The air transport sector makes a major contribution to the Chinese Taipei economy

It creates jobs...

Airlines, airport operators, airport on-site enterprises (restaurants and retail), aircraft manufacturers, and air navigation service providers employed 61,000 people in Chinese Taipei in 2014. In addition, by buying goods and services from local suppliers the sector supported another 46,000 jobs. On top of this, the sector is estimated to have supported a further 20,000 jobs by paying wages to its employees, some or all of which are subsequently spent on consumer goods and services. Foreign tourists arriving by air to Chinese Taipei, who spend their money in the local economy, are estimated to have supported an additional 320,000 jobs in 2014.

...and generates wealth

The air transport industry is estimated to have supported a $7 billion gross value added contribution to GDP in Chinese Taipei in 2014. Spending by foreign tourists supported a further $14 billion gross value added contribution to the country’s GDP. This means that 3.9 percent of the country’s GDP is supported by the air transport sector and foreign tourists arriving by air.
The importance of air transport to Chinese Taipei

Air transportation facilitates exports, foreign direct investment, and tourism

The ten most popular direct flight links:

1. China
2. Japan
3. Hong Kong
4. South Korea
5. Macau
6. Vietnam
7. United States
8. Singapore
9. Thailand
10. Malaysia

Air transport brings tourists and investment into Chinese Taipei, and helps businesses trade their goods and services around the world. In 2014, foreign tourists spent US $15.1 billion in Chinese Taipei, supporting restaurants, hotels, transport providers, and others who cater to tourists. In addition, Chinese Taipei exported US $370 billion worth of goods and services in 2014. Over time, the country has accumulated US $69.9 billion in foreign direct investment.

The scale of investment, exports, and inbound spending in Chinese Taipei

US $370 BILLION EXPORTS

US $69.9 BILLION FDI

US $15.1 BILLION FOREIGN TOURIST EXPENDITURE
The air transport sector connects people around the world

The air transport sector’s ability to connect Chinese Taipei to emerging countries and fast growing cities can help drive economic growth. There are 61 direct flight destinations among the ten fastest growing countries in the world as measured by GDP growth and 64 direct flight destinations among the 20 fastest growing countries. There are 85 direct weekly flights among the ten fastest growing cities in the world as measured by GDP growth and 721 direct weekly flights among the 100 fastest growing cities.¹

Arrivals by continent

North America and Europe are the largest sources of arrivals to Chinese Taipei after Asia-Pacific. In 2014, 2 million passengers arrived to Chinese Taipei from North America (5 percent of the total) and 1 million passengers arrived from Europe (2.4 percent).

¹ Fastest growing countries are Ranked by Oxford Economics’ forecasted real GDP growth 2015-2030, with a threshold of $US $100 million GDP. Fastest growing cities are ranked by Oxford Economics’ forecasted real GDP growth 2015-2030, with a minimum city size of 5 million.
The importance of air transport to Chinese Taipei

Ease of travel, cost competitiveness, and infrastructure are vitally important

Survey evidence of infrastructure and ease of travel

Executives surveyed by the World Economic Forum suggest that Chinese Taipei’s air transport infrastructure quality ranks 9th out of 25 countries included in the survey in Asia-Pacific and 32nd globally. Chinese Taipei ranks 13th out of 25 in Asia-Pacific for visa openness and 4th for cost competitiveness.

Key infrastructure facts about Chinese Taipei’s air transport

Around 310,000 aircraft land or take off from Chinese Taipei every year. The country has 1 airport that is in the top 100 in the world (ranked by passenger numbers). Taiwan Taoyuan International Airport carried the most passengers - 34.3 million - in 2014.

Number of passengers travelling annually through the five busiest airports in the country (000s)

1. **TAIWAN TAOYUAN INTERNATIONAL AIRPORT** 34,300
2. **KAHSIUNG INTL** 4,900
3. **SONGSHAN** 4,300
4. **CINGCYUANGANG** 1,400
5. **MAKUNG AB** 940

* Entry visa requirements for a tourism visit from worldwide source markets (10 = no visa required for visitors from all source markets, 0 = traditional visa required for visitors from every source market).
* Based on ticket taxes, airport charges, and VAT (10=low cost, 0=high cost).

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This report is one of several that examine the air transport sector’s importance around the world. Access them all from IATA’s website.

Sources: IATA, Oxford Economics, International Monetary Fund, and national statistics.

For further information contact:

**Ian Saxon**
isaxon@oxfordeconomics.com
**Tel:** +44 (0)20 7803 1418

**London**
Broadwall House, 21 Broadwall, London, SE1 9PL, UK

www.oxfordeconomics.com