

Voluntary Report – Voluntary - Public Distribution

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Report Name: Life is a Box of Chocolate - Check Out Which Ones are in Taiwan

Country: Taiwan

Post: Taipei ATO

Report Category: MISC-Commodity, Market Promotion/Competition

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Report Highlights:

In Taiwan, chocolate is one of the major categories in the sweets department. In 2023, the market imported \$141 million worth of chocolate and related products, among which \$29 million are from the US, making it Taiwan's biggest chocolate supplier. The market is attracted to chocolate products that have a high cocoa content, as well as ones with nuts or fruits. This report includes retail market research showing the most popular product origins, price points, and product attributes, as well as labeling regulations and suggestions for U.S. exporters.

Market Overview

Similar to a small Pomeranian with a big attitude, Taiwan is a small island with big purchasing power. According to the International Monetary Fund, the market has a GDP per capita of \$34,430, which surpasses its powerhouse neighbors South Korea at \$34,160 and Japan at \$33,140. In 2023, its 23 million citizens consumed \$3.7 billion agricultural products from the US, among which \$2.1 billion were consumer-oriented, marking it the seventh largest agricultural export market for the US.

Besides these astonishing figures, Taiwan is a mature market with sophisticated consumers who are interested in trendy sweets and snacks from all over the world. Taiwan's historical sugar production around the former capitol of Tainan initiated Taiwan's sweet tooth, a trend that's still relevant today as consumers lean into sweeter recipes and concoctions. At the same time, it is attracted to healthy choices in small portions due to its aging society and shrinking family structures. Within the realm of sweets, chocolate is one of the biggest categories in Taiwan. According to Kantar, the UK-based marketing data and analytics company, in recent years, chocolate and related product sales in Taiwan grew 26 percent while dark chocolate sales grew 34 percent. The peak sales season is every December to the next following February with December sales usually accounting for more than 10 percent of the yearly total. Price competitive brands such as Kinder, Maltesers, and Ferrero are experiencing steady growth while higher end brands like Godiva, Lindt, and Venchi are successfully penetrating retail channels. The below table shows Taiwan's chocolate importation in the last five years.

Taiwan Importation of Chocolate (HS Code 1806)				
Year	Total Value (\$ Million)	Total Volume (Metric Ton)	Value Imported from the US (\$ Million)	Volume Imported from the US (Metric Ton)
2023	141	16,508	29	3,128
2022	146	18,575	31	3,683
2021	134	17,047	33	3,924
2020	109	14,764	26	3,490
2019	129	16,698	35	4,659

Retail Research

In Taiwan, average supermarkets carry locally made sweets and snacks while international brands can be found in high-end supermarkets such as [Mia C'bon](#) and [City'Super](#). These stores are usually located in department stores to cater to consumers with high spending power. ATO Taipei conducted retail research in these high-end stores and collected the below data.

Imported Chocolates in the Taiwan Retail Market		
Product Origin (Number of Products)	Price USD/package (US \$1= NT\$32.5)	Attributes
Asia: Japan (35), Malaysia (25), Turkey (5), The Philippines (4), Korea (2)	12.0-1.0	Dark chocolate: 20% Contain nuts: 20% Contain fruits: 17%
Europe: Italy (49), Germany (36), Belgium (25), Switzerland (21), Poland (17), Spain (15), France (10), Lithuania (7), Finland (7), Denmark (2), Ireland (2), The Netherlands (1), Romania (1)	46.1-1.0	Dark chocolate: 30% Have Filling: 12% Contain nuts: 8% Assorted packs: 6% Contain fruits: 3%
North America: US (5), Canada (2)	6.4-3.7	Dark chocolate: 14% Contain nuts: 43% Contain fruits: 14%
Other: New Zealand (2), Australia (1)	6.1-1.0	Contain nuts: 33%

Note: Packages are of various sizes.

Possible Obstacles for U.S. Exporters

Taiwan is a market with great spending power. In 2021, a Costco store in central Taiwan outperformed every other store in the world. It also has a favorable impression of U.S. products, often considering them upscale and stylish. That being said, it is not an easy market for new products. Importers and traders often order very small quantity of new-to-market products to test the water, which is a difficult situation for exporters with a set minimum order quantity.

Secondly, Taiwan has [strict labeling regulations on chocolate and related products](#):

1. If the wording “dark chocolate” is in the product name, the product should contain at least 35 percent of cocoa solids, at least 18 percent of cocoa butter, and at least 14 percent of fat-free cocoa solids.
2. If the wording “white chocolate” is in the product name, the product should contain at least 20 percent of cocoa butter and at least 14 percent of milk solids.
3. If the wording “milk chocolate” is in the product name, the product should contain at least 25 percent of cocoa solids, at least 2.5 percent of fat-free cocoa solids, and at least 12 percent of milk solids.
4. If the word “chocolate” is in the product name, the raw material of chocolate used should abide by the above regulations.

Finally, all retail food products entering Taiwan will need to have proper labeling in traditional character Mandarin. The following information must be included on the label. Exporters will need to consider translation and label production costs.

- name of the commodity
- the name, telephone number, and address of the producer or manufacturer

- country of origin
- name, telephone number, and address of the importer
- contents or composition of the commodity, including ingredients and additives used
- net weight, volume or quantity, or measurements given in statutory measuring units
- date of manufacture in either the Chinese calendar or Gregorian calendar
- date of expiration, expressed as year, month, date, and not expressed in code
- conditions of storage should be indicated if not shelf stable

For more information, please see Taiwan’s [Food and Agricultural Import Regulations and Standards Report](#).

Suggestions for U.S. Exporters

Small-to-medium sized exporters should work with the appropriate U.S. State Regional Trade Group (SRTG) to take advantage of their marketing resources and promotion support in Taiwan.

State Regional Groups	Website	States
Food Export – Northeast	https://www.foodexport.org/about/food-export-northeast	Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont
Food Export – Midwest	https://www.foodexport.org/about/food-export-midwest	Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Wisconsin
Southern U.S. Trade Association (SUSTA)	https://www.susta.org/	Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Texas, Puerto Rico, Virginia, West Virginia
Western U.S. Agricultural Trade Association (WUSATA)	https://www.wusata.org/	Alaska, Arizona, American Samoa, California, Colorado, Guam, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming

For experienced exporters, ATO Taipei recommends exhibiting in the [Taipei International Food Show](#), the biggest food show in Taiwan that’s held annually in June. It is a great venue to debut new products,

meet potential business partners, learn market structure, and maintain established relationships. The office organizes a USA Pavilion in the show every year, provides a market briefing, as well as a reception with U.S. food incorporated menu to help U.S. exporters build business relationships with local importers, traders, wholesalers, and retailers. The show date in 2024 will be June 26-29.

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Attachments:

No Attachments.