



Taiwan's Path to the CPTPP

Thinking and Strategies for the CPTPP

October 2, 2024

Jen-Ni Yang

Minister without Portfolio and Chief Trade Representative, Executive Yuan



Outline



- **Why Taiwan Must Join the CPTPP?**
- **What Role Would Taiwan Play as a CPTPP Member?**
 - **A Trusted Trading Partner**
 - **A Facilitator of Supply Chain Resilience**
 - **An Advocate for Emerging Issues**
- **Conclusion**



Why Taiwan Must Join the CPTPP? From a Strategic Perspective



The global trading system is facing multiple challenges:

- ✓ Supply Chain Disruptions
- ✓ Climate Change
- ✓ Digital Transformation
- ✓ Cyber Security
- ✓ Geopolitical Tensions
- ✓ Economic Coercion

3



Supply
Chain
Resilience

Economic
Security



Why Taiwan Must Join the CPTPP? From a Strategic Perspective



Global Challenges and Collaboration

- Despite maintaining economic growth during the pandemic, the scale of global challenges we face today is unprecedented.
- No single country can address these challenges alone.
- Strong, principled, and effective collaboration is essential for:
 - Building economic resilience
 - Taking joint action on climate change





Why Taiwan Must Join the CPTPP? From a Strategic Perspective



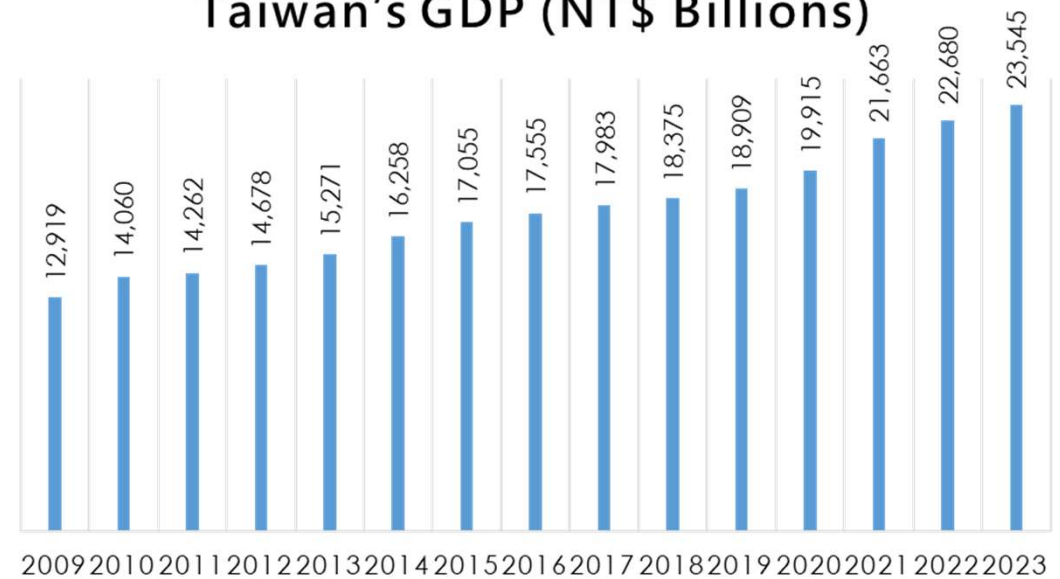
Taiwan's Economic Strength

2023 GDP (US\$ Billions)

Japan	4,213	Vietnam	434
United Kingdom	3,345	Malaysia	416
Canada	2,140	Chile	336
Mexico	1,789	Peru	268
Australia	1,742	New Zealand	249
Taiwan	757	Brunei Darussalam	15
Singapore	501		

Source: IMF World Economic Outlook (2024)

Taiwan's GDP (NT\$ Billions)



Source: National Statistics, Taiwan (2024)



Why Taiwan Must Join the CPTPP? From a Strategic Perspective



A Legal Framework

The CPTPP provides a robust, rule-based framework for trade and investment.

Economic Significance

The CPTPP represents 15% of global economic output with a combined GDP of US\$15.4⁶ trillion.

High Standards

The CPTPP's high-standard rules and market access safeguard members' interests in fair and reliable trade.



- Exclusion from the CPTPP would limit Taiwan's ability to adapt to pressing global challenges.
- If not allowed to accede to the CPTPP, Taiwan will lose the opportunity of gaining an extra 1.6% of GDP growth in the long run.

What Role Would Taiwan Play as a CPTPP Member?

A Trusted Trading Partner



A Proven track record

Never been involved in trade litigation or investment arbitration



International Recognition

The 2nd freest economy in Asia and the 4th freest globally in Heritage Foundation's Index of Economic Freedom



21st Trade Rules

Higher-standard rules on environment, labor and digital trade in bilateral agreements

What Role Would Taiwan Play as a CPTPP Member?

A Facilitator of Supply Chain Resilience



1. A Credible Supplier

Taiwan actively answered the global demand for chips and ICT products during the COVID-19 pandemic.

3. A Trustworthy Partner

Taiwan has investments across semiconductor supply chains and talent training programs with ASEAN countries. We are willing to provide talent training programs to CPTPP members.

2. A Strong Industrial Ecosystem

Taiwan's industrial achievement is driven by SMEs and clusters such as EV, AI, biotechnology and the medical industry. Taiwan can use its manufacturing capability and talent to create a strong ecosystem.

4. Complementary Strength

Trade with CPTPP members accounts for 25% of Taiwan's total trade. The potential for growth is immense.



What Role Would Taiwan Play as a CPTPP Member?

An Advocate for Emerging Issues

- **Green Economy**

Taiwan is firmly committed to achieving greenhouse gas net zero emission by 2050 and is actively working toward an internal carbon pricing system.

- **Inclusive Growth**

Taiwan is committed to ensuring that women, Indigenous peoples, and SMEs share the benefits of growth in our trade/investment initiatives with Canada, the U.S., the UK, and the Indigenous Peoples Economic and Trade Cooperation Arrangement (IPETCA).

- **Digital Transformation**

1. Digital tools are pivotal to implementing a green economy and inclusive growth.
2. Taiwan is striving to establish freer, fairer, and more balanced digital trade rules, and advocates for Data Free Flow with Trust and cybersecurity across sector.

Conclusion

Taiwan's inclusion in the CPTPP is essential for:

- Strengthening our economy
- Enhancing the resilience of the bloc

The Purpose of this presentation:

- Providing insights as a basis for further discussion
- Hearing perspectives from participants on strengthening Taiwan's CPTPP application and collaborating for mutual success

Acknowledgement:

- Special thanks to the Ministry of Foreign Affairs, Ministry of Economic Affairs, Chung-Hua Institution for Economic Research, and the Office of Trade Negotiations
- Special gratitude to colleagues for their hard work in making this event a success

10