



Taiwan: International Student Recruitment

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Summary

In 2005, the total number of Taiwan students studying abroad reached a ten-year high of 32,671. 15,525 students chose to go to the U.S., which represented a significant 10% increase from 2004. The U.S. continues to lead the international student recruitment market, taking 48% of the market. The increase is mainly due to more aggressive recruitment activities by U.S. institutions in the Taiwan market. It is also a result of the Taiwan government's continuous efforts to encourage students to go overseas for long or short-term study.

International education remains a high priority for many students and parents in Taiwan, thus the international student recruitment market will continue to be robust. Given the highly competitive nature of the market, U.S. institutions should invest more in marketing. Some channels include major media advertisement and popular Internet portals; promotions through recruiting agents; participation in education fairs and distribution of school information at recruiters' offices and student advising centers. Partnering with local schools in specific areas is also an effective way of entering the market.

Market Overview

The study abroad trends in Taiwan have gone through various stages. From 1996 to 2002, the number of Taiwan students pursuing overseas study grew steadily every year; especially in 1999/2000, the numbers went from 27,890 to 31,907. However, following 9/11 and the SARS crisis in 2002/2003, the numbers dropped dramatically, from 32,016 to 24,599. Interest among Taiwan students in pursuing overseas studies rebounded in 2004 and the student number reached a ten-year high at 32,671 in 2005.

The U.S. remains the top destination for Taiwan students pursuing overseas education. The U.S. offers Taiwan students a wide range of choices in terms of institutions, degree or non-degree programs and academic and social environments. Many prominent public figures in Taiwan have a degree from the U.S. Businesses recognize the quality of U.S. education and getting a degree from an U.S. institution is seen as career enhancing. Another important reason Taiwan people choose the U.S. is it offers the most opportunities for work and networking.

Taiwan's Education System

As of September 2004, Taiwan had a population of 22,659,000 and a population density of 626 persons per sq. km. The average number of children born to each woman fell from six in 1951 to two in 1984, and to 1.24 in 2003.

Taiwan has expressed a strong commitment to education. Besides the nine-year compulsory education launched in 1968, a wide range of alternative educational options exists for people of all ages. In 2004, the total enrollment rate of the population aged six to twenty-one was 96.77 percent. As a result of universal education, literacy rate is very high, with 97.16 percent of the population over 15 years old being literate.

Taiwan's Constitution entitles all children to at least six years of basic education. The *National Education Act*, promulgated in 1979, stipulates that all school-age children (between six and 15) must attend six years of primary school and three years of junior high school.

Taiwan's educational system is basically divided into the following three levels:

- Nine years of compulsory education in primary and junior high school (Grade 1 thru 9).
- Entrance to senior secondary level education thru the following three channels:

- Basic Competency Test (BCT)
- BCT plus recommendations from students' junior high schools
- BCT plus academic record
- Entrance to college level through the following channels:
 - Subject Competency Test (SCT) plus interviews/exams conducted by departments
 - SCT plus recommendations from students' high schools
 - SCT plus "designated subject exams (DSE)"
 - DSE only

In the early 1990s, Taiwan's education reform relaxed regulations for setting up universities. Such reform resulted in an excessive supply of higher education institutions. The number of students enrolled in four-year colleges and universities has since increased from 422,321 in 1997 to 1.05 million in 2004. The tremendous increase in schools and students has affected the quality of teaching, as well as the overall students' quality. The Taiwan government is very concerned that if the situation continues, Taiwan might lose its competitive edge in the global economy. On the domestic side, the MOE is setting up a system that will allow Taiwan universities to know how they are performing in comparison with universities worldwide. Due to the oversupply of universities and the drop in birthrate, more and more universities are facing the problem of not being able to recruit enough students. The MOE hopes the Evaluation System can help universities improve their curriculum and teaching quality. The MOE also encourages school mergers by creation of joint programs or campuses.

Incentives on Study Abroad

Taiwan's drive for global competitiveness has resulted in revised programs or new initiatives to encourage overseas study.

Government Scholarships

To encourage outstanding students that need financial support to go abroad for advanced studies in a wide variety of fields, the Taiwan MOE has increased the amount of the scholarships provided to qualified students. In 2006, MOE is planning to fund 224 Taiwan graduate students. Students may receive USD 20,000 to 25,000 per year for two to three years.

Taiwan Merit Scholarship

The Taiwan Merit Scholarships (TMS) program was developed jointly by the MOE, the Council for Economic Planning and Development and the National Science Council in 2005. The purpose of TMS is to encourage outstanding Taiwan citizens in either academia or industry to go abroad to undertake studies or research in international academic institutions. The specific areas covered by the TMS include natural sciences, humanities and social sciences, applied science and technology such as bio-medical technology, display technology, digital content technology, information technology, telecommunications, semiconductors, energy technology, natural disaster-related study, environmental study, oceanography, nano-technology, advanced material science and other knowledge-intensive service industries.

Student Loan

In 2004, the MOE established a loan initiative to subsidize overseas graduate programs. MOE works with six local banks to provide loans to interested students. As of January 2006, 2,175 people have applied for the overseas graduate program student loans.

Funding for Local Universities

1) In order to raise the standards of Taiwan's higher education, the government plans to allocate NT\$50 billion (US\$1.45 billion) in five years time to assist at least 10 of Taiwan's top universities to become leaders in their respective fields in Asia within the next five years, and to be ranked among the world's top 100 universities within ten years. According to MOE, after initial evaluation, 12 universities have been selected for an allocation of funding ranging from NT\$ 0.3 to 3 billion per school per year for the first two years. These universities are requested to create joint degrees with foreign universities or exchange

programs that will allow students to have cross-educational enrollment opportunities. According to an MOE official, one project that has been launched jointly by a number of national universities is to work together to discuss joint venturing with the University of California system schools. It is expected that there will be more and more joint ventures between Taiwan universities and foreign universities.

2) "MOE Guidelines for Encouraging Universities to Select Students to Study Abroad Program" is a pilot program the MOE launched in 2006. The Program subsidizes up to NT\$ 3 million annually to universities that come up with initiatives, which encourage their students to go abroad for 3 – 12 months of study or research. If successful, the MENT Scholarship Program will become regular and the funding may increase gradually.

Due to active participation by the Taiwan education authorities to improve the quality of Taiwan education levels, the total number of students from Taiwan pursuing an education abroad has continued to grow for the past two years.

Market Data

The United States remains the first choice for Taiwanese students when considering study abroad. In 2005, the U.S. market share for the international recruitment market in Taiwan is 48%, followed by the UK's 28 percent. Australia and Canada each share around 8 percent of the market.

The Taiwan student visa market share for the past six years among the five major English-speaking countries is as follows:

	2000	2001	2002	2003	2004	2005
U.S.	49%	49%	43%	42%	46%	48%
U.K.	27%	25%	30%	27%	29%	28%
Australia	6.5%	7.8%	9%	11.4%	8%	8%
Canada	8%	7.5%	7.5%	7.3%	7%	7%
New Zealand	1.5%	2%	2.3%	2.3%	2%	2%

Best Prospects

Leading Fields of Study

The two leading fields of study remain business & management and engineering. Other popular fields include mathematics/computer sciences, education, physical and life sciences, health professions and Intensive English language.

Dual degrees such as MBA/ME, Management/Engineering or Management/Computer Science are very popular, as many Taiwan high tech executives, hoping to move up the career ladder to management positions, have found an MBA very helpful. They are especially interested in project management, product management and product marketing related courses. Traditional MBA programs with focus on finance, marketing, human resources and accounting continue to be very popular.

Boarding High Schools

The market for overseas boarding high school is growing rapidly in Taiwan. Even though there are no official statistics on the number of Taiwan students going abroad for high school education, the market is gradually opening up and has become more competitive. Besides the U.S.'s TABS fairs, Canada and Australia also hold regular boarding school recruitment fairs in Taiwan. About 500 people attended the Canadian high school fair and 300 attended the Australian fair in 2005. As the birth rate continues to drop, it is expected that parents in Taiwan will be more and more willing to invest in their children's education. In Taiwan, education emphasizes memorization and test preparation. U.S. education is widely known to help students think logically and be more proactive in learning rather than memorizing. More and more parents want to prepare their children to become

competitive in the future job market, so they believe investment in high school education is important. U.S. boarding high schools offering 7-day boarding and ESL courses for international students are the most attractive.

Short-term Intensive English Programs (IEP)

According to estimates by major recruiting agents, the number of people going overseas for short-term study has increased for almost 20% in 2005. According to IIE, Taiwan is the third leading place of origin for Intensive English Programs (IEP) in the U.S., after Japan and Korea. In 2005, 5,126 were enrolled in U.S. IEP programs, a 21% increase from the previous year. There seems to be a decline in the number of student weeks in recent years, which indicates that more students would choose IEPs for a shorter duration. The leading host states of Taiwan IEP students are California, New York, Texas and Massachusetts.

According to information provided by recruiting agents, the Taiwan student and youth travel and study market is growing rapidly. In the past, students would join group tours for sightseeing or cultural experiencing. However, more and more students are traveling independently abroad to attend short-term language classes. There is an increasing demand for study and work type of arrangements.

The internet-based TOEFL (TOEFL iBT) will be launched in Taiwan in late 2006. Many Taiwan students that have taken the sample test score lower than they did at the TOEFL CBT. This is causing a concern for students that want to apply to schools requiring high TOEFL scores. Many recruiting agents we spoke to pointed out that conditional admission is becoming increasingly important. Many Taiwan agents like to promote schools that have their own ESL programs. Upon completion of the ESL programs, students may transfer directly to the regular degree programs without having to take TOEFL exams. It is expected that the demands for such arrangements will continue to grow. Other than substitution of TOEFL or GMAT scores, U.S. schools may also consider compensating work experience for lower GPA scores for international students. Basically, the more flexibility offered in admission requirements, the more attractive the programs will be to Taiwan students.

Key Suppliers

According to agents and students from Taiwan, the US remains the top destination for studying abroad. It is worth mentioning that Taiwan sends the highest percentage of its population to the U.S. as students, comparing with other leading countries of origin. Although the Institute for International Education (IIE) reported a 1% drop of Taiwan student enrollment in US higher education institutions during 2005, U.S. student visa issuance figures indicate that actual student visas issued to Taiwan citizens have increased 10%, compared with 2004. In contrast, other English-speaking countries -- the UK, Canada, and New Zealand, have shown declines since 2004. Australia shows a slight increase, and absolute figures from Australia are exceeding Canada's figures.

Students going to New Zealand continue to decline for the third straight year. In 2005, 498 student visas were issued, a 6.7% decrease from 2004.

Of the students going to Europe, France is the top destination. In 2005, 600 French student visas were issued, a 3.5% increase from 2004. The runner up is Germany, with 475 student visas issued, an 18.2% increase from 2004.

1,748 students chose to go to Japan for overseas study in 2005, 12.3% increase from 2004.

Statistical data on Taiwan student visa issuance numbers from the leading foreign countries for the past six years is provided below.

	2000	2001	2002	2003	2004	2005
U.S.	15,547	14,878	13,767	10,324 (-25%)	14,054 (+36.1%)	15,525 (+10.5%)
Canada	2,583	2,296	2,433	1,813 (-25.5%)	2,149 (+19%)	2,140 (-0.4%)
U.K.	8,567	7,583	9,548	6,662 (-30%)	9,207 (+38%)	9,248 (+0.5%)
France	552	562	529	627 (+18.5%)	580 (-7.5%)	600 (+3.5%)
Germany	313	345	400	442 (+10.5%)	402 (-10%)	475 (+18.2%)
Australia	2,104	2,397	2,894	2,823 (-2.5%)	2,246 (-20%)	2,527 (+12.5%)
New Zealand	496	645	740	571 (-22.8%)	534 (-6.5%)	498 (-6.7%)
Japan	1,753	1,696	1,745	1,337 (-23.4%)	1,556 (+16%)	1,748 (+12.3%)
TOTAL	31,907	30,402	32,016	24,599 (-23.2%)	30,728 (+25%)	32,761 (+6.6%)

Source: The Taiwan Ministry of Education

The Taiwan study abroad market is very competitive and is saturated with aggressive marketing by education fair organizers, recruiting agents and education counseling offices of many countries. Besides the traditional English-speaking countries, other competitors include regional Asian countries such as Singapore, the Philippines or even India. These countries also provide English-speaking environment with much cheaper tuition and living costs.

One major player that has emerged rapidly is China. China reduced tuition for Taiwan students in April 2005, offering them fees the same as local Chinese students. According to official counts by the Taiwan MOE, China attracted more than 5,000 Taiwan students in 2005, up 30% from 2002. Even though Taiwan's MOE does not recognize Chinese diplomas, there is a rising number of Taiwan students going to China. Different from the U.S. market, many Taiwan high school students are interested in attending undergraduate programs in prestigious Chinese universities. Some recruiting agents believe China has taken over the second place, passing the U.K., in the international students recruitment market. Business is also the leading field of study Taiwan students choose in China. About 37% of Taiwan students are enrolled in business-related programs in China.

Market Entry

1. Participate in education fairs.
A list of major education fairs that feature U.S. institutions is provided in the Trade Events Section.
2. Establish relationships with recruiters and agents: Recruiting agents are one of the main resources used by Taiwan students and parents when planning for studying abroad. It's very typical in Taiwan to use agents mainly because of language barriers and time concerns.

Recruiters provide a wide variety of services ranging from student advising, help on assessment tests such as TOEFL and GRE to college applications. Recruiters publish magazines and newsletters introducing schools they represent to potential students. They also feature the

schools they represent on their websites. Many recruiting agents hold education seminars on a regular basis, allowing students to meet face-to-face with school representatives.

When working with agents, a proactive relationship is very important. Keeping frequent contact with them not only allows them to be fully updated on your schools' programs, it also gives the agents fresher memories of your school. Most agents in Taiwan represent multiple schools from various countries, so it is crucial to highlight distinctive features you want the agents to promote. Provide them with ample amount of brochures for display in their offices.

The Commercial Service offices in Taipei and Kaohsiung can arrange for U.S. schools to meet with potential recruiting agents through the fee-based Gold Key Service (GKS) or the International Partner Search Program (IPS). To learn more about these two services, contact the US Export Assistance Center nearest to you.

3. Get the message out. A lot of Taiwan students search the web for school information, so it is highly recommended to have some information translated into Chinese and posted at school website. Also, get school information distributed at U.S. State Department affiliated student advising centers such as the Foundation for Scholarly Exchange (www.fulbright.org.tw) and the American International Education Center (www.aief.org.tw), recruiting agents offices or local libraries.
4. Partnerships with local schools. The Taiwan Ministry of Education encourages Taiwan institutions of higher education to cooperate with international schools by providing extra funding to schools that can come up with incentive programs for their students to go abroad to study. Thus, many local schools are looking for foreign schools they can partner with, either for joint degree programs or for establishment of sister school affiliations.

Trade Events

Major education fairs featuring U.S. schools include:

American International Education Fair (AIEF)

www.aief.org.tw

Featuring U.S. universities, community colleges, ESL programs and others.

Linden Educational Services (Linden Tour)

www.lindentours.com

Featuring U.S. four-year universities

Oh! America Education Consulting Center

www.ohamerica.net

Featuring U.S. and Canadian universities, community colleges, ESL programs and others.

The MBA Tour

www.mbatour.com

Featuring worldwide MBA programs

American Association of Community Colleges (AACC)

www.nche.edu

Featuring U.S. community colleges

TABS Fair
(The Association of Boarding Schools)
www.schools.com
Featuring U.S. boarding high schools

Resources & Key Contacts

U.S. schools wishing to learn more about Taiwan's educational services market may contact the following offices for additional information:

Commercial Section
American Institute in Taiwan
Suite 3207, 32F, 333, Keelung Rd., Sec. 1, Taipei, Taiwan
Tel: 886-2-2720-1550
Fax: 886-2-2757-7162
Grace Tao, Commercial Assistant
Email: grace.tao@mail.doc.gov
Gregory Harris, Commercial Officer
Email: gregory.harris@mail.doc.gov

Foundation for Scholarly Exchange
(Fulbright Foundation)
Tel: 886-2-2332-8188
Email: fse@saec.edu.tw
www.fulbright.org.tw

AIEF Education Foundation
Email: dtai@aief-usa.org
Tel: 8862-2705-8840
www.aief.org.tw

Bureau of International Cultural and Educational Relations
of the Ministry of Education
No. 5, Jungshan S. Rd., Taipei, Taiwan 100, R.O.C.
Tel 886-2-2356-6051
www.edu.tw

For More Information

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