


Content

Title :	Statute for Adjusted Support in Response to Trade Liberalization 
Date :	2015.12.30
Legislative :	1.The Statute, which consists of 18 articles, was enacted and promulgated pursuant to a Presidential Decree dated Dec 30, 2015 (Ref. No.: Hua-Zong-1-Yi-Zi No.10400152821) and took effect on the same date.
Content :	<p><b>Article 1</b></p> <p>This Statute is enacted for the adaptation of adjusted supporting measures to industries, enterprises and workers in response to the trends of trade liberalization so as to strengthen their competitiveness and reduce or eliminate the impact of economic and trade treaties or agreements signed with other countries.</p> <p>When imported agricultural products or processed agricultural products are likely to damage or have damaged domestic agriculture, priority shall be given to adjusted supporting measures in accordance with Article 52 of the Agricultural Development Act.</p> <p><b>Article 2</b></p> <p>Terms to this Statute shall be defined as follows:</p> <ol style="list-style-type: none"><li>1.Industry: Refers to agricultural industry, heavy industry, service industry and other industries.</li><li>2.Enterprise: Refers to a sole proprietorship, partnership, limited partnership or company that is registered in accordance with the law.</li><li>3.Worker: Refers to a person who is hired by an employer to work for wages.</li><li>4.Trade liberalization: Refers to market access, streamlining, harmonization of laws, and other measures for lowering or eliminating trade or investment restrictions imposed in observing the obligations of economic and trade treaties or agreements with other countries.</li><li>5.Market access: Refers to lowering or eliminating entry barriers on customs duties, service industry, or professional manpower in observing the obligations of economic and trade treaties or agreements with other countries.</li></ol> <p><b>Article 3</b></p> <p>The competent authority under this Statute is the Ministry of Economic Affairs.</p> <p>Matters under this Statute that are within the purview of other central competent authorities shall be handled by such other authorities.</p> <p><b>Article 4</b></p> <p>In response to trade liberalization, each central competent authority shall adopt appropriate adjusted supporting measures for the following items:</p> <ol style="list-style-type: none"><li>1.Assisting enterprises in obtaining full information on trade liberalization incentives.</li><li>2.Assisting enterprises in revitalizing or reengineering operations;</li><li>3.Assisting enterprises in effectively exploiting market access, streamlining, harmonization of laws and other incentive measures concomitant with trade liberalization;</li><li>4.Assisting enterprises in developing overseas target markets;</li><li>5.Improving the infrastructures of industries;</li></ol>

6. Assisting industries in nurturing talents and passing down traditional skills;
7. Working with local governments to nurture development of industries and clusters with unique local features;
8. Other matters promoting the competitiveness of industries.

#### Article 5

Each central competent authority in charge of specific business may use its budgeted funds, scientific technology development funds or infrastructure funds to subsidize or purchase software and hardware facilities for research and development, inspection and testing, pilot production and mass production for the common use of the industry.

Software and hardware facilities purchased with infrastructure funds of the preceding Paragraph shall reach a certain scale, and fees for their use shall be collected and used for their maintenance.

Regulations for determining the scope and scale for the software and hardware facilities of the preceding Paragraphs, the criteria for collecting user fees, operation and maintenance of such software and hardware, and other related matters shall be prescribed by the competent authority in consultation with relevant authorities concerned.

#### Article 6

Each central competent authority in charge of specific business shall establish mechanisms for monitoring the competitiveness of the industries under their supervision so as to stay informed of the industries' preparations in response to trade liberalization and the impact of trade liberalization.

#### Article 7

Each central competent authority in charge of specific business may, in accordance with the monitoring results of the preceding Article, provide appropriate adjusted support to designate industries likely to be impacted by market access and need guidance, or have been impacted and need enhanced guidance.

The designate industries pursuant to the preceding Paragraph shall be reviewed at least once every three years.

The criteria for designating the industries of Paragraph 1, the content to related adjusted supporting measures, and other related regulations shall be prescribed by each central competent authority in charge of such business.

#### Article 8

Each central competent authority in charge of specific business shall provide consultation services to assist enterprises in reducing or eliminating the impact of economic and trade treaties or agreements with other countries.

#### Article 9

Where small-and-medium enterprises offering products or services identical to or directly competing against products or services that enjoy market access suffer impact to a certain degree, beginning from six months after the obligation to open the market becomes effective to the fifth anniversary of the date of completely fulfilling the undertakings under such treaties or agreements, such enterprises may submit supporting documentation to request for determination as damaged enterprises.

Requests under the preceding Paragraph shall be handled uniformly by the competent

authority. Where the content of the request concerns the duties of other central competent authorities in charge of specific business, determination shall be subject to the decision of all such other central competent authorities and the competent authority.

Where an enterprise is determined damaged, each central competent authority in charge of such business shall assist the enterprise in formulating a recovery plan and help it change its core business, transition to another industry, or exit from operations. Where an enterprise's recovery plan is approved, each central competent authority in charge of the specific business may provide it with certain subsidy to facilitate the implementation of the plan. Eligibility for the request to determine damaged enterprises, required documents, application procedure, criteria for determining the extent of the impact, criteria for reviewing recovery plans of the preceding Paragraph, maximum amount of the subsidy, and regulations governing other related matters shall be prescribed by the competent authority in consultation with relevant authorities concerned.

#### Article 10

Each central competent authority in charge of specific business may provide or assist damaged enterprises in obtaining priority status with other competent authorities in receiving guidance or low-interest loans other than those set forth in Paragraph 3 of the preceding Article.

#### Article 11

During the implementation of their recovery plans, damaged enterprises shall accept the visits and follow-up visits by each central competent authority in charge of the specific business or the agencies (divisions) commissioned by such authority, and submit regular progress reports as required by each central competent authority.

If a damaged enterprise is found to have received subsidy from each central competent authority in charge of the specific business by providing false information, each central competent authority may cancel such subsidy and recover the amount of the subsidy from the enterprise.

If a damaged enterprise refuses to accept a visit or a follow-up visit, or fails to regularly submit a progress report of Paragraph 1 for no just reason, each central competent authority in charge of the specific business may notify the enterprise to make corrections; in the event such violation is severe, [each central competent authority] may revoke the subsidy and recover all or part of the subsidized amount.

#### Article 12

The Ministry of Labor shall provide appropriate adjusted supporting measures to workers belonging to designate industries needing guidance or enhanced guidance pursuant to Article 7 or to workers belonging to damaged enterprises as determined under Article 9.

Workers belonging to an enterprise offering products or services identical to or directly competing against products or services of market access which has not been determined damaged may, within the time limit set forth in Paragraph 1, Article 9, submit supporting documents to the Ministry of Labor to request for determination as damaged workers, and are applicable to the adjusted supporting measures of the preceding Paragraph.

Adjusted supporting measures of Paragraph 1, eligibility for the request to determine damaged workers of the preceding Paragraph, required documents, application procedure, and determination criteria, and regulations governing other related matters shall be prescribed by the Ministry of Labor.

#### Article 13

In processing the determination of damaged enterprises or damaged workers of Article 9 or Article 12, the competent authority or each central competent authority in charge of specific business may ask for information or other necessary assistance from related authorities, institutions, enterprises, or organizations.

The scope of the information and the types of the assistance of the preceding Paragraph, and regulations governing other related matters shall be prescribed by the competent authority in consultation with related authorities concerned.

#### Article 14

To assist industries, enterprises, and workers in response to trade liberalization, each central competent authority in charge of specific business shall allocate funds to finance related adjusted supporting measures, and the Executive Yuan shall establish an adjusted supporting fund in response to trade liberalization.

Sources of the fund to the preceding Paragraph shall be the followings:

- 1.Appropriations from the central government's annual budget;
- 2.Appropriations from other special funds;
- 3.Donations from state-owned or private enterprises, or individuals;
- 4.Interest accrued on the fund;
- 5.Other related income.

The fund under Paragraph 1 shall be used for the following purposes:

- 1.Assist each central competent authority in charge of specific business in financing adjusted supporting measures and in promoting industrial and enterprise development projects in accordance with this Statute in response to trade liberation;
- 2.Subsidize damaged enterprises and provide subsidies for interest on related loans;
- 3.Otherwise as approved by the Executive Yuan.

Donations under subparagraph 3, Paragraph 2, once verified by the competent authority, may be deductible from the total income of the current year in accordance with the Income Tax Act.

#### Article 15

The Executive Yuan shall invite related authorities, scholars, experts, and representatives of civil groups such as industry (labor) associations to provide consultation and assistance to promote matters related to trade liberalization.

#### Article 16

The competent authority may establish or assist private sectors in establishing a one-stop window to provide the following services:

- 1.Promote, explain and provide consultation on this Statute and other guidance policies and measures in response to trade liberalization;
- 2.Accept applications and assist enterprises and workers in applying for determination as damaged and drafting recovery plans, and handle other related matters;
- 3.Promote and assist enterprises in effectively applying incentive measures under economic and trade treaties or agreements;
- 4.Regularly report to the competent authority the effects of implementing related adjusted supporting measures;
- 5.Assist the competent authority in investigating industry and market situations;

6. Carry out other related matters as commissioned by the competent authority or the central  
7. competent authorities in charge of specific businesses.

Article 17

The enforcement rules of this Statute shall be prescribed by the competent authority.

Article 18

This Statute shall come into force force from the date of promulgation.

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Data Source : Ministry of Economic Affairs R.O.C.(Taiwan) Laws and Regulations Retrieving System