

# The necessity for Taiwan to be a CPTPP member, and the limitation and challenge during the negotiation

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MLNGT Thesis Presentation

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## OUTLINES

CH.1 Introduction

CH.2 Overview of CPTPP

CH.3 Process of Taiwan to Participate in CPTPP

CH.4 Economic Influence for Taiwan as A Partnership of CPTPP

CH.5 Conclusion



1.1 Background

1.2 Research motivation

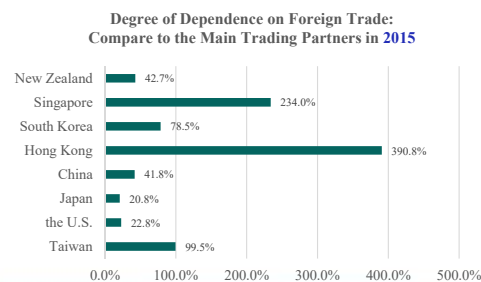
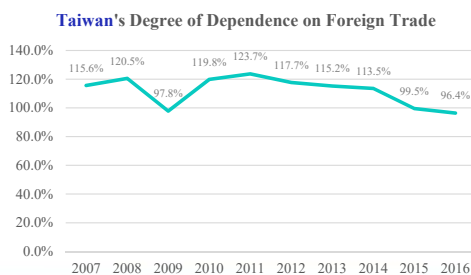
1.3 Research purpose and method

# 1. Introduction



## Background & Motivation

- Taiwan, located centrally in Asia Pacific region, has the advantage to develop international trade.
- Well-developed ICT industry according to Comparative Interests Theory under the H-O Model. (Lin, H. Y., 2020)
- Highly depends on Foreign Trade (Chiu, H.C., 2019):



Source: Illustrated by this research according to Statistic Information on Bureau of Foreign Trade, ROC.

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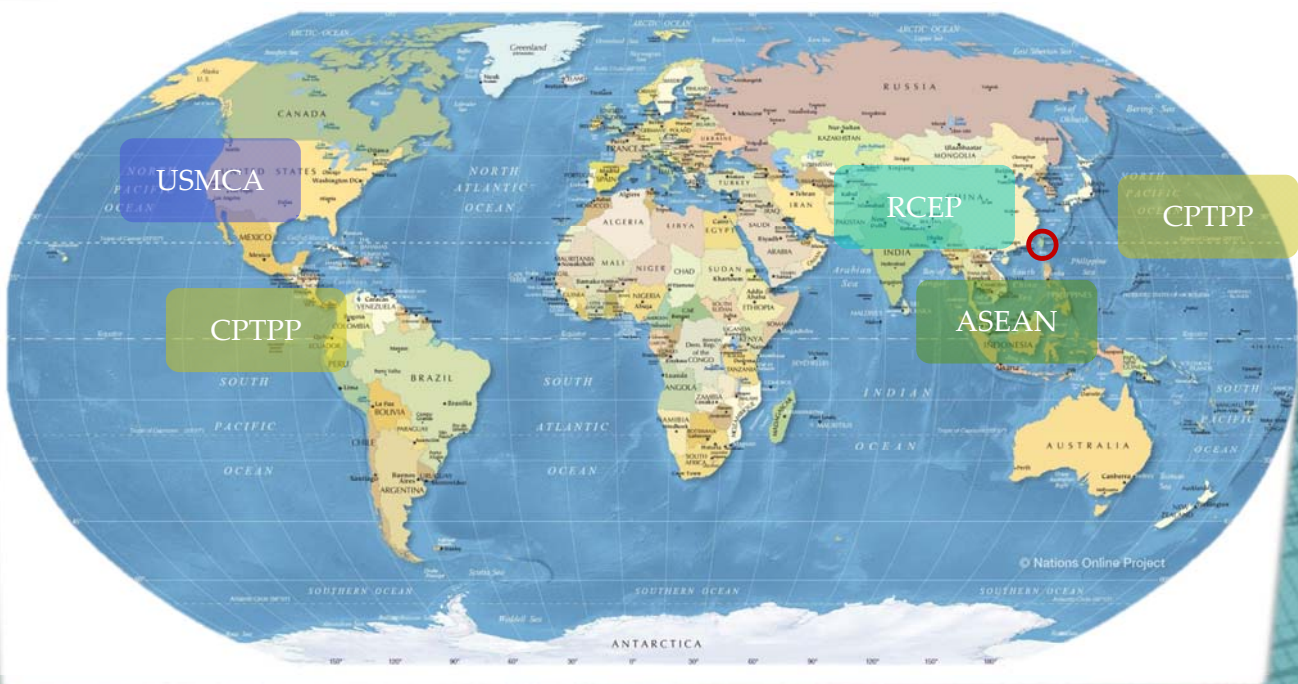
## Background & Motivation

- Machinery export to the U.S was increased from Mexico (1.23%) and Japan (0.86%) in 2019.
- Taiwan's exports of Computer Components were also increased to the U.S (16.23%), Vietnam (1.52%), Malaysia (1.36%), and Mexico (2.43%). (Lee, R.C., 2020).
- Taiwan's exports of ICT and semi-conductor were increased after the COVID-19 pandemic in 2020. However, others exporting declined greatly, especially to the Southeast Asian market.
- Taiwan is confronted with the discrimination because of the weak linkage to the Southeast Asian market (Chen, T. J. & Ku, Y. H., 2020).



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## Research Motivation

- January to June in 2020:
  - Taiwan’s top 10 trading partners (China, the U.S., Japan, Hong Kong, South Korea, Singapore, Malaysia, Germany, Vietnam, and Australia) occupied more than 77% of Taiwan’s trading value.
  - Half of Taiwan’s top 10 trading partners (Japan, Singapore, Malaysia, Vietnam, and Australia) are CPTPP members, occupying more than 23% of Taiwan’s trading value.
  - 11 members from CPTPP contributed more 25.46% to Taiwan’s trading value.
- Taiwan has only signed BTAs with Singapore and New Zealand, and still faces challenges on controversial issues while negotiating on FTAs.

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## **Research Purpose and Method**

- Issues to be discussed in this research:
  - The significance to Taiwan to participate in CPTPP.
  - The benefit and impact to Taiwan's industries and the economic growth.
  - The limitations and challenges for Taiwan on joining CPTPP.
- Methodology
  - Historical Documentary Analysis (Ch.1, Ch.2, and Ch.3)
  - Observation (Ch.1 and Ch.3)
  - Statistical Analysis (Ch.4)

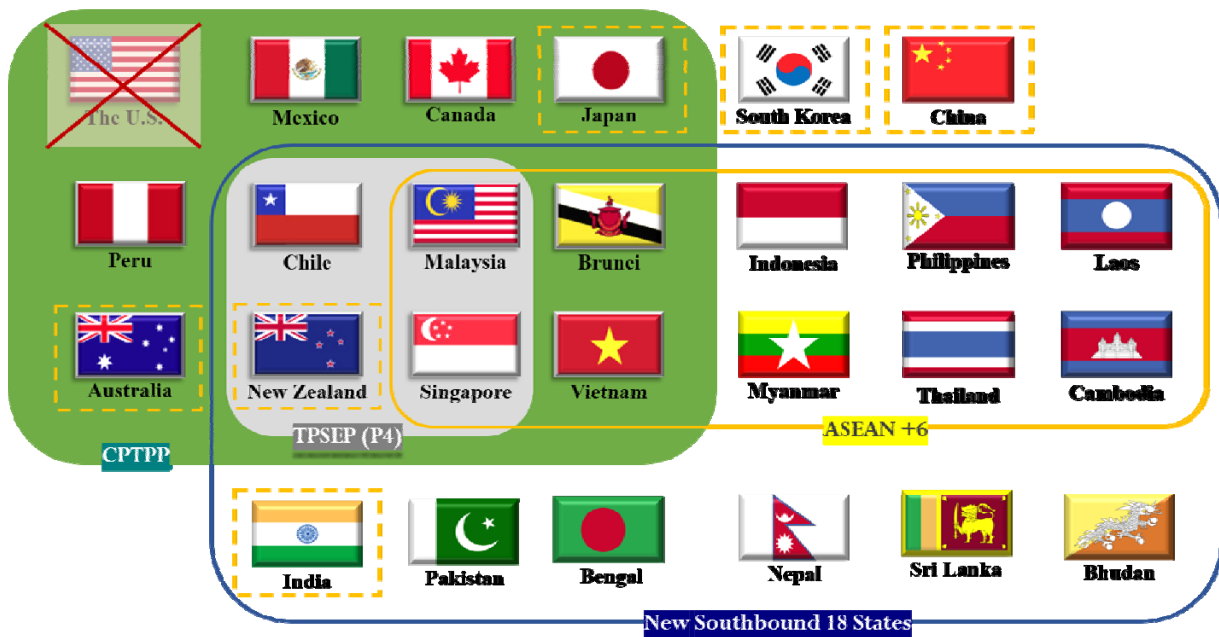
### **2.1 History and development of CPTPP**

### **2.2. Overview of CPTPP members' trading, politics, and economy**

### **2.3 Significance for Taiwan to participate in CPTPP**

## **2. Overview of CPTPP**





Source: Illustrated by this research according to the information on Office of Trade Negotiation (OTN) Website.

ECAs of CPTPP Members											
	Australia	New Zealand	Japan	Singapore	Malaysia	Vietnam	Brunei	Peru	Chile	Mexico	Canada
Australia	--	●, △	●	●, △	●, △	△	△	●	●		
New Zealand	●, △	--		●, △	●, △	△	△				
Japan	●		--	●, △	●, △	●, △	●, △	●	●	●	★
Singapore	●, △	●, △	●, △	--				●	●		★
Malaysia	●, △	●, △	●, △		--						
Vietnam	△	△	●, △			--			●		
Brunei	△	△	●, △				--				
Peru	●		●	●				--	●	●	●
Chile	●		●		●	●		●	--	●	●
Mexico			●					●	●	--	
Canada								●	●	□	--
the UK	★	★	●	●		●					
Taiwan		●		●							
ASEAN+3			●			●					
ASEAN+6	●	●	●	●	●		●				
RCEP		●	●	●	●		★				
USMCA										●	●

● : Signed      ★ : Negotiating      △ : ASEAN+6      □ : USMCA

Source: Generalized by this research according to States' Information on Taitraresource and Bureau of Foreign Trade, ROC.<sup>12</sup>

3.1 Establishment and development of New Southbound Policy

3.2 Negotiation process to take part in CPTPP

### 3. Process of Taiwan to Participate in CPTPP

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4.1 Trading condition within Taiwan and CPTPP members

4.2 Economic impact eliminated if Taiwan successfully joining CPTPP

4.3 The influence on Taiwan's industries

4.4 Challenges and limitations for Taiwan to join CPTPP

4.5 Countermeasure and economic prospects

### 4. Economic Influence for Taiwan as A Partnership of CPTPP

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5.1 Discoveries and conclusions

5.2 Recommendations

## 5. Conclusion

**Thanks for your listening!**