

29 January 2021

Committee Secretary
Joint Standing Committee on Foreign Affairs, Defense and Trade
PO Box 6021
Parliament House
Canberra ACT 2600

Dear Committee Secretary,

RE: Parliamentary Inquiry into expanding the membership of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

Global Federation of Chinese Business Women of Australia is highly recommended the expansion of the Trans-Pacific Partnership (TPP) and views that Taiwan's inclusion in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) will have significant business interests for both Australia and Taiwan.

The U.S.-China trade conflict and the COVID-19 Pandemic have drastically altered the global trade and economic landscape. In order to gain a competitive advantage, increase economic output and create jobs, we need to consider how and with whom we do business in the future.

Taiwan has performed well in the Global Competitiveness Report of the WEF as well as the IMD's World Competitiveness Ranking, and is ranked among the world's top 10 countries in Cushman & Wakefield's Manufacturing Risk index and Deloitte's Global Manufacturing Competitiveness Index. At this crucial juncture of the readjustment of global supply chains, the world needs worthy partners like Taiwan more than ever, and Taiwan needs the world.

As a full Member of the World Trade Organization (WTO) under the title of Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu, Taiwan has been actively participating in all WTO-related activities and faithfully fulfilling its obligations in the multilateral trading system. Taiwan recognizes the significance of a high-standard and comprehensive regional agreement that builds upon our respective rights and obligations under the Marrakesh Agreement Establishing the WTO. Without reservation, Taiwan stands in line with such objectives to promote economic integration, liberalize trade and investment, stimulate economic growth, strengthen worker's protection, raise living standards, reduce poverty, and promote sustainable growth.

The CPTPP offers a great opportunity for Taiwan to participate in the Asia-Pacific market. According to the WTO-OECD Trade in Value-Added (TiVA) database, Taiwan has the highest participation in global value chains among current CPTPP Members. The high percentage of imports from CPTPP Members to Taiwan demonstrates Taiwan's tightly-knit relationship to the CPTPP value chain. And ranking 18th in global trade, Taiwan has long been an indispensable link in the global value chain. Taiwan's trading regime, including its investment, ecommerce, finance, telecommunications, labor, environment, and state-owned enterprises governance, will be further upgraded through membership in the CPTPP.

Since the release of the official CPTPP text, all relevant government agencies in Taiwan have completed the first stage of the regulatory "gap analysis" to identify discrepancies between Taiwan's current domestic laws and regulations and CPTPP obligations. Twelve laws were identified to have "gaps". Since 2016, eight laws have already completed the amendment process. The remaining four proposed amendments are pending in the Legislative Yuan as priority bills fully supported by all major parties.

To attract skilled overseas professionals, the Government has relaxed its requirements for foreign professionals through 27 reform initiatives with respect to visas, employment, residence, finance, taxes, insurance as well as enhancing their living environment. Taiwan is also strengthening the mechanism to attract outstanding foreign students and young entrepreneurs to come to Taiwan and has passed the "Act for the Recruitment and Employment of Foreign Professionals" for that purpose.

Taiwan has a close economic and trade ties with the 11 CPTPP members accounting for more than one-fifth of Taiwan's total exports. In the past three years, the total GDP of CPTPP members has reached 2.5 trillion US dollars. Between 2017 and 2019, Taiwan's average annual import of Non-agricultural products from the CPTPP Members reached US\$75.8 billion, of which only US\$11.2 billion faced tariffs more than 5%. Among CPTPP members Japan is the number one exporter to Taiwan, accounting for 56.1% of total exports from CPTPP Members amounting to \$42.5 billion. Australia and Malaysia rank second and third, respectively, consisting of 11.42% and 11.37% of total exports from CPTPP Members. And in 2019, CPTPP Members exported US\$3.46 billion worth of agricultural and food products to Taiwan, accounting for 25.3% of Taiwan's total agro-import.

Taiwan is looking forward to enhancing bilateral economic and trade cooperation, talent exchanges, and resource sharing, while strengthening multilateral economic ties with like-minded countries in the region. For its part, Taiwan has promoted related endeavors since

launching the New Southbound Policy in 2016 and has signed the Australia-Taiwan Organic Equivalency Arrangement to foster trade in agricultural products under this policy.

Australia is Taiwan's 11th-largest trading partner and its largest source of coal and iron ore. Taiwan is Australia's sixth-largest merchandise export market and its 14th-largest trading partner. Taiwan and Australia share a longstanding friendship and are continuing to cooperate in many fields. With regard to the bilateral economic relationship, in 2019, total trade between these two countries reached 13.3 billion US dollars. In 2020, Taiwan and Australia joined forces to combat COVID-19 through a series of humanitarian efforts. We believe now is a good time for Taiwan and Australia to working together to revive the economies in the post-pandemic era.

As Taiwan is a staunch advocate and reliable partner of regional economic integration. Global Federation of Chinese Business Women of Australia would like to take this opportunity to highlight that an Economic Cooperation Agreement (ECA) would significantly boost Australia's exports to Taiwan, bringing substantial benefits to the people of both countries. And we believe that forging a mutually beneficial and sustainable economic relationship will contribute to a more sustainable, secure, and prosperous Indo-Pacific region. Since extending Taiwan membership in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) will be the way to deepen regional cooperation. We therefore also call for the support of the Australian government for Taiwan's inclusion in the CPTPP.

Yours faithfully,

Global Federation of Chinese Business Women of Australia

29th of January, 2021

Committee Secretary
Joint Standing Committee on Foreign Affairs, Defense and Trade
PO Box 6021
Parliament House
Canberra ACT 2600
Tel: 02 6277 4397

Dear Committee Secretary,

Parliamentary Inquiry on the Merits of Expanding the Membership of the Trans-Pacific Partnership
Trade Agreement (TPP)

Global Federation of Chinese Business women (GFCBWA) of Australia is one of 75 Chapters of GFCBW of GFCBW, with its other chapters located in Japan, Canada, Vietnam, Singapore, New Zealand and Australia. The New Zealand and Australian chapters have the most existing CPTPP members. According to the Term of Reference, the opportunity for freer trade between Australia and potential new members, DFAT stated Australia-Taiwan relationship is not only People-to-People tie and link with students with opportunities for study and work-based experiences in both countries, but **'Sharing Our Treasures, Creating Our future'** in the aspects of cultural and creative engagements. Additionally, in-relation to trade and investments, Taiwan was Australian's sixth-largest merchandise export market and 16th-largest source of merchandise imports in 2018. For investments in 2018, Taiwan investments in Australia was \$9.6 billion AUD; compared to Australian investments in Taiwan which stood at \$10.2 billion AUD. [Australia-Taiwan Business Council](#) has promoting business between Australia and Taiwan.

Moreover, according to [Australian Bureau of Statistics](#), Australia's Top export countries were Japan 、 India and South Korea. Whereas, Australia's Top import countries were China 、 United States 、 Germany 、 Japan and India as at November, 2020. In the global stage, [wordstopexports.com](#) showcased a list of Taiwan's top 15 trading partners countries during 2019. Almost 57.2% of Taiwanese exports in 2019 were delivered to Australia's export and import countries. Therefore, Australia-Taiwan relationship is also as a **'Trade community'**.

In the tough and challenge year of 2020, ['Taiwan can help'](#) share our experience for

COVID-19 and in 2021 Australia can help to support and include Taiwan as a new member of CPTPP based on Australia's and Taiwan's national interests and as a business, cultural and trade community.

Your faithfully,

Global Federation of Chinese Business Women (GFCBW)

Global Federation of Chinese Business Women of Australia (GFCBWA)