineral Product	Chemical Product	Animal & Plant Product	Base Metal Products
2001	92,842,548	21,830,943	19,320,231	22,431,401	5,520,329	6,108,975	9,530,440
2002	95,422,786	18,393,071	19,210,114	22,750,220	6,247,303	6,141,894	12,177,376



OCEAN OPERATION INFORMATION:

PART ONE TARIFF FOR CONVENTIONAL SHIPS AND CARGO OPERATION

I PORT CHARGES

1. DOCKAGE

Unit: Per Ship Per Hour

Classification	Rates (NT$)
Ships less than 500G/T	27
Ships of 500G/T or more but less than 1,000G/T	54
Ships of 1,000G/T or more but less than 3,000G/T	107
Ships of 3,000G/T or more but less than 5,000G/T	187
Ships of 5,000G/T or more but less than 10,000G/T	321
Ships of 10,000G/T or more but less than 20,000G/T	508
Ships of 20,000G/T or more but less than 40,000G/T	748
Ships of 40,000G/T or more but less than 60,000G/T	1,042
Ships of 60,000G/T or more	1,389

Remarks:
- ✍The rates are also applicable to ships berthing alongside other vessel or vessels.
- ✍Twice as such dockage for ships approved berthing to QDW (Quick Dispatch Wharves).
- ✍Twice as such dockage for international passenger ships having preferential berths.
- ✍60% discount for yachts and domestic liners.
- ✍Ships are the criteria for dockage: the dockage for conventional ships shall still be charged as they originally are even if and when they dock at container berths.
- ✍The dockage for working vessels could be charged based on the tariff listed above

2. BUOY CHARGES

Unit: Per Ship Per Hour

Classification	Rates (NT$)
Ships less than 500G/T	16

Ships of 500G/T or more but less than 1,000G/T	25
Ships of 1,000G/T or more but less than 3,000G/T	41
Ships of 3,000G/T or more but less than 5,000G/T	58
Ships of 5,000G/T or more but less than 10,000G/T	99
Ships of 10,000G/T or more but less than 20,000G/T	173
Ships of 20,000G/T or more but less than 40,000G/T	279
Ships of 40,000G/T or more but less than 60,000G/T	419
Ships of 60,000G/T or more	600

Remarks: 60 % discount for domestic liners.

3. TUG HIRE

Unit: Per Hour

Classification	Rates（NT$）
Tugs less than 200HP	986
Tugs of 200HP or more but less than 600 HP	1,972
Tugs of 600 HP or more but less than 1,000 HP	2,958
Tugs of 1,000 HP or more but less than 1,400 HP	3,944
Tugs of 1,400 HP or more but less than 1,800 HP	5,423
Tugs of 1,800 HP or more but less than 2,200 HP	7,395
Tugs of 2,200 HP or more but less than 2,600 HP	10,846
Tugs of 2,600 HP or more but less than 3,000 HP	14,790
Tugs of 3,000 HP or more	19,720

Remarks: ✍ The hire shall be calculated by the basic counting unit of one hour and any hire lasting less than one hour shall thus be counted as one hour. Any hire time beyond one hour shall be calculated by the counting unit of 1/2 hour with any fraction of hire time less than 1/2 hour counted as 1/2 hour.

✍The charging time starts with the departure of tug from its docking wharf and ends with the completion of its operation.

✍30% additional charge for any hire during the nighttime of 1800 hrs to 0700 hrs.

✍Additional charges during the hours of 0700 to 1800 on national holidays please refer to the regulations on page 38 .

✍100 % additional charge for any tugging operation beyond harbor limit ent of the Harbor Bureau.

✍Any vessels for using mooring or unmooring ropes should pay the charges at NT$3,698 per time.

4. MOORING & UNMOORING CHARGES

Unit: Per Time

Classification	Labor Charges（NT$）		Equipment Charges（NT$）	
	Mooring	Unmooring	Mooring Boat	Mooring Vehicle
Ships less than 5,000G/T	656	431	1,611	543
Ships of 5,000G/T or more but less than 15,000G/T	863	656		
Ships of 15,000G/T or more	1,311	863		

Remarks✍Self-mooring and/or self-unmooring may be conducted for ships below 500 G/T.

✍50% additional charge for any mooring and unmooring during the nighttime of 1800 hrs to 0700 hrs.

✍Additional charges during the hour of 0700 to 1800 on national holidays please refer to the regulations on page 38.

✍Any mooring or unmooring without using boat or vehicle is free of equipment charges.

✍The charging time for mooring & unmooring shall be calculated in accordance with the regulation of tug hire time.

✍The mooring & unmooring charges for working vessels could be charged based on the tariff listed above.

.5. CHARGES FOR WATER SUPPLY

Unit: Per Ton

Descriptions		Rates（NT$）
Water Supply on Piers	Equipment Charge	20
	Water Charge	25
Water Supply by Water Barges	Equipment Charge	55
	Water Charge	25

Remarks: ✍Minimum charge for water supply on piers shall be 20 tons per time for international liners and 10 tons per time for domestic liners.

✍Minimum charge for water supply by water barges shall be 50 tons per time for international liners and 20 tons per time for domestic liners.

✍Charges subject to the water price adjustment by Taiwan Water Supply Corporation.

✍ Besides the minimum charge, 50 % additional equipment charge based on the actual quantity of water supplied during the nighttime of 1800 hrs to 0700 hrs.

✍Besides the minimum charge,30% additional equipment charge based on actual quantity of water supplied during the time of 0700 hrs to 1800hrs on national holidays please refer to the regulations on page 38.

✍Equipment charge is based on minimum charge but no water charge shall be assessed against the applicant, if water sent is for water supply on piers or water barge at his request and no water is supplied as a result of applicant's factors.

6. CHARGES FOR HARBOR CLEANING MAINTENANCE

Every vessel whether mooring at wharves or by buoys or in anchorage, shall be charged as hereunder stipulated for harbor cleaning maintenance during its stay commencing anchorage till departure from harbor.

Unit: Per Ship Per Day

Classification	Rates（NT$）
Ships less than 5,000G/T	197
Ships of 5,000G/T or more but less than 15,000G/T	375
Ships of 15,000G/T or more	552

Remarks:? 50 % discount for ships below 500 G/T.
? Twice as such charge for international passenger or tourist ships.
? 90 % discount for yachts.
? Additional charge for national holidays, please refer to the regulations on page 38.
? Carriers shall self-dispose the wastes or refuses in their hatches.

✍The charges for harbor cleaning maintenance for working vessels could be regulated based on the tariff listed above.

II TERMINAL OPERATION CHARGES

1.CHARGES FOR CARGO HANDLING SERVICE

(1) GENERAL CARGO

A.STEVEDORING CHARGE

Stevedoring charge shall be assessed against carriers unless as otherwise agreed between carrier and consignees or shippers or against the consignors in the case of various agreements concluded.

Stevedoring charge denotes charges required from discharging cargo from ship to wharf, lighter, water surface or vice versa.

Unit	Rates（NT$）
Per Ton	40.90

Remarks:? 20 % discount for transshipment cargo.

? Additional NT$15.7 per ton for the actual operating tonnage shall be charged on national or legal holidays.

? Overtime charges, please refer to the regulations on page 38.

B. LONGSHORING CHARGES

Longshoring charges shall be assessed against consignees or shippers unless as otherwise agreed between carrier and consignees or shippers.

a. Turning In & Out at Storage Area

(a) Inbound cargo: moving from alongside ship to storage area, stacking, and loading cars while taking delivery .

(b) Outbound cargo: unloading cars and moving to storage area, stacking, and moving to shipside while loading ships.

(c) Transshipment cargo: moving from alongside ship to storage area, stacking and moving back to shipside while reloading

(d) Outbound cargo shut out : unloading cars, moving to storage area, stacking, and loading cars while taking delivery.

b. Shipside Loading or Discharge

(a) Inbound cargo: loading cars direct from ship's tackle or from wharf alongside ships.

(b) Outbound cargo: unloading cars alongside from loading ship or loading ship direct from cars.

(c) Hire of conveyance must be paid by consignors for the cargoes to be moved by Harbor Bureau for the effecting of shipside loading or discharge in case that it can not be carried out on the site.

c. Particular Handling

(a) Moving cargoes from storage area and loading cars or vice versa.

(b) Unloading cargoes from rail-cars and loading onto other means of land conveyance or vice versa.

(c) Others.

Unit :Per Ton

Cargo Classification	Rates (NT$)		
	a)Turning in & out at storage area	(b)Shipside loading or discharge	(c)Particular handling
1	84.20	43.90	43.90
2	99.80	51.70	51.70

Remarks:? 20 % discount for transshipment cargo.

? Additional NT$15.7 per ton for the actual operating tonnage shall be charged on national or legal holidays.

? Overtime charges, please refer to the regulations on page 38.

C. Additional Charges for Loading onto or Discharge from Lighters or Water Surface Charges shall be collected as hereunder prescribed for discharge of cargoes from lighters or from water surface to wharves or onto cars, same for the handling in reverse direction.

Unit	Rates（NT$）
Per Ton	24.60

(2) CHARGES FOR LOADING OR DISCHARGE OF BULK GRAIN THROUGH GRAIN SILOS

Charges shall be collected as hereunder prescribed for loading or discharge of bulk grains by grain suckers through silos.

Unit	Rates（NT$）
Per Ton	145.30

Remarks: ? Additional NT$15.7 per actual tonnage through Grain Silos shall be charged on national or legal holidays.

? Overtime charges , please refer to the regulations on page 38.

(3)SELF-UNLOADING CHARGES

Self-unloading charges shall be assessed against consignees or shippers unless as otherwise agreed between carrier and consignees or shippers.

Self-unloading charges apply to the ships that are equipped with automatic unloading facilities, no manual operation is needed. Labors on land only help to handle the works such as stacking and cleaning. The assessed charges should accord with the following regulations:

A.The ship is equipped with automatic unloading facilities.

B.The operation on ship should not need workers to handle nor any unloading facilities such as grab bucket, shovel and excavator and so on.

C.No workers are needed for the stacking and sweeping works in hatch.

Only those who complies with the above regulations can be categorized to be assessed the self-unloading charges, otherwise should be assessed according to the general stevedoring charges.

Unit	Rates(NT$)
Per Ton	48.8

Remarks:
- ✍Shovels needed for shore operation are provided by the terminal office and shall be assessed the stipulated charges. The shipping merchant consignee) may provide their own shovels if the terminal office is unable to provide them.
- ✍Shipside unloading should be adopted for stevedoring operation. Only if when the vehicles are not enough, the cargoes can be demurred at the wharf. However, the demurred cargoes should complete the landing operation before 4 hours of departure or moved to the back line. But if during the 4-hour period, there is another ship to be berthed at the wharf, the landing or moving operation should be completed before that ship's berthing. The demurrage charge should be assessed if shippers fail to complete the above operation. As for the charges of landing and moving operation are categorized as class 2 particular handling.
- ✍The turning out charges for cargoes that are stored in the back line should accord with the particular handling charge and the demurrage charge.
- ✍Shippers and consignees should keep the cleanness of wharves. Cargoes that drop on the land can not swept into the water surface. Before leaving the harbor area, all carrying trucks should clean tires and cover with canvas first All the stevedoring operation should comply with related environmental-protection regulations in the harbor area.
- ✍This rate is a lump-sum charge, the charges for overtime work in nighttime and on legal holidays are included, but the rental charges for equipment for wharf operation are not included. However, based on the consideration of berth utilization, consignees should adopt 24-hour consecutive operation, and follow the harbor stevedoring operation regulations.
- ✍The wharf operations should assign wharf labors to help the stacking and cleaning work on land.
- ✍The charges can be negotiated if cargoes are discharged by self-unloading into its own warehouse.
- ✍If there are negotiations for the unloading operation of oil-tank, cement-tank truck and conveyors (for which there are mechinery or manual operation needed in hold),follow the negotiations.

(4)AUTOMATIC COAL UNLOADER

A.Stevedoring Charges

Stevedoring charges are a single tariff system (shipside delivery or in/out transit sheds are based on the same tariff). This includes manual operation as follows (Charges for equipment use and rent shall be according to the existing computation).

(a)Coal Unloading: Includes sweeping the hatch, the cleaning the coal in cracks of blocked hatch and the shovels stacking works.

(b)Shovel stacking works in Coal Stacking Yard.

(c)For controlling elastic pipe for truck loading at the outbound lane of the distribution station and cleaning truck tires.

Unit	Rates (NT$)
Per Ton	52

Remarks: Additional NT$15.7 per ton for actual unloaded tonnage shall be charged on national or legal holidays. For overtime charges, please refer to the regulations on page 38.

B. Charges For Use Of Automatic Coal Unloader

Unit	Rates (NT$)
Per Ton	91.40

2.CHARGES FOR CARGO STORAGE

(1)STORAGE

Charges shall be assessed as hereunder prescribed against shippers or consignees, as may be applicable, for storing cargoes in transit sheds or in open areas, wharfs of storage yards.

Storage for cargoes shall be assessed as stipulated herein with 5 days as a computing period starting with the day when the first of any cargo of a B/L or S/O is stored in. No free storage period is allowed, no storage fee escalation will be charged. Any cargo not removed within six months is subject to disposal at an auction as provided by Chinese Civil Laws.

Cargo Classification	Unit	Rates (NT$)
1	Per Ton Per Period	9.75
2	Per Ton Per Period	14.65
3	Per Ton Per Period	19.55

Remarks: Transshipment cargo shall be charged by NT$ 1.5 per ton per day.

(2)GENERAL CARGO DEMURRAGE

General cargo demurrage shall be assessed against the one who consigns.

It shall be collected as hereunder prescribed from the day when the demurrage of cargoes starts on wharfs or any temporarily assigned storage area or water surface. The Harbor Bureau shall not be held responsible for the custody of cargoes thus stored.

Unit	Rates (NT$)
Per Ton Per day	3

3. CHARGES FOR WHARF PASSAGE

Charges for wharf passage shall be collected against shippers or consignees as cases may be applicable, or against carrier in the case of cargoes in transit. Any inbound or outbound cargoes including vehicles carried by domestic coastal car-ferry liners are subject to such charges.

The charging scope covers:

(1)Cargoes placed on wharfs or on wharf side.

(2)Cargoes handled across wharfs or wharfside or cargoes loaded or discharged overside from ships berthed.

(3)Cargoes loaded or discharged by lighters for ships mooring by buoys or in anchorage.

(4)Cargoes shut out.

(5)Cargoes discharged direct from one ship to another in port.

(6)Cargoes discharged direct from one car to another on wharfs.

(7)Bulk or liquid cargoes loaded or discharged through pipelines or other mechanical facilities.

Cargo Classification	Unit	Rates (NT$)
General Cargo	Per Ton	7.90
Cargoes Conveyed through Pipelines	Per Ton	15.80

Remakes:
- ✍The 50% discount charge for domestic liners will be collected half each by both export and import harbors.
- ✍Tourist buses, automobiles or empty trucks carried by domestic coastal car-ferry liners are free of such charges, but any loaded truck shall be charged by its marked gross tonnage no matter what is the actual weight of its load.
- ✍Military supplies ,materiel of Allied Forces, imported goods of foreign aid ,mails and alms are all free of such charges.
- ✍Articles used by foreign embassies or consulates entitled to the diplomatic immunity are free of such charges.
- ✍Tools or apparatus used only for handling cargoes on wharfs(vehicles or tools imported at the first time are excluded) are free of such charges.
- ✍Passengers personal belongings (excluding vehicles)or ship using items are free of such charges.
- ✍Cargoes passing through more than two wharfs within the same harbor shall be charged once only.
- ✍Transit cargoes exported from the original import harbor shall be charged once only.
- ✍Cargoes shut out or destined for other to be shifted onto wharfs or lighters shall be charged once only.
- ✍Cargoes conveyed through pipelines denote the cargoes which are loaded or discharged by ground or underground pipelines or by those installed on or under water surface.

4.EQUIPMENT UTILIZATION CHARGES

(1)TUGGAGE AND LIGHIERAGE

Tuggage and lighterage shall be assessed against the one who consigns.

A.TUGGAGE

While a successive handing operation is conducted with a tug or tugs to haul lighters or rafts, commencing with the cargoes discharged onto lighters or rafts till the completion of lift of the cargoes from lighters or rafts or till the completion of tugging , the tuggage shall be calculated according to the tonnage of the cargoes on the lighters or rafts. However, minimum charge shall be 1/2 of the dead weight tonnage of the lighters hauled if the cargo tonnage is less than that. In the case of any particular tugging, the tuggage shall be charged according to the dead weight tonnage of the lighter or rafts hauled.

B.LIGHTERAG

a. While a lighter or lighters is hired for cargoes, commencing with the day of discharging cargoes onto lighters till the completion of lift of the cargoes from lighter or lighters, the lighterage shall be charged as stipulated hereunder according to both the tonnage of cargoes and the number of days stored on the lighter or lighters. However, Minimum charge shall be 1/2 of the dead weight tonnage of the lighter or lighters if the cargoes loaded thereon are less than that. In the event that a lighter is hired but cancelled after being dispatched, the lighterage shall be 1/2 of the dead weight tonnage of the lighter hired.

b. The lighterage for a particular hire of lighters shall be charged according to the dead weight tonnage of the lighter or lighters hired or the tonnage of the cargoes loaded whichever is greater. In the event that a lighter is hired but cancelled after being dispatched. the lighterage shall be 1/3 of the dead weight tonnage of the lighter hired.

Classification	Unit	Rates (NT$)
Tuggage	Per Ton Per Time	15.60
Lighterage	Per Ton Per Day	15.60

Remarks:The rates shown above are applicable to the operation inside the harbor area only, and the rates for the operation outside the harbor area are subject to separate negotiation.

(2)CHARGES FOR UTILIZATION OF GROUND SCALES

Classification	Unit	Rates (NT$)
Charges by Ton	Per Ton Per Time	2.90
Charges by Car	Per Ton Per Day	48.90

Remarks:“Charges by car” is applied only when empty car weighting

(3).Charges for equipment for night operation

Unit Per shift

<table>
<tr><th rowspan="2">Ship Classification</th><th colspan="2">Rates(NT$)</th></tr>
<tr><th>2nd shift(1700 hrs thru 2400 hrs)</th><th>3rd shift(0000hrs thru 0700 hrs)</th></tr>
</table>

Ships less than 1,000G/T	489	489
Ships of 1,000G/T or more but less than 10,000 G/T	977	977
Ships of 10,000G/T or more but less than 20,000 G/T	1,955	1,955
Ships of 20,000 G/T or more	2,932	2,932

Remarks: ✍50% discount for domestic liners below 500G/T.
✍The rates shall be charged when the equipment is used only.

(4)HIRES FOR MAVHINERY& EQUIPMENT

A.PARTICULAR HIRE

a. Separate consignment shall be made for usage of Harbor Breau' s machinery or vehicles or vessels in the operation of stevedoring, shipside loading or discharge, particular handing and cargo shifting and such hire shall be collected on time basis in addition to basic cargo handling charges.

b.Machinery & equipment hire shall be assessed against the one who consigns.

c.Such hire shall be counted by the minimum charging unit of 1/2 hour with any fraction time less than 1/2 hour counted as one unit.

d.The charging time begins with the arrival of machinery at the working lot and ends with the completion of usage in the case that such machinery operates within port area. The charging time starts from the departure of such machinery out of its dispatch area till the completion of usage in the case that such machinery is used beyond port area. Any stand-by resulted from consignor's factor(s) shall be calculated as the charging time for usage no matter whether such stand-by takes place inside or outside of port area.

e.Any equipment with the capacity rated between two grades in classification shall be charged as much as such for the one of higher grade.

f.For any machinery or car or boat hire cancelled with the machinery or car or boat sent back after its arrival at the operation lot the charge shall be counted by the mimum charging unit of 1/2 hour even if the machinery or car or boat is not used. The beginning and the end of the charging time is the same as stipulated above.

g.20% discount on handling charges for transshipment cargo.

✍FORK LIFT TRUCKS

Classification	Unit	Rates(NT$)
With lifting capacity of 1 ton or less	Per Hour	371
With 2-ton lifting capacity	Per Hour	469
With 3-ton lifting capacity	Per Hour	577
With 4-ton lifting capacity	Per Hour	694
With 5-ton lifting capacity	Per Hour	880
With 7.5-ton lifting capacity	Per Hour	1,025
With 10-ton lifting capacity	Per Hour	1,270
With 15-ton lifting capacity	Per Hour	1,661
With 20-ton lifting capacity	Per Hour	1,955
With 25-ton lifting capacity	Per Hour	2,248
With lifting capacity of 35 tons or more	Per Hour	2,834

✍MOBILE CRANE OR LOG CARRIER

Classification	Unit	Rates(NT$)
With lifting capacity of 5 tons or less	Per Hour	977
With 10-ton lifting capacity	Per Hour	1,368
With 15-ton lifting capacity	Per Hour	1,759
With 20-ton lifting capacity	Per Hour	2,150
With 25-ton lifting capacity	Per Hour	2,541
With 30-ton lifting capacity	Per Hour	2,932
With 40-ton lifting capacity	Per Hour	3,714
With 50-ton lifting capacity	Per Hour	4,300
With 60-ton lifting capacity	Per Hour	4,535
With 75-ton lifting capacity	Per Hour	4,886
With 80-ton lifting capacity	Per Hour	4,984
With 100-ton lifting capacity	Per Hour	5,375
With 150-ton lifting capacity	Per Hour	6,841
With 200-ton lifting capacity	Per Hour	8,795
With lifting capacity of 250 tons or more	Per Hour	10,750

✍FLOATING CRANE

Classification	Unit	Rates(NT$)
With lifting capacity less than 40 tons	Per Hour	5,864
With lifting capacity of 40 tons or more but less than 60 tons	Per Hour	16,125
With lifting capacity of 60 tons or more but less than 150 tons	Per Hour	19,545
With lifting capacity of 150 tons or more	Per Hour	30,942

✍LAND CARRIERS

Classification	Unit	Rates(NT$)
Electric Transport Mobile	Per Hour	215
Mini-tractor	Per Hour	274
Truck	Per Hour	489
Large Tractor	Per Hour	1,173

✍BULK MACHINERY

Classification		Unit	Rates(NT$)
Portable grain sucker		Per Hour	1,270
Excavator		Per Hour	645
Shovel		Per Hour	586
Magnetic lift		Per Hour	567
Grab bucket	With capacity below 3.5M3	Per Hour	147
	With capacity of 3.5M3 or more	Per Hour	195

Remarks: The charged for using other machinery and tools should be based on "The regulation for rental machinery and tools of Keelung Harbor Bureau"

B. CHARGES FOR USING MACHINERY FOR HANDLING HEAVY CARGOES

ON SHORESIDE

Under circumstances of a successive handling operation of turning in & out at storage area, the hire for using machinery for handling heavy cargo weighing more than 5 tons shall be charged as stipulated hereunder besides the basic longshoring charges,but the particular hire shall not be collected again by the time used.

Weight of Each Package	Rates Per Revenue Ton(NT$)
Weighing 5 tons or more but less than 10 tons	84
Weighing 10 tons or more but less than 25 tons	140
Weighing 25 tons or more but less than 50 tons	185
Weighing 50 tons or more but less than 75 tons	255
Weighing 75 tons or more but less than 100tons	343
Weighing 100 tons or more	515

Remarks: 20% discount for handling transit goods.

5.MISCELLAVEOUS CHARGES

Miscellaneous charges shall be assessed against those who consign.

(1)LABOR HIRE

Minimum charge for labor hire is one day, either forenoon or afternoon. Any hire consigned in the forenoon but working through lunch tine will be counted as a whole-day work .

Classification	Unit	Rates(NT$)
Worker	Per Worker Per Day	653

Remarks: ✍100% additional charge for working shall be charged on national or legal holidays.

✍Overtime charges :additional 100% charges from 1800 to 2400 per worker ; additional 150% as working from 1800 to 0700.

(2) CHARGES FOR CARGO SHIFTING

Description	Unit	Rates(NT$)
Cargo shifting in the same ship	Per Ton	64.40
Cargo shifting including moving from ship to wharfs or transit sheds or storage yards or water surface and reloading.	Per Ton	167.80

Remarks: ✍The above rates not including storage and charges for cargo handling equipment.

✍Additional NT$15.7 per actual operating tonnage shall be charged on

national or legal holidays.
✍Overtime charges , please refer to regulations on page 38.

(3)LABOR HIRE FOR HATCH SWEEPING

Unit	Rates(NT$)
Per Hatch	2,066

Remarks: 100% Additional charge for working shall be charged on national or legal holidays.

(4) CHARGES FOR RIGGING

Description	Unit	Rates(NT$)
Rigging	Per Derrick Per Time	523

Remarks:100% additional charge for working shall be charged on national or legal holidays.

(5)CHARGES FOR RE-BAGGING OR RE-PACKING

Item	Description	Unit	Rates(NT$)
Re-bagging of agricultural products	bagging & sewing	Per Ton	44.90
Re-bagging of chemical products	bagging & sewing	Per Ton	72.60
Re-bagging of cement	including weighing	Per Bag	7.30
Re-bagging of coal	including weighing	Per Bag	8.70
Re-packing of fresh fish	Including weighing	Per Case	5.80

Remarks: ✍Charges for re-bagging shall be counted in weight tons.
✍Charges for re-packing general cargoes are calculated at the rates for agricultural products.
✍Re-bagging of agricultural products shall be charged additional NT$15.7 per ton per actual tonnage from 1700 to 2400 or on national & legal holidays.
As for the other items besides re-bagging agricultural shall be charged additional 100% rates during above mentioned time.

(6)CHARGES FOR CARGO WEIGHING

Description	Unit	Rates(NT$)
Cargo Weighing	Per Ton Per Time	13.00

Remarks:1.Particular handing charge shall be collected for cargo weighing if such weighing is not included in a successive operation.
2.100%additional charge for cargo weighing shall be charged on national or legal holidays.

(7)PORTER HANDLING CHARGES

Classification	Unit	Rates(NT$)
Baggages weighing less than 3 kg.or measuring less than 5 cu.ft.	Per Pkg	44

Baggages weighing 30 kg. or more but less than 45 kg.or measuring 5 cu.ft. or more but less than 10 cu.ft.	Per Pkg	66
Baggages weighing 45kg. or more but less than 90 kg.or measuring10 cu. ft. or more but less than 20cu.ft.	Per Pkg	87
Baggages weighing 90 kg. or more but less than 100 kg. or measuring 20 cu. ft. or more but less than 35 cu.ft.	Per Pkg	218
Baggages weighing 100 kg. or more or measuring 35 cu.ft. or more	Per Pkg	436

Remarks:? Porter handling denotes the movement of baggages from ship to car or vice versa .

? 50% additional charge for the baggage to be moved from one wharf past another one.

? 50% additional charge for the baggages to be moved to car from ships berthing alongside other vessel or vessels or vice versa.

? The above rates are applicable to the movement from ship to car or vice versa of the baggages detained by Customs,but 50% additional charge is required for the same to be moved into or out of detaining warehouses onto or from cars.

? 100% additional charge is required for the baggages of passengers or sailors, if they are not through the routine entry and exit inspection and have to be moved directly o the Customs House for inspection, no matter the carrying ships dock at passenger terminals, general wharves or buoys.

? 100% additional charge shall be calculated for working from 1800 to 0700 or on national or legal holidays.

(8)HATCH TENT HIRE & CHARGES FOR TENT RIGGING & UNRIGGING

Description	Unit	Rates(NT$)
Hatch tent hire	Per Set Per Day	1,702
Tent rigging & unrigging	Per Set Per Time	429

Remarks:100% additional charge for tent rigging & unrigging shall be charged on national or legal holidays.

(9)CHARGES FOR SERVICES ON LIGHTERS

Charges for services on lighters shall be assessed at the rates as hereunder prescribed.

Description	Unit	Rates(NT$)
Services on lighters	Per Ton Per Day	7.80

(10)CHARGES FOR HATCH COVERS OPENING & CLOSING

Any opening & closing of the hatch covers shall be charged as hereunder prescribed from the second time within the same working shift if ships request to do so.

Description	Unit	Rates(NT$)
Hatch covers opening & closing	Per Time	290

6.CLASSIFICATION OF COMMODITIES & RATES FOR LONGSHORING CHARGES & STORAGE

Item No.	Commodities	Class	
		Long shoring	Storage
(1) COTTON、FLAX、WOOL、SILK、LEATHRE 、ARTIFICAL FIBERS			
(1)	Wasted cotton, flax, wool, silk, leather and artificial fibers and manufactures thereof	1	2
(2)	Cotton and manufactures thereof、flax and manufactures thereof、Wool and manufactures thereof、silk and manufactures thereof、leather and manufactures thereof、artificial fibers and manufactures thereof、feather、hair、pig bristle and manufactures thereof	1	3
(2) GRAIN			
(1)	Paddy rice、wheat、malt、rolled barley、flour of wheat、bran and paddy chaff、bean、flour of bean、corn、starch、bean cake、peanut、peanut cake、vegetable seed、cotton seed、fodder and fish meal	1	1
(3) FRUITS、DRIED OR PRESERVED			
(1)	melon seed、walnut、sesame、sugar、salt、salt for industrial use	1	1
(2)	Canned goods、dried fruit、marine product、drink tack and tea、milk n,o,p,f. 、molasses 、	1	2
(4) TOBACOO、WINE、BOTTLED FOOD			
(1)	Tobacco leaf and manufactures thereof、wine 、bottled foods	2	3
(5) WOOD、RATTAN、BAMBOO、STRAW			
(1)	Lumber and manufactures thereof、wasted splints of wood, rattan, bamboo and straw(packaged)	1	1
(2)	rattan and manufactures thereof 、 bamboo and manufactures thereof 、straw and manufactures thereof、wasted splints of wood, rattan, bamboo and straw (bulk)	1	2

(6) METAL、ORE

(1)	Empty oil drum	1	1
(2)	Metal and manufactures thereof、 wasted metal and manufactures thereof、ore	2	3

(7) CHINAWARE、ENAMELLED WARE、GLASS

(1)	Chinaware、enamelled ware、glass and manufactures thereof	2	3

(8)ELECTRONIC EQUIPMENT、 ELECTRIC MACHINE、 MACHINARY, SCIENTIFIC INSTRUMENT、 MOTOR VEHICLE、 VESSEL

(1)	Electronic equipment and parts、 electrical machine and parts machinery and parts、 scientific instrument and parts、motor vehicle and parts、vessel and parts、aero apparatus and parts 、 wasted machine and equipment ,and parts	2	3

(9) GUM、 CRUDE RUBBER、SYNTHETIC RESIN

(1)	Tyre and tube	1	3
(2)	Gum, crude rubber, synthetic resin, wasted rubber, and manufactures thereof	2	3

(10) CHEMICAL、 DYE

(1)	Chemical fertilizer (bagged)	1	1
(2)	Chemical fertilizer (bulk)	1	2
(3)	Sulphur (bagged) (bulk)graphite(bagged) (bulk)、chemical、dye	2	3

(11) STONE、CLAY

(1)	Earth, stone, sand、 lime、gypsum、cement、cement clinker (handled by belt conveyors)、asbestos and manufactures thereof	1	2
(2)	Brick、 tile、 earthen ware、marble manufactures	1	3
(3)	Earth、stone、sand、lime、gypsum、cement、cement clinker	2	2

(12) COAL、 FULE PITCH

(1)	Coal, charcoal and coke 、pitch 、liquid fuel (drummed)	2	3

(13) PAPER、 BOOK、STATIONERY

(1)	Wood pulp、 paper、 asphalt paper and paper articles、 book 、 printed matter 、 stationery 、 waste paper (bagged)	1	2
(2)	Wasted paper (bulk)	2	3

(14) MEDICINE、 HOSPITAL INSTRUMENT

(1)	Chinese and foreign medicine 、hospital instrument	2	3

(15) CANDLE、SOAP、 OIL、 WAX、 RESIN

(1)	Candle、 wax 、 resin、oil、toilet requisites 、paint 、soap、detergent、cosmetics	2	3

(16) FRUIT、 FLOWER 、RTREE SPROUT

(1)	Banana 、vegetable、 fruit	1	1
(2)	Flower、 tree sprout、 Korean grass	2	3

(17) LIVE ANIMAL, FROZEN MEAT

(1)	Live animal (cattle, horse, pig, etc.) 、fresh meat and fish (iced)	2	

(18) MUSICAL INSTRUMENT、HANDICRAFT、BAGGAGE、SPORT GOODS

(1)	Sports goods 、general merchandise	1	3
(2)	Musical instrument、 handicraft 、 toy 、model for educational purpose 、baggage	2	3

(19) AMMUNITION、WEAPON

(1)	Ammunition 、Weapon	2	3

(20) VALUABLE ARTICLE、 STOCKS

(1)	Amber、 coral、 tortoise shell 、 mercury 、curios and antiques 、elephant tusk、radiochemical material such as thorium 232, uranium 238 、nuclear equipment	2	3

(2)	Banknote & bond, postage stamp and stock	2	

Remarks: ✍Any commodity seemingly belonging to more than one class and difficult to be classified definitely will be charged as the one of lower class.

✍Longshoring charge & storage for more than two classes of commodities in one Shipping order or delivery order will be rated as the one of higher or highest class.

PART TW0 TARIFF FOR CONTAINER AND LASH TRAFFIC

I TARIFF FOR CONTAINERSHIPS AND CONTAINER HANDLING OPE0RATION

Except as charged as hereunder prescribed, container ships are all subject to port charges for conventional ships.

1. DOCKAGE

Unit: Per Ship Per Hour

Classification	Rates(NT$)
Ships less than 1,000G/T	822
Ships of 1,000G/T or more but less than 3,000G/T	904
Ships of 3,000G/T or more but less than 5,000G/T	1,069
Ships of 5,000G/T or more but less than 10,000G/T	1,397
Ships of 10,000G/T or more but less than 20,000G/T	1,890
Ships of 20,000G/T or more but less than 40,000G/T	2,958
Ships of 40,000G/T or more but less than 60,000G/T	3,944
Ships of 60,000G/T or more	5,916

Remarks:60% discount for domestic liners.

2.CONTAINER HANDLING & EQUIPMENT USE CHARGES

(1)IMPORT/EXPORT &TRANSIT CONTAINERS

Import/Export containers & transit container charges for shipside loading/discharge of import/export or transit containers shall be collected as hereunder prescribed.

Shipside loading/discharge means containers that are loaded shipside onto trailer or barge directly from the ship or discharged from shipside trailer or barge directly to ship.

MY-operation means the discharged import (or transit) containers temporarily stored at the back of the storage area (except CY), or export containers temporarily stored at the back of the storage area and then loaded onto trailers, for removal to ship cargo loading.

Unit:Per Container Per Move(NT$)

Operating Pattern		Import/Export		Transit	
		20-footers or below	over 20-footers	20-footers or below	over 20-footers
ShipSide loading/discharge	Gantry Crane(loaded)	1,715	2,196	1,284	1,669
	Gantry Crane (empty)	1,583	2,064	1,284	1,669
	Onboard Container Crane	835	1,316	668	1,053
	Onboard conventional gear	1,128	1,776	902	1,421
	Mobile(floating)Crane	2,008	2,656	1,518	2,037
	RO/RO (remarks 8)	522	822	418	658
MY operation	Gantry Crane(loaded)	2,497	2,978	1,558	1,942
	Gantry Crane (empty)	2,365	2,846	1,558	1,942
	Onboard Container Crane	1,617	2,098	942	1,326
	Onboard conventional gear	1,910	2,558	1,176	1,695
	Mobile(floating)Crane	2,790	3,438	1,792	2,311
	RO/RO (remarks 8)	1,304	1,604	692	932

Remarks:
- ✍Container handling charges & equipment use charges include management and handling services, and use of gantry cranes, mobile (floating) cranes, in/out marshaling yard equipment (transtainer, straddle carriers, stackers etc.), but do not include charges for equipment for moving to the back of storage area from ship (alongside).
- ✍Charges for transit of import or export containers should be collected respectively.
- ✍Charges for wharf passage, and demurrage shall be collected respectively.
- ✍Shifting of containers shall be charged in accordance with the charges for shipside loading or discharge.
- ✍An additional container charge of :NT$398 per under 20-footers, NT$596 per over 20-footer will be collected on national or legal holidays.
- ✍An additional container charge of :NT$56 per under 20-footers, NT$111 per over 20-footers will be levied for the handling of containers stacked in the hold without cell guides system.

✍Charges for using equipment exclusively for shipside loading/discharge and storing in MY containers shall be assessed separately.

✍RO/RO Charges is assessed、under the condition of using on board ships own equipment and of bevig operated by ship.

(2) DOMESTIC MARINE TRANSIT CONTAINERS

Domestic marine transit containers shall be charged as stipulated below. Domestic marine transit container: means a container discharged from one of the Taiwanese international ports (the transit port) and then transshipped to another domestic international port (the destination port) for discharging. Or, after an export container is loaded in one of the Taiwanese international ports (the original Port), then shipped to another domestic international port for export to a foreign port.

Unit: Per Container Per Move (NT$)

Operating		Import Transit Container Discharged at Destination Port And Export Transit Container Loaded at Original Port		Import & Export Transit Container Loaded & Discharged at Transit Port	
Pattern		20-footers or below	Over 20-footers	20-footers or below	Over 20-footers
Shipside loading/discharge	Gantry Crane (loaded empty)	962	1262	962	1262
	Onboard Container Crane	522	822	522	822
	Onboard conventional gear	705	1110	705	1110
	Mobile (floating) Crane	1585	1990	1585	1990
	RO/RO (remarks 6)	522	822	522	822
MY operation	Gantry Crane (loaded empty)	1353	1653	1157	1458
	Onboard Container Crane	913	1213	717	1018
	Onboard conventional gear	1096	1501	900	1306

	Mobile (floating) Crane	1976	2381	1780	2186
	RO/RO (remarks 6)	913	1213	718	1018

Remarks: 1.Container handling charges & equipment use charges include management and handling services and use of gantry cranes, mobile (floating) cranes, in/out marshaling yard equipment (transmarine, straddle carriers, stackers, etc.) but does not include equipment charges moving for containers from alongside ship to the back of the storage area.

2.Charges for wharf passage, demurrage shall be collected respectively.

3.An additional container charge of: NT$398 per under 20-footers, NT$596 per over 20-footers will be collected on national or legal holidays.

4.An additional container charge of NT$56 per under 20-footers andNT$111 per over 20-footers shall be levied for the handling of containers stacked in holds without cell guide systems.

5.Charges for equipment use in non-loading/discharge operations or storage in marshaling yard shall be collected separately.

6.RO/RO Charges is assessed, under the condition of using on board ships own equipment and of being operated by ship.

7.charges of Loading & unloading foes of transit Port shall be collector respectively.

3.CHARGES FOR USING CONTAINER HANDLING EQUIPMENT

In addition to a one-time charge for container gantry crane (or floating crane of mobile crane), or transmarine (or straddle carrier of stacker or side loader) use for loading/unloading to/from ship, cargo shifting and open-air storage at container terminal for export/import containers, charges for container handling equipment use shall be collected as hereunder prescribed.

Unit: Per Container Per Move

Classification	Rates (NT$)
Gantry crane、floating crane、mobile crane	880
Transistor、straddle carrier、stacker、side loader	391
Tractor	176
Trailer	98

Remarks:✍15% discount for empty containers using gantry container cranes;
✍50% discount for domestic marine transit containers
✍30% discount for transit container.

4.DEMURRAGE

A demurrage for import/export containers stored in CY, marshaling yard or remaining on wharves, open space, or storage areas shall be charged when storing commences, and fees are as here under indicated .Any container thus stored more than six months is subject to legal disposal.

Unit: Per Container Per Day

Classification	Rates (NT$)
20-footers or below	72
Over 20-footers	144

Remarks: ✍50％discount for transshipment &domestic marine transit container.

✍Containers scored in CY can enjoy a at most 5 day exemption from charge, and 20％discount is applied after the free charge period. （the length of free charge period is applicable to the effective circulars imposed by HARBOR BUREA from time.）

✍Rate of container trailer rate is charged as the same of those over 20-footers.

5.CHARGES FOR WHARF PASSAGE

All the inbound or outbound containers including containers carried by domestic liners shall be charged as hereunder indicated for their wharf passage.

Unit: Per Container Per Time

Classification	Rates (NT$)
20-footers or below	355
Over 20-footers	710

Remarks: ✍ All the inbound and outbound empty containers and outbound containers to be shifted and reloaded shall be free of such charges.

✍Transit containers to be exported from the original import harbor shall be charged once only.

✍Containers shut out or destined for other harbor to be shifted onto wharfs or lighters shall be charged once only.

✍Containers passing through more than two wharfs within the same harbor shall be charged once only.

✍The charge at 50% discount for domestic liners will be collected half each by both export and import harbors. However, for the inbound containers to be transshipped to another domestic harbor or for the transit containers to be exported from another domestic harbor, the charge will still be collected as stipulated for their passage through the original import harbor or the new export harbor.

✍50% discount for transit container.

✍50% discount for domestic marine transit containers；Domestic containers at transit port shall be charged once only.

6. CHARGES FOR UTILIZATION OF GROUND SCALES.

Any loaded outbound container is subject to weighing and shall be charged as hereunder indicated for weighing.

Unit: Per Container Per Time

Description	Rates (NT$)

Container Weighing	39

Remarks: Any outbound cargo other than container shall be charged as a loaded outbound container for the weighing rates if it is handled with a gantry crane.

7.CHARGES FOR CONTAINER TERMINAL EQUIPMENT FOR NIGHT OPERATION

Any ship berthed at a container terminal shall be charged as hereunder indicated for its night operation.

Unit: Per Shift

Classification	Rates (NT$)	
	2nd Shift (1700-2400hrs)	3rd Shift (0000-0700hrs)
Ships less than 1,000G/T	1,955	1,955
Ships of 1,000G/T or more but less than 10,000G/T	3,909	3,909
Ships of 10,000G/T or more but less than 20,000G/T	4,886	4,886
Ships of 20,000G/T or more	5,864	5,864

Remarks: This charge is only applied for night equipment use.

8.CHARGES FOR POWER SUPPLY FOR REEFERS

Any refer having its power supply from Harbor Bureau shall be charged as hereunder indicated for power supply.

Unit: Per Reefer Per 24 Hours

Classification	Rates (NT$)
20-footer or below	440
Over 20-footer	489

Remarks: Any time less than the minimum unit of 24 hours shall be charged as hours.

9.PACKING AND UNPACKING CHARGES FOR CONTAINER CARGO

Fees shall be charged fees as hereunder prescribed for all container cargoes that are to be packed and/ or unpacked in the areas of CY, marshalling yard, vacant ground, storage yards within harbor zone.

Unit	Rate (NT$)
Per Ton	136

Remarks: ✍The indicated charges shall be added an extra 100% for packing, unpacking and/or re-packing on bulk cargoes.

✍Fees shall be charged an additional 20% when packing and unpacking are occurred on gum cargo.

✍For long shaped cargoes whatever are or over 8-foot in length and any raw leathers the operation fees shall both be assessed 50% extra

II TARIFF FOR THE HANDLING OF CONTAINERS CARRIED BY CONVENTIONAL SHIPS

1. HANDLING CHARGES

(1) The measurement of containers shall be counted at 70% as revenue tones.

(2) Handling charges shall be collected at the rates for the general cargo class 1.

2.Equipment utilization charges, storage charges, wharf passage charges; container weighing charges and power supply charges for reefers shall be collected at the rates for containerships.

3.Except for the charges indicated above, all the other operation shall be charged at the rates for conventional ships.

III TARIFF FOR LASH TRAFFIC

1.DOCTAGE OR ANCHORAGE

(1) Mother ship: The dockage will be the same as those for the containerships mooring at wharfs if the mother ship moors at wharfs and anchorage will be the same as those for the ships mooring by buoys if the mother ship anchors in anchorage.

(2) Barge: At NT$296 per barge per day.

2.TUGGAGE FOR BARGE: At NT$2,810 per time.

3.HANDLING CHARGES

(1) Barge handling charges: NT$ 4,831 per barge per time shall be charged for loading barges into, or discharging barges from mother ship.

(2) Container handling charges: Same for containerships.

(3) General cargo handling charge: The charges for the cargoes loading into or discharged from barges are the same as those for conventional ships.

4.Except for the charges indicated above, all the other operation shall be charged at the rates for containerships or conventional ships as the case may be applicable.

PART FOUR OTHERS

I GENERAL RULES OVER COMPUTATION OF PORT CHARGES

1. All the computing units used in this tariff are defined as follows:
   (1) All the amounts are expressed in the unit of New Taiwan Dollar (NT$).
   (2) All the weights are expressed in the unit of Metric Ton.
   (3) All the volumes are expressed in the unit of Cubic Meter.
   (4) " PER DAY" means one calendar day.
2. Every lot of cargoes is charged with one ton as a minimum computing unit in the case of charging by the ton, and any fraction of a ton is counted as a unit for the lot. This applies to:
   (1) That cargoes other than bulk cargoes are counted by the weight or measurement whichever is greater, and that the length, breadth and height of the measurement measures by their respective outermost part of the charged cargo.
   (2) That bulk cargo with timber excluded is charged by the weight unless as otherwise specified. (Lumber are excluded)
   (3) That cargoes in bulk form are still charged as bulk cargo even if they are packaged in the hatch, or on wharfs and charged by the measurement in revenue tons after their packages. Those cargoes are charged in compliance with the measurement tons as shown in the import manifest if counted by measurement and that the cargoes shall be charged by weight with the following additions in case manifest shows no measurement.
   Corn plus 34% Sugar plus 17% Vegetable Seed plus 68%
   Soy Bean plus 45% Green Bean plus 40% Rice plus 28%
   Barley plus 62% Wheat plus 45%
   (4) Large live animals such as cows, horses and elephants shall be counted as 3 measurement tons each; pigs as 1/2 measurement ton each; while sucking pigs and other small animals shall be charged by the measurement of the packing.
   (5) Packed coke is counted by the weight with the addition of 170%
   (6) Dust and/or wood chips is counted by the weight with the addition of 40%.
   (7) Timber is counted with 1 cubic meter or 424 board feet as one ton and sunken log is counted by the measurement with the addition of 11.8%.
   (8)Bunker coal is counted with 5 tons as a minimum computing unit.
3. For commodities not listed in cargo classification, handling charges shall be computed as those for class 2 and storage as those for class 3.
4. As Port Tariff is amended, the rate shall be applied as under described.
   (1) Charges on carrier shall be calculated at the rates effective at the time when loading or discharge commences.
   (2) Charges on consignee or shipper shall be calculated at the rates prevailing on the day of taking delivery for turning in & out at storage area, and prevailing on the day of loading or discharge commences for shipside.
   (3). Other charges shall be calculated at the rates prevailing on the day of operation.
5. Open rates for special operation or special cargo without being listed in this tariff are subject to negotiation.
6. . National or legal holidays are listed hereunder:

(1)New Year's Day (January 1 & 2)
(2)Peace Memorial Day (February 28)
(3)Youth Day (March 29)
(4)Women and children Day (The day before Tomb sweeping day)
(5)Tomb Sweeping Day (April 4 or April 5)
(6)Labor Day (May 1)
(7)Dragon-Boat festival (May 5 of Chinese Lunar Calendar)
(8)Mid-Autumn Festival (August 15 of Chinese Lunar Calendar)
(9)Confucius' Birthday Anniversary (September 28)
(10) Double Ten Day (October 10)
(11) Taiwan Restoration Day (October 25)
(12) Late President Chiang Kai-Shek's Birthday Anniversary (October 31)
(13) Dr.Sun Yat-Shes's Birthday Anniversary (November 12)
(14) Constitution Day (December 25)
(15) Chinese Lunar New Year's Eve (December 29 or 30 of Chinese Lunar Calendar)
(16) Chinese Lunar New Year's Day(First ,Second & Third Day of Chinese Lunar Year)
(17)All the other temporary holidays designated by government.

II OVERTIME CHARGES

1. Maximum additional charge for overtime working from 1700 to 2400 is 15.7NT$ per ton.
2. Maximum additional charge for overtime working from 0000 to 0700 is 23.6NT$ per ton.

III ADDITIONAL CHARGES ON NATIONAL HOLIDAYS

1.PORT CHARGES

A 30% additional port charge shall be collected for working on national or legal holidays and on the Saturday or Sunday. There are no additional charges on national or legal Memorial Day that is still working.

2.TERMINAL OPERATION CHARGES AND MISCELLANEOUS CHARGES

These charges shall be collected on national or legal holidays please refer to the regulations on pages 37, 38 and the remarks noted at each individual charge.

There are no additional charges on national or legal Memorial Day that is still working which is operated by Keelung Harbor Bureau.

Future Outlook

On Jan. 1, 2002, Taiwan became a member of the World Trade Organization. (WTO) thus marking a happy ending to a decade's effort in WTO accession.

The dramatic International development changes, the recession in traditional industry, the recent slowdown in growth of the information and electronic industries and the emerging economic strength and competitiveness of Mainland China have generated concern in Taiwan about the hallowing out of industry and economic magnetization. On the other hand, knowledge has taken the place of capital and labor to c=become Taiwan' s driving economic force. To meet the new challenges, we need to stimulate creativity, encourage R&D, accelerate the development of knowledge based industry and industrial application of knowledge so that the industrial process in Taiwan can be extended from simple production to R&D and marketing. Given the trend of globalization and increased importance of developing a knowledge-based economy, the mission of Taiwan government and industry is create an environment conducive to the global integration of resources so that industries that emphasize R&D and innovation can be nurtured and become the locomotive of Taiwan's next wave of economic growth. Faced with these brand new conditions, we are planning for the development of the manufacturing industry in accordance with the following objectives:

(1) Improving worldwide industrial competitiveness. The IDB 《Taiwan's Industrial Development and Business》 will help industry to develop new products and technologies, improve management capabilities, and establish marketing networks.
(2) Promoting the development of knowledge based industry: the IDB will encourage industry to innovate, recruit top technical and management personnel, relax regulations and create a friendly environment for start-up companies.
(3) Supporting industrial investment: the IDB will coordinate the effective allocation of water, electricity and human resources.
(4) Promoting environmental protection by industry: the IDB will strive to reduce industry waste, energy and water.
(5) Responding to the changing industrial structure: the IDB will assist globally competitive enterprises in their global operations. As for enterprises with declining competitiveness, the IDB will help them to upgrade and transform or to move operation overseas.

Reference with the speech from our Mr. Yiin Chii-Ming, Vice Minister of Ministry Of Economic Affairs on October 10, 2002, we had 40 product items that, in terms of their production value, ranked Taiwan among the top three countries in the world. Among these, we rank number one in eighteen product items, including semiconductors, mask ROM, IC masking, notebook computers, and LCD monitors. Among the fourteen number two product items are IC designs, motherboards, chip resistors, and digital cameras. Among the eight numbers three product items are DRAM, large TFT-LCDs, and bicycles.

In the future, Taiwan's industry must continue developing toward high-value-added activities. As we all know, the value-added at either end of the manufacturing process is higher. This includes research, development, and design at one end, and marketing and logistics on the other. In comparison, the value-added of manufacturing activities that come in the middle of the process is lower. That is why Taiwan is going to put much of its future effort on developing the industrial activities that occur on both ends of the manufacturing process.

Four main measures within this six-year plan relate to innovative research and development: (1) Adding momentum to the semiconductor and video display industries, so that the annual production value of each can break the US$30 billion mark in 2006, and developing the "twin star" industries of biotechnology and Nan technology, which are just emerging and have a great deal of potential. (2) Establishing college programs capable of training people who are talented in IC design and digital content. (3) Supporting the development of new technical service industries like information application services, in order to balance the development of technology-intensive manufacturing. (4) Establishing ten "innovation centers" for upgrading innovative capability. It is hoped that these measures will upgrade and update Taiwan's industrial structure.

All the laws and regulations needed to implement Taiwan's concessions on have been put into effect. Now what the government must face is the ever more challenging task of boosting Taiwan's economic growth within the framework of the WTO regime, in the wake of boosting Taiwan's economic growth within the framework of the WTO regime, in the wake of the global and local economic downturns, bearing in mind that in 2001, Taiwan encountered its very first recession, with a GDP growth rate at an unprecedented minus 1.91% and the unemployment rate at a record high of 4.57%.

In 2001, according to US statistics, China had the largest trade surplus against the US, at around US#83 billions. Its exports to the US reached around US$102.2 billions and imports, US$19.2 billions, in addition to trade, Taiwan outbound investment to Mainland China has been growing steadily, covering a wide range of business sectors, and investment in manufacturing industry has gradually shift from traditional labor-intensive industries to the information and electrical industry, covering a wide range of business sectors, and investment in the manufacturing industry has gradually shifted from the traditional labor-intensive industries to the information and electrical industry. This last quarter of this year, we already received the signal from the Air Cargo Record. Interestingly, as 70% of Mainland China's IT business is Taiwan-owned, Quanta computer company is another case of Taiwan's unparalleled role in Global Supply Chain. Many industrial leaders even take the view that the west march to Mainland China is not merely a choice but a necessity. However, many have also raised the concerned about the hallowing out of Taiwan manufacture-cased economy.

End of report.