

## **Tourism Bureau, MOTC, Directions on Subsidizing Overseas Charter Flights to Taiwan for the Promotion of Sustainable Travel and Tourism in the Hualien-Taitung Region**

1. These Directions are established by the Tourism Bureau, Ministry of Transportation and Communications (hereinafter “the Bureau”) for the purpose of implementing the “Hualien-Taitung Sustainable Tourism Promotion Program.”
2. The targeted recipients of subsidies under these Directions are airline companies operating international charter flights or travel agencies registered by the local country’s competent authority or registered in Taiwan and authorized to operate international charter flights, and which send tourists to Taiwan and organize international charter flights.

Subsidies for the costs of charter flights in the Mainland Area are limited to travel agencies that have been approved by the Bureau to arrange for Mainland Area residents to come to Taiwan for tourism, in accordance with the Regulations Governing the Approval of People of the Mainland Area Visiting Taiwan for Purposes of Tourism, and that have not within the last three years been penalized by the Bureau with suspension of their business for a cumulative total of three months or more from arranging for Mainland Area residents to come to Taiwan for tourism.

3. Terms used in these Directions are defined as follows:
  - (1) Charter flight: Refers to a charter flight bringing tourists to an airport in the Hualien-Taitung Region from an airport outside Taiwan with no scheduled flights, or that has been specially approved by the Bureau.
  - (2) Charter flight passenger: Refers to a passenger on a charter flight who is an Overseas Chinese or person of another country and does not hold

citizenship of or right of residency in the Republic of China.

4. The subsidy available for offsetting charter flight costs under these Directions shall be calculated according to the provisions below:

- (1) In cases where an arriving charter flights' actual number of passengers/actual seat occupants is at least 50 people: For Japan, a subsidy of NT\$385,000 or ¥1,375,000 per round-trip flight will be given; for South Korea and Southeast Asia (excluding the Philippines), a subsidy of NT\$335,000 or ₩12 million per round-trip flight will be given; and for Hong Kong, Macau, the Philippines and other customer source countries and Mainland China, a subsidy of NT\$285,000 or US\$9,300 per round-trip flight will be provided.
- (2) For each charter flight which flies at more than 50% of capacity, for each passenger over the 50% level the tour operator may receive an additional subsidy of NT\$600/passenger.
- (3) To complement Eastern Taiwan's tourism events for welcoming the New Year and the year's first dawn, and also the Lantern Festival events, the following program is effective from January 1<sup>st</sup> to February 29<sup>th</sup> in 2020, and from January 1<sup>st</sup> to March 3<sup>rd</sup> in 2021 and 2022. In cases where an arriving charter flight's passenger actual seat occupancy does not reach 50%, but reaches 30% or above, a subsidy may be granted at 40% of the amounts specified for the respective passenger source markets as prescribed in Subparagraph 1.

For passengers staying more than one night in the Hualien-Taitung area, 10% will be added to the subsidies for each source market outlined in the section above.

5. The application procedure and documentary requirements are as follows:

- (1) Applications in respect of charter flights shall be handled according to

the relevant provisions of the Regulations Governing Civil Air Transport Enterprises, the Regulations Governing Foreign Civil Air Transport Enterprises, and the Regulations Governing the Approval of Direct Air Transport Between the Taiwan Area and the Mainland Area

- (2) Applicants for charter flight subsidies shall, fifteen days before the start of the charter trip, submit a Charter Flight Application Form (as appended to these Directions) and passenger enlistment plan to an overseas office of the Bureau, to be forwarded to the Bureau for examination and approval. Applications by travel agencies or airline companies in Taiwan shall be submitted directly to the Bureau for examination and approval. In cases where an application has been submitted to the Bureau for a subsidy under another market promotion program, no further application may be submitted under the provisions of these Directions
  - (3) Each time a charter flight subsidy application is submitted for two or more round trips on the same route, the total flights that may be covered by the application are limited to those within 60 days of the start of the first trip
6. The review criteria and operating procedure are as follows:
- (1) The Bureau's overseas offices shall conduct a preliminary review of the content of charter flight applications (including the charter flight's itinerary, the number of passengers proposed for enlistment, and the apportionment of expenses). Those that meet the requirements shall be forwarded to the Bureau for confirmation of approval.
  - (2) Applications submitted to the Bureau shall be processed by the International Affairs Division.
7. Subsidy recipients shall, within one month after completing the execution of their plan, submit data of the results, documentary proof issued by the

airline company of the number and name list of passengers carried to the arrival airport, a declaration by the subsidy recipient that the charter flight passengers were not overseas compatriots or people of other countries holding citizenship of or right of residency in the Republic of China, a list of the total amounts of all actual expenses, and receipts for subsidized expenditures issued in the name of the travel agency or airline company, to the Bureau's overseas office, to be organized and checked and then sent to the Bureau for verification and appropriation.

Where the subsidy is for an airline company, in addition to the above-mentioned materials they should also send flight certification documents to this Bureau for verification.

For those requesting increased subsidies due to extended passenger stays, additional materials relevant to this request should be submitted.

8. All necessary expenditures for subsidies under these Directions shall be paid from the budget of the "Hualien-Taitung Sustainable Tourism Promotion Program (2020-2022)."

When the current year's charter flight subsidy budget is exhausted, the Bureau may publicly announce its stoppage of accepting new applications.

9. The Bureau's overseas offices shall be responsible for supervising and guiding charter flight applications. If they discover that the results are poor, that subsidies have not been used for their proper purpose, that any misrepresentation or reporting of inflated figures has occurred, that an application has been made to the Bureau for a subsidy under another market promotion program, or other such matter, they shall require repayment of the relevant part of the subsidy payment, and depending on the severity of the situation, may also terminate the subsidizing of such

subsidy cases.

Where subsidy payment involves a matter of procurement, it shall be handled in accordance with the Government Procurement Act and related regulations.

After the conclusion of this program, the Bureau shall evaluate the situation of its expenditures, with a view to raising business efficiency.

10. Applications provided for in these Directions, except as otherwise stipulated in these Directions, shall be limited to an application period up to December 31, 2022.