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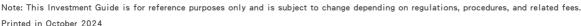
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STSP is the top destination choice for foreign corporate leaders and VIPs! With tens of billions worth of investment in research and development, Southern Taiwan Science Park is a prime location with top talents, high-quality and convenient living environment with comprehensive services and amenities. Focused on the development of multiple intelligence, it has accrued professional and technical human resources to bridge the gap of any talent shortage.

#### A. Excellent Living Environment

Tainan Science Park provides an excellent living environment. Facilities include PARK 17 Shopping Mall, Wellness Center, STSP Community Center, and STSP Commercial Center as well as a dormitory complex that suits different occupancy needs. The community is equipped with services that satisfy all your day to day needs. To make settling in easier for parents, it provides daycare centers and kindergartens. It has also established the National Nanke International Experimental High School - which includes high school, middle school, primary school, and bilingual school - focused on the development of multiple intelligence with emphasis on science education. It is the first green architecture school with EEWH diamond certification in Taiwan and a leading educational institution with vision and global perspectives.

With state-of-the-art convenient living environment, the Kaohsiung Science Park standard factory will provide employee cafeteria, dormitories with amenities such as 7-11 shops, affordable high quality childcare centers for employees in the Park. The administrative service area currently provides mail collection services. The shopping center adjacent to the administrative service area has a 7-11 convenient store as well as cafe and dining services. Electric vehicle charging stations are located in the surrounding area. Preschool care will be available in the second half of 2024.

Ciaotou Science Park, Nanzih Science Park, Chiayi Science Park, and Pingtung Science Park will provide convenient living amenities and services in the commercial office building, including convenience stores, employee cafeteria and restaurants, childcare centers and more.



#### B. Good Location and Easy Accessibility

Tainan Science Park boasts excellent accessibility. Free shuttle service runs between the Park to Train station, High-speed railway, and bus stations. The Park can be accessed from National Highways No. 1, 3, and 8. For public transportation, visitors can take Taiwan Railway Shalun Line to Nanke Station, then connect with the Park's free shuttle bus to arrive at the Park. Visitors can also take Taiwan High Speed Rail to Tainan Station then connect with the High-Speed Rail Line shuttle bus to arrive at the Park. It is a comprehensive transportation accessibility plan.

Kaohsiung Science Park is a 25-minute drive from both Tainan and Kaohsiung, about 40 minutes away from Kaohsiung International Airport and Kaohsiung Harbor, and 7 minutes away from both Luzhu and Gangshan downtown areas. Visitors traveling by car can take Kaohsiung Science Park Interchange off National Highway No. 1 to the Park directly. Visitors who wish to use public transportation can take Kaohsiung MRT to Gangshan South Station, or

Taiwan Railway to either Luzhu Station or Gangshan Station then take Provincial Highway No. 1, to connect with Kaohsiung Bus to arrive at the Park, or take the shuttle bus from Taiwan Railway Luzhu Station to arrive at the Park. In 2027, Kaohsiung MRT is expected to complete the Gangshan Luzhu Line extension from Gangshan District to Hunei District, which will give direct access to Kaohsiung Science Park Station, and greatly improve transportation accessibility.

Ciaotou Science Park is located in Ciaotou District, part of Kaohsiung New Municipal Special District, and near National Kaohsiung University of Science and Technology. It has Taiwan Railway and Kaohsiung MRT Red Line in the west, bordering Taiwan High-Speed Railway in the east, National Highway No. 1 running through the Park, Gangshan Interchange 1.7 km away in the north, and Nanzih Interchange 2.4 km away in the south. The MRT Ciaotou Railway Station (Taiwan Railway Ciaotou Station), MRT Ciaotou Sugar Refinery Station, and Taiwan High Speed Rail Zuoying Station are 1.6km, 1.5km and 14km away from Ciaotou Science Park.

Chiayi Park is located at Taibao City in Chiayi County, adjacent to Chiayi County Special Administrative Region. Transportation systems around the park include Provincial Highway 18, Provincial Highway 37, and National Highway 1 on the east; Gugong Boulevard and Provincial Highway 82 on the south; County Highway 157 on the west, and County Highway 59 on the north side of the park. Chiayi High Speed Rail Station, on the east side of the park, with about 56 trains passing through daily, provides additional transportation convenience.

Pingtung Park is located within the designated zone reserved for High Speed Rail Pingtung Station in Pingtung County, and adjacent to the industrial clusters of Pingtung Technology Industrial Park and Automobile Professional Zone. Transportation systems nearby include National Highway 1 on the south; County Highway 189, Provincial 88 Expressway and National Highway 3 on the west, and Taiwan Railway Liukuaicuo

Station on the north side of the park. Additionally, future High Speed Rail Pingtung Station and newly constructed Taiwan Railway New Liukuaicuo Station, located on the north side of the park, will greatly enhance the park's transportation convenience.

The Nanzih Park is located in the Nanzih District of Kaohsiung City. To the north, it is adjacent to the Nanzih Campus of National Kaohsiung University of Science and Technology. It borders the Nanzih Processing Zone to the west, and the Banpingshan to the south. To the east, it is connected to National Highway No. 1, Provincial Highway 1, and Provincial Highway 22. To the west, it is connected to Provincial Highway 17. To the north, it is connected to the Taiwan Railways and the Kaohsiung MRT Red Line. Nanzih Park is located approximately 3.5 kilometers from the Nanzih Interchange, ~ 1.1 kilometers from the Houjing Station on the KMRT Red Line, and ~ 2 kilometers from Nanzih Railway Station, providing a well-developed and convenient transportation system.

#### C. Adequate Supply of Water and Electricity

STSP provides adequate water and electricity supply. The water supply consists of tap water and recycled water. In addition, a dual-circuit power supply system is built in the park to ensure high power reliability. Descriptions about each park as follow:

- 1.The Tainan Park can provide up to 335,000 tons of water and up to 3.29 GW of electricity daily.
- 2.The Kaohsiung Park can provide up to 60,000 tons of water and up to 1 GW of electricity daily.
- 3.The Ciaotou Park can provide up to 40,000 tons of water and up to 450,000 kW of electricity daily.
- 4.The Tainan Park Phase III can provide up to 8,000 tons of water and up to 100,000 kW of electricity daily.
- 5.The Chiayi Park can provide up to 29,000 tons of water and up to 260,000 kW of electricity daily.
- 6.The Pingtung Park can provide up to 5000 tons of water and up to 66,000 kW of electricity daily.

7.The Nanzih Park can provide up to 113,000 tons of water and up to 1.1 GW of electricity daily.

#### D. Environmental Friendliness

STSP is equipped with a well-designed sewage system, a wastewater disposal plant, and a waste recycling center (in Tainan Science Park). Both Tainan and Kaohsiung Science Parks have been granted a "diamond rating" ecological community and green building label by the Ministry of the Interior. As of May 2024, STSP is home to 17 EEWH diamond-rating green buildings, giving STSP the densest concentration of diamond-rating green buildings in any of Taiwan's science parks; there are also nine gold-rating and eight silver-rating buildings in STSP. Tainan Science Park's waste recycling center is the first waste disposal facility in Taiwan to be certified by passing the ISO 50001 energy management standard, which is a solid indicator of the Park's achievements in energy conservation and reducing greenhouse gas emissions. For three years in a row, it received the Silver Medal of the ROC Enterprises Environmental Protection Award and Honorable Awards from the EPA. (24<sup>th</sup>~26<sup>th</sup>) The center is committed to ecofriendliness, sustainable development, and environmental responsibility. It also sets a good example of sustainable development for other waste disposal facilities. Ciaotou Science Park, Tainan Science Park Phase III, Chiavi Science Park, and Pingtung Science Park are built on the basis of the current park management experience and promote environmental protection management measures; including the construction of sewage sewer systems, scheduled monitoring of air quality, noise, vibration, and surface water quality to ensure the environmental quality of the parks.

#### E. Adequate Supply of Human Resources

The Park lies in the vicinity of several universities and colleges, including National Cheng Kung University, National Chung Cheng University, National Sun Yatsen University, National University of Kaohsiung,

Kaohsiung Medical University, National Kaohsiung University of Science and Technology, Southern Taiwan University of Science and Technology, National Chiayi University, National Pingtung University, National Pingtung University of Science and Technology, and more than fifty other public and private schools. Collaboration between academia and industry provides the Park with a ready and able workforce.







#### A. Tax Incentives

STSP is a bonded area where machinery, equipment, raw materials, fuel, supplies, samples, and semi-finished goods that are imported by resident businesses for production purposes are exempt from customs duty and commodity and business taxes and must clear customs under relevant regulations. No procedures for tax exemption, collateral, book-keeping or duty advance fees need to be filed. The business tax rate is zero for goods and services exported by a resident business.

#### B. R&D Resourcefulness

Science parks take part in industry-academia collaboration initiatives and manpower development programs. STSP also provides the Southern Precision Health Industry Cluster Development Program and R&D subsidizing programs, to encourage science-based businesses to engage in product and technology research innovation.

#### C. Government Capital Investment

1.Investors may apply to the National Development Fund of the Executive Yuan for government investment.

#### National Development Fund, the Executive Yuan

https://www.df.gov.tw

886-2-2389-0633 for Business Division or Division Chief

2.The Incubation Board for Startup and Acceleration Firms (GISA): With the support of competent authorities, GISA was established with by GTSM (GreTai Securities Market) with the support of competent authorities as a fundraising mechanism for non-publiclisted, small-size, and innovative startups.

GISA provides stock right fundraising and transaction can only be made on GTSM's GISA system. STSP Bureau can assist resident businesses with applications, provide recommendation letters or a formal documents supporting a business's status as innovative.

#### GreTai Securities Market

- ♀ 11F., No.100, Sec.2, Roosevelt Road, Taipei City, Taiwan
- https://www.tpex.org.tw/web/
- **886-2-2369-9555** for persons in charge

# D. Ample Opportunities: Matching and Promoting Industry-Academia Collaboration

To stay up to date with industry developments, seminars and partnership matching fairs are held from time to time to meet businesses'needs for innovation, starting up, human resources, finance, and technology, as well as improving employees'expertise. These activities also identify STSP as a base for innovation, research, and development.

#### E. Domestic and Global Market Expansion

To help resident businesses expand their markets, STSP Bureau investigates residents willingness to participate in local and international trade fairs, sets aside subsidies, and provides assistance each year. We help our resident business to expand their markets and market their products worldwide.

#### F. Ciaotou Science Park New Town Development Act Tax Preferences

Ciaotou Science Park is located in Kaohsiung's specified new town district. Under the New Town Development Act, tax preferences include business income tax deduction and housing tax exemption.

#### G. Others (Resources from Local Governments)

Local governments offer advantages and R&D subsidies from time to time to attract enterprises to locate in science parks under their administration.



#### **Contact information**

#### Economic Development Bureau, Tainan City Government

Website https://economic.tainan.gov.tw/

Telephone 886-6-632-2231



Investment Promotion Division, Economic Development Bureau, Kaohsiung City Government (Invest Kaohsiung)

Website https://invest.kcg.gov.tw

Telephone 886-7-332-9468 | Fax 886-7-536-0611



## Economic Development Department, Chiayi County Government

Website https://economic.cyhg.gov.tw

 $\textbf{Telephone}\ 886\text{-}5\text{-}362\text{-}0123$ 



# Department of Urban and Rural Development, Pingtung County Government

Website https://www.pthg.gov.tw/planeab/Default.aspx



Telephone 886-8-732-4324



STSP aims to deliver full services to the tenant companies through its one-stop service mechanism. STSP is authorized by government agency to manage all tenant company related administrative services, including investment, labor, business, construction management, land development, environmental protection, and industrial safety issues.



#### Investment Services Division

Investment recruitment, investment applications from foreign nationals and overseas Chinese, investment promotion, exchange and collaboration with science parks and relevant organizations abroad, subsidies for industryacademia collaborations, R&D projects.



## **Business Division**

Set-up and business coaching services, leasing related affairs, business registration, international trade certification, issuance of certificates of origin and ECFA certificates of origin, supervision of high-tech products, bonded system related affairs, affairs related to customs clearance system automation, and management fee collection.



#### Land Development Division

Planning and development of park land, public facilities, public parking, construction of landscaping, parks, green space and landscaping maintenance and management, temporary publication review and management, application review and management of displays of posters and banners, excavation projects review and management, traffic planning and management, water related affairs, power supply and coordination planning



#### **Environment and Labor Affairs Division**

Labor-management regulations and affairs, coaching and consultation, occupational health and safety, labor inspection, environmental protection affairs planning and management, environmental quality control and monitoring, inspection and analysis, air pollution emissions control and management.

## Construction Management Division

Park planning and development, urban and regional planning, land use control and building management, land acquisition, factory and dormitory leasing, construction of public buildings and landscaping, construction and maintenance of standard factories and dormitories.



#### **Planning Division**

Development strategies and measures, innovation and environment for start-ups, policy implementation and results, administrative reform and service quality, administration related affairs R&D, business operation budgeting, financial planning and allocation, legal advice regarding code requirements, contracts, lawsuits, etc.







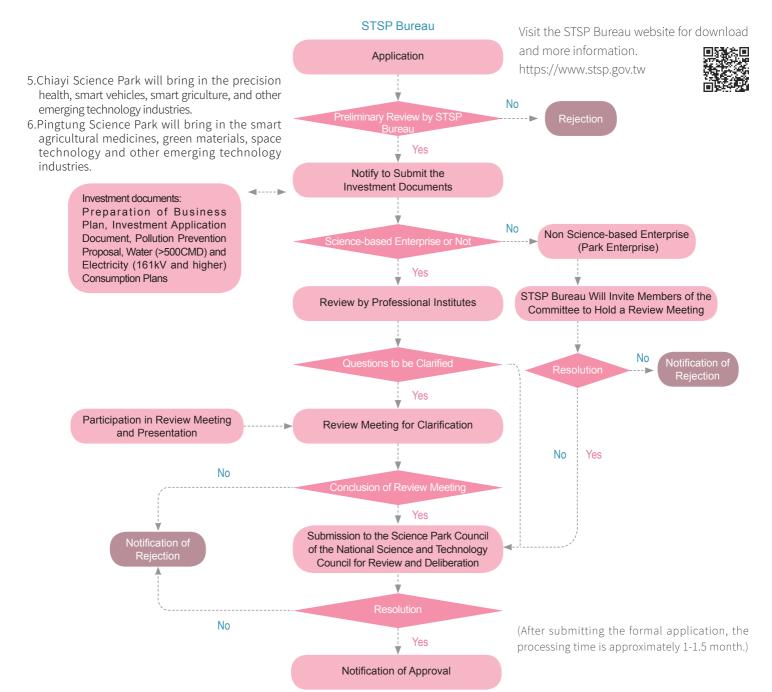


#### Application for Locating a Business in the Park

STSP is the core of Taiwan's Science and Technology Corridor. STSP currently includes Tainan Science Park (including Phase III), Kaohsiung Science Park, Ciaotou Science Park,Nanzih Science Park, Chiayi Science Park, and Pingtung Science Park. The total land area is about 2,275 hectares. Known for international competitiveness, STSP seeks to expand with more tenant company partners.

# A. Obtaining a Science-Based Enterprises Qualification (Administering Agency: Investment Services Division)

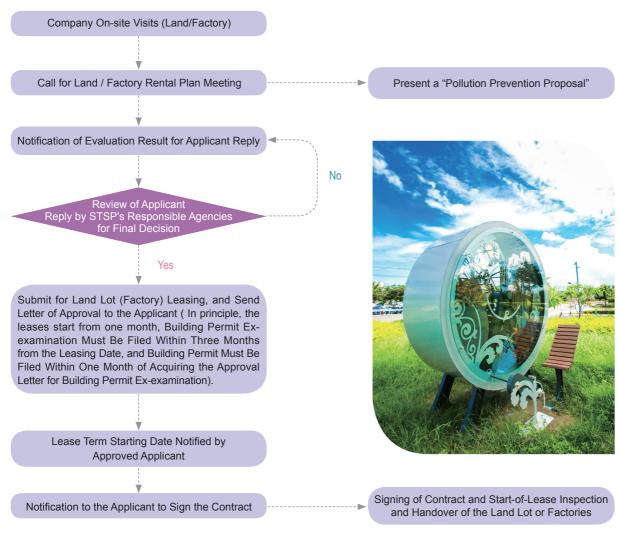
- (1)The science-based enterprises shall be in a type of a company, branch or other commercial organization duly incorporated or recognized according to law. Its investment plans shall coordinate with industrial development of the country capable of using or cultivating more native scientific and technological professionals. Besides, the funds invested by such a science-based enterprise into R&D shall be above a specified percentage of its business turnover and shall meet any one of the following requirements:
  - 1.The enrolled science-based enterprises shall embody full designing capability of products or services and undergo integrated development plans.
  - 2.The products or services shall pass through initial research and development phase and proceed to continued development and progress.
  - 3.The products or services shall have potentiality for prospective development and innovation.
  - 4.The enrolled science-based enterprises shall engage in highlevel of technology innovation, research, and development work.
  - 5.The enrolled science-based enterprises shall bring in and cultivate high-level of science and technology professionals. Higher ratios of R&D investment shall be involved in the process of manufacturing or technology R&D.
  - 6.The operation of enrolled enterprises shall contribute significantly to domestic economic development or national defense.
- (2)STSP plans to bring in the following key industry categories:
  - 1.Tainan Science Park and Kaohsiung Science Park plan to bring in the integrated circuits, precision machinery, optoelectronics, telecommunications, biotechnology, computer peripherals industries.
  - 2.Tainan Science Park Phase III will bring in the integrated circuits (excluding dvanced manufacturing process), smart machinery, precision health and industrial innovation industries.
  - Ciaotou Science Park will bring in the integrated circuits, aerospace, precision ealth, smart machinery, and industrial innovation industries.
  - 4.Nanzih Science Park will bring in the semiconductors and other emerging technology industries.



# B. Renting a Lot to Build a Factory or Renting a Standard Factory (Administering Agency: Land Development Division)

Visit the STSP Bureau website for download and more information. https://www.stsp.gov.tw





(1 to 1.5 month)

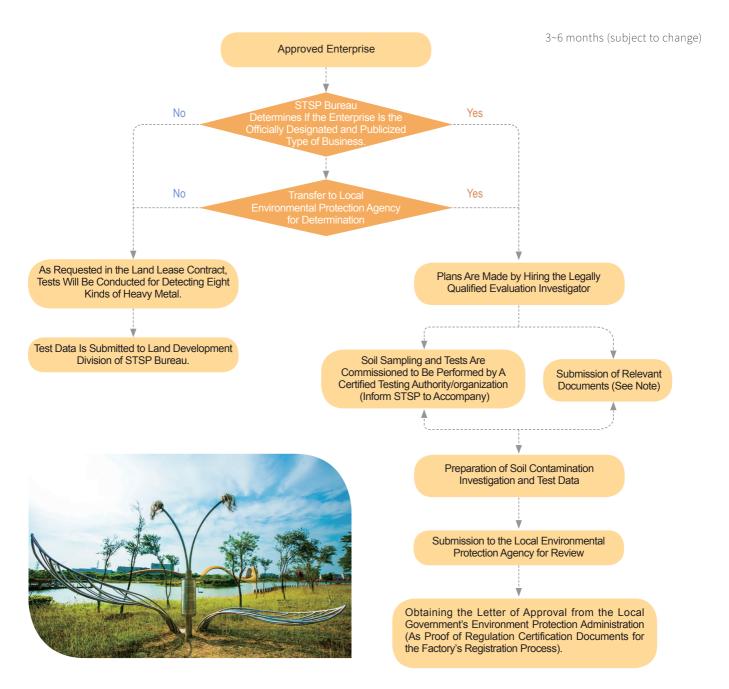
# C. How to Conduct Soil Pollution Assessment Investigations and Testing Operations (Administering Agency: Environment and Labor Affairs Division)

Under regulations of Ministry of Environment, an officially designated and publicized enterprise, as defined in Paragraph 1, Article 9 of Soil and Groundwater Pollution Remediation Act, shall perform soil assessments and testing and relevant documents shall be submitted to the local environmental protection agency for future reference.

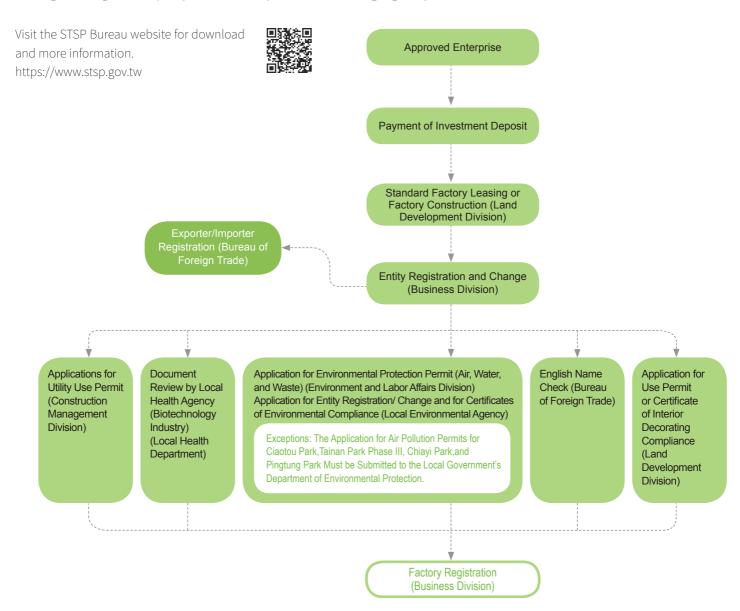
Visit the STSP Bureau website for download and more information. https://www.stsp.gov.tw







#### D. Registering a Company and Factory (Administering Agency: Business Division)



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#### A. Investment Deposit

After the science-based business is approved to locate in the Park, an investment deposit of 0.3% of the entity's total approved investment amount will be collected as a security deposit. The deposit will be returned without interest when the investment plan has been completed.

#### B. Payment for Land and Standard Factory Leases

Current rates were set out in 2024 and are adjusted every two years. All 5% business tax will apply.

#### Lease Rates for Land Lots:

1.Tainan Science Park(including Phase III): NT\$ 35.19/m<sup>2</sup>/month.

2.Kaohsiung Science Park: NT\$ 20.99/m²/month.
3.Ciaotou Science Park: NT\$ 21.44/m²/month
4.Chiayi Science Park: NT\$ 16/m²/month
5.Pingtung Science Park: NT\$ 15/m²/month

#### Lease Rates for Standard Factories:

#### 1.Tainan Science Park:

Five phases of standard factories are available for lease. Phase 4 factories have a high-ceiling design. Rates are subject to phase, number of levels, and construction costs, and range from NT\$ 94 to NT\$ 142 per square meter per month.

#### 2. Kaohsiung Science Park:

Two phases of standard factories are available for lease. Rates range from NT\$91 to NT\$120 per square meter per month. See Appendix I for more detail.

#### C. Management Fees

Management fees are collected pursuant to relevant regulations to maintain the park's environment, safety, and infrastructure. A minimum management charge is calculated on the basis of the surface area of the land lot or factory leased; for any resident entity that leases both land lots and factories, the higher management charge will prevail. For any business entity, company, branch office, or limited partnership that has been approved to locate in the park and has completed registration as a resident, management fee will be the minimum charge or 0.19% of the entity's turnover, whichever is higher. Fee collection will begin on the first day of the second month after the resident entity, company, branch office, or limited partnership completes its business registration with the taxing authorities, or on the first day of the second month following the first anniversary of the company's founding registration, whichever comes first. Fees will be collected every two months thereafter; the business entity, company, branch office, or limited partnership should automatically file with STSP Bureau no later than the twentieth day of the odd months and send the amount to the designated bank account.





#### D. Sewerage Fees

To prevent water contamination and maintain the wastewater treatment facilities, sewerage fees are charged in accordance with the "Regulation for the Use and Management of Wastewater Treatment and Sewage System in the Science Park." Fees are subject to the quantity and quality of discharged wastewater. Chargeable items and units are shown in the table below.

Please refer to the STSPB website for a list of services and prices. https://www.stsp.gov.tw

#### E. Tainan Science Park Waste Treatment Fees

To properly handle waste produced in Tainan Science Park, waste treatment fees are collected in accordance with "Directions for Waste Clearance and Treatment at Tainan Science Park of STSP." Fees are subject to the type and weight of the waste.

Please refer to the STSPB website for a list of services and prices. https://www.stsp.gov.tw



#### F. Other Fees

- 1. Housing: Dormitories are available for lease for resident enterprises and their staff members.
  - (1) Tainan Science Park (per unit/per month)









Family apartment NT\$ 10,746-23,323/ month Twin room
NT\$ 4,390-5,987/month

Single room NT\$ 3,296-6,312/month Studio apartment NT\$ 9,422-11,442/month

#### (2) Kaohsiung Science Park (per unit/per month)





Family dorm NT\$ 13,069-21,000/month Single dorm NT\$ 5,103/month

#### (3) Application (Tainan and Kaohsiung Parks)

- Apply via the Resident Online Service System (only available for Chinese website, please contact us if there is any further question).
- Applications to lease a dorm or electronic device or to terminate the lease have to be filed online; please apply through the official website under "For Resident Business" of "e-Application". Please register via STSP's Chinese website.
- To create a Resident Online Service System account and password, or for any log-in problems, contact STSP Bureau (Tel: 06-5051001#5566).

#### 2. Registration and License Fees

- (1) For companies registration and/or changes in registration, and factory Construction /registration modification fees: subject to relevant regulations set out by the Ministry of Economic Affairs (these also apply to non- Park areas)
- (2) Construction permit and use permit fees: subject to relevant regulations set out by the Ministry of the Interior (these also apply to non-Park areas)
- (3) For other registration and certificate fees, contact the administering agency or visit the STSP Bureau website: www.stsp.gov.tw

#### 3. Utility Bills

**Electricity fee**: 1.81-6.89 NTD/kWh for low voltage(LV) electricity, 2.00-15.73 NTD/kWh for high-voltage(HV) electricity, and 1.89-14.71 NTD/kWh for extra-high voltage(EHV) electricity. (subject to Tai Power's pricing policy)

Water fee: NT\$ 7 to NT\$12 per cubic meter (subject to Taiwan Water Corporation's pricing policy)

However, when the total amount of water usage in Tainan Park exceeds 99,300 CMD, the tenant company will be responsible for a short-term transfer of agricultural water fees, approximately NT\$4.25-10.5 per cubic meter (depending on the amount of water and water conditions). For long-term usage, the fees will be based on the new water source.

**Reclaimed Water fee**: Pay according to the reclaimed water contract, or the exchange rate.



# **1** Approval for Foreign Investment

- 1.1 Does the applicant need to incorporate a firm before filing for entry?
- Any entity interested in investing to become a science-based business in the Park is required to be a legally established or approved company, branch office or other commercial organization. The applicant must be a Taiwanese citizen. Once the qualification of a science-based business has been granted, a company or branch company registration shall be made within 6 months.
- 1.2 Does a foreign-owned enterprise need to file a foreign company investment application before obtaining entry into the Park?
- A If the shareholders of a science-based business are foreign business entities or foreign nationals, when applying for the science-based business entity qualification, it does not need to apply for the Foreign Investment Procedure. The application should be completed before the business entity is registered. Foreign Nationals investment application should be filed for in accordance with Statute for Investment by Foreign Nationals for ease of inward and outward capital remittance.
- 1.3 Are Mainland Chinese investors permitted to invest in the Park?
- A If the investor is considered a Mainland Chinese investor in accordance with the "Act Governing Relations Between People of the Taiwan Area and the Mainland Area" and the "Measures Governing Investment Permit to the People of Mainland Area", they can apply to join the Park. However, the Bureau will first issue a letter of inquiry to the Investment Commission of the Ministry of Economic Affairs to confirm whether the investor's qualifications and investment in production of certain products comply with the relevant laws and regulations in Taiwan, then submit it to the National Science and Technology Council for further review.
- 1.4 Can one company invest in business activities that are beyond its registered business scope? In this situation, does the company have to set up a new entity for the new business activities?
- A The company may modify its business scope and submit for approval. There is no need to set up a new company.
- 1.5 Is the application process for STSP different from other science parks or industrial parks in Taiwan?
- A Yes, it is different. STSP Bureau requires applicants to submit documents such as a business plan, gaining the approval qualification as a science-based business entity from the Science Park Review Committee. Then land rental and factory construction or standard factory rental are allowed.

#### 1.6 What documents are required for the investment application?

A Investment application document, business plan, pollution prevention proposal, water (for consumptions higher than 500 cubic meters per day) and electricity (for consumptions higher than 161 KV) plans are required. All documents should have one original and 11 duplicates.

#### 1.7 After an application is filed, what is the process for granting a business permit and how long does it take?

After the application is received, the review process takes about 1-1.5 month. Once the qualification of a science-based business has been granted, a company or branch company registration shall be made within 6 months. Within 15 days after shareholders or the board have decided to set up or locate the business entity in the park, documents must be submitted for approval. If all required documents have been submitted, it takes seven days for the establishment of a business to be reviewed and approved. In preparing to establish a factory, the following are required: a presentation of land/standard factory rental, signing of lease contract, and construction permit application. After the factory is ready, environment permits, use permit and utility use permit must be obtained. Equipment must be installed before a factory establishment can be registered. After the factory has been granted with the registration certificate (after an on-site inspection and 7 working days), the factory can begin production.

#### 1.8 To invest and join the Park, are there any restrictions on the ratio of paid-in capital to total investment?

A No. However, the investment amount and scope should be appropriately allocated. The investment review will consider if the amount of paid-in capital supports the implementation of the business plan. If necessary, investment loans can be considered.

# 1.9 After the entry is approved, what is the investment security deposit that shall be paid? How is the deposit returned?

A To ensure that companies adhere to their investment plans, STSP Bureau asks resident companies to pay a security deposit of 0.3% of its approved stock capital or 0.3% of its total operation capital. For companies registered for less than one year that apply for capital increase, 0.3% of the increased capital will be collected as the security deposit. All deposits will be returned without interest after the companies have completed implementing their investment plans.

Requirements for deposit refund applications

- (1) The applicant company must have completed implementing its investment plan
- (2) Any entity that has not registered the establishment of a head office or branch office, has not leased land or factory space in the Park, and has completed the procedures to terminate the investment plan. (The application process takes 14 workdays.)

- 1.10 Is a foreign-owned enterprise allowed to establish a joint venture with a Taiwanese firm, or does the company have to be a wholly owned if it intends to locate in the park?
- An enterprise in the park may be 100% owned by foreign investors and may also seek a joint venture with ROC government agencies or local enterprises.
- 1.11 Are companies from traditional industries allowed to locate in the park?
- A The applicant's investment plan must align with the nation's industrial development goals, or employ or help develop technical specialists in Taiwan. The applicant must set aside a certain portion of revenues for R&D, be equipped with research facilities and, not be hazardous to the public. Specific requirements need to be met for the application to be successful. (See Article 4, Act for Establishment and Administration of Science Parks.)

# **2** Establishing a Factory

- 2.1 What are the requirements to establish a factory in the park?
- A The applicant's investment plan must align with the nation's industrial development goals, or employ or help develop technical specialists in Taiwan. The applicant must set aside a certain portion of revenues for R&D, be equipped with research facilities and, not be hazardous to the public. The following are six major industries that have located businesses in the park: integrated circuit (IC), precision machinery, optoelectronics, telecommunications, biotechnology, computers, and peripherals.
- 2.2 Is there any limitation to the establishment of a factory in the park?
- Yes. See building codes set out by the Ministry of the Interior and STSP Bureau's regulations on park zoning and land use.
- 2.3 What are the restrictions to the building coverage and floor area ratios of factories to be built in the park?
- A Tainan Science Park (including Phase III): building coverage ratio 60%; plot ratio 240% Kaohsiung Science Park: building coverage ratio 60%; plot ratio 240% Ciaotou Science Park: building coverage ratio 60%; plot ratio 240% Chiayi Science Park: building coverage ratio 70%; plot ratio 300% Pingtung Science Park: building coverage ratio 70%; plot ratio 300%

In accordance with the "Program for the Three-Dimensional Renewal Development of Urban Industrial Zone" approved in April 2019, companies who have reached the maximum floor area ratio (FAR), are encouraged to apply under two categories, namely "new investment" and "energy management", for FAR bonuses. If additional FAR are

still needed, then companies can donate industrial spaces or pay financial compensations for extra increases in buildable spaces. According to the "Program for the Three-Dimensional Renewal Development of Urban Industrial Zone", the maximum FAR after bonus buildable spaces are added is 360% for Tainan Science Park(including Phase III) and Ciaotou Science Park, and 400% for the Kaohsiung Science Park, Chiayi Science Park, and Pingtung Science Park.

Tenant Companies with needs for the abovementioned FAR bonuses should contact with Land Development Division, STSP Bureau for additional information.

- 2.4 Does a prepayment need to be made before factory construction begins? If a prepayment has to be made, how much is it?
- A There is no specified payment required. The amount depends on each business entity's construction funding plan.
- 2.5 Is there any temporary office available that can be used before the construction of factory is completed?
- A No. The enterprise can either build their own temporary offices or rent a standard factory. STSP does not offer the office for free.

# **3** Land

- 3.1 What is the procedure to acquire a land lot in the park? How long does the procedure take?
- A The land lots in the park are for rent only. The process takes around a month's work days from the presentation of land rental to the contract signing process.
- ② 3.2 What is the time frame for construction after the signing of the contract?
- A Please file for the application for construction license review within the first three months of rental. Construction license must be filed within a month's time after obtaining the approval form. Construction must begin within six months of the day construction permit is granted. If construction cannot start within the specified time, an explanation is required. A one-time extension of three months may be applied for.
- 3.3 What is the nature of the land leased to enterprises for factory construction?
- A The land is designated for businesses or industrial use for the development of science industry.
- 3.4 How much are rental fees? How long is the lease terms? Before the contract expires, is a renewal needed? Will the rental be adjusted? If so, how often is it adjusted?
- A The rate at the Tainan Science Park (including Phase III) is NT\$ 35.19 (pretax) per square meter and NT\$ 20.99(pretax) at the Kaohsiung park. The rate at the Ciaotou Science Park is NT\$ 21.44 (pretax) per square meter. The rate at the Chiayi Science Park is NT\$ 16 (pretax) per square meter and NT\$ 15(pretax) at the Pingtung Science Park. An additional 5% business tax will be added. The lands are for rent and not for sale. A notice for renewal will be sent when the contract nears expiration. If early termination of the lease is required, please notify the Bureau in

advance and in writing to terminate the lease. Rates are adjusted every two years, subject to amortization over the declared land value and construction cost.

- 3.5 When do rental fees begin to be paid after the lease application is approved?
- A The fees start after the signing of the contract.
- 3.6 Are there any other required fees in addition to rental fees?
- A Yes, there are registration and certification fees, sewerage fees, waste disposal fees (subject to need), utility bills, and management fees. (See relevant sections in Chapter Five.)
- ② 3.7 When will the lease contract be obtained after the approval of lease application?
- A The process takes a minimum of one month's time starting from land rental meeting to the obtaining of the leasing document.
- ② 3.8 Can a geological survey be conducted before construction begins? What time frame will be accepted?
- After the presentation of land rental, the applicant may conduct a geological survey if STSP Bureau approves. If it is Soil GW Poll ution Law XIIII, please contact with STSP Bureau Environment and Labor Affairs Division.
- 3.9 What if the geological survey finds something questionable?
- A In situations where legal issues could arise, contact STSP Bureau (administering agency: Land Development Division, Environment and Labor Affairs Division) for clarification.
- 3.10 Can representatives from the enterprise be present for on-site measurements?
- A Yes.
- 3.11 Can the enterprise perform grading? Which agency oversees grading and related affairs?
- A The tenant company may prepare the land according to its construction requirements, as long as the land is properly levelled in principle. If the land foundation has low areas that may require filling up, the management authority may assist in locating the site.
- 3.12 How is "site" defined?
- A "Site" refers to the entire land lot area rented by the tenant company for construction purposes.
- 3.13 The impact of archaeological sites on land development and factory construction.
- A 1.Among the parks under the jurisdiction of the Bureau, three of the parks including Tainan Park (Phases I, II, III), Chiayi Park and Ciaotou Park are affected by archaeological sites:
  - (1) Tainan Park: The Bureau will inform the manufacturer of the archaeological site discoveries located in special business areas and other public facilities, upon leasing the land; and coordinate with

the manufacturer to include the archaeological site as statutory vacant land to ensure on site preservation; also adjust the building structures in the base, in order to prevent any destruction of archaeological layers to ensure on site preservation.

- (2)Chiayi Park: Any excavation activity in the park, in accordance with the Cultural Heritage Preservation Act, the tenant should first hire archaeological professionals to submit an archaeological survey plan. No excavation activity is permitted prior to the approval by the governing authority.
- (3)Ciaotou Park: Some of the mounds located within the range of known archaeological sites will not affect the factory structure planning in principle.
- 2. To protect the archaeological sites in the park, prior to any act of excavation during construction in the Tainan Park (Phases I, II, III), Chiayi Park, and Ciaotou Park, must be processed as follow:
  - (1) Before excavating, all relevant information of the archaeological site should be referenced to study the impact created by the depth of excavation. (Please contact the Bureau)
  - (2) If the location of the construction's excavation project involves the environmentally sensitive area of an archaeological site, the tenant company should first hire archaeological professionals to conduct survey. For Tainan Park and Chiayi Park, it is required to submit a construction monitoring plan to be approved by the government authority before implementation.
  - (3) If an archaeological site is discovered during a project's development or construction, the development or construction procedures must be halted immediately, and notify the government authority, who will review in accordance with the provisions of the Cultural Property Purchase and Preservation Act. Construction and/ or development procedures can resume only when the government authority provides further instructions to proceed.
- 3. The Bureau has also entrusted a professional archaeological unit to conduct archaeological site inspections in the parks. Manufacturers and construction units are requested to respect the reminders, suggestions and instructions provided by these on-site archaeologists, to avoid violation of the relevant provisions of the Cultural Heritage Preservation Act.
- 4. Information about the areas impacted by the archaeological sites is disclosed on the official website of the Bureau.

#### 3.14 What are the impacts of Chegualin Fault on Ciaotou Science Park?

- A 1.For construction within the base area, please compose the seismic design of the building in accordance with the provisions of "Building Technical Regulations" and the "Seismic Design Specifications and Commentary of Buildings".
  - 2. If an active fault passes through the base, or the location is near an active fault geological sensitive area, or all or part of the construction base is located within a geological sensitive area, a geological survey and geological safety assessment should be conducted in accordance with the provisions of the Geology Act. The geological survey and geological safety assessment report should then be submitted to a professional group that meets the qualification requirements for review and approval. In addition, the structural computation statement and structural drawings of the relevant building shall be submitted by the builder to a professional body that meets the qualification requirements for review and approval.

# **4** Water

#### 4.1 What type of water provided in the park?

A STSP supplies 536,000 tons of tap water and reclaimed water, the water supply and rates of each park are as follows:

Tap water supply:Tainan Science Park has a daily water capacity of 242,000 tons, Kaohsiung Science Park has a daily water capacity of 60,000 tons, Ciaotou Science Park has a daily water capacity of 10,000 tons, TSP Phase III has a daily water capacity of 8,000 tons, Chiayi Science Park has a daily water capacity of 14,500 tons, Pingtung Science Park has a daily water capacity of 1,250 tons and Nanzih Science Park has a daily water capacity of 8,000 tons.

Recycle water supply: Tainan Science Park has a daily water capacity of 93,000 tons, and Ciaotou Science Park has a daily water capacity of 30,000 tons, TSP Phase III has a daily water capacity of 6,000 tons, Chiayi Science Park has a daily water capacity of 14,500 tons, Pingtung Science Park has a daily water capacity of 3,750 tons, and Nanzih Science Park has a daily water capacity of 105,000 tons.

Tap water fee: NT\$ 7 to NT\$12 per cubic meter (subject to Taiwan Water Corporation's pricing policy) However, when the total amount of industrial water usage in Tainan Park exceeds 99,300 CMD, the tenant company will be responsible for a short-term transfer of agricultural water fees, approximately NT\$4.25-10.5 per cubic meter (depending on the amount of water and water conditions). For long-term usage, the fees will be based on the new water source.

Reclaimed water fee: Pay according to the reclaimed water contract, or the water exchange rate.

#### Q 4.2 What is the temperature and quality of the water?

A The tapwater is at normal temperatures and meets national qualifications for drinking water. The reclaimed water is around 15~35°C and water quality standards based on individual water contract.

#### 4.3 Regulations on water reuse ratio for resident businesses

A Factory/plant water recovery reuse rate: Tainan Park 80%. Kaohsiung Park 75%. Ciaotou Park, Tainan Science Park Phase III, Chiayi Park, Pingtung Park and Nanzih Science Park 82%. Semiconductor companies that manufacture wafers are required to reach 85%. For semiconductor and optoelectronics businesses, a minimum of 85% of water used for manufacturing processes should be recycled or reused. The semiconductor industry recovery rate of water reusage in Tainan Science Park Phase III is 86%.

#### 4.4 Kaohsiung Science Park's reservoir capacity

A For Tainan and Kaohsiung Science Park tenant companies, the effective storage requirement for the water reservoirs must be more than 2 days water consumption capacity. For Ciaotou Science Park, Tainan Science Park Phase III, Chiayi Science Park, Pingtung Science Park and Nanzih Science Park must be more than 3 days water consumption capacity.

# **5** Wastewater Disposal

5.1 What is the park's sewage treatment capacity and sewer line cost?

A Tainan Science Park (including Phase III) has a daily treatment capacity of 262,000 tons, Kaohsiung Science Park has a daily treatment capacity of 45,000 tons, Ciaotou Science Park has a daily treatment capacity of 45,000 tons, Pingtung Science Park has a daily treatment capacity of 3,900 tons, and Chiayi Science Park has a daily treatment capacity of 4,600 tons. To prevent water contamination and maintain wastewater treatment plant performance, sewerage fees are collected in pursuant to "Regulation for the Use and Management of Waste Water Treatment and Sewage System in Science Park." Fees are subject for wastewater; NT\$ 26.7/ kg for chemical oxygen demand, NT\$38.4/kg for .For other specific substances, please refer to the sewage allowance and standard charge of STSP.

Please refer to the STSPB website for a list of new versions. https://www.stsp.gov.tw

5.2 Should the resident enterprise be equipped with its own wastewater treatment facilities?

A The park has its own sewage system and waste water treatment plant. Any wastewater must comply with the park's standards for wastewater allowance before being discharged into the sewage system. If the wastewater does meet these standards, the enterprise must establish its own pre-treatment facility.

# **6** Electricity

6.1 What is the park's power supply capacity and how is electricity priced?

A Tainan Science Park has a daily maximum capacity of 3,290,000 kW, Kaohsiung Science Park has a daily capacity of 1,000,000 kW, Ciaotou Science Park has a daily capacity of 450,000 kW, Tainan Science Park Phase III has a daily capacity of 100,000 kW, Chiayi Science Park has a daily maximum capacity of 26,000 kW, Pingtung Science Park has a daily maximum capacity of 66,000 kW. and Nanzih Science Park has a daily maximum capacity of 1,100,000 kW. Energy charges are 1.81-6.89 NTD/kWh for low voltage (LV) electricity, 2.00-15.73 NTD/kWh for high-voltage(HV) electricity, and 1.89-14.71 NTD/kWh for extra-high voltage(EHV) electricity.(subject to Tai Power's pricing policy as well as actual consumption and time of use).

6.2 What are the voltage levels of the power supply?

The voltage levels are 110V, 190V, 220V, 380V, 22.8kV, 161kV.(appendix: standard factory and regulations)

6.3 How often does the park experience power outages and tripped circuit breakers?

From 2011 and 2023, according to the results of SEMI Curve C Voltage Sag incident, Tainan Science Park has an average of 6.5 incidents and Kaohsiung Science Park has an annual average of 3 incidents per year.

#### 6.4 Is the power supply stable?

A Yes, the power supply is reliable and uses double-loop systems.

#### 6.5 What are the regulations on renewable energy in the park?

- A 1. Tainan Science Park: According to the Autonomous Regulations of Low-carbon City, more than 10% of solar photovoltaic systems are installed above 800kW, and advanced process manufacturers obtain 20% of the actual electricity consumption each year as renewable energy.
  - 2. Kaohsiung Science Park: In accordance with the "Renewable Energy Development Regulations" stipulated in the implementation of obligations, 10% of the capacity of renewable energy obligatory installations with a contracted capacity of 5,000kW or more.
  - 3. Ciaotou Science Park: Manufacturers set up renewable energy in accordance with the "Renewable Energy Development Regulations" to fulfill their obligations. The park's renewable energy set-up plan is for manufacturers whose contracted capacity for electricity consumption exceeds 800kW. Calculated at 20% of the average contracted capacity of the previous year. Semiconductor manufacturers will obtain 25% renewable energy in actual electricity consumption in 2025, 45% in 2040 and 100% in 2050.
  - 4. Tainan Science Park(Phase III): Manufacturers set up renewable energy in accordance with the "Renewable Energy Development Act" to fulfill their obligations. The park's renewable energy set-up plan is for manufacturers whose contracted capacity for electricity consumption exceeds 800kW. Calculated at 20% of the average contracted capacity of the previous year. Semiconductor manufacturers will obtain 25% renewable energy in actual electricity consumption in 2025, 45% in 2040 and 100% in 2050.
  - 5. Chiayi Science Park:Installation of renewable energy by the tenant companies shall be in accordance with the requirements stipulated by the "Renewable Energy Development Act". The renewable energy calculation in the park is based on tenant companies with contracts of power usage capacity of 800kW or more, and to obtain 20% of their actual electricity consumption in the previous year. As for the semiconductor companies, they shall obtain renewable energy for 25% of actual electricity consumption in 2030, 45% in 2040, and 100% in 2050.
  - 6. Pingtung Science Park: Installation of renewable energy by the tenant companies shall be in accordance with the requirements stipulated by the "Renewable Energy Development Act". The renewable energy calculation in the park is based on tenant companies with contracts of power usage capacity of 800kW or more, and to obtain 20% of their actual electricity consumption in the previous year. As for the semiconductor companies, they shall obtain renewable energy for 25% of actual electricity consumption in 2030, 45% in 2040, and 100% in 2050.
  - 7. Nanzih Science Park: Installation of renewable energy by the tenant companies shall be in accordance with the requirements stipulated by the "Renewable Energy Development Act". The renewable energy calculation in the park is based on tenant companies with contracts of power usage capacity of 800kW or more, and to obtain 20% of their actual electricity consumption in the previous year. As for the semiconductor companies, they shall obtain renewable energy for 25% of actual electricity consumption in 2030, 45% in 2040, and 100% in 2050.

# **7** Benefits and Insurance for Workers in the Park

#### 7.1 How can resident enterprises recruit employees?

- A The enterprise can recruit employees themselves or go to the Workforce Development Agency of the Ministry of Labor for referrals. There are no limitations on employing Taiwanese nationals, but applications should be made for the employment of foreign nationals. In addition, STSP cooperates with the Ministry of Labor's Workforce Development Agency, Labor Affairs Bureau of city government and Labor Affairs Department of county government, and human resource recruitment agencies in the public and private sectors to provide multiple recruitment strategies.
  - 1. Host on-site recruitment events with single or multiple partners;
  - 2. Post job recruitment announcements for manufacturers in the STSP through the official website's employment service page;
  - 3. Work with relevant talent recruitment policies and regulations launched by the Ministry of Labor, such as employment explore supporting programs for middle-age and elder, white-collar foreigners, and youth, to assist manufacturers in their talent recruitment process;
  - 4. Provide flexible and digital online application process to facilitate the needs of manufacturers and the public, and to better connect employers with their employees
- 2.2 Are there any regulations or limitations on the employment of foreign specialists (white-collar workers)?
- A Yes. STSP Bureau is entrusted by the Ministry of Labor to process work permit applications for foreign professionals. Visit the STSP Bureau website for more information about procedures and regulations. (Administering agency: Environment and Labor Affairs Division)
- 2.3 Does STSP Bureau provide information regarding hiring translators or technical operators?
- A No. Companies can recruit employees themselves or seek assistance from the Workforce Development Agency, Ministry of Labor.
- 2.4 What are the regulations regarding employees' benefits and bonuses?
- A These issues are to be determined by company policy.
- 7.5 How is payroll disbursed?
- A Companies may choose disbursement methods or ask financial institutions to make salary transfer.
- 7.6 Are there any regulations regarding total weekly working hours and overtime? Can employees work night shifts, holidays, or long hours?
- A Yes. These matters must be in compliance with regulations set out in the Labor Standards Act.
- 7.7 Are there medical facilities in the park?
- A Yes. STSP United Clinic is located in Tainan Science Park. Chi Mei Medical Center, National Cheng Kung University Hospital, Tainan Municipal An-Nan Hospital, and the Ministry of Health and Welfare Tainan Hospital are all located in the park's vicinity.

In addition, the Show Chwan Memorial Hospital is scheduled to be completed and open in Kaohsiung Science Park

by 2024. Kaohsiung Science Park is surrounded by Kaohsiung Municipal Gangshan Hospital, Kaohsiung Armed Forces General Hospital Zuoying Branch, E-Da Hospital, Yanchao Jingho Hospital, Kaohsiung Veterans General Hospital, etc. Chiayi Science Park is surrounded by Chiayi Chang Gung Memorial Hospital, Ministry of Health and Welfare Puzi Hospital, Ministry of Health and Welfare Chiayi Hospital, Taichung Veterans General Hospital Chiayi Branch, and Chiayi Christian Hospital. Pingtung Science Park is surrounded by Pingtung Veterans General Hospital, Kaohsiung Armed Forces General Hospital Pingtung Branch, Ministry of Health and Welfare Pingtung Hospital, Pingtung Christian Hospital, and Paochien Hospital, etc.

- 7.8 Are there any regulations regarding the term and type of the employment contracts?
- A Yes. These matters are governed by Taiwan's Labor Standards Act.
- 7.9 Are workers in the park entitled to pension benefits?
- A Yes. These affairs are governed by the Labor Standards Act and Labor Pension Act.
- 7.10 Are companies required to provide workers with facilities such as cafeterias and dormitories?
- A No. Each company can decide if it will build its own cafeteria and dormitory. STSP has staff dormitories, shopping malls, eateries, a day care center, schools, a post office, a clinic, a gym, a basketball court, and a swimming pool.
- 7.11 What is the insurance premium policy for employee health insurance, labor insurance, occupational accident insurance, employment insurance and other insurances?
- A Implemented in accordance with the National Health Insurance Act, the Labor Insurance Act, the Labor Occupational Accident Insurance and Protection Act, and the Employment Insurance Act.
- 7.12 Are there any limitations on the number of foreign professionals employed by a company? Is it easy to apply for a work permit?
- A No. There is no limit on the number of foreign professionals employed. The application process is simple and convenient.
- 7.13 In the event of a labor dispute, will the government or STSP Bureau provide assistance?
- A Yes. STSP Bureau has a Labor Relations Section to handle labor related affairs.
- 7.14 Is it mandatory to form a union?
- A No. It is not required for resident companies to form a union, and can be processed in accordance with the Labor Union Act.
- 7.15 Are there any special limitation for employment of foreign workers? Is there any limitation on the ratio of foreign to local employees?
- A No. Implemented in accordance with the Employment Service Act and the Regulations on the Permission and Administration of the Employment of Foreign Workers, also to the restrictions on the percentage of total number hired pursuant to the Industries with Specialized Manufacturing Operations, which is the same as the regulation applied outside the park.
  - Contact Workforce Development Agency (886-2-89956000) or the Agency's Direct Hiring Service Center (886-2-66130811).

#### 7.16 Application for admission to National Nanke International Experimental High School (NNKIEH)

A National Nanke International Experimental High School provides elementary school, junior high, and senior high classes, with bilingual programs available. For admissions information, please visit the school's website. For junior and senior high programs, visit NNKIEH Homepage - High School Programs - Admission - Admission Page. For the elementary school program, visit NNKIEH Homepage - Elementary School Program - Admission Page. For bilingual programs, visit NNKIEH Homepage - Bilingual Department - Admission.

#### 7.17 How to apply for dormitory?

- 1. Apply via the Resident Online Service System (only available for business entities in Chinese website).
  - 2. Applications to lease a dorm or electronic device or to terminate the lease have to be filed online; please apply through the official Chinese website under "For Resident Business" of "e-Application".
  - 3. To create a Resident Online Service System account and password, or for any log-in problems, contact STSP Bureau (Tel: 06-5051001#5566).

## Renvironment, Safety, and Sanitation

#### 8.1 What are the regulations regarding air pollution, noise, release of odors, and wastewater and discharge?

A The emission of air pollutants from the tenant companies must meet the national emission standards, and the emission amount is verified and allocated according to the total amount based on the environmental impact assessment review. Tainan Science Park Phase III, Ciaotou Science Park, Chiayi Science Park, and Pingtung Science Park are required to attain the emission offset rate of 1.2 times the air pollutant emissions. Additionally, Kaohsiung, Ciaotou, and Pingtung science parks are located in the areas under The Total Air Pollutant Emission Controlling Plan in Kaohsiung and Pingtung. Tenant companies that meet the criteria as control target, must attain the emission offset rate-in accordance with the Air Pollution Control Act and The Total Air Pollutant Emission Controlling Plan in Kaohsiung and Pingtung- and its noise and odor must meet the national standards set by the Ministry of Environment. Wastewater discharged from tenant companies into the sewage system must comply with limits set by the park (industry wastewater must be treated by tenant companies until it meets the requirement standards, before being emitted into the park sewage system).

#### 8.2 Are resident enterprises required to conduct an environmental impact assessment (EIA)?

A STSP has passed the EIA and uses a total amount control method. Each enterprise or factory is required to complete a pollution prevention proposal for review. If the enterprise or factory falls into an industrial category approved in the EIA and its emission volume meets STSP's control goals, then no additional EIA needs to be conducted.

#### 8.3 Which government agency oversees and reviews EIAs?

- The Ministry of Environment.
- 8.4 How is factory land proven to not be contaminated?
- A Samples are sent to qualified institutions to run tests and examine if the regulation standard are met. These test results can be used to determine if the land is contaminated.

#### 8.5 How can the factories dispose of waste? If there is waste disposal operator, how much is waste disposal charged?

- A 1.Tainan Science Park (including Phase III): First priority is to resource-recycling. Wastes that cannot be recycled or reused will be cleared and disposed of by Tainan Science Park Resource Recycling Center or outsourced to other qualified clearing and disposal companies.
  - 2.Kaohsiung Science Park: First priority is to resource-recycling. Wastes that cannot be recycled or reused will be outsourced to other qualified clearing and disposal companies.
  - 3.Ciaotou, Nanzih, Pingtung, and Chiayi Science Parks: First priority is to resource-recycling. Wastes that cannot be recycled or reused will be cleared and disposed of by treatment facilities affiliated with Southern Taiwan Science Park.
  - 4. Disposal costs are calculated according to the type and quantity of waste materials.
  - 5.Other issues will be subject to the latest environmental impact assessment review of each park.

#### 8.6 Are there any standards for the use of chemical and hazardous substances?

- 1. These standards are found in the Toxic and Concerned Chemical Substances Control Act and Health Act and the Fire Services Act.
  - 2. STSP tenant companies that use any of the 70 chemical substances listed in the Environmental Assessment must submit a hazard identification. If it is a carcinogen listed by IARC as Group 2B or above, the unit risk or slope factor can be used to initially estimate the carcinogenic risk value. If the initial carcinogenic risk ratio reaches 10% or more within  $10 \times 10$  km range, a raw material assessment is required, and alternative solution of other green raw materials must be adopted and undergo annual inspection. Use of substances that contribute to health risks (such as nickel, arsenic, benzene, etc.) require regular inspection.
- 8.7 Do technical workers who operate electrical systems, boilers, forklifts, or those in safety and health management, who use chemicals, or who conducting equipment inspections require qualifications or credentials?
- A Yes. These tasks must be conducted by qualified personnel. For more information about industrial safety certificates, see Regulations for Labor Safety and Health Education and Training.

#### 8.8 What are code requirements for green space?

- According to the land use zoning and urban design regulations of Tainan Science Park, Kaohsiung Science Park, Ciaotou Science Park, Chiayi Science Park, and Pingtung Science Park of Southern Taiwan's Science Park, this Bureau has set the following greening standard governing land use for factories inside the parks:
  - 1. Ratio of Green Cover:
    - Tainan Science Park (including Phase III): The greenery area of factory site shall be at least 20% larger than the total site area.
    - Kaohsiung Science-based Industrial Park: The greenery area of factory site shall be at least 25% larger than the total site area.
    - Ciaotou Science Park: The greenery area of factory site shall be at least 20% larger than the total site area.
    - Chiayi Science Park: The green coverage ratio of factory construction may not be less than 50% of statutory vacant space requirements.

- Pingtung Science Park: The green coverage ratio of factory construction may not be less than 50% of statutory vacant space requirements.
- 2. Building setback: The front setback of a factory-building site shall be 6, 8 or 10 meters depending on the width of the road. Building setbacks not facing a road shall be 4 meters.
- 3. For other detailed regulations on greening control, please refer to the Directions Governing Urban Land Use, Zoning Control and Planning for the Science-based Parks.
- 8.9 What are fire safety standards for offices, dining areas, and kitchens? What government agencies oversee fire safety? What agencies are responsible for handling fire safety applications?
- A Fire safety related affairs must comply with the Fire Services Act. The overseeing and application body for fire safety related affairs in Tainan Science Park is Tainan City Government Fire Bureau. Kaohsiung Science Park and Ciaotou Science Park are under the fire protection and application jurisdiction of the Kaohsiung City Government Fire Bureau.
- 8.10 What are the regulations regarding carbon dioxide emissions and waste disposal in STSP?
- A 1. The carbon dioxide emission in the Park shall comply with relevant regulations of the Environmental Protection Agency's Greenhouse Gas Reduction and Management Act. Tenant companies in Ciaotou Park, Nanzih Park, TSP Phase III, Pingtung Science Park and Chiayi Science Park must adopt Best Available Control Technology (BACT) in accordance with regulations, utilize 20% renewable energy upon operation, and follow the "Offset Principles for Increased Greenhouse Gas Emissions Caused by Development Activities" guidance under the Executive Yuan Environmental Protection Agency during subsequent operation period. In addition, if the tenant company is a semiconductor manufacturer, it must set a goal to achieve 100% renewable energy by 2050.
  - 2. All waste disposal must comply with regulations set out in the Waste Disposal Act and the STSP's EIA requirements. The summaries are listed below:
    - (1)Tainan Science Park (including Phase III):

      First priority is for resource-recycling. Wastes that cannot be recycled or reused will be cleared and disposed of by Tainan Science Park Resource Recycling Center or outsourced to other qualified clearing and disposal companies.
    - (2) Kaohsiung Science Park:

      First priority is for resource-recycling. Wastes that cannot be recycled or reused will be outsourced to other qualified clearing and disposal companies.
    - (3) Ciaotou, Nanzih, Pingtung, and Chiayi Science Parks:

      First priority is for resource-recycling. Wastes that cannot be recycled or reused will be cleared and disposed of by treatment facilities affiliated with Southern Taiwan Science Park.

      Other issues will be subject to the latest environmental impact assessment review of each park.

# **9** Customs Declaration Procedures

- 9.1 What is the tax rate in STSP?
- A The income tax rate for profit-seeking enterprises is 20%.
- 9.2 What are customs duties, business taxes, and commodity tax rates?
- A Science parks are bonded areas. No import duties, commodity taxes, or business taxes will be levied on machinery, equipment, raw materials, fuel, supplies, semi-finished goods, samples, or trade-purpose finished products that are for the enterprises' use only. No application for exemption, guarantee, bookkeeping, or tax deposit is required. The business tax rate is zero for goods and services exported by a resident business. For more information, see Article 23 of the Act for Establishment and Administration of Science Park.
- 9.3 What is the property tax rate in STSP?
- A house tax is a type of property tax imposed on various types of houses or improved buildings that increase with the use value of a house. The house tax is levied between May 1 and May 31. Taxpayers of the house tax, in principle, are owners of the buildings. Hence, taxes related to public buildings at STSP (including standard factories and dormitories) are paid by STSP Bureau while park enterprises are responsible for their self-constructed factories and dormitories. The formula for the house tax is as follows:
  - 1. For residence: current value of house × 1.2%
  - 2. For business operation: current value of house × 3%
  - 3. For non-residence and business operation: current value of house × 2% For information of house tax breaks and incentives, please consult with the Revenue Service Office of Tainan City or Kaohsiung City.
- 9.4 What are the import duties that a resident enterprise must pay for equipment?
- A No duties will be imposed on machinery or equipment imported for the importer's own production purposes.
- 9.5 Can a resident enterprise sell all or part of its imported equipment?
- A Yes. If the equipment is sold to a tax zone, a declaration is required and tax will be imposed. Under regulations governing investment by foreign nationals, newly procured machinery and equipment may be valued as capital assets.



# Appendix

## **Appendix: Information on Self-Constructed Factory and Standard Factory**

#### 1. Standard Factory

Tainan Science Park							
	Chuang-xin Buildings 1 and 2 (Phase I)	Chuang-xin Building 3 (Phase II)	Chuang-xin Buildings 4, 5, and 6 (Phase III)	Biotech Standard Factories (Phase)	Chuang-xin Buildings 7, 8, and 9 (Phase V)		
Location (Xinshi District, Tainan)	No.1 to No. 15, Nanke 3rd Rd.	No.17 to No. 27, Nanke 3rd Rd.	No.2 to No. 30, Lane 31, Sec. 1, Huandong Rd.	No.5 to No. 15, Nanke 2nd Rd.	No. 2 to No. 30, Chuangye Rd.		
Facilities	Restrooms, kitchenette, fire prevention system, 9-person (600Kg) passenger elevator, 1,500Kg freight elevator	Restrooms, kitchenette, fire prevention system, 17-person (1,150Kg) passenger elevator, 2,000Kg freight elevator	Restrooms, kitchenette, fire prevention system, 17-person (1,150Kg) passenger elevator, 2,000Kg freight elevator	Restrooms, kitchenette, fire prevention system, 10-person passenger elevator, 2,000Kg freight elevator	Restrooms, kitchenette, fire prevention system, hydraulic unloading platform 6T and 11T, 15-person (1,000kg) passenger elevator,		
Ceiling Height	450	450	450	695	480		
Line Frequency	60Hz	60Hz	60Hz	60Hz	60Hz		
Voltage	3 phase 4 wire system 220/380V, T.R 15KVA 110/190V	3 phase 4 wire system 220/380V, T.R 30KVA 110/190V	3 phase 4 wire system 220/380V, T.R 30KVA 110/190V	3 phase 4 wire system 220V/380V,T.R 20KVA, T.R 5KVA 110/190V	3 phase 4 wire system 220/380V, T.R 15KVA 110/190V		
Water Supply	Pipe diameter: 1.5". Two connected 53.46 m3 tanks are installed on rooftops.	Two 18 m3 water tanks and one 36m3 water tank are installed on each rooftop to supply water for 26 tenants and dining areas. 1HP×2 pressure inverter pumps are located on the 4th, and 5th floors.	Pipe diameter: 1.5". Two 18 m3 water tanks are installed on each rooftop to supply water for 20 tenants. 1HP×2 pressure inverter pumps are located on the 4th, and 5th floors.	Pipe diameter: 2". Three 61-ton water tanks are installed on each rooftop for the use of 25 tenants	Pipe diameter: 1.5". Four 17 m3 water tanks are installed on each rooftop and three 47m3 water tanks on are located below each building's ground levels.		

Tainan Science Park							
	Chuang-xin Buildings 1 and 2 (Phase I)	Chuang-xin Building 3 (Phase II)	Chuang-xin Buildings 4, 5, and 6 (Phase III)	Biotech Standard Factories (Phase IV)	Chuang-xin Buildings 7, 8, and 9 (Phase V)		
Power Load	(4-1/C 150 E 30) × 2, PEX CABLE (CABLE TRAY),main switch NFB, 3P, 400AT/400AF, IC 35KA. Load capacity may differ depending on use.	AWG: 200 mm2×4, E-50 mm2, 4"Φ, main switch NFB, 3P, 200AT/225AF. Load capacity may differ depending on use.	AWG: 200 mm2 × 4, E-50 mm2, 4"Φ, main switch NFB, 3P, 200AT/225AF. Load capacity may differ depending on use.	AWG: 250 mm2 x8, E — 38 mm2, 4"φ, cable tray, main switch NFB, 3P, 500AT/600AF. Load capacity may differ, depending on use.	(4-1/C 150 E 30) × 2, PEX CABLE (CABLE TRAY),main switch NFB, 3P, 400AT/400AF, IC 35KA, Load capacity may differ depending on use.		
Live Load	0.5 t/m2 at roof and basement levels; 0.6t/ m2 on 1F to 4F	Ranges by level from 0.3t/m2 to 0.8t/m2	Ranges by level from 0.3t/m2 to 0.8t/m2	1t/m2 on the 1F; 0.8t/ m2 on other floors	0.5 t/m2 at roof and basement levels; 0.6 t/ m2 on 1F to 5F		
Wastewater Discharge	Industrial wastewater must be treated to meet the standard before being discharge d first into an external wastewater treatment basin and finally into the park's sewage system.	Industrial wastewater mu discharged into a wastew system.	Industrial wastewater must be treated to meet the standard before being discharged first into an external wastewater treatment basin and finally into the park's sewage system.				

Notes: Biotech standard factories are not available for manufacturing any of the following or for any manufacturing process that involves the use of the following:

<sup>1.</sup> Highly-sensitive pharmaceutical products, such as penicillin, cephalosporin, or other antibiotics.

<sup>2.</sup> Pharmacologically active or toxic drugs, such as steroids or cytotoxic anticancer drugs.

<sup>3.</sup> Materials with a Biosafety Level of 2 or higher.

## Land and Standard Factory Rentals (Tainan Science Park)

(in Taiwan Dolla					
Category			Area (m²)	Rent per month (pre-tax)	
Land	Tainan Science Park		At your choice.	NT\$35.19/m <sup>2</sup>	
		1F	750~770 (interior area 495)	NT\$109/m <sup>2</sup>	
	Chuang-xin Buildings1 and 2 (Phase I)	2F	753~773 (interior area 495)	NT\$104/m <sup>2</sup>	
		3F	753~773 (interior area 495)	NT\$98/m <sup>2</sup>	
		4F	753~773 (interior area 495)	NT\$94/m²	
	Chuang-xin Building 3 (Phase II)	1F	831~886 (interior area approx. 455~485)	NT\$109/m²	
		2F	893~919 (interior area approx. 485~499)	NT\$104/m²	
		3F	894~923 (interior area approx. 485~502)	NT\$101/m <sup>2</sup>	
		4F	894~923 (interior area approx. 485~502)	NT\$98/m²	
		5F	894~923 (interior area approx. 485~502)	NT\$94/m²	
	Chuang-xin Buildings 4, 5, and 6 (Phase III)	1F	791~851 (interior area approx. 455~483)	NT\$109/m <sup>2</sup>	
Standard Factory		2F	820~835 (interior area approx. 483~492)	NT\$104/m <sup>2</sup>	
(Tainan Science		3F	820~835 (interior area approx. 483~492)	NT\$101/m <sup>2</sup>	
Park)		4F	820~835 (interior area approx. 483~492)	NT\$98/m²	
		5F	820~835 (interior area approx. 483~492)	NT\$94/m²	
	Biotech Standard Factories (Phase IV)	1F	878~928 (interior area approx. 508~521)	NT\$142/m <sup>2</sup>	
		2F	795~816 (interior area approx. 508~521)	NT\$135/m²	
		3F	795~816 (interior area approx. 508~521)	NT\$131/m <sup>2</sup>	
		4F	795~816 (interior area approx. 508~521)	NT\$127/m <sup>2</sup>	
		5F	705 (interior area approx. 267)	NT\$122/m <sup>2</sup>	
	Chuang-xin Buildings 7, 8, and 9 (Phase V)	1F	898~946 (interior area approx. 470.76)	NT\$109/m <sup>2</sup>	
		2F	860~874 (interior area approx. 489.46)	NT\$104/m <sup>2</sup>	
		3F	860~874 (interior area approx. 489.46)	NT\$101/m <sup>2</sup>	
		4F	860~874 (interior area approx. 489.46)	NT\$98/m²	
		5F	860~874 (interior area approx. 489.46)	NT\$94/m²	

Note: This information was set out in 2024. Rates are adjusted every two years, subject to amortization over declared land value and construction costs.

Kaohsiung Science Park					
Land	Kaohsiung Science Park Phase I Standard Factory	Kaohsiung Science Park Phase II Standard Factory			
Location (Luzhu District, Kaohsiung)	No.82 to No. 100, Luke 5th Rd	No.55 to No. 69, Luke 2nd Rd			
Facilities	Restrooms, kitchenette, fire prevention system, 15-person (1,000Kg) passenger elevator, 2,000Kg freight elevator	Restrooms, kitchenette, fire prevention system, passenger elevator (disabled access , 950Kg, 14-person), 2,000Kg freight elevator			
Ceiling Height (cm)	450 (1-5F)	490			
Line Frequency	60Hz	60Hz			
Voltage	3 phase 4 wire system, 220V/380V, T.R 20KVA, T.R5KVA 110/190V	3 phase 4 wire system, 220V/380V, 110/190V, T.R50KVA, T.R100KVA			
Water Supply	Pipe diameter: 2" . Two 17.5-ton and two 27-ton water tanks are installed on rooftops for the use of 40 tenants.	Pipe diameter: 2-1/2" (1-3F) and 3" (4-5F). 45-ton water tanks are installed on rooftops for tenant use.			
Live Load	AWG:250 mm² *8, E-38 mm² , 4Φ , PVC pipes, main switch NFB, 3P, 225AT/200AF (plant areas). Load capacity may differ, depending on use.	AWG: 200 mm <sup>2</sup> *8 (1-3F), main switch NFB, 3P600AF/600AT (plant areas), AWG: 200 mm <sup>2</sup> * 12 (4-5F), main switch NFB, 3P800AF/800AT (plant areas). Load capacity may differ, depending on use.			
Live Load	800kg/m² each floor	500kg/m² on underground levels, 1000kg/m² in the 1F indoor space, 1500kg/m² in the 1F outdoor space 800kg/m² on the 2F to 5F, 800kg/m² on the roof level			
Wastewater Discharge	Industrial wastewater must be treated to meet the standard before being discharged into a wastewater storage tank and finally into the park's sewage system.				

#### Land and Standard Factory Rentals (Kaohsiung Science Park)

(in Taiwan Dollars)

Category			Area (m²)	Rent per month (pre-tax)
Land	Kaohsiung Science Park		At your choice	NT\$20.99/m <sup>2</sup>
Standard Factory (Kaohsiung Science Park)	Phase I	1F	1111~1182 (interior area approx. 477~507)	NT\$106/m <sup>2</sup>
		2F	1050~1117 (interior area approx. 477~507)	NT\$101/m <sup>2</sup>
		3F	1050~1117 (interior area approx. 477~507)	NT\$98/m <sup>2</sup>
		4F	1050~1117 (interior area approx. 477~507)	NT\$95/m <sup>2</sup>
		5F	1050~1117 (interior area approx. 477~507)	NT\$91/m <sup>2</sup>
	Phase II	Per unit on 1F	960.38-1069.75 (interior area approx. 497.39- 548.12)	NT\$120/m <sup>2</sup>
		Per unit on 2F	987.14-1053.21 (interior area approx. 524.42- 548.12)	NT\$113/m²
		Per unit on 3F	987.14-1053.21 (interior area approx. 524.42- 548.12)	NT\$111/m <sup>2</sup>
		Per unit on 4F	2040.35 (interior area approx. 1072.54)	NT\$108/m <sup>2</sup>
		Per unit on 5F	2040.35 (interior area approx. 1072.54)	NT\$103/m²

Note: This information was set out in 2024. Rates are adjusted every two years, subject to amortization over the declared land value and construction costs.

#### 2. Regulations on Factory Construction

Building coverage ratio, plot ratio, number of parking spaces, site entry and exit, setback depth, first floor elevation, grading, setback green space, vegetation quantity, signage, building materials, colors, as well as other affairs related to land use prohibitions and building management must comply with the park's zoning requirements.

- 1. Tainan Science Park(including Phase III): building coverage ratio 60%; plot ratio 240%
  - **Kaohsiung Science Park:** building coverage ratio 60%; plot ratio 240%
  - **Ciaotou Science Park:** building coverage ratio 60%; plot ratio 240%
  - Chiayi Science Park: building coverage ratio 70%; plot ratio 300%
  - Pingtung Science Park: building coverage ratio 70%; plot ratio 300%
- 2. Construction site adjacent to traffic lanes must be recessed respectively by 6, 8, or 10 meters as required.
- 3. The number of parking spaces is subject to zoning requirements.
- 4. Parking must not be completely paved with asphalt and concrete.
- 5. Asbestos corrugated sheets and light-weight metal frames and panels cannot be used as construction materials.
- 6. Building style and color shall blend with surrounding buildings and the environment.
- 7. The use of air-raid shelter equipment (on underground levels) must comply with code requirements (Directions for Governing Air-Raid Shelter Equipment Management and Maintenance).

