

# Taiwan to relax China high-tech investment limits

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Taiwan is to relax controls on investments from mainland China in the island's high-tech companies, a senior economic official said Sunday.

The move is yet another sign of fast-warming ties with [Beijing](#).

According to the state Central News Agency, Chinese companies will be allowed to own up to 10 percent of individual [semiconductor](#) and flat-screen manufacturing companies.

Chinese companies will also be permitted to own up to 49 percent of subsidiaries controlled by the high-tech firms.

"The proposal to ease the restrictions on investments by Chinese businesses have been approved by the Executive Yuan (Taiwan's Cabinet)," deputy economic minister Lin Sheng-chung told AFP.

"It is due to be announced in the next few days," Lin said, declining to provide details.

Analysts say the measures will help Taiwanese flat-screen makers tap China's vast market.

[Taiwan](#) in June 2009 partially lifted a decades-old ban on [investment](#) in the island by Chinese companies or individuals amid rapidly improving ties following the election of Beijing-friendly Ma Ying-jeou as president in 2008.

Despite the opening, accumulated Chinese investment streams to Taiwan are less than one thousandth the money going in the other direction.

As of December, Chinese firms had made 102 investments on the island worth \$131.83 million, Taiwan's Investment Commission said.

Meanwhile, Taiwanese businesses have funnelled an estimated \$150 billion to the mainland since the government eased controls on China-bound investment in 1991, local media have said.

[China](#) still regards Taiwan as part of its territory awaiting reunification although the island has governed itself since 1949 at the end of a civil war.

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