March 2, 2017

President Donald J. Trump
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. President,

The promotion of extensive commercial ties with Taiwan has been codified in U.S. law since Congress passed the Taiwan Relations Act in 1979. Your Presidential Memorandum of January 23rd directed the U.S. Trade Representative “to begin pursuing, wherever possible, bilateral trade negotiations” to promote American interests. As we form new strategies for economic engagement with the Asia-Pacific region, we write to urge you to include U.S.-Taiwan economic cooperation as a central pillar of U.S. trade policy, and to prioritize a Free Trade Agreement (FTA) with Taiwan among the negotiations your memorandum contemplates.

Taiwan’s small size belies its global economic prominence. Taiwan is the United States’ tenth largest trading partner, and its economy is the 21st largest in the world. While past discussions about deepening U.S.-Taiwan commercial ties revolved around the prospects of Taiwan joining multilateral arrangements, the current shift towards bilateral arrangements means that we need a new strategy for economic engagement with this critical partner.

This strategy should prioritize FTA negotiations, which could bring significant benefits for the United States. Taiwan’s economy is the eighth largest in Asia, representing 23 million potential customers. However, U.S. businesses in Taiwan face a number of challenges, such as excessive regulatory hurdles and potential exclusion from regional trade blocs. Pursuing an agreement would help enhance the transparency of Taiwan’s trade regime and further open areas of Taiwan’s economy, such as the market for pork and other agricultural products and trade in services. In addition, the agreement can set the bar high for a new level of market-opening for economies in Asia which is consistent with U.S. economic priorities, to include creating more jobs and reducing trade deficits.

In addition to the financial benefits, a U.S.-Taiwan trade agreement could also help to strengthen our mutual security. Taiwan’s economy is reliant on international trade and has been dependent on the mainland for growth. Diversifying Taiwan’s economy would be highly beneficial. As the world’s largest consumer of semiconductor manufacturing equipment and the largest semiconductor foundry manufacturing economy, Taiwan is central to the global electronics industry. Promoting greater economic agency for Taiwan would advance supply chain security in this critical industry.

A national strategy for economic engagement with the Asia-Pacific that emphasizes negotiating a Free Trade Agreement with Taiwan would promote American economic interests and U.S. strategic goals. Dispatching the incoming U.S. Trade Representative to visit Taipei promptly would be an
appropriate way to begin these talks and signal U.S. commitment. We urge you to take up this strategy and to prioritize negotiating a Free Trade Agreement with Taiwan.

Sincerely,

Ted S. Yoho
Member of Congress

Ann Wagner
Member of Congress

Earl L. "Buddy" Carter
Member of Congress

Paul Gosar, D.D.S.
Member of Congress

Andy Biggs
Member of Congress

Ileana Ros-Lehtinen
Member of Congress

Scott DesJarlais
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Chuck Fleischmann
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Henry Cuellar
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