

MOEA 2020 4th New Economic Development

Consulting Meeting

Minutes Abstracts

1. Future industrial development opportunities and positioning
 - (1) The considerations for formulating future industrial policies: To formulate future industrial strategies, it is necessary to describe the future in advance, such as the expected industrial development results and economic life patterns in the future, and then transfer existing advantages and strengths to the future.
 - (2) Software oriented or software and hardware integrated should be included in future goals:
 - A. Taiwan should strengthen R&D cooperation with end-market countries such as the United States and Europe; try to improve domestic R&D and advanced technology capabilities with advanced technology countries; establish solid and mutually beneficial partnerships with many manufacturing countries, and Taiwan should focus on advanced manufacturing. Meanwhile, to transform the current production model into an integrated role of software and hardware as Taiwan's core value in the industrial ecosystem.
 - B. In the future, software-driven is a major global industrial development trend. The new infrastructure for software-driven is communications plus AI, data science, etc., combined with domain knowledge, requires government to lead the industry to jointly construct the industrial infrastructure for the next

generation.

- C. To establish a new government agency responsible for software:
New government agency responsible for software should be established as soon as possible.

2. Taiwan industry positioning

- (1) Taiwan should be positioned as an innovation hub in the Asia-Pacific: the goal is to build Taiwan into an innovative manufacturing, high-value service, research and development, patent and operation center in order to promote Taiwan as a technology integration center.
- (2) To build a strong industrial ecosystem that linkage with other countries in Taiwan: A strong manufacturing ecosystem is based on "uninterrupted operation", "decentralized production" and "intelligent decision-making."
- (3) Headquarters Economy 2.0 - a new concept of headquarters in the post-pandemic era: through smart (5G+AI+IoT) infrastructure, digital technology, and cloud services, operational and analytical decision data such as capital flow, information flow, and knowledge flow at the Taiwan headquarters to analyze, forecast and decision-making for resource scheduling, risk response, etc., making "made by Taiwan" or "hub in Taiwan" as an important command center, operations research center or battle situation center of the regional and international industrial division system network.
- (4) Information security system and its industrial chain: Taiwan can rely on its advantages to build a world-trusted information security system and industrial chain under the conditions of increased digital transformation and information security risks, and strengthen its trustworthy relationship with international

strategic partners.

- (5) Emerging industry development areas: to develop various emerging industry areas and need to accelerate digital transformation of industries that promote Taiwan's industrial upgrading.
3. Factors restricting industrial development: Taiwan's resources are scarce, and high-energy-consuming industries require choices from the point of view of policy; in addition, politics, internationalization, transportation, and regulatory are also restrictions. In addition, regulations adjustment includes to revise the "Financial Revenue and Expenditure Division Law" to increase the willingness of local investment; the income tax rate for outstanding talents should be reduced; the tax deduction for enterprise innovation investment; release and simplify the identification of overseas tax deduction vouchers; rewards and incentives for enterprises to foster new start-ups should be given to guide capital investment.