SOFTWARE INDUSTRY IN TAIWAN

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Today, Taiwan is ranked the third largest IT products manufacturing country world-wide with US$15 billion production value in 1995. Although the software production value is only at 10% of the amount, the average compound growth rate reached 20% in the past five years. The main factors behind the growth of Taiwan software industry are:

1. The promotion of INTERNET and NII (National Information Infrastructure) projects generated big demand for PCs and its related application,

2. The deployment of large-scale mission-critical information systems, such as TradeVAN, commercial EDI, health information network, and public health insurance system, etc, has stimulated large investment in system integration and application development,

3. The promotion of IPR awareness and computer literacy has brought increased prosperity to the computer-related market,

4. The Five-year Software Development Plan sponsored by the Ministry of Economic Affairs has built a stronger software industry structure and accelerated the industry development,

5. The software technology R&D funding provided by the Ministry of Economic Affairs motivated both the research institutes and the private sector to create innovative software products.

The rate of Taiwan software industry growth is forecast at over 20% in 1996. It will push the market to the value of exceeding US$2 billion. This can be attributed to the expectation of continued economic growth, increased demands from the distribution and financial sectors, rapid advances in multimedia and educational software, as well as the growing popularity of information and network applications and services.