



Global Insolvency: 2025 Reflections and 2026 Projections

Taiwan





Taiwan

Taiwan – Insolvency Year in Review 2025

Insolvency volumes

According to Taiwan's Ministry of Economic Affairs (MOEA), there were 24,783 corporate insolvencies from 1 January to 25 November 2025. We anticipate the full-year figures will align closely with the 26,658 failures projected for 2024.

Sector trends

While the overall picture shows improvement, different sectors are experiencing varied conditions. Electronics and semiconductor firms—key players in Taiwan's economy—are seeing benefits from a stabilising global demand after previous fluctuations. And although export-driven manufacturers are witnessing a gradual uptick in orders, ongoing trade policy and tariff uncertainties remain a concern.

Small and medium-sized enterprises (SMEs) in retail, hospitality, and domestic services are navigating a mixed landscape.

Some are grappling with tighter liquidity due to rising wage costs and fluctuating consumer sentiment. Meanwhile, construction activity is holding steady, with ongoing manufacturing and public-sector projects helping to offset the slowdown in the residential market.

Legislative changes

While Taiwan hasn't yet adopted the UNCITRAL Model Law on Enterprise Group Insolvency, it made strides in refining its insolvency framework in 2025. The Judicial Yuan's 2025 agenda outlines plans to merge the Company Restructuring Act and the Bankruptcy Act into the Debt Clearance Act. This reform aims to simplify the insolvency process by addressing procedural inconsistencies and regulatory gaps. By improving debt resolution efficiency, it seeks to create a fairer framework that clearly outlines the rights and responsibilities of both debtors and creditors.

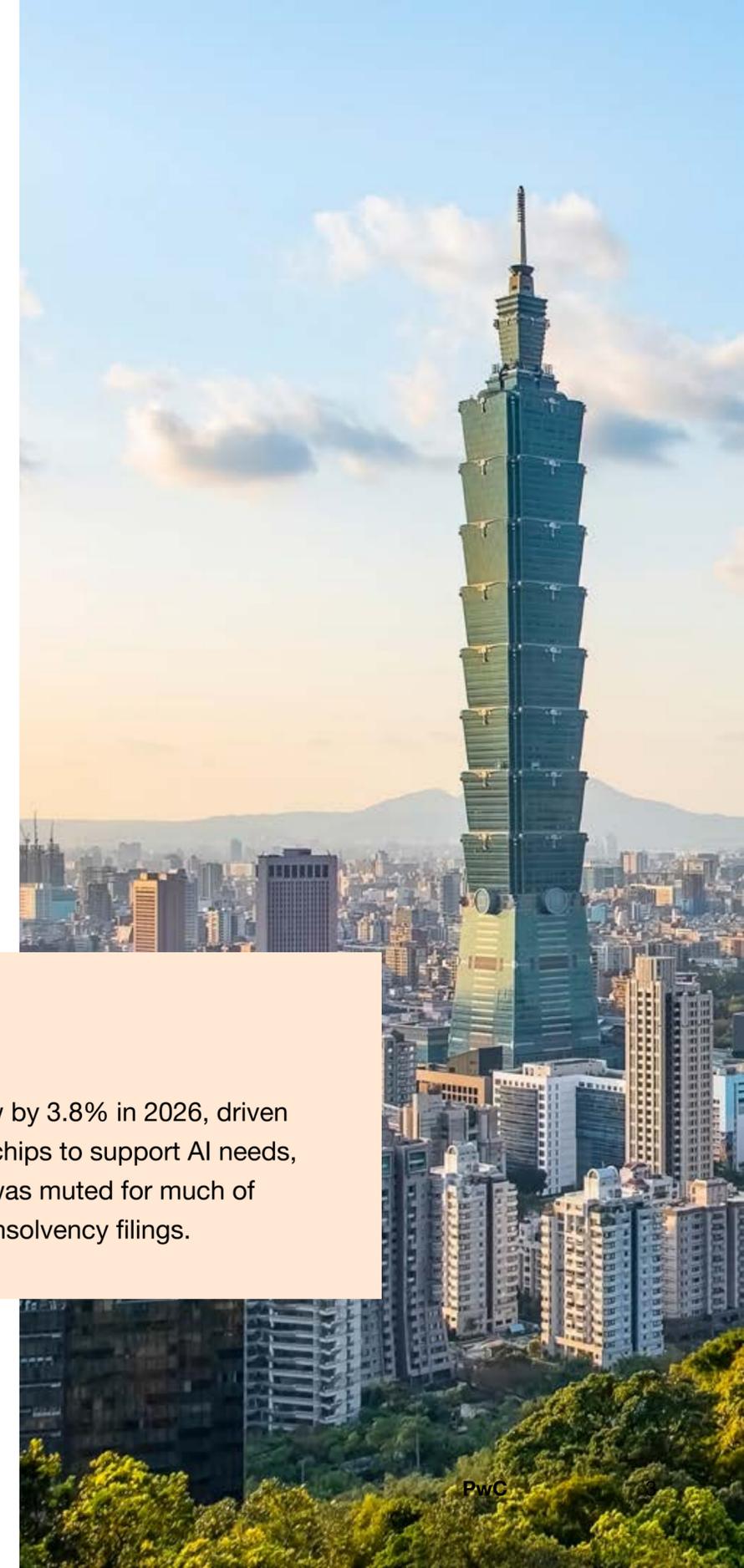
Large insolvencies and PwC involvement

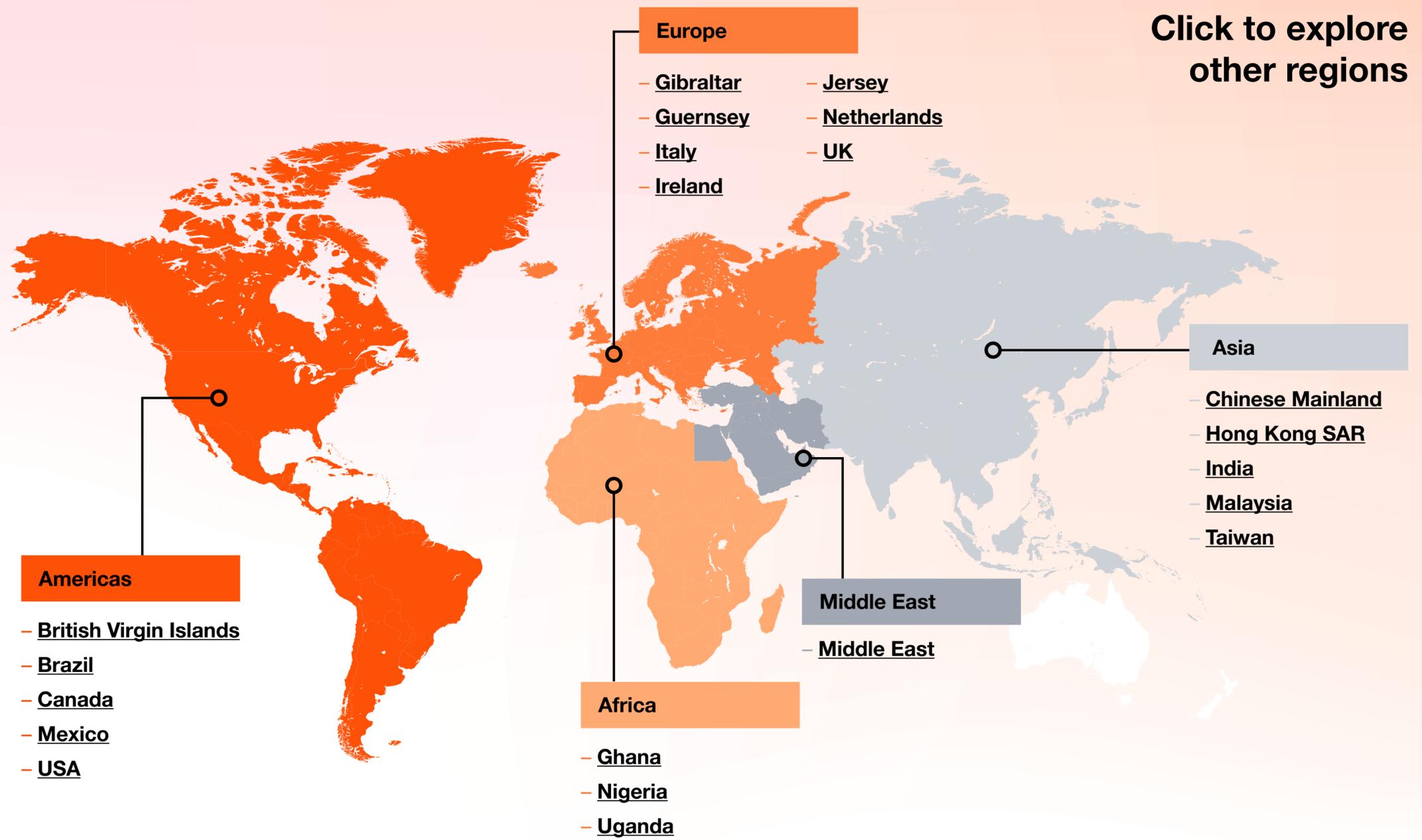
In 2025, the economic climate was generally positive for businesses, with low insolvency activity and few large-scale cases.

However, we at PwC Taiwan continued to offer expert advisory services in restructuring for companies facing challenges. By applying our deep industry knowledge and local insights, we assist businesses in crafting and executing recovery strategies that focus on improvement, simplification, or divestment.

Projections for 2026

Looking ahead, Taiwan's GDP is projected to grow by 3.8% in 2026, driven by ongoing investment and the demand for microchips to support AI needs, alongside a rebound in consumer sentiment that was muted for much of 2025. Consequently, we anticipate a decrease in insolvency filings.





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Territory lead



Jason Liu
 Partner, PwC Taiwan
 E: jason.liu@pwc.com
 P: +886 2 2729 6666

Contributors

Jerry Teng

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