

# WORLD TRADE ORGANIZATION

G/SCM/Q2/TPKM/2  
12 September 2002

(02-4815)

Committee on Subsidies  
and Countervailing Measures

Original: English

## SUBSIDIES

### Questions Posed by AUSTRALIA Regarding the New and Full Notification of THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU<sup>1</sup>

The following communication, dated 9 September 2002, has been received from the Permanent Mission of Australia.

Australia submits the following questions with respect to the new and full notification of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu contained in document G/SCM/N/71/TPKM.

### III. INDUSTRY

#### A. TAX CREDITS OR TAX EXEMPTIONS FOR DESIGNATED ENTERPRISES

##### 1. Five-Year Tax Exemption for the Emerging, Important and Strategic Industries

1. Can you please advise whether the programme is contingent in any way on the use of domestic content, or export performance?
2. Can you please advise what are the type of high value-added industries that have benefitted from the scheme during the reporting period?
3. How many enterprises have benefitted from this scheme during the reporting period?
4. How is an “emerging, important or strategic” industry defined?
5. What will be the maximum amount of funding than an enterprise can be eligible for on an annual basis?

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<sup>1</sup> G/SCM/N/71/TPKM

**B. LOANS**

**2. Medium and long term loans for product marketing, and loans for overseas investment and construction projects**

1. We note that the programme provides financial assistance to SMEs to explore new markets for machinery and equipment. Is the funding contingent on the export of these products?

**RESEARCH AND DEVELOPMENT**

**Funds granted for development of products of the ten new leading industries.**

1. What is the maximum level of grant and interest-free loan available per enterprise?
  2. Can you please advise whether the programme is contingent in any way on the use of domestic content, or export performance?
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