



# Taiwan's Foreign Trade Status and Policies

Bureau of Foreign Trade, Ministry of Economic Affairs  
18 July 2019



# Outline

I. The Evolution of Taiwan's Trade Policies

II. The Development of Taiwan's Foreign Trade

III. Trade Policies

IV. Outlook

# I. The Evolution of Taiwan's Trade Policies

## 1950s: The First Import Substitution Period

- The First Economic Development Plan
- High tariffs and quotas
- Import substitution for labor intensive industries

## 1970s: The Second Import Substitution Period

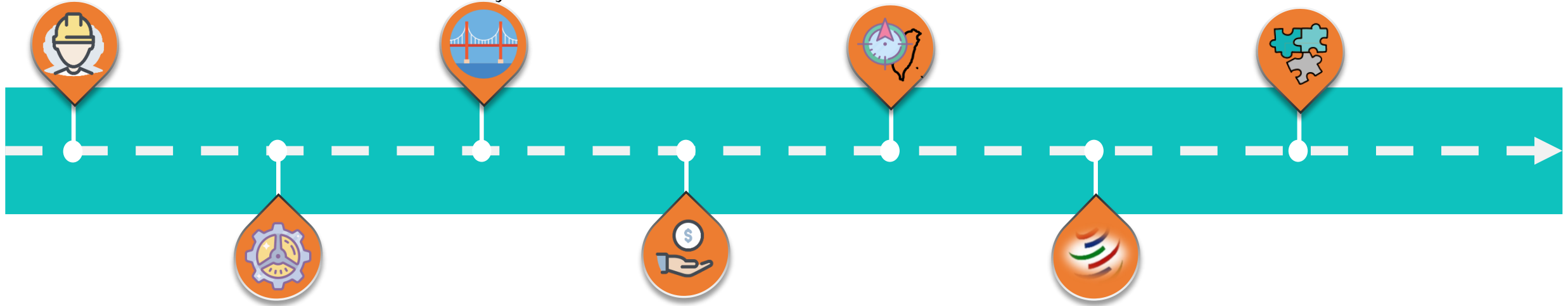
- Oil crisis
- Increased the local content of intermediate goods and raw materials
- Ten Major Construction Projects

## 1990s: Promotion of the Asia-Pacific Regional Operations Center

- Making Taiwan an Asia-Pacific Regional Operations Center
- Joined APEC
- Applied to join GATT

## 2010s: Participation in Regional Integration

- The rise of regional integration
- The New Southbound Policy



## 1960s: Export Expansion

- Promoted investments and exports
- Established export processing zones
- Developed export-oriented light industries

## 1980s: Economic Liberalization

- Economic liberalization as a direction for development
- Expanded domestic demand
- Established Hsinchu Science Park
- Expanded R&D expenditures

## 2000s: Participation in International Trade Organizations and Activities

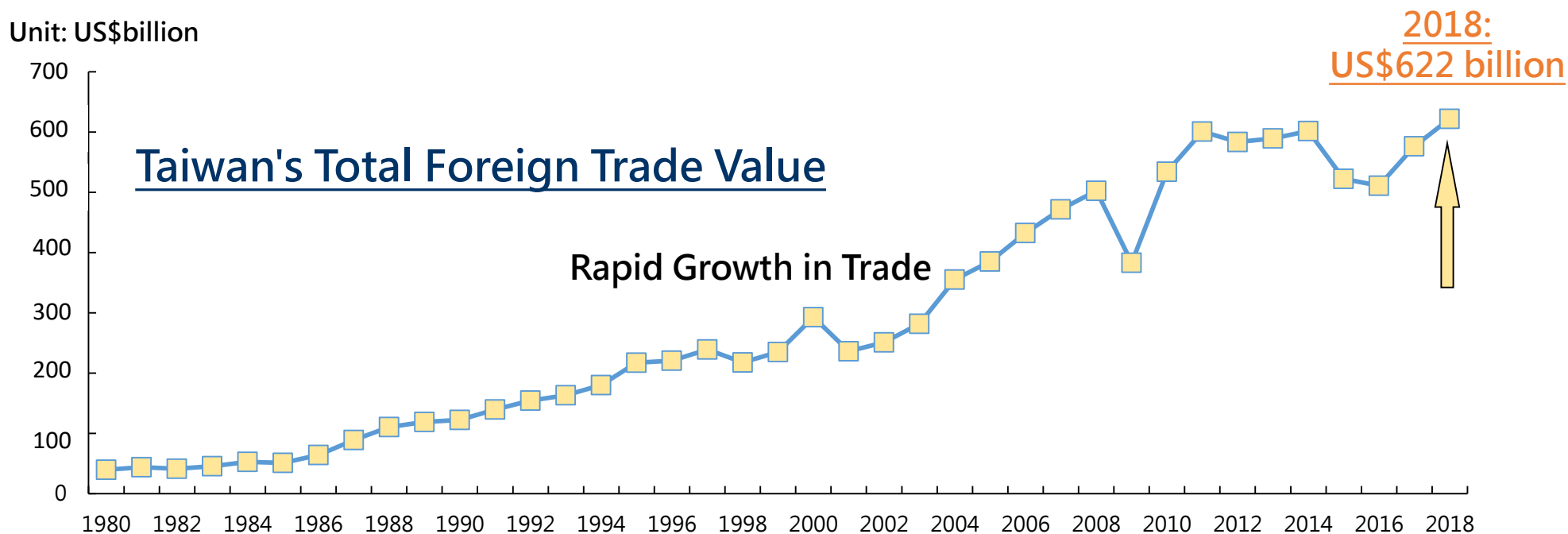
- Joined the WTO
- Aligned domestic trade systems with international ones
- Emphasized intellectual property rights and investment liberalization

# I. The Evolution of Taiwan's Trade Policies

## Taiwan's high trade dependence

- In recent years, Taiwan's trade dependency ratio has been over 100%, except for 2009, 2015 and 2016, with the figure for 2018 being 105.6%, indicating that Taiwan's economic development is highly dependent on foreign trade.

## Taiwan's trade profile: Important milestones

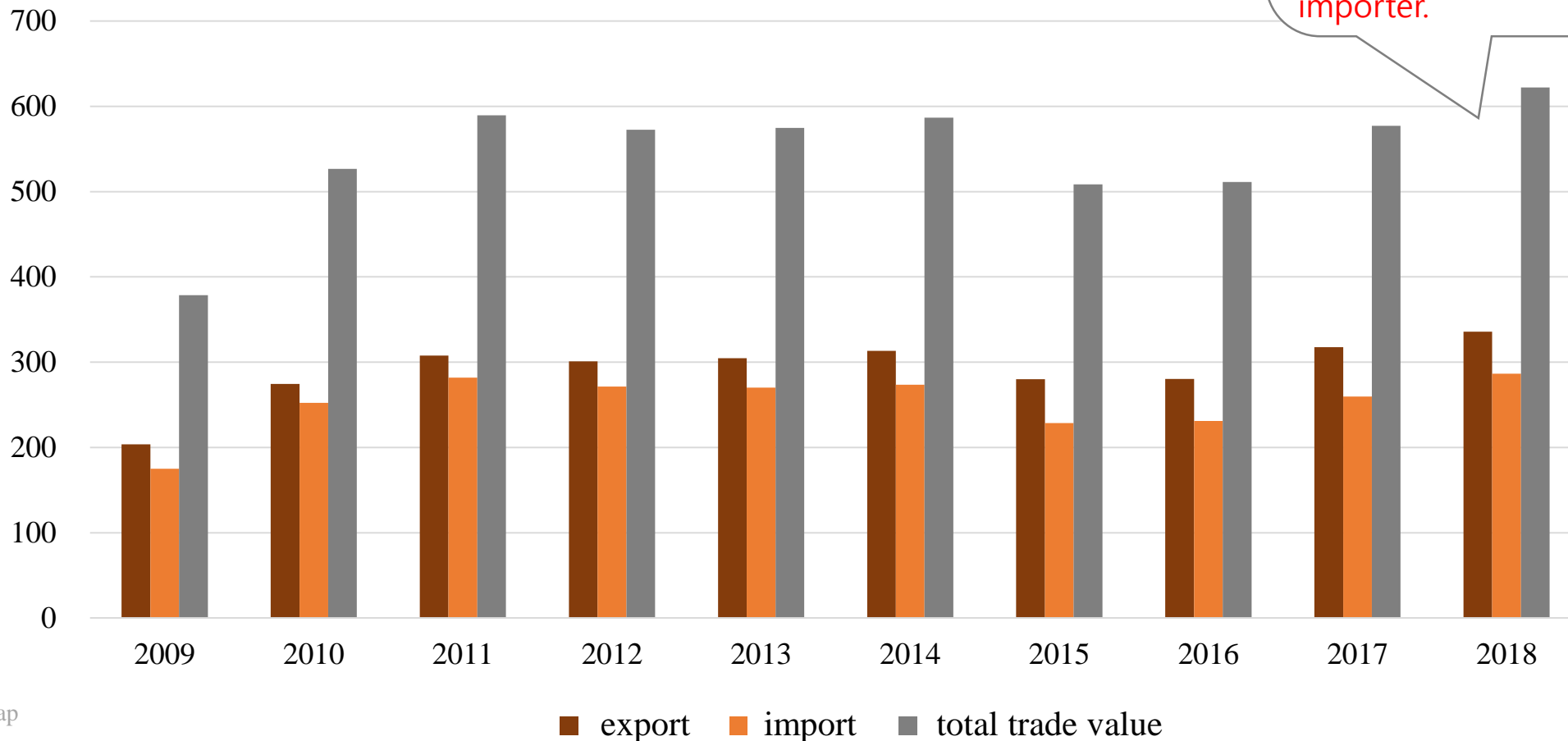


## II. The Development of Taiwan's Foreign Trade: Goods

### 1. Trade in goods

- Taiwan is an export-oriented country; it is therefore sensitive to changes in the global economic environment. Over the past 10 years, Taiwan's foreign trade has generally been on an upward trend.

Unit: US\$1 billion



**2018**

Total trade value: US\$622billion.

Exports: US\$336 billion.

Imports: US\$287 billion.

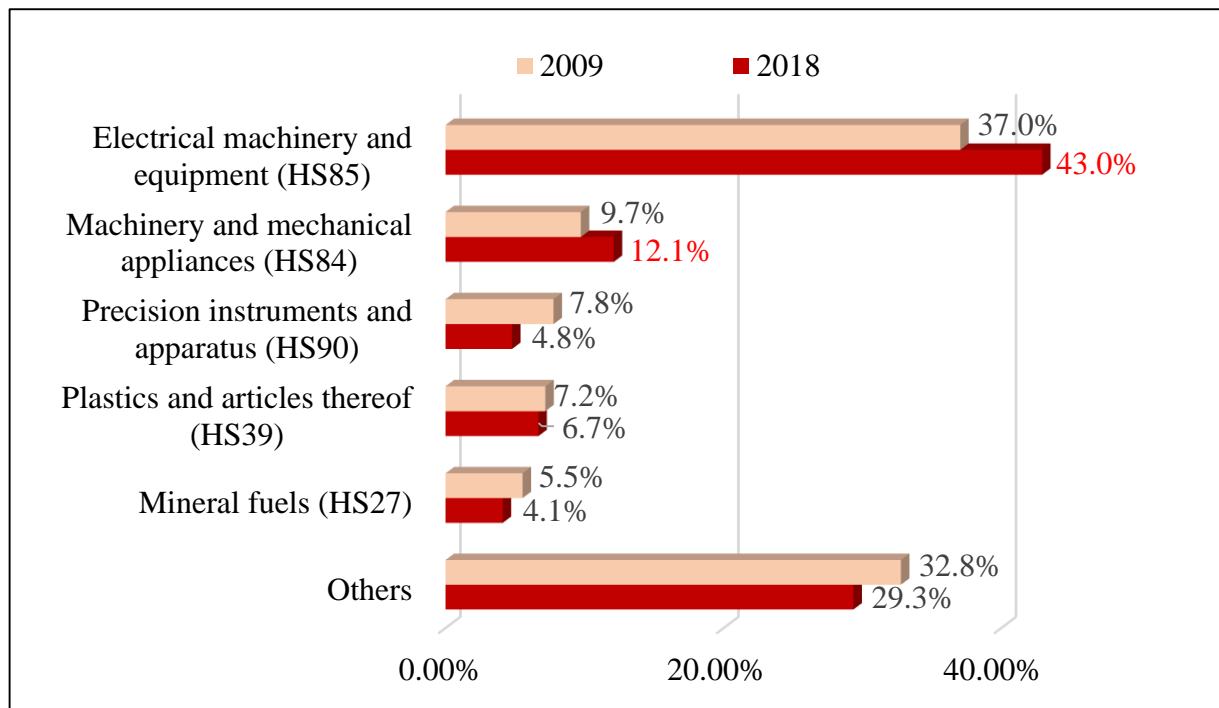
According to the WTO, Taiwan was the world's 18th largest exporter and the 17th largest importer.

## II. The Development of Taiwan's Foreign Trade: Goods

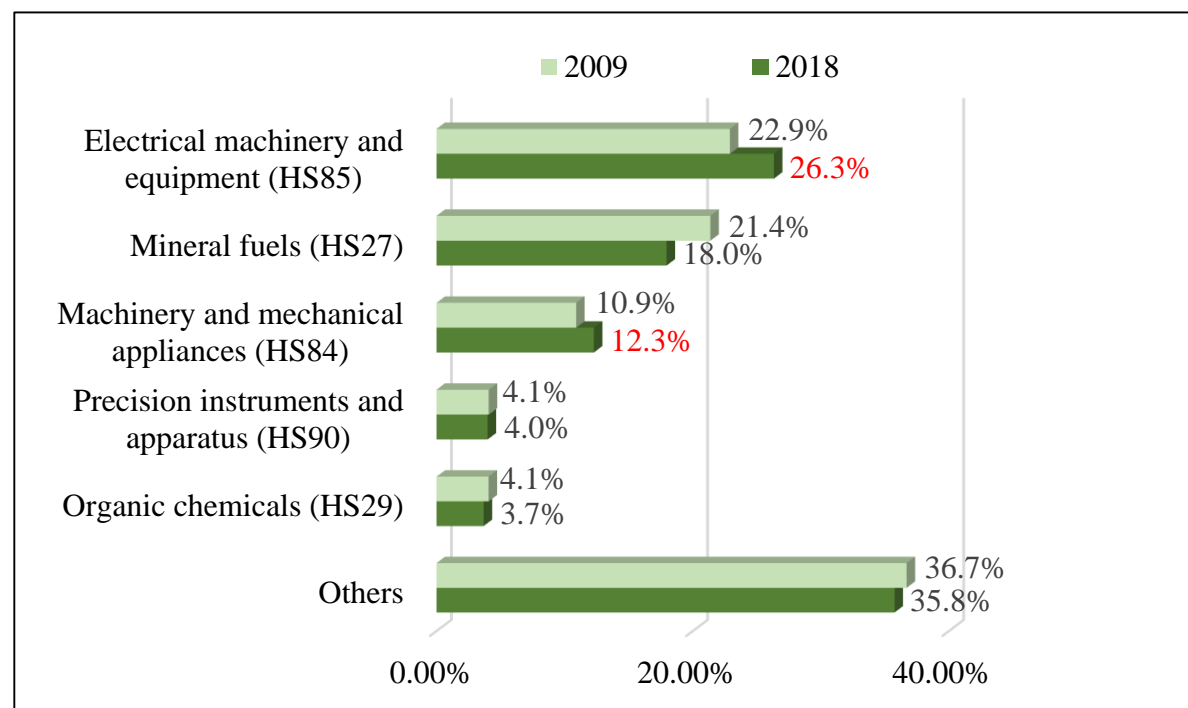
### 2. Trends of exported and imported goods

- Exports: The proportion of **electrical machinery and equipment (HS85)** and **machinery and mechanical appliances (HS84)** among Taiwan's exports increased between 2009 and 2018.
- Imports: In the past 10 years, the proportion of **electrical machinery and equipment (HS85)** and **machinery and mechanical appliances (HS84)** among Taiwan's imports have significantly increased.

#### Main Export Products



#### Main Import Products

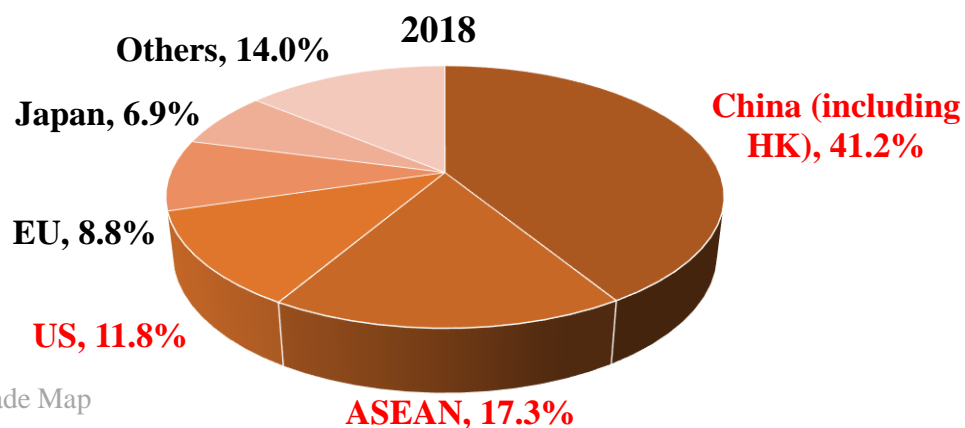
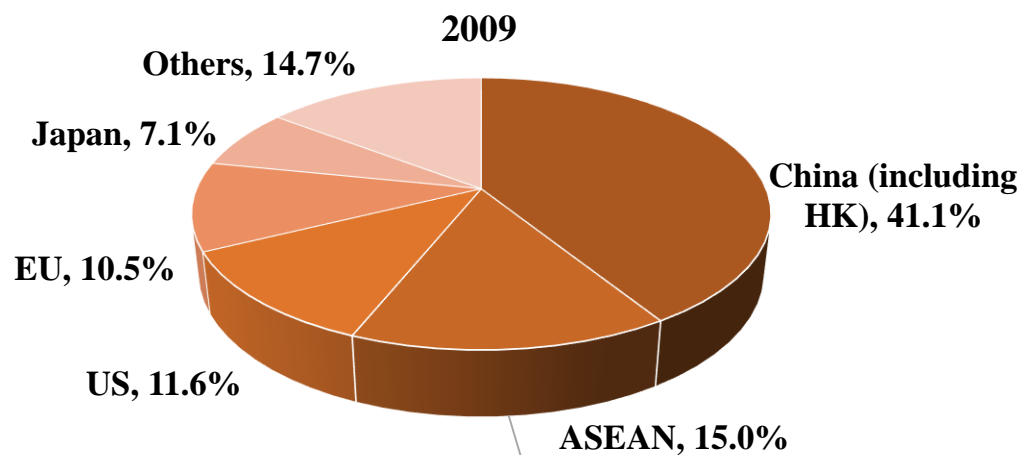


## II. The Development of Taiwan's Foreign Trade: Goods

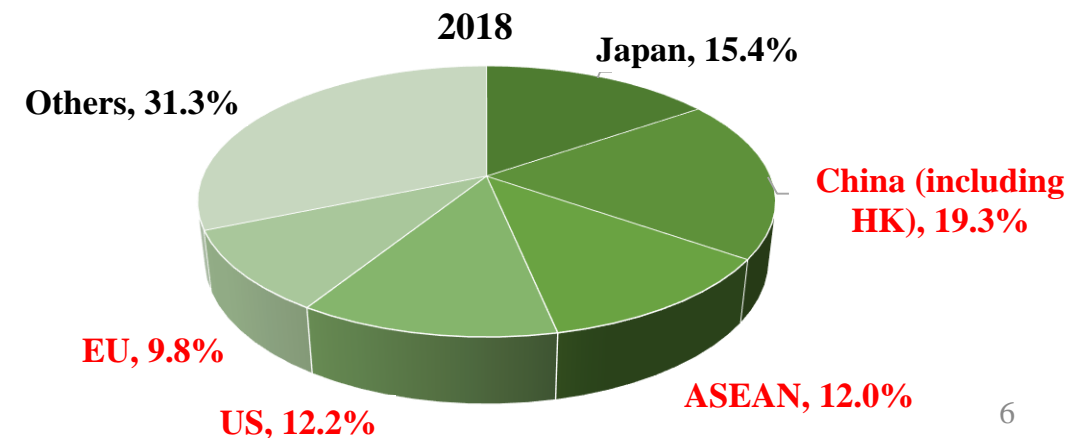
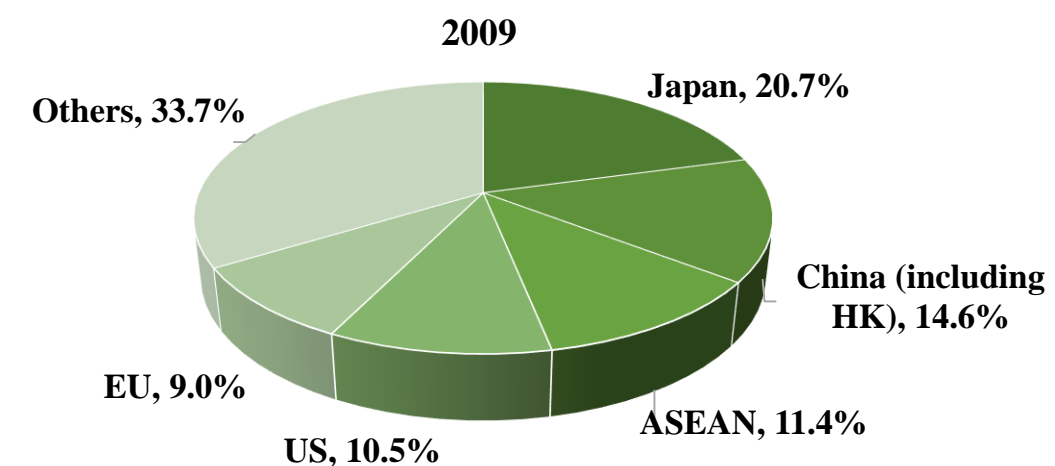
### 3. Changes to major trading partners and trends

- Exports: The proportion of Taiwan's exports to China (including Hong Kong), ASEAN countries and the United States among Taiwan's total exports increased from 2009 to 2018.
- Imports: In the past 10 years, the proportion of Taiwan's imports from major trading partners have increased except for Japan.

#### Main Export Destinations



#### Main Sources of Imports

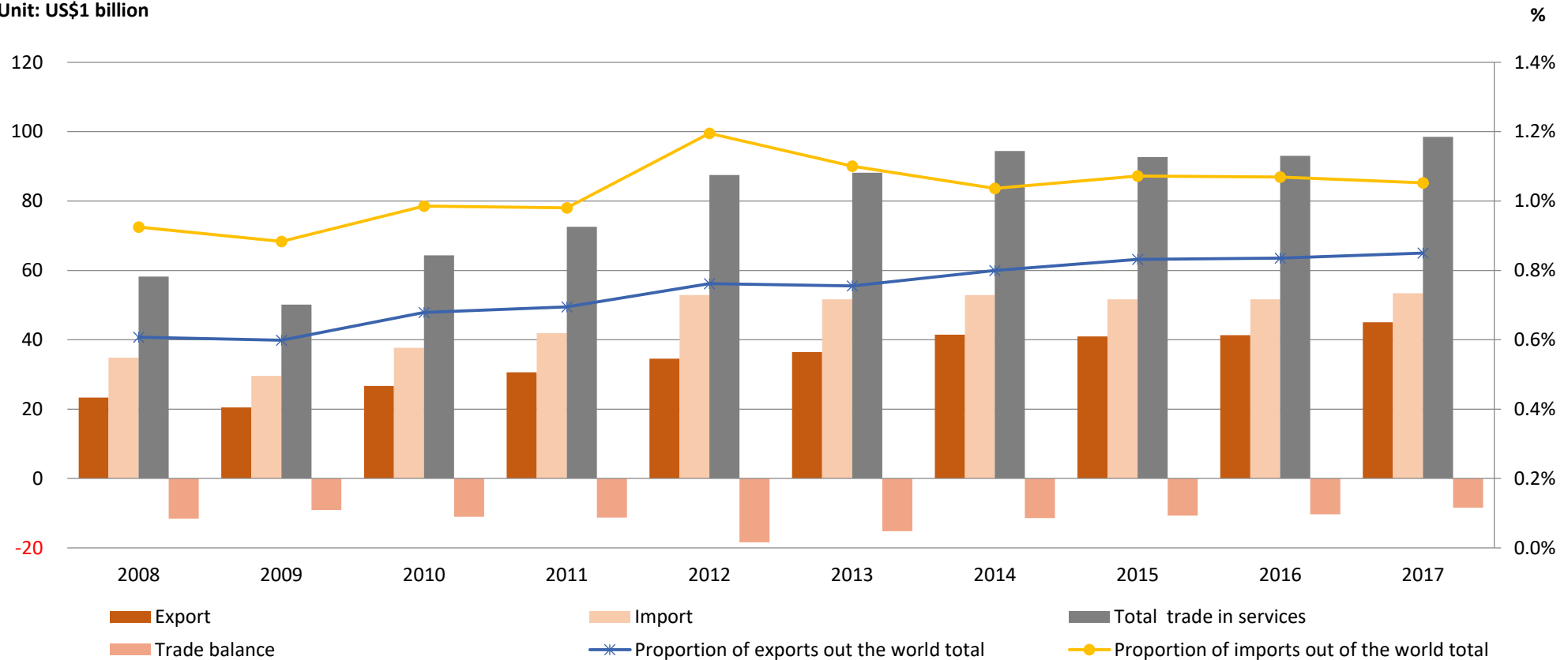


## II. The Development of Taiwan's Foreign Trade: Services

### 1. Overview

- Since 2009, both imports and exports have continued to grow. However, imports exceed exports creating a deficit in services trade.
- Taiwan's share in global services trade has slightly increased, with imports and exports at 1% and 0.8%, respectively.

Unit: US\$1 billion

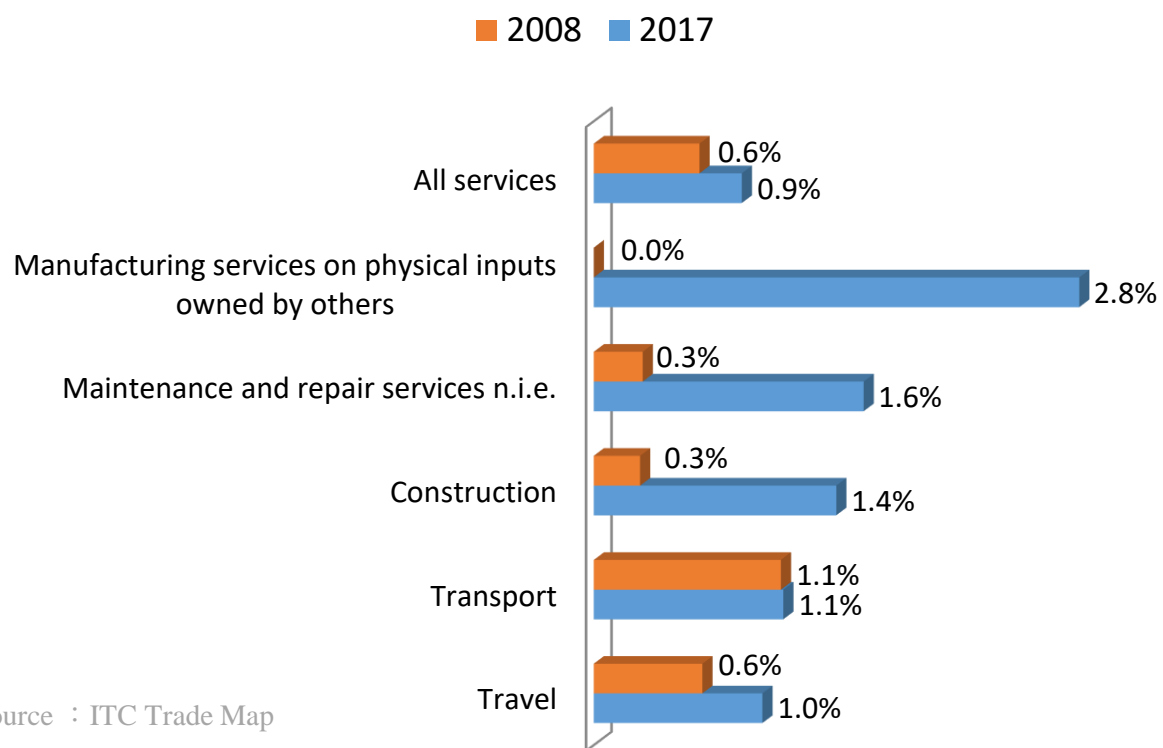




## II. The Development of Taiwan's Foreign Trade: Services

### 2. The share of services export out of the world total (by sectors)

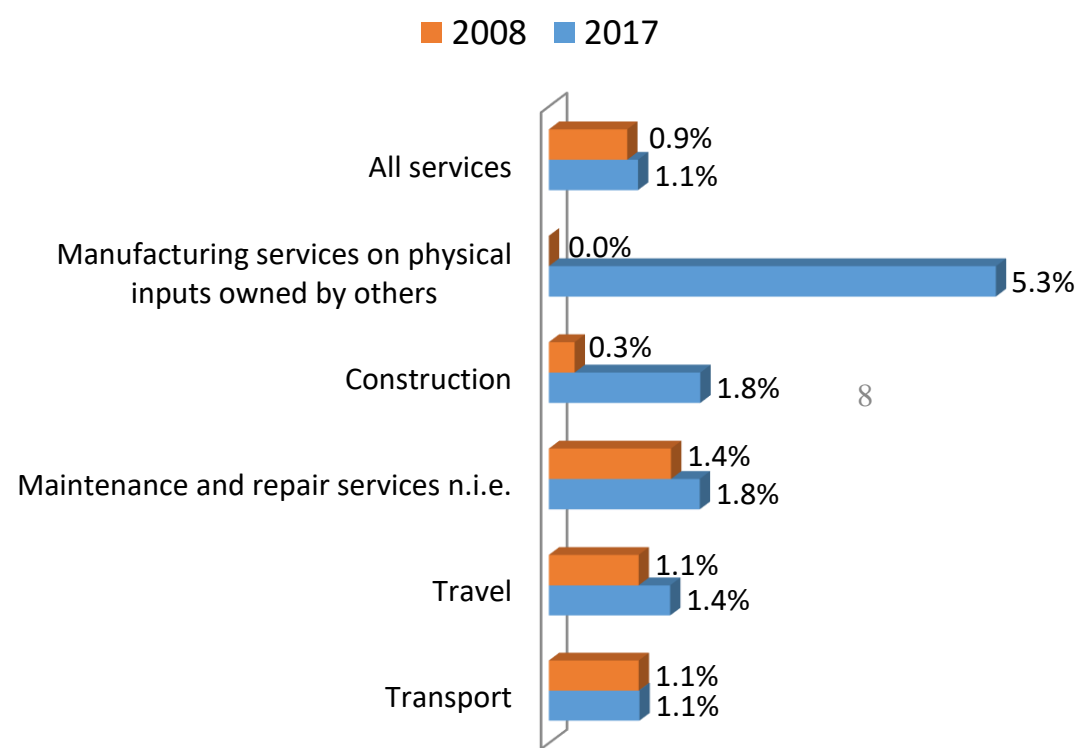
- Taiwan's manufacturing services sector accounted for the largest export share (2.8%) of total services exports in the world.



Source : ITC Trade Map

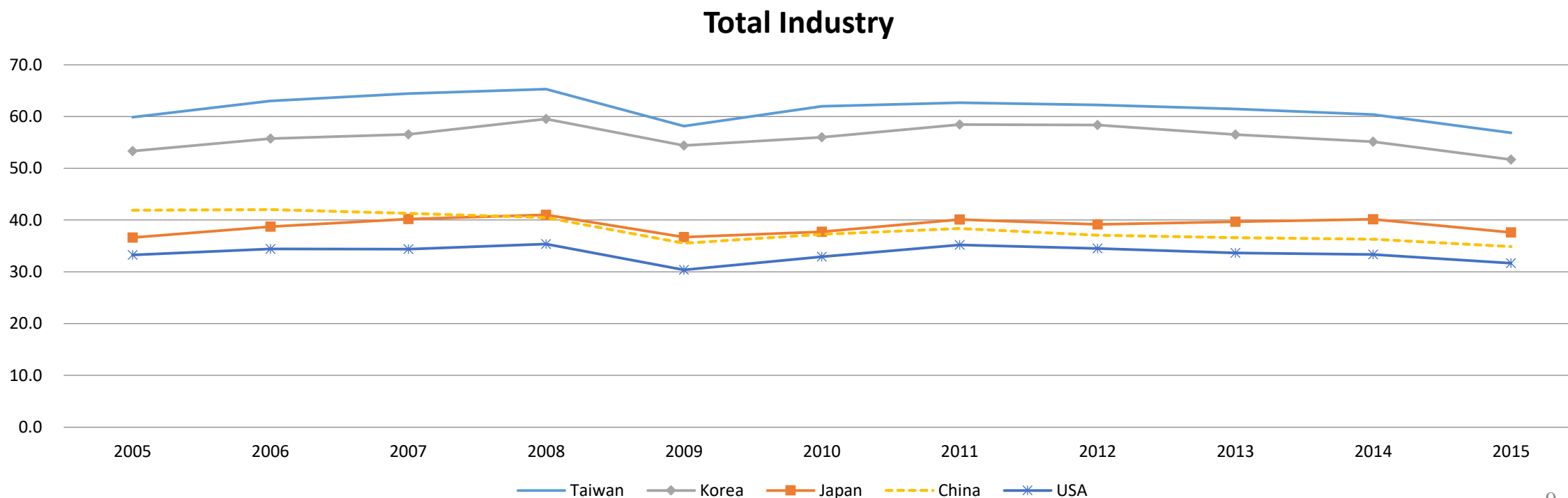
### 3. The share of services imports out of the world total (by sectors)

- Taiwan's manufacturing services sector accounted for the largest import share (5.3%) of total services imports in the world.



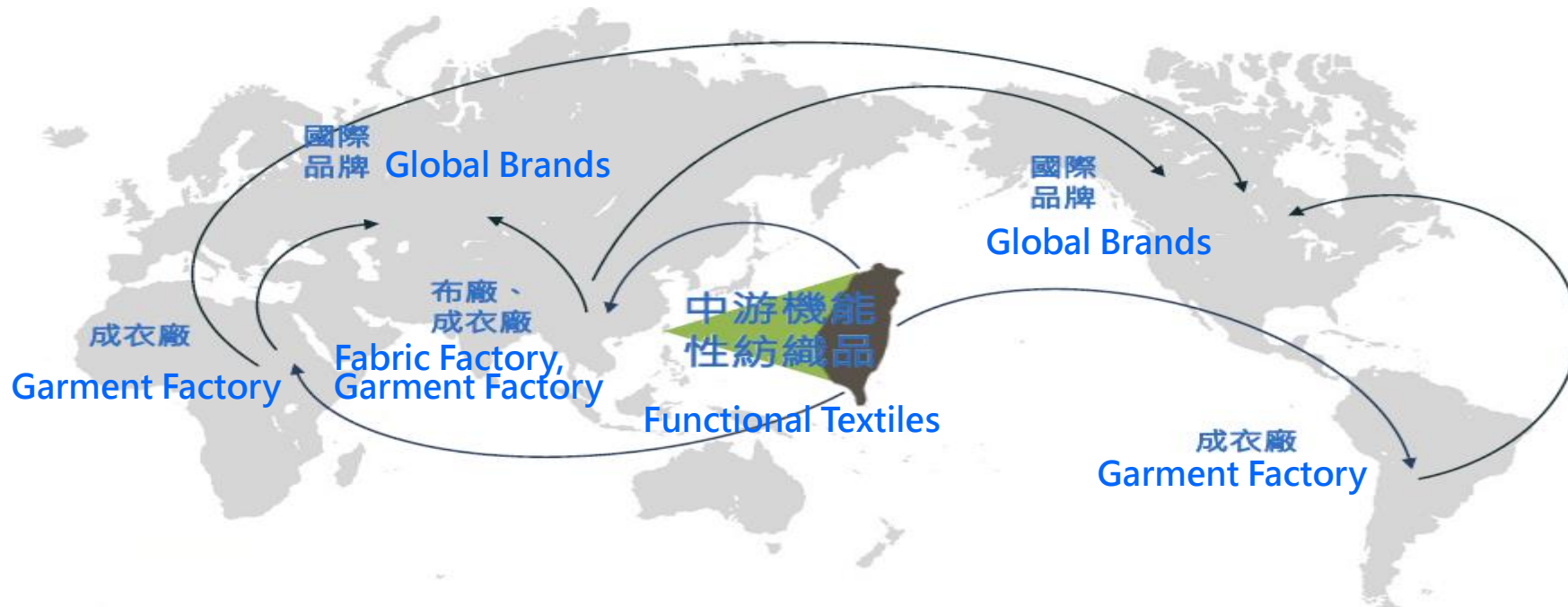
## II. The Development of Taiwan's Foreign Trade : Participation in Global Value Chains

- The GVC participation index: Taiwan > Korea > Japan > China > USA
  - A lack of natural resources and a relatively small domestic market have made Taiwan heavily dependent on foreign trade.
  - Compared to other countries, Taiwan's degree of participation in global value chains is relatively high.
  
- Although the degree of integration in GVC (fragmentation of production) remains high, it has been decreasing since it peaked in 2011.
  - Participation in GVC has experienced a slight downward trend in recent years.



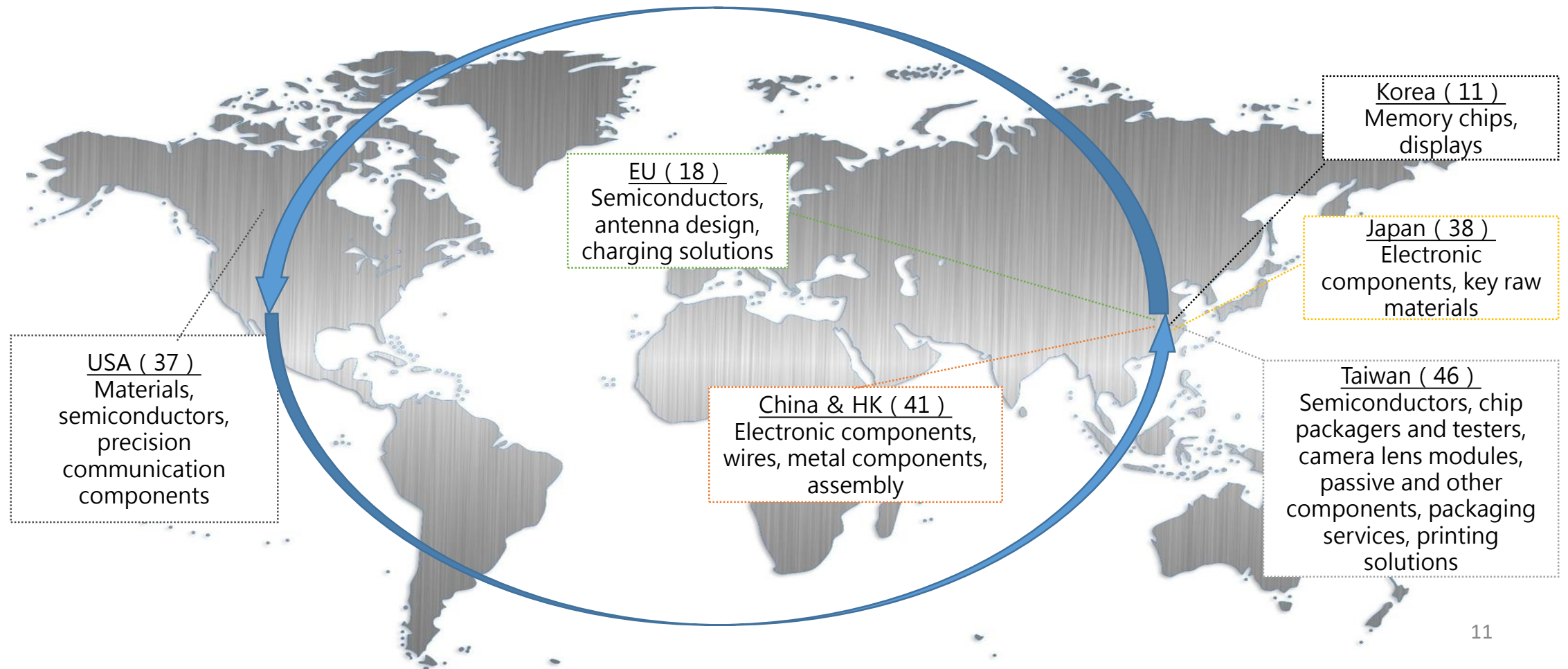
# Participation in Global Value Chains: Textiles

- **7th** leading textile exporting country
- **3rd** largest nylon fiber supplier
- **3rd** largest polyester filament supplier
- Over 50% global market share for functional fabric
- 8 out of 10 pieces of yoga clothing sold in the U.S. are made of fabrics from Taiwanese companies
- Over 50% of fire resistant fabrics for fire brigade uniforms are from Taiwan
- Supplying about 70% of functional fabrics to international well-known sports and outdoor brands



# Participation in Global Value Chains: Computers, Electronic and Electrical Equipment

- Smartphones as an example:
  - 46 of Apple's top 200 suppliers in 2018 were from Taiwan
  - Taiwan remains a top supplier in Apple's supply chain.



# III. Trade Policies: Participation in Multilateral and Regional Integration to Strengthen International Connections

## International and Regional Economic Organizations

- Promoting economic and trade interests by participating in the WTO multilateral trading system

### International Economic and Trade Rules



### Access to International Markets

- The WTO **Trade Facilitation Agreement** entered into force in 2017. It simplifies customs clearance, and border inspection documentation requirements and procedures, thereby **reducing trade costs by 12.5% to 17.5%** according to OECD statistics.
- As for **e-commerce**, Taiwan and 77 other members, including the U.S., Japan, EU and China, issued a joint statement confirm our intention to commence WTO negotiations on trade-related aspects of electronic commerce. The talks aimed to provide a friendly and safe environment for e-commerce.

- The **expanded Information Technology Agreement (ITA II)** entered into force in 2017, covering about 90 percent of the trade in IT products. Taiwanese firms saved **US\$823 million** in tariffs and the agreement created **24,063 jobs**.
- Taiwan participates in WTO accession consultations of new members to gain more trade opportunities:
  - ✓ Requested that Vietnam relaxes its entry approval for managers of foreign enterprises and **open up its services market** for computers, human resource agencies, value-added telecommunication services, marketing, banking, insurance, freight forwarding agents, etc.
  - ✓ Requested that **Russia** participates in the **ITA** and reduces its tariffs on related products from 5.4% to **0%**.

# III. Trade Policies: Participation in Multilateral and Regional Integration to Strengthen International Connections

## International and Regional Economic Organizations

- Promote economic and trade interests by participating in the WTO multilateral trading system

### Utilizing WTO Mechanisms to Safeguard Our Interests



### Exchanging information with Other Countries on Economic and Trade Policies and Trading Systems

- Taiwan resorts to the dispute settlement system when our industries encounter unfair treatment or measures that violate WTO rules from other members.

- Taiwan has won several WTO disputes and eliminated unfair trade measures of other members.
  - ✓ The EU's increase in tariffs on IT products
  - ✓ Canada's anti-dumping measures on steel
  - ✓ Indonesia's safeguard measures on iron and steel

- The Trade Policy Review Mechanism (TPRM) increases the transparency of members' trade policies and practices. By attending TPR meetings, we are able to understand the developments of our partners' trade policies.





- Taiwan has undertaken trade policy review 4 times. Our support for the multilateral trading system as well as diversified economic and trade policies were reaffirmed by other members.

# III. Trade Policies: Participation in Multilateral and Regional Integration to Strengthen International Linkages

## International and Regional Economic Organizations

### Participation in WTO Reform



	Key Issues for Reform	Our Position
	<p>The WTO fails to address unfair trade practices.</p>	<p>Support an update to WTO rules to address unfair trade practices.</p>
	<p>The WTO's supervisory and review functions are inefficient.</p>	<p>Co-sponsor the joint proposal by the U.S., Japan, and the EU to increase transparency in the WTO (including penalties).</p>
	<p>Disagreement on the vacancies of the Appellate Body undermines the viability of the WTO's dispute settlement system.</p>	<p>Support to start the selection process of panelists for the WTO Appellate Body as soon as possible.</p>
	<p>Lack of consensus on the definition of "developing country"</p>	<p>During our fourth Trade Policy Review, we announced that Taiwan would no longer claim the special and differential treatment granted to developing country members in future rounds of WTO negotiations.</p>

# III. Trade Policies: Participation in Multilateral and Regional Integration to Strengthen International Linkages

## International and Regional Economic Organizations



Promoting regional economic cooperation to enhance connectivity with other member economies

### Supporting the WTO Multilateral Trading System

The voluntary tariff reduction for 54 environmental goods to below 5% by APEC Member Economies drives negotiations for the WTO Environmental Goods Agreement (EGA).

Urging APEC Member Economies to join the WTO Information Technology Agreement (ITA II).

All APEC Member Economies have ratified the WTO Agreement on Trade Facilitation (TFA) and will continue to work on capacity building and experience sharing to promote its implementation.

### Promoting Asia-Pacific Regional Economic Integration and Facilitating Trade and Investment

Bogor Goals: Support Trade and Investment Liberalization and Facilitation (TILF)

Regional connection: Promote the Asia-Pacific Free Trade Area (FTAAP) and capacity building; and strive for Taiwan's participation in regional economic integration such as the CPTPP.

Post 2020 Vision: Continue to promote Trade and Investment Liberalization and Facilitation (TILF) to facilitate inclusive growth of the digital economy.



# III. Trade Policies: Participation in Multilateral and Regional Integration to Strengthen International Connections



## International and Regional Economic Organizations

Introducing proposals in APEC priority areas and promoting small and medium-sized enterprises to participate in international trade

### APEC Priority Areas

Trade and Investment Liberalization and Facilitation

Digital Economy and Services

Internationalization of SMEs

Promoting inclusive growth and women's participation in the economy

### Taiwan's Proposals

2003-2014: APEC Digital Opportunity Center (ADOC)

2016: Sharing Best Practices for Big Data Applications in Trade

2017: APEC Capacity-Building on the Cross Border Privacy Rules (CBPR) System

2018: Fourth phase of the Online-to-Offline Initiative

2019: Survey on domestic laws and regulations for e-commerce

2019: Information-sharing on trade-related indigenous issues included in FTAs/RTAs

2019: Initiative on the Authorized Economic Operator (AEO)



# III. Trade Policies: Participation in Multilateral and Regional Integration to Strengthen International Connections



## International and Regional Economic Organizations

Organizing APEC activities in Taiwan  
and leading the APEC fora in discussing critical issues

### APEC Activities in Taiwan

2014 in Taipei: APEC Workshop on Advancing APEC REI in the GVC Era

2016 in Taipei: APEC Seminar on Advancing Big Data Applications in Trade

2017 in Taipei: APEC Seminar on Capacity-Building on the Cross Border Privacy Rules System

2018 in Taipei: Digital Innovation Forum

To be held in 2020 in Taipei: Workshop on Authorized Economic Operators

To be proposed in 2020 in Taipei: Workshop on Facilitating International Trade by Blockchain Technology

### Key Titles and Other Leading Roles in APEC

Chair of the Executive Board of the **APEC Life Sciences Innovation Forum** (Ministry of Health and Welfare)

Chair of the **Energy Working Group** (Bureau of Energy, Ministry of Economic Affairs)

Chair of the **Policy Partnership on Science, Technology and Innovation** sub-group meeting (Department of Industrial Technology, Ministry of Economic Affairs)

Coordinator of the **Capacity-Building System** (Workforce Development Agency, Ministry of Labor)

Co-chair of the **Emergency Preparedness Working Group** (National Science and Technology Center for Disaster Reduction)

Co-chair of the 31th Meeting of the **Automotive Dialogue** (Bureau of Foreign Trade, Ministry of Economic Affairs)


# III. Trade Policies: Participation in Multilateral and Regional Integration to Strengthen International Connections

## Joining Regional Economic Integration (REI)

### ■ The Strategy and Policy Directions to Join the CPTPP

 **Regulatory Adjustment:**  
Eight amendments have been completed. The remaining four (Patent Law, Copyright Law, Trademark Law, Digital Communication Law) are pending the second reading.

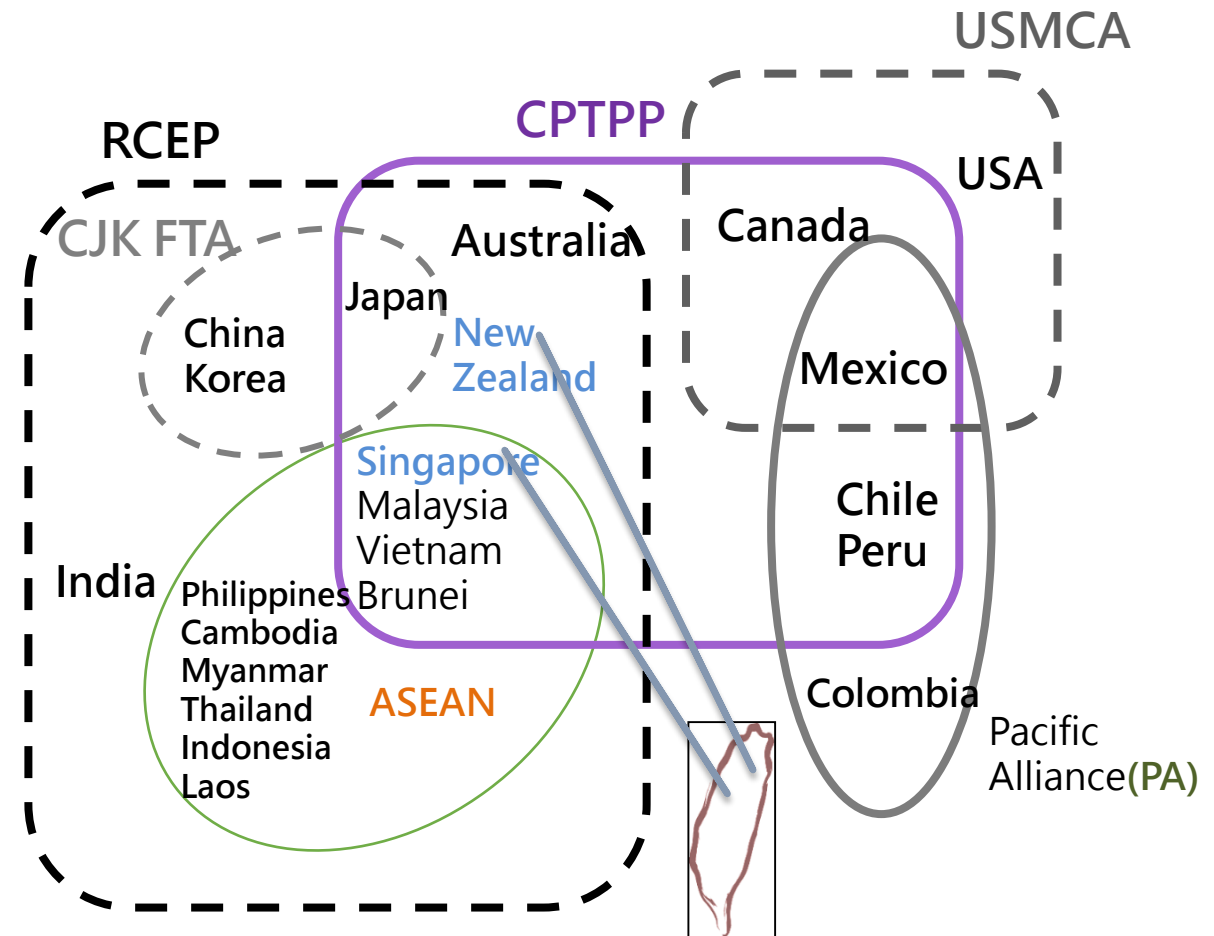
 **Internal Communication**  
Strengthening communication with the public through digital platforms.

 **Foreign Engagement**  
Explaining Taiwan's preparations and vying for support from CPTPP members.

### ■ The strategic direction for joining the RCEP

- Implementing the "New Southbound Policy" and establishing close partnerships with RCEP members through bilateral, multilateral (WTO) channels and APEC.
- Preparing to join the RCEP and vying for the support of RCEP members for Taiwan's participation.

### □ The REI in Asia-Pacific



# III. Trade Policies: Strengthening Regional Partnerships Via the New Southbound Policy



## New Southbound Policy (NSP) Countries

### Closer Trade Relations

- In 2018, bilateral trade between Taiwan and NSP countries totaled US\$117.1 billion, with total exports at US\$68.42 billion (20.4% of total exports) growing 1.5% and total imports at US\$48.69 billion (17% of total imports) growing 12.1%.
- Conducted 15 bilateral economic and trade dialogue meetings with major ASEAN trading partners in 2018.

### Stable Investment Relations

- In 2018, there were 229 investment cases from Taiwan in NSP countries, which amounted to US\$2.4 billion, accounting for 17% of the foreign investment of Taiwanese companies.
- In 2018, NSP countries invested in 643 projects in Taiwan, which amounted to US\$390 million, growing 43% from 2017, and accounting for 3.4% of Taiwan's foreign investment.

### Achievements

- Taiwan Expo: Displays our solutions in cultural tourism, education, agriculture, science and technology, healthcare and other fields, while promoting Taiwan's overall image.
- Industrial Collaboration Forum: A forum co-organized with six key countries to deepen industrial cooperation.
- Industrial Talent Cultivation: Previous cooperation with Indonesia and India to cultivate talents for machine tool operation and smart phone design, respectively.
- Renewed bilateral investment agreements with the Philippines and India.

### Priority Tasks

- Southbound Investment of Taiwan's State-Owned-Enterprises (SOEs): Taiwan's SOEs will play a leading role and drive Taiwan's mid- and lower stream companies of different industries to export and invest overseas.
- Through the consultation services of the Taiwan Desk, Taiwan Plus Office and TAITRA, information is provided on the investment environment, taxation and regulations of NSP countries.
- SME Credit Guarantees and Export Loans: To provide financing for Taiwanese companies in export and operations.
- Establishing Industrial Park Bases: To develop industrial zones together with partner countries that attract Taiwanese companies.
- Promoting E-commerce Cooperation: To help Taiwanese companies use e-commerce platforms for marketing.



# III. Trade Policies: Strengthening Economic Cooperation with Major Trading Partners



## USA

### Closer Taiwan-US Trade Relations

- In 2018, the United States was Taiwan's third largest export market and its third largest source of imports.
- Taiwan is the US's 14th largest export market and its 13th largest source of imports.

### Stable Taiwan-US Investment Relations

- Taiwan's trade and investments in the United States have created and supported over 370,000 jobs there.
- The US is Taiwan's second largest FDI destination (cumulatively amounting to about US\$17.5 billion).
- U.S. FDI in Taiwan ranks 3<sup>rd</sup> among foreign investment (cumulatively amounting to about US\$24.3 billion).

### Achievements

- In 2018 and 2019, a group of Taiwanese business leaders visited the United States to attend the "SelectUSA Investment Summit" to strengthen bilateral industrial collaboration.
- The 7th US Business Opportunity Day was held in 2018.

### Priority Tasks

- To continue addressing bilateral economic and trade concerns through the Taiwan-US Trade and Investment Framework Agreement (TIFA) platform.
- To promote alliances between important enterprises and industrial clusters in Taiwan and the United States under the "5+2 Industry Innovation Program."
- To expand procurement of liquefied natural gas (LNG) from the United States.
- To promote a bilateral trade agreement (BTA) with the United States.

# III. Trade Policies: Strengthening Economic Cooperation with Major Trading Partners



EU

## The Warming Up of Taiwan-EU Trade Relations

- In 2018, the EU was Taiwan's fifth largest export market and source of imports.
- Taiwan was the EU's 21st largest export market and 14th largest source of imports.

## Closer Taiwan-EU Investment Relations

- EU companies invested in a total of 301 projects in Taiwan in 2018., which amounted to US\$6.7 billion.
- Taiwanese companies invested in a total of 34 projects in the EU, which amounted to US\$1.3 billion.

## Achievements

- In 2018, Taiwan held seven economic and trade dialogue meetings with the UK, France and other countries to resolve issues of mutual concern and deepen bilateral cooperation.
- In 2018, Taiwan jointly held a conference on civil economic cooperation with nine countries, including Germany and France, to enhance bilateral business exchanges and create business opportunities.
- In March 2019, Taiwan held the Taiwan-EU Cluster Collaboration Seminar in Lyon, France to strengthen bilateral industrial collaboration.

## Priority Tasks

- To promote a Taiwan-EU Bilateral Investment Agreement (BIA) to foster bilateral investment cooperation.
- To hold the EU Industrial Dialogue Conference (Ministerial Level) and promote bilateral cooperation on forward-looking industries.
- To hold bilateral economic and trade conferences with the EU and its member states and promote industry-academia cooperation.

# III. Trade Policies: Strengthening Economic Cooperation with Major Trading Partners



## Japan

### Closer Taiwan-Japan Trade Relations

- 2018:
  - ✓ Japan was Taiwan's fourth largest export market and second largest source of imports.
  - ✓ Taiwan was Japan's fourth largest export market and sixth largest source of imports.

### The Stable Development of Taiwan-Japan Investment Relations

- As of 2018:
  - ✓ Taiwan's cumulative investment in Japan was about US\$9.2 billion.
  - ✓ Japan's cumulative investment in Taiwan reached US\$20.9 billion.

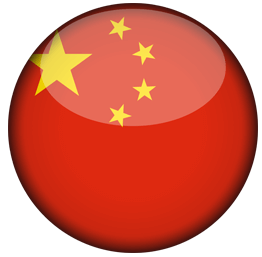
### Achievements (2018)

- Continued to hold bilateral seminars to cooperate on expanding into third-party markets.
- Jointly invested in floating solar power generation in Taiwan.
- Exchanged views on customs cooperation, market access, non-tariff trade barriers, technology and industrial cooperation, and market expansion through bilateral meetings.

### Priority Tasks

- Promoting cooperation between Taiwan and Japan in third-party markets.
- Inviting Japanese companies to Taiwan for business-matching and procurement.
- Strengthening contacts with local Japanese economic and trade groups.

# III. Trade Policies: Strengthening Economic Cooperation with Major Trading Partners



## China

### A Close Trade Relationship with China

- In 2018, China was Taiwan's largest export market and source of imports.
- In 2018, Taiwan was China's 3rd largest source of imports and 11<sup>th</sup> largest export market.
- Continuing to implement ratified economic and trade agreements.

### Growing Bilateral Investment

- In 2018, China was Taiwan's largest investment destination.
- As of December 2018, Taiwan's accumulated FDI in China was approximately US\$182.3 billion.
- Between July 2009 and December 2018, China's accumulated FDI in Taiwan was approximately US\$2.2 billion.

### Achievement

- As of December 2018, it is estimated that tariff savings on early harvest products amounted to around US\$6.3 billion and US\$555 million dollars for Taiwan and China, respectively.

### The present focus of work

- Commitments of market access for goods are implemented according to provisions in ECFA.



# III. Trade Policies: Strategic Direction for Market Expansion

## Planning for Diversified Marketing Strategies



### Promoting international sales

- Organizing exhibitions and activities
- Inviting buyers
- Establishing marketing channels



### Building export capacity for firms

- Cultivating marketing talent
- Providing trade financing
- Providing market information



### Providing marketing consultancy services

International Marketing Advisory Center (IMAC)



### Providing services via overseas offices

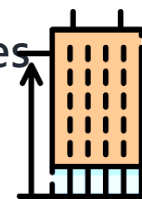
- Overseas offices of the MOEA and TAITRA
- Overseas business centers
- Taiwan Product Center



### Enhancing Taiwan's international image

- Holding the Taiwan Expo
- Promoting the Taiwan Excellence to enhance the international image of Taiwanese industries

## Strengthening the exhibition industry



### Expanding soft and hard capabilities

- Improving exhibition facilities
- Organizing international exhibitions and inviting buyers
- Vying to hold international conferences in Taiwan



### Enhancing domestic exhibition capabilities

Providing domestic talent cultivation and training for exhibitions and holding international certification exams to enhance service quality and professionalism of exhibition staff.

# III. Trade Policies: : Improving Trade Management and Protecting Taiwan's Business Interests



## Import Management

To accelerate the process of trade liberalization and transparency, we have reviewed and simplified restrictions on imported goods. An import management system has gradually been established in line with international norms.

### Negative List of Imported Goods

"Commodities subject to import bans" and "Commodities that can only be imported subject to certain conditions" are regulated by the BOFT. For commodities not on the "Negative List," no import permits are required.

### Electronic Licensing Procedures for Imports

Speed up customs clearance for imported goods and simplify application procedures for import permits.

### Import Quota Management

Eliminate quantity restrictions on imports of 18 agricultural products to fulfill WTO commitments. Some sensitive products have been opened by means of tariff quotas.

### Import Management of Products from Mainland China

Regulate commodities imported from China in accordance with provisions that the imports should not endanger national security and should not cause any serious negative impact on related domestic industries.

### Labeling Rules and Certificates of Origin for Imports

- Certain imported products are required to show labels of origin. The labels should be clear and legible so that consumers can easily identify them.
- Certificates of origin are required for importation of 65 steel products and 2 solar products, which are of concern to our industries.

# III. Trade Policies: Improving Trade Management and Protecting Taiwan's Business Interests



## Export Management

The BOFT has conducted reviews and simplified the process to reduce export restrictions. The BOFT also coordinates with the customs administration to implement exemption regulations for export permits for those goods which are not on the restricted export list.

### List of Restricted Export Products

Those who want to export products that are restricted by trade laws need to apply for an export permit.

### Application for Export Permit

Exporters of products that are on the inspection list, and for which the purchasing standard is lower than the national standard, or who have special trade requests, can apply for a special export inspection.

### Implementation of Trade Management Measures

Implementing management measures such as "Management of Certification of Origin and Processing," "Regulation of Endangered Plants and Animals," and "Promotion of Internal Export Control (ICP)."

### Prevention of Illegal Transshipment

- Strengthening the trade monitoring system and the management of imports and exports.
- Paying attention to illegal transshipment of products and inaccurate certification of origin from China.

### Management of High-tech Commodities

Managing goods on the Strategic High-tech Commodities List and traders named on the international export control list based on their levels of risk for developing WMD and in compliance with international regulations to protect the export rights of our companies.

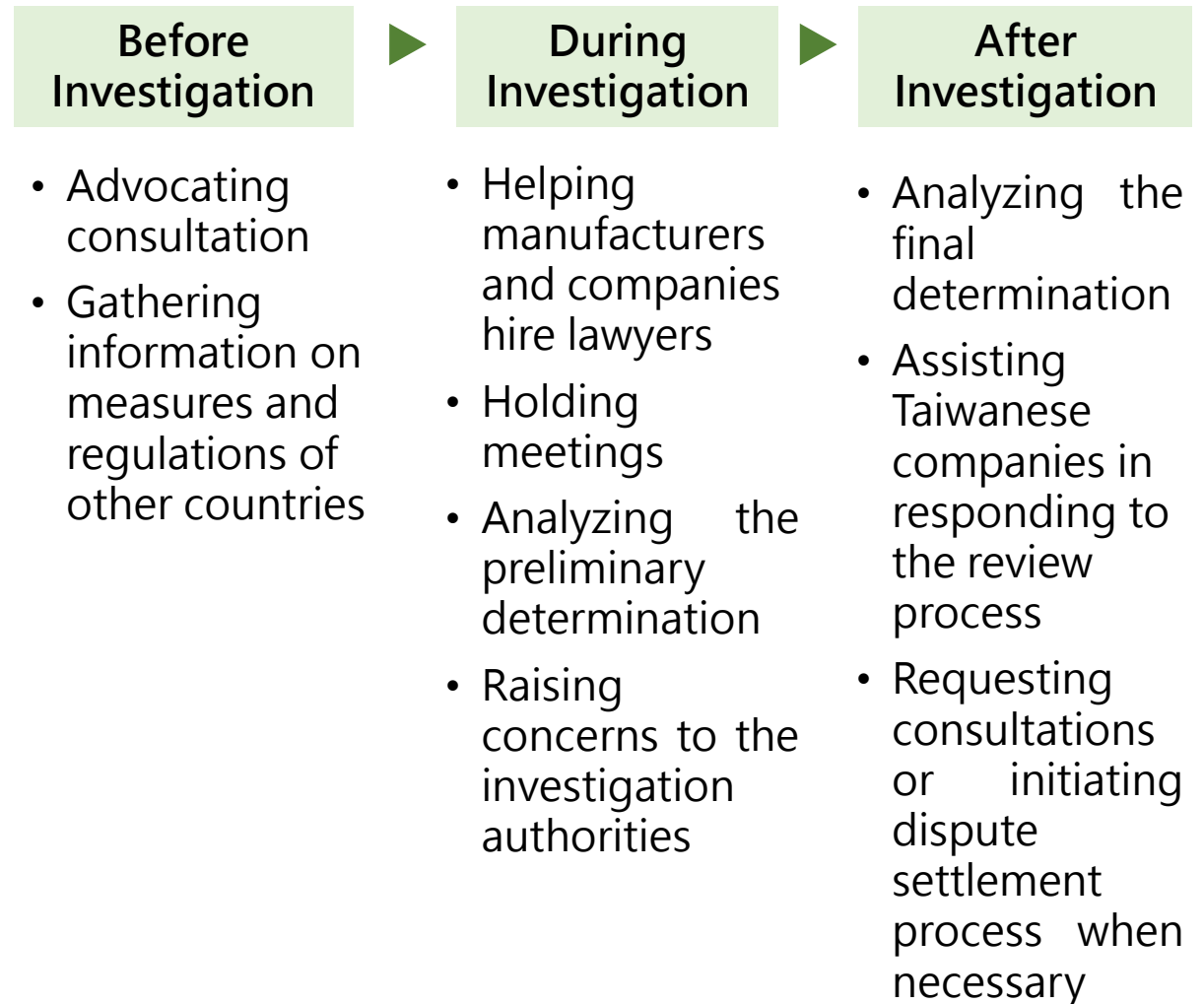


# III. Trade Policies: Assisting Taiwanese Businesses in Responding to Trade Remedy Measures

## Protecting the interests of our industries and providing consultation services for trade remedy cases

- ✓ Pursuing exemption to the U.S. Section 232 tariffs on steel and aluminum and requesting exclusion from EU safeguard measures on steel products.
- ✓ Commissioning the Chinese National Federation of Industries to provide professional advice on trade remedy issues.

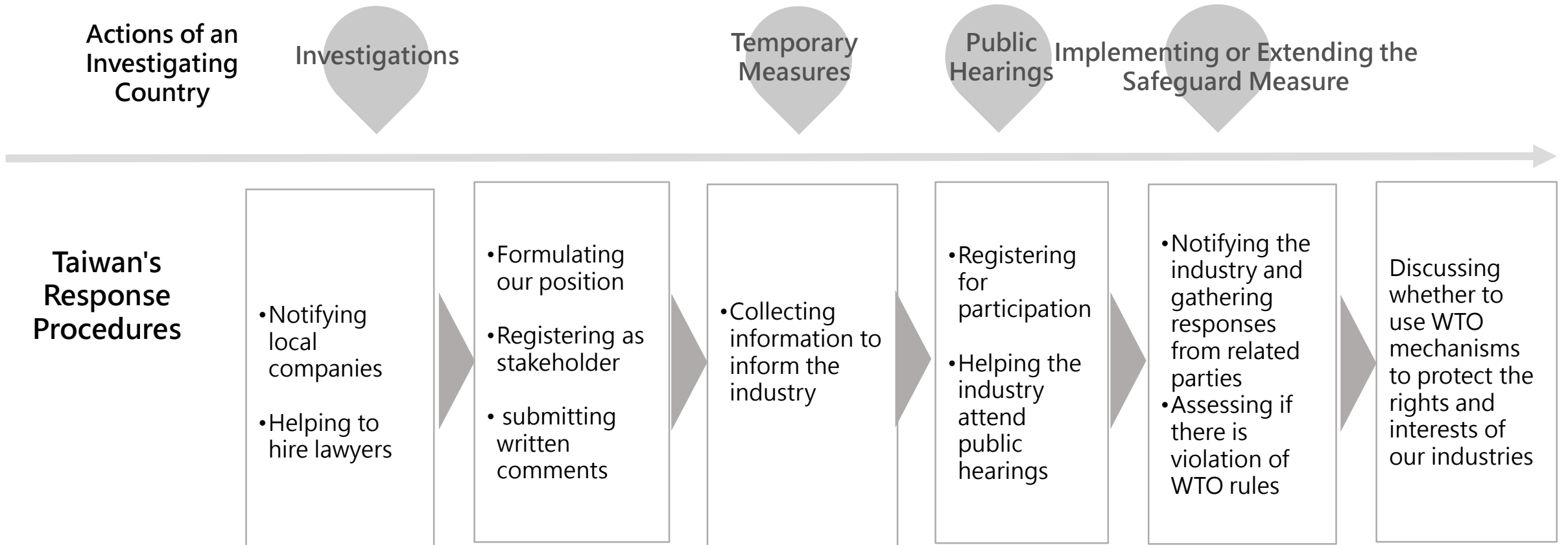
## Assisting in Anti-dumping Investigations





# III. Trade Policies: Assisting Taiwanese Businesses in Responding to Trade Remedy Measures

Response to safeguard measures imposed by other WTO members



## III. Trade Policies: Digital Trade



### Digital trade is expanding globally

#### The scale of global cross-border e-commerce is growing

In 2014, global cross-border e-commerce output value amounted to US\$236 billion. It is estimated to double to US\$949 billion by 2020.

#### Significant increase of global cross-border e-commerce users

The number of global cross-border e-commerce users will triple from 300 million in 2014 to 900 million in 2020.

#### B2C e-commerce markets in various countries also continue to grow

In 2016, the global B2C e-commerce market was US\$2.4 trillion, growing 122% from 2015. Taiwan's B2C e-commerce market grew 6.15% in 2016, and the annual growth rate is expected to exceed 5% from 2016 to 2026.



### Common obstacles to the development of digital trade

According to research from the United States and Japan, significant obstacles to the development of digital trade in the global market mainly include localization requirements, market access restrictions, privacy protection requirements, intellectual property rights violations, unclear liability attribution, and customs procedures.



### Policies and measures for promoting digital trade in Taiwan

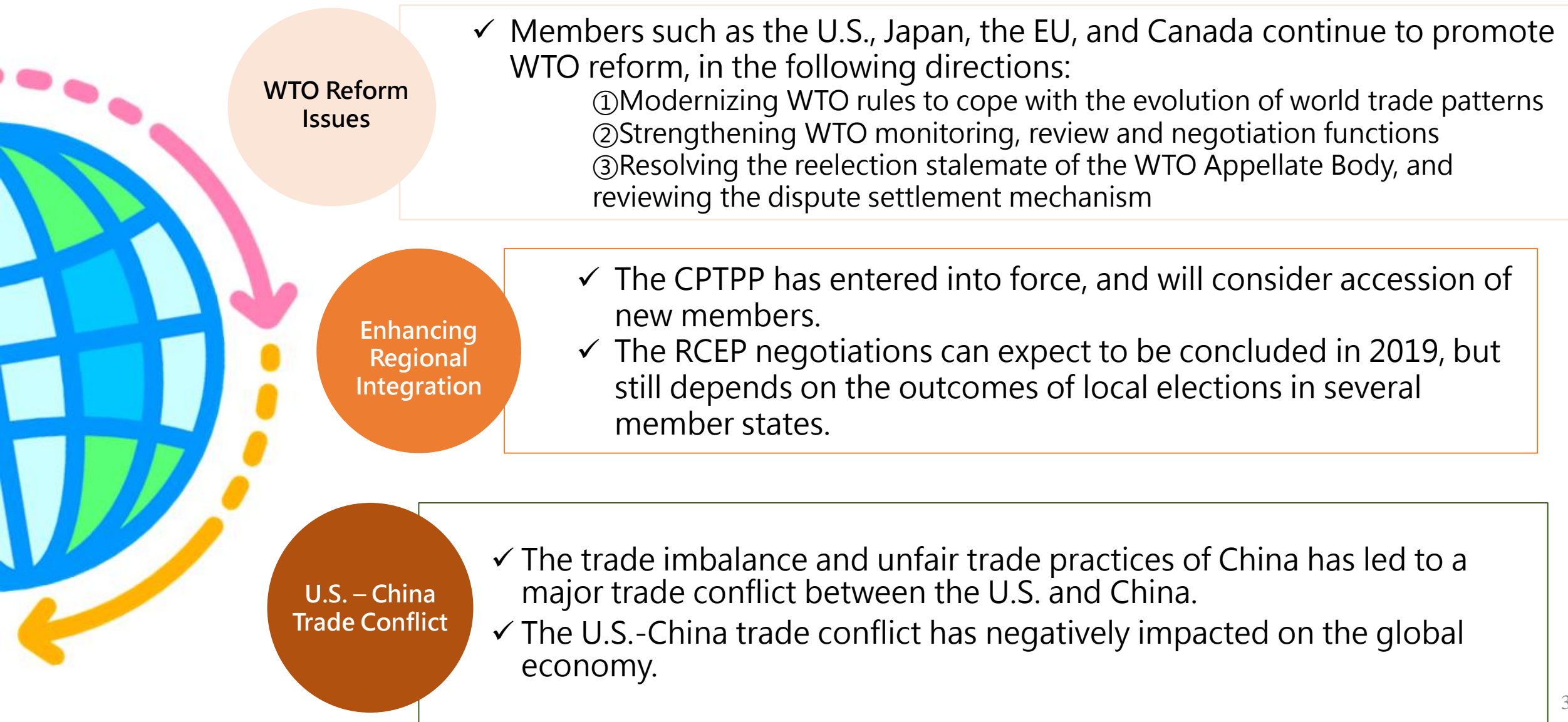
#### Promoting a digital and innovative economy

Taiwan will invest NT\$170 billion to gradually implement its policy vision of "developing an active online society, promoting a high-value innovative economy, and opening up a wealthy digital territory."

The Executive Yuan established the "National Innovation and Economic Promotion Team" to promote the "Digital and Innovative Economic Development Program (2017-2025)." Its three major strategic measures are:

- ✓ Improving cross-border readiness
- ✓ Increasing the exportation of Taiwanese brands
- ✓ Establishing clusters in NSP countries

## IV. Outlook: International Economic and Trade Trends



## IV. Outlook: Directions of Taiwan's Trade Policy

### Participating in multilateral and regional integration to strengthen international links

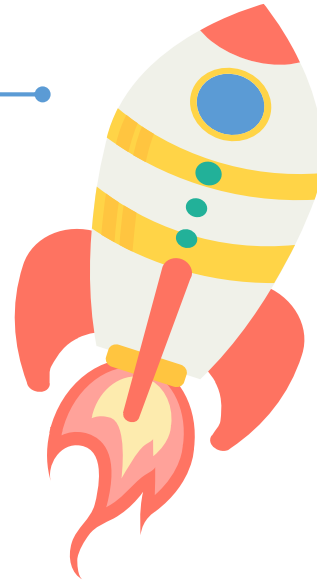


- ✓ **Engaging in the formulation of international trade rules:** Participating in the e-commerce and fisheries subsidies negotiations, and working on WTO reform.
- ✓ **Utilizing WTO mechanisms to protect our rights:**
  - Using the dispute settlement mechanism to resolve cases that violate WTO rules and give rise to unfair treatments to our companies.
  - Raising trade concerns in regular WTO meetings.
- ✓ Participating in APEC platforms to promote cooperation and discussion with Asia-Pacific countries.



### Speeding up global cooperation

- ✓ **CPTPP:** Promoting regulatory adjustments and internal communication, while lobbying for and striving to join the CPTPP.
- ✓ **Bilateral economic and trade agreements:** We have 4 FTAs and 4 ECAs in effect and will discuss FTAs with the U.S., EU, and Japan.
- ✓ **New Southbound Policy:** Expanding and deepening cooperation with NSP countries, such as in industrial linkages, trade promotion, talent cultivation, and SOE layout.



### Maintaining the trade order

- ✓ **Implementing trade management measures and protecting the export rights of our businesses.**
- ✓ **Strengthening trade monitoring**
  - Enhancing export and import management.
  - Strengthening export management
  - Revising trade laws and increasing penalties for illegal shipping.
  - Strengthening trade management and outreach programs.
- ✓ **Noting trade remedies and restrictions in other countries and responding with necessary measures:** Gathering information through our overseas offices, protecting our rights and interests through bilateral consultations, assisting Taiwanese companies in responding to complaints, and developing necessary response measures.





Thank You!