

Eighth Chiang-Chen Talks are Successfully Held: The SEF and the ARATS sign the "Cross-Strait Investment Protection and Promotion Agreement" and the "Cross-Strait Customs Cooperation Agreement" and announce a "Consensus on the Protection of Personal Freedom and Safety" in regards to the Investment Protection Agreement (Source: Straits Exchange Foundation)

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The Eighth Chiang-Chen Talks are officially held today (August 9, 2012) at the Grand Hotel in Taipei. During the talks, Straits Exchange Foundation (SEF) Chairman Chiang Pin-kung and Association for Relations Across the Taiwan Straits (ARATS) Chairman Chen Yunlin jointly confirm the texts of the "Cross-Strait Investment Protection and Promotion Agreement" and the "Cross-Strait Customs Cooperation Agreement." The two sides also jointly announce a "Consensus on the Protection of Personal Freedom and Safety" in regards to the Investment Protection Agreement. The two agreements are signed this afternoon.

In the opening remarks at the Talks, Chairman Chiang states that more than four years ago, the two sides of the Taiwan Strait resumed the institutionalized negotiation channel between the SEF and the ARATS on the premise of "shelving controversies and jointly creating a win-win outcome." Since then, the two sides have actively held consultations on various issues related to cross-strait exchanges and signed 16 agreements. These agreements are important yardsticks in terms of institutionalizing cross-strait economic and trade relations, maintaining the order of exchanges on various levels, protecting the rights and well-being of the people, creating a new era of reciprocity and mutual benefit, and achieving the peaceful, stable and prosperous development of cross-strait relations.

Regarding recent developments in cross-strait consultations on economic and trade issues, Chairman Chiang emphasizes that, in the two years since the Economic Cooperation Framework Agreement (ECFA) was signed, the two sides have made considerable progress through active discussions and communication on related issues. However, for cross-strait economic and trade relations to be mutually beneficial, they should embody respect for the objective differences between the two sides in regards to their respective systems, levels of industrial development, and overall economic scales. Furthermore, they should contribute actively and positively to the individual and joint participation of the two sides in regional

economic integration. This is the key to the benign long-term development of cross-strait economic and trade relations and cross-strait relations overall.

Chairman Chiang stresses that the most important duty of the SEF and the ARATS is to safeguard the interests and well-being of the people on both sides. In the process of cross-strait exchanges and interactions, the two sides may have different views on the focus and priority in handling affairs due to differences between their legal systems and social climates. However, as long as the two sides start from a basic understanding of protecting the rights and interests of the people and adhere to the principle of mutual respect, they will certainly be able to narrow differences, resolve disputes, and then pragmatically develop a stable mechanism for forging consensus. It is hoped that, on the existing foundation and true to the spirit of "shelving controversies, progressing in an orderly manner, pragmatically negotiating, and pursuing a win-win outcome," the SEF and the ARATS can jointly consider the promotion of concrete plans for follow-up talks related to safeguarding the rights and interests of the people and maintaining orderly cross-strait exchanges and interactions, as well as work together to usher in a bright future of sustainable peace across the Taiwan Strait.

The SEF states that the "Cross-Strait Investment Protection and Promotion Agreement" signed during the Talks will help provide institutionalized protections for the investment rights and interests of investors on both sides, including the property rights, management rights and personal safety of Taiwanese businesspeople. This will have positive benefits for investments in all industries, effectively strengthening the cross-strait investment environment and improving the competitiveness of both sides with respect to global and regional economic cooperation. As for the "Cross-Strait Customs Cooperation Agreement," it will help streamline cross-strait cargo clearance procedures, reduce the cost of doing business, and stamp out cross-strait smuggling. The signing of these two agreements also marks the progressive realization of ECFA follow-up negotiations and the further deepening of the framework for cross-strait economic and trade cooperation.

The SEF and the ARATS also reach a consensus today on the issue of protecting personal freedom and security in relation to the Investment Protection Agreement. According to their respective regulations, the two sides will provide notification within 24 hours of limiting the personal freedom of an investor or related personnel and make

accommodations for visits by family members and attorneys. The Consensus demonstrates the importance that both sides attach to the issue of personal safety. The improved reporting and notification mechanisms will further strengthen protections for the personal freedom and safety of investors and related personnel on both sides.

During the Talks today, the two sides describe and discuss the results from implementing the agreements previously signed between the SEF and the ARATS, including the phased achievements of the ECFA and the pacts on tourism, air transport, sea transport, joint crime-fighting and judicial mutual assistance, food safety, medicine and health. In addition, the Taiwan side reiterates views and deep concerns of the people in Taiwan regarding repatriation of major economic criminals and compensation in major food safety cases, such as the melamine incident. The Taiwan side also expresses hope that more active improvements can be made in related matters in order to implement the agreements and protect the life, safety and property of the people on both sides.

Concerning negotiation issues for the next round of SEF-ARATS talks, the two sides agree to focus on the ECFA follow-up issues of trade in services, trade in goods, and dispute settlement, and to sign agreements on any issues of consensus. Both sides also agree to prioritize the signing of an agreement on trade in services in follow-up talks. They further agree to actively promote communication and discussions between the relevant authorities on "cross-strait cooperation on air quality monitoring" and "cross-strait cooperation on earthquake monitoring"—issues of concern to the livelihood and well-being of the people.

During the Talks, both sides also exchange views on the establishment of reciprocal offices between the SEF and the ARATS. They agree to separately carry out planning, evaluation and research and exchange views at an appropriate time.

The SEF and the ARATS also exchange views on routine operational business between the two organizations. The two sides will strengthen exchange visits and activities in cultural, creative, and educational fields. They will also continue to promote two-way interactions and cooperation in areas of their respective expertise in order to build deeper mutual knowledge and understanding.

The SEF states that success of the Talks and signing of the two ECFA follow-up agreements signifies the stable and orderly operation of institutionalized cross-strait

negotiations. The steady expansion of ECFA achievements also has important meaning for "long-term advancement on a firm footing and the creation of a new era." Chairman Chiang thanks the negotiation teams and staff members of the two sides for their hard work to make the Eighth Chiang-Chen Talks a success. The Talks will conclude today and Chairman Chen will return to Beijing with the ARATS delegation tomorrow (August 10).