



Division on Investment, Technology and Enterprise Development

## World Investment Report 2006

### *FDI from developing and transition economies: implications for development*

Country fact sheet:

## Taiwan Province of China

**EMBARGO**

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17:00 hrs GMT on 16 October 2006.

### Foreign direct investment (FDI) overview, selected years

(Millions of dollars and percentages)

FDI flows	1990-2000	2002	2003	2004	2005	as a percentage of gross fixed capital formation			
	(Annual average)					1990-2000	2003	2004	2005
						(Annual average)			
<b>Taiwan Province of China</b>									
<b>Inward</b>	1 774	1 445	453	1 898	1 625	2.9	0.8	2.8	2.3
<b>Outward</b>	3 777	4 886	5 682	7 145	6 028	6.6	10.4	10.5	8.5
<i>Memorandum</i>									
China									
Inward	30 104	52 743	53 505	60 630	72 406	11.3	8.6	8.0	9.2
Outward	2 195	2 518	- 152	1 805	11 306	1.0	-	0.2	1.4
Hong Kong, China									
Inward	13 841	9 682	13 624	34 032	35 897	32.5	40.6	96.4	97.0
Outward	20 393	17 463	5 492	45 716	32 560	48.2	16.4	129.5	88.0
East Asia									
Inward	48 777	67 350	72 174	105 074	118 192	8.9	8.1	9.9	10.5
Outward	29 473	27 556	14 441	59 211	54 189	5.6	1.6	5.6	4.8
Asia and Oceania									
Inward	76 616	96 244	110 489	157 328	199 951	8.0	7.7	9.4	11.1
Outward	37 352	34 726	18 995	83 446	83 584	3.9	1.4	5.0	4.7
Developing economies									
Inward	134 670	163 583	175 138	275 032	334 285	8.9	9.3	10.7	12.8
Outward	56 580	49 742	35 566	112 833	117 463	3.3	1.6	4.8	5.1
World									
Inward	495 391	617 732	557 869	710 755	916 277	7.6	7.3	7.7	9.4
Outward	492 566	539 540	561 104	813 068	778 725	7.7	7.4	9.3	8.3
<b>FDI stocks</b>						as a percentage of gross domestic product			
	1980	1990	2000	2004	2005	1990	2000	2004	2005
<b>Taiwan Province of China</b>									
<b>Inward</b>	2 405	9 735	17 581	40 304	41 929	6.1	5.7	13.2	12.1
<b>Outward</b>	13 009	30 356	66 655	91 265	97 293	18.9	21.7	29.8	28.1
<i>Memorandum</i>									
China									
Inward	1 074	20 691	193 348	245 467	317 873	5.4	17.9	14.9	14.3
Outward	..	4 455	27 768	35 005	46 311	1.2	2.6	2.1	2.1
Hong Kong, China									
Inward	21 175	45 073	455 469	453 031	532 956	59.4	275.4	275.2	299.9
Outward	148	11 920	388 380	403 094	470 458	15.7	234.9	244.9	264.7
East Asia									
Inward	28 782	84 065	707 900	800 690	962 909	9.3	34.0	28.3	27.0
Outward	13 284	49 032	509 636	562 018	651 012	5.4	24.5	19.9	18.2
Asia and Oceania									
Inward	58 668	193 774	1 066 419	1 310 910	1 555 076	9.0	26.5	23.9	23.2
Outward	16 351	68 230	614 605	755 520	874 305	3.3	15.3	13.8	13.0
Developing economies									
Inward	137 147	370 314	1 756 394	2 349 348	2 756 916	9.8	26.3	27.9	27.0
Outward	72 307	148 715	871 040	1 120 008	1 273 612	4.1	13.0	13.3	12.5
World									
Inward	561 403	1 789 303	5 802 933	9 544 887	10 129 739	8.5	18.3	23.3	22.7
Outward	571 228	1 791 092	6 471 435	10 325 240	10 671 889	8.6	20.5	25.2	23.9

Source: UNCTAD, *World Investment Report 2006*; [www.unctad.org/wir](http://www.unctad.org/wir) or [www.unctad.org/fdistatistics](http://www.unctad.org/fdistatistics)

For details, see "definitions and sources" in annex B and annex tables B. 1-3 in WIR06.

## Cross-border merger and acquisition overview, 1990-2005

(Millions of dollars)

	Sales				Purchases			
	1990-2000	2003	2004	2005	1990-2000	2003	2004	2005
	(Annual average)				(Annual average)			
<b>Taiwan Province of China</b>	<b>17</b>	<b>422</b>	<b>398</b>	<b>756</b>	<b>417</b>	<b>253</b>	<b>710</b>	<b>634</b>
<i>Memorandum</i>								
China	339	3 820	6 768	8 253	280	1 647	1 125	5 279
Hong Kong, China	2 246	6 098	3 936	9 472	2 080	4 168	2 963	10 470
East Asia	2 749	14 105	16 743	25 811	3 014	6 730	5 207	16 834
Asia and Oceania	4 757	21 654	24 820	59 450	5 531	18 533	20 604	53 601
Developing economies	12 561	40 166	54 700	100 633	9 128	31 060	39 809	83 150
World	117 889	296 988	380 598	716 302	117 889	296 988	380 598	716 302

Source: UNCTAD, *World Investment Report 2006*; [www.unctad.org/wir](http://www.unctad.org/wir) or [www.unctad.org/fdistatistics](http://www.unctad.org/fdistatistics)

For details, see "definitions and sources" in annex B and annex tables B. 4 and 6 in *WIR06*.

### Inward FDI Performance and Potential Index rankings, 1990-2005<sup>a</sup>

Economy	Inward FDI Performance Index				Inward FDI Potential Index				
	1990	2000	2004	2005	1990	2000	2003	2004	
Guatemala	24	94	120	122	Hong Kong, China	20	13	14	15
Germany	87	50	111	123	France	7	12	15	16
Niger	58	130	122	124	Korea, Republic o	21	18	16	17
Burkina Faso	97	121	121	125	Australia	12	20	20	18
<b>Taiwan Province of Chi</b>	<b>47</b>	<b>111</b>	<b>125</b>	<b>126</b>	<b>Taiwan Province</b>	<b>22</b>	<b>21</b>	<b>17</b>	<b>19</b>
Rwanda	63	127	129	127	Switzerland	11	14	18	20
Uzbekistan	..	116	126	128	Denmark	16	17	19	21
Kenya	74	126	127	129	Japan	13	11	21	22
Haiti	79	123	132	130	Israel	31	22	22	23
Japan	110	128	134	131	Spain	24	25	24	24

Source: UNCTAD, *World Investment Report 2006*; [www.unctad.org/wir](http://www.unctad.org/wir) or [www.unctad.org/fdistatistics](http://www.unctad.org/fdistatistics)

Note: Covering 141 economies. The performance index is based on the country's share in global FDI inflows and GDP. The potential index is based on 12 economic and policy variables. Country order is based on the ranking of 2005, for Inward FDI Performance Index, and 2004, for Inward FDI Potential Index.

<sup>a</sup> Three-year moving averages, using data for the three previous years, including the year in question  
For details, see annex table A.I.9. in *WIR06*.

### Outward FDI Performance Index ranking, 1990-2005

Economy	1990	2000	2004	2005
Bahrain	9	16	19	17
Germany	20	20	16	18
Spain	35	22	17	19
Malaysia	26	17	18	20
<b>Taiwan Province of China</b>	<b>10</b>	<b>21</b>	<b>22</b>	<b>21</b>
Australia	19	19	21	22
Bahamas	6	10	20	23
Azerbaijan	..	36	26	24
Portugal	46	26	23	25
Austria	42	31	25	26

Source: UNCTAD, *World Investment Report 2006*; [www.unctad.org/wir](http://www.unctad.org/wir) or [www.unctad.org/fdistatistics](http://www.unctad.org/fdistatistics)

Note: Covering 141 economies. The performance index is based on the country's share in global FDI outward stocks and GDP. Country order is based on the ranking of 2005.

<sup>a</sup> Three-year moving averages, using data for the three previous years, including the year in question

## Presence in the top 100 non-financial TNCs from developing countries, ranked by foreign assets, 2004 <sup>a</sup>

(Millions of dollars and number of employees)

Corporation	Ranking by:				Foreign			
	Foreign assets	TNI <sup>b</sup>	II <sup>c</sup>	Industry	Assets	Sales	Employment	No. of affiliates
Formosa Plastic Group	11	66	23	Industrial chemicals	6 968	6 995	61 626	14
Hon Hai Precision Industries (Foxconn)	20	43	22	Electrical and elect	4 355	7 730	140 518	32
Quanta Computer Inc	37	69	8	Computer and relat	3 181	1 046	6 624	8
United Microelectronics Corporation	39	81	15	Electrical & electron	3 037	1 677	1 052	10
Taiwan Semiconductor Manufacturing	42	74	9	Computer and relat	2 770	3 093	6 086	8
Benq Corp.	57	38	56	Computer and relat	1 680	2 885	10 718	6
Acer Inc.	58	42	40	Electrical & electron	1 641	3 536	5 536	34
Delta Electronics Inc.	65	34	83	Electrical & electron	1 286	1 203	2 358	13
Cheng Shin Rubber Industries Compan	73	29	28	Rubber tyres	1 080	651	10 795	3
Advanced Semiconductor Engineering	74	78	17	Computer and relat	1 076	773	8 847	10
Yang Ming Marine Transport Corporati	81	72	18	Transport	970	660	588	34
Kinpo Electronics Inc	87	20	59	Computer and relat	848	1 846	589	2
Unimicron Technology	88	26	52	Electrical & electron	839	347	9 462	1
Chunghwa Picture Tubes	93	87	21	Computer and relat	793	1 316	2 722	4
Elitegroup Computer System Com.	99	18	29	Computer and relat	708	1 011	895	5

Source: UNCTAD/Erasmus University database.

For details, see annex table A.I.12. in WIR06.

<sup>a</sup> All data are based on the companies' annual reports unless otherwise stated. Data on affiliates is based on the Dun and Bradstreets 'Who owns Whom' database.

<sup>b</sup> TNI, the Transnationality Index, is calculated as the average of the following three ratios: foreign assets to total assets, foreign sales to total sales and foreign employment to total employment.

<sup>c</sup> II, the "Internationalization Index", is calculated as the number of foreign affiliates divided the number of all affiliates (Note: Affiliates counted in this table refer to only majority-owned affiliates).

Note: The list covers non-financial TNCs only. In some companies, foreign investors may hold a minority share of more than 10 per cent.

\* \* \* \* \*

*This fact sheet and additional information on the World Investment Report 2006 and the Report itself can be found at the following URL:*

<http://www.unctad.org/wir>

*The sources for all this information are the World Investment Report 2006 and UNCTAD databases on FDI/TNC, cross-border M&As and BITs and DTTs. These databases can be found at the following URL:*

<http://www.unctad.org/fdistatistics>

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For more information, please contact **Masataka Fujita**, Chief, Investment Trends Section, Investment Issues Analysis Branch, Division on Investment, Technology and Enterprise Development, UNCTAD, tel: +41 22 917 6217, fax: +41 22 917 0194, or e-mail: [masataka.fujita@unctad.org](mailto:masataka.fujita@unctad.org); or Press Office, tel: +41 22 917 5828/1646, fax: +41 22 917 0051, or e-mail: [unctadpress@unctad.org](mailto:unctadpress@unctad.org)