

**TAIWAN'S BID FOR THE  
COMPREHENSIVE AND PROGRESSIVE  
AGREEMENT FOR TRANS-PACIFIC  
PARTNERSHIP**

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## Executive Summary

1. Taiwan has been striving for a greater involvement in the institutionalised economic integration in the region and the world to sustain its export-oriented economic development. After its exclusion from the Regional Comprehensive Economic Partnership (RCEP), Taiwan has been seeking membership in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).
2. CPTPP is a broad agreement covering countries across different continents, including Japan, Singapore, Malaysia, Brunei, Vietnam, Australia and New Zealand in Asia Pacific, Canada, Mexico, Chile and Peru in America and the UK in Europe.
3. It is also a comprehensive and forward-looking agreement that seeks to not only reduce 95% of tariffs for merchandise trade but also formulate rules on intellectual property protection, state-owned enterprises, environment, small and medium enterprises and labour.
4. On 22 September 2021, Taiwan formally applied to join the CPTPP, six days after China's application to the same trade deal. Months thereafter in the same year, applications came in from Ecuador, Costa Rica and Uruguay, while South Korea and Thailand had also expressed their interest in joining the trade bloc.
5. The current 12 CPTPP members account for 7% of global population, 15% of global GDP and 16% of global trade, smaller than the shares of RCEP and the European Union. However, with the inclusion of potential members (including current applicants and interested parties), CPTPP will become the largest economic zone in the world.
6. By forging stronger economic ties with CPTPP countries through the trade agreement, Taiwan hopes to strengthen its exports, diversify its trade relations, enhance its critical role in the global supply chain network and align Taiwan's regulatory environment with that of other countries in the CPTPP.

7. In 2022, the 12 CPTPP members, when combined, are Taiwan's second largest export destination and most important source of imports. Taiwan's huge demand for machinery and chemical products from Japan and natural resources from Malaysia and Australia constituted its large imports from the group. Its exports of machinery and electrical machinery are chiefly to Singapore, Vietnam and Malaysia.
8. Taiwan's investment in CPTPP countries has been growing in recent years, driven by Taiwanese semiconductor companies' investment in Singapore and Japan. Correspondingly, Taiwan's investment in China has been gradually declining.
9. China's greater economic and political influence may silence CPTPP members' support for Taiwan's entry. The absence of the United States in the CPTPP will further increase the chance of China hindering Taiwan's entry.
10. The new economic rules under CPTPP may become a new international benchmark that shapes the global economic structure in the future. Hence, Taiwan's absence from the trade deal will have a profound impact on its further economic development and the linkage with the world economy.