

Fact Sheet

U.S.-Taiwan Economic Prosperity Partnership Dialogue

2020/11/20

Convened under the auspices of the American Institute in Taiwan (AIT) and the Taipei Economic and Cultural Representative Office (TECRO) in the United States, the U.S.-Taiwan Economic Prosperity Partnership (EPP) Dialogue signifies that the United States-Taiwan economic relationship is strong and growing. Bound together by a belief in transparency, democracy, free markets, and the rule of law, Taiwan and the United States are natural economic partners. Our shared interests in secure and diverse supply chains, safe telecommunications networks, and transparent infrastructure development can help us work towards a more inclusive and prosperous world.

Led by Under Secretary of State for Economic Growth, Energy, and the Environment Keith J. Krach and Taiwan Minister without Portfolio John Deng, the EPP Dialogue's inaugural meeting took place on November 20 in Washington. At the meeting, the two sides discussed and accomplished the following:

- **Memorandum of Understanding:** Both sides welcomed the signing of a Memorandum of Understanding (MOU) between AIT and TECRO on Establishing a U.S.-Taiwan Economic Prosperity Partnership (EPP) Dialogue. The MOU is expected to create the foundation for future high-level annual EPP Dialogues, to be held alternately in

Washington and Taipei, and promote deeper and broader economic cooperation. The U.S. Department of State and the Ministry of Economic Affairs of Taiwan, or another designated representative as TECRO identifies in writing, will serve as the respective Designated Representatives of AIT and TECRO.

- **Areas for Economic Collaboration and Cooperation:** Through the EPP Dialogue, the two sides intend to set up working groups to cover issues that include, but are not limited to, the economic issues listed below. The working groups are expected to meet as needed to discuss present and future economic cooperation. Their goal is to continue to assess, prioritize, add, and recalibrate lines of effort, as necessary, in advance of future EPP Dialogues so that discussion reflects the most up-to-date policy priorities. The conveners of each working group expect to report progress and propose new collaboration at future high-level annual EPP Dialogues. Both sides also confirmed that the Indo-Pacific should be one of the regional focuses for subsequent discussions including possible collaboration on initiatives that align with Taiwan's New Southbound Policy and U.S. strategic goals in the Indo-Pacific region.

- **Global Health Security:** Taiwan is a global leader in the production of personal protective equipment, while the United States is a global leader in biomedical research and development (R&D), and the production of vaccines, medicine, and reagents. The two sides look forward to greater cooperation in R&D on digital technologies to deliver health care and in international commercial opportunities related to medical products. Both sides

also look forward to seeking opportunities to promote talent exchanges and assist third-country capacity building to promote global health security. Both sides aspire to cooperate to ensure the free flow of medical supplies and services between the two and to explore new mechanisms to cooperate.

- **Science and Technology:** Both sides are pleased with the successful scientific and technological cooperation, based on scientific excellence and research integrity, that has developed over many years under the auspices of AIT and TECRO. As a sign of continued and expanded commitment to science and technology collaboration, AIT and TECRO announced their intention to negotiate a Science and Technology Agreement to advance joint understanding on a broad range of science and technology topics. Through this anticipated agreement, both sides intend to advance scientific knowledge, technological innovation, capacity-building in third countries, and research integrity and protections through exchanges of data, knowledge, people, or other forms of cooperation.

- **5G and Telecommunications Security:** The United States is proud to have Taiwan as a 5G Clean Path Partner. Taiwan's technical capacity can serve as a solid backing to U.S. companies in support of the Clean Network. The two sides discussed ways to encourage deployment of secure 5G networks and increase vendor diversity.

- **Supply Chains:** Both sides noted Taiwan's competitive advantage in high-end

manufacturing and the United States' leading global role in high-tech industries. Both sides confirmed that strategic cooperation on the semiconductor industry is a mutual priority given its potential to generate significant, long-term benefits for both economies. Both sides also aim to cooperate on medical, energy, and other critical technology supply chains.

- **Women's Economic Empowerment:** The EPP Dialogue focused on women's economic empowerment as a cross-cutting priority. Noting recent U.S.-Taiwan collaboration on promoting young women's entrepreneurship in Latin America and the Caribbean, as well as women's economic empowerment in New Southbound countries, both sides affirmed support for women's economic participation globally.

- **Infrastructure Cooperation:** The United States and Taiwan are partners on jointly developing regional infrastructure and bilateral financing in the Indo-Pacific region. AIT and TECRO recently signed a Framework to Strengthen Infrastructure Finance and Market Building Cooperation, which aims to facilitate technical exchanges and information-sharing to catalyze investments in infrastructure across the Indo-Pacific and New Southbound countries. The Taiwan side affirmed its support for the principles of transparency, accountability, resiliency, and financial, environmental, and social sustainability that underpin the Blue Dot Network initiative. Both sides also intend to continue exploring the formation of Partnership Opportunity Delegations (PODs), a U.S. Department of State initiative to foster deeper collaboration between the United States, foreign partners, and the private sector to explore overseas business opportunities in

priority sectors with partner countries in South and Southeast Asia, the Pacific, and Latin America. Taiwan companies have established good business models in the region in areas including energy and transportation infrastructure. Both sides aspire to work closely in the region and explore joint business opportunities in infrastructure, renewable energy sources like wind and solar, and related areas.

- **Investment Screening:** Both sides committed to explore ways to increase communication and collaboration between the Committee on Foreign Investment in the United States (CFIUS) and Taiwan's Ministry of Economic Affairs (MOEA) on investment screening, through AIT and TECRO.