



Voluntary Report – Voluntary - Public Distribution **Date:** September 29, 2023

Report Number: TW2023-0044

Report Name: Taiwan Upgrades Council of Agriculture to Ministry of

Agriculture

Country: Taiwan

Post: Taipei

Report Category: Agricultural Situation, Agriculture in the News, National Plan

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Report Highlights:

On August 1, 2023, Taiwan's Council of Agriculture (COA) was transformed into the Ministry of Agriculture (MOA). MOA's total workforce plans to increase from about 4,770 to 5,300 staff, and the administrative budget is expected to rise by TWD 8.3 billion (USD \$260 million) to a total annual budget of TWD 158.9 billion (USD \$5 billion). The key organizational changes are the creation of the Department of Animal Welfare and Department of Resource Sustainability and Utilization in MOA headquarters, and two affiliated agencies, Forestry Bureau and Soil and Water Conservation Bureau.



General Information:

Taiwan's Council of Agriculture (COA) was upgraded to the Ministry of Agriculture (MOA) on August 1, 2023. This is part of a wider restructuring program of the Executive Yuan (EY) started in 2012, to merge or reorganize 37 EY-affiliated agencies to ultimately 29 agencies in several phases, so the new executive governmental structure can better meet the nation's development needs.

This phase of restructuring also includes the elevation of Taiwan's Environmental Protection Agency (EPA) to the Ministry of Environment and Natural Resources on August 22, 2023, the restructure of the Ministry of Economic Affairs on September 26, 2023, and the Ministry of Transportation and the Ministry of Interior will restructure some of their affiliated agencies later in the year.

MOA's total workforce plans to increase from about 4,770 to 5,300 staff. The added staff is mostly assigned to the new sections and expanded work areas. The administrative budget is expected to rise by TWD 8.3 billion (USD \$260 million) to TWD 158.9 billion (USD \$5 billion) in 2024. EY initially appointed the incumbent COA Minister, Dr. Chi-Chung Chen, who had been in the position since 2019, to continue leading MOA. However, he subsequently resigned on September 19 with then-Deputy Minister, Dr. Junne-Jih Chen, named as Acting Minister.

According to the new Ministry, Taiwan's agriculture policy aims to increase farmers' income and enhance food security. To achieve these goals, MOA will continue to promote rural development, increase the welfare of farmers and fishermen, innovate agricultural technologies, address worker shortage and other issues, manage farmland resources, modernize infrastructure, upgrade facilities, and expand cooperation with other countries. As Taiwan faces increasing challenges from climate change, MOA will prioritize task for agriculture resilience, advancing the progress made under the New Agriculture Innovation Promotion Program (2017-2020), and its version 2.0 (2021-2024). Please see Background Information section for more information of the Programs.

MOA headquarters was re-organized to eight departments and six administrative offices. Key changes are the creation of Department of Animal Welfare and Department of Resource Sustainability and Utilization. Fifteen affiliated agencies continue to operate in a similar fashion to its operations under the COA, with two of them expanding the responsible areas. The Forestry Bureau will broaden the work area of natural conservation management, and the Soil and Water Conservation Bureau will broaden the work area on rural development. Some agencies changed the name to conform to their missions and the leveling-up in status from council to ministry, for example, Bureau of Animal and Plant Health Inspection Quarantine (BAPHIQ) was renamed as the Animal and Plant Health Inspection Agency (APHIA), and the Animal Health Research Institute (AHRI) was renamed as National Veterinary Research Institute (NVRI).

1. Department of Animal Welfare

This newly formed department oversees the welfare for all categories of animals, including economic animals, family pets, laboratory animals, and exhibition animals etc. Additionally, given the increasing number of pets in Taiwan, the department is in charge of managing all aspects on family pets, from breeding, buying and selling, foster care, pet foods, to owners' liability, and other new emerging business for family pets, etc.

2. Department of Resource Sustainability and Utilization

To tackle the increasing challenges from climate change, Taiwan's government plans to achieve net zero emissions by 2050, and MOA projects to achieve net zero emissions in agriculture in 2040. This newly formed department is responsible to set up the policy and plans for sustainable use of natural agriculture resources, such as farmland, forestry and irrigation water. The tasks include to survey carbon footprints for agriculture sectors, establish mechanisms for agricultural carbon exchange, draw out plans to promote various subjects such as conservation of natural carbon sink, development of renewable energy, and recycling agricultural resources, etc.

3. Forestry and Nature Conservation Agency (FANCA)

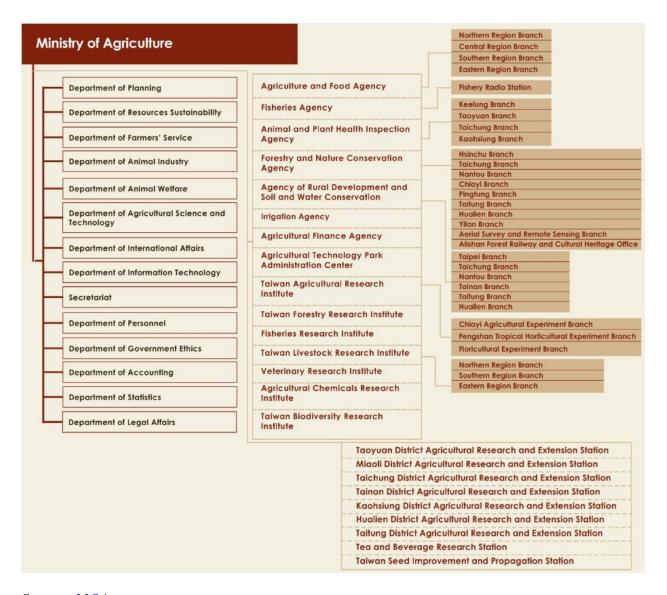
The old Forestry Bureau was merged with the Forest Conservation and Management Administration formerly under the Veterans Affairs Council to form FANCA. Taiwan has more than 60% forest coverage and abundant forestry resources, and the majority is state-owned. The new agency is responsible for sustainable management of forestry resources, watershed, wood products and forest recreation activities. The other tasks of FANCA include conservation of natural habitats, reserving land-area ecosystem and species, and preserving biodiversity, etc.

4. Agency of Rural Development and Soil and Water Conservation (ARDSWC)

The old Soil and Water Conservation Bureau (SWCB) was upgraded to ARDSWC. As part of its conservation work, SWCB had been assisting farmers to build drainage channels and roads or passages for agricultural use. The new agency will continue to promote rural development. In addition, given the impact of climate change, ARDSWC will develop comprehensive plans and measures to combat changes to the environment. For example, ARDSWC is charged with utilizing innovative technologies to advance conservation work on soil, water and slope land, and enhancing the work on watershed conservation and restoration, disaster reduction, preparedness and response, etc.

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MOA's new organization chart is provided below:



Source: MOA

Background Information:

When the current President Tsai Ing-wen took the office in 2016, the government announced a set of policies and programs to facilitate industry innovation, the goal is to shift Taiwan's focal industry sectors from traditional manufacturing towards high value-added, service- and solution-oriented business models. The Tsai administration committed a large amount of resources to five high-growth sectors for transformation initially: the Internet of Things (also referred to as Asian Silicon Valley), Biomedical, Green Energy, Smart Machinery, National Defense; new agriculture and circular economy were added later to make a total number of seven. The program was broadened again to add Digital Economy and Cultural Innovation.

For agriculture, COA put out the New Agriculture Innovation Promotion Program, running between 2017 and 2020, to address the issues on climate change, trade liberalization, labor shortage and aging, farmers' income and welfare, shattered farmland, infrastructure and facility upgrade, food security, and the growing public attention on food safety, consumer protection and environmental sustainability, etc.

The three pillars of the New Agriculture Innovation Promotion Program (2017-2020) are as below:

1. Establishing new agriculture models

COA will take new approaches to promote farmer protection, agriculture development and environment sustainability. For example, the Green Environmental Payment Program will incentivize sustainable farming practices and encourage crop rotation to replace rice with other grains. The crop insurance scheme will be expanded to more crops and covering areas, helping farmers mitigate risks from natural disasters and over supply. The other approaches include the social welfare program dedicated to farm workers, compensation program for natural disasters, subsidization program for farm chemicals, preferential loan program for farming equipment or facility upgrade, and permission of foreign migrate workers at farms, etc. In addition, the Program will work on the management of shattered farmland resource, adoption of sustainable fishery practice, technology consultation and support for better efficiency or other needs such as circular agriculture practice. The Program also plans to raise the competitiveness of livestock and poultry industry by adopting cold chain system throughout the entire supply chain, setting up a quality grading system and a grading-based auction system, and introducing HACCP into facilities, etc.

2. Building stable food supply system with safe agriculture produce

The Program will promote a farming system with diversified local produce and high quality, in particular to encourage the planting of cereals and grains and reduce imports. In the demand side, the Program plans to increase food self-sufficiency by creating local need, which will drive up the volume of local production. For example, the school lunch program requires to use local produce and

incentivizes the schools for such practice. The Program will also work to expand export markets. To ensure the safety of agriculture produce, the Program plans to expand the traceability requirement to more local produce, enhance the management of pesticide use, contamination control at farms, sanitary management during product movement, and inspections of operations and products, etc.

3. Enhancing marketing capabilities

Taiwan is working to expand the export market for agricultural goods, and reduce the risk of over reliance on a single export market. The Program plans to achieve this by multiple ways, for example, setting up a cold chain system throughout the entire supply chain to improve the quality of the agricultural produce for export, upgrading the hardware of wholesale market, improving logistic service and digital trading system, working with new overseas markets for acceptance of export, running promotional campaigns in overseas markets, and encouraging the development of value-added agricultural goods, etc.

Built on the success of the first program, COA put out the New Agriculture Innovation Promotion Program 2.0, running between 2021 and 2024, to continue advancing the progress.

The focused areas of version 2.0 are as below:

1. Further increasing farmers' benefits

The Program will enhance farmers' health insurance scheme, promote the enrollment of agriculture workers' occupational hazard insurance and crop insurance, and set up a pension fund and preferential savings system for farmers.

2. Enhancing the groundwork for agriculture domain

The Program will continue to work on protecting and managing the agricultural land resources, formulating adequate rice policy, training the new generation of agricultural workers, and tackling issues such as labor shortage, etc.

3. Ensuring product safety

The Program plans to terminate vaccination of foot-and-mouth disease on pigs, continue to safeguard Taiwan from the outbreak of African swine fever, expand organic farming and traceability requirement for agriculture produce, supervise schools to use traceable or certified local agriculture produce for students' meals, and require vendors to record farmers' identity for each pesticide purchase, etc.

4. Upgrading infrastructure

The Program will continue to work on establishing the cold chain system throughout the entire supply chain, modernizing the livestock and poultry industry, revising the fishery regulations and upgrading the infrastructure for fishery industry, and promoting smart agriculture, etc.

Attachments:

No Attachments.