



Ship Type: All Trade Area: Taiwan/China

Bulletin 183 - 04/01 – Direct Trade between Taiwan/Mainland China

While there have been recent press reports of improving trade relations between mainland China and Taiwan, and of some local ships sailing directly between the two countries, please note that Chinese and Taiwanese regulations still prohibit ships from trading / navigating directly between ports in the two countries.

In a recent incident a ship sailed from a Taiwanese port to a mainland Chinese port without stopping at any other country. The ship called and sailed from the mainland Chinese port without any repercussions.

However, when the ship called at a Taiwanese port at a later date, the local authorities discovered that the ship had sailed direct from Taiwan to mainland China, the Ministry of Transportation and Communication in Taiwan imposed a fine of approximately US\$90,000 on the ship.

Taiwanese 'Regulation For Relationship Between Mainland and Taiwanese People' as defined by Mainland Affairs Council Bureau of Taiwan' issued on 18 Sept 1992, states

"Rule 30: Foreign ships, civil aviation or other transportation means, are not allowed to trade/navigate directly into ports, airports between Taiwanese and mainland region. All liner trade/transport between Taiwanese port and mainland ports via a third countries are also prohibited.

The Ministry of Transportation and Communication Department will restrict and prohibit the entry of the ships, civil aviation or other transportation means if these are hired by mainland people, legal entities, organisation, association, investor or operator.

Rule 85: A penalty of NT\$3 million upto NT\$15million would be imposed against the personnel when the ship, civil aviation or other transportation breached rule 30 herein. In addition, all these transportation means are not thereafter allowed to enter into Taiwanese ports, airports again for a certain period."

Further against the announcement made by The Ministry of Transportation and Communication dated 31 August 2000, it stated mainly:

When Rule 30 is breached:

1. Fine for NT\$3,000,000 (US\$91,000) will be imposed if it is the first time.
2. Fine for NT\$6,000,000 (US\$183,000) will be imposed at the second time.
3. Fine for NT\$15,000,000 (US\$456,000) will be imposed at the third time or over.

While the situation may change in the future, Members should be aware that local rules still prohibit direct trade/direct navigation between Taiwanese ports and Chinese ports.

Source: Bruce Hung, Thomas Miller (Hong Kong) Ltd.