

Deputy Minister Lin: The government will continue, on the existing foundation of Mainland policy, to promote cross-strait exchanges and negotiations in various fields according to Taiwan's overall and local development needs

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Mainland Affairs Council (MAC) Deputy Minister Lin Chu-Chia participated in the "Opening the Door and Guarding the House: Southern Taiwan Seminar on Mainland Policy" held today (December 28, 2012) by the Executive Yuan's Southern Taiwan Joint Services Center in Donggang Township, Pingtung County, during which he explained the government's promotion of Mainland policy and cross-strait negotiations based on the principle of "putting Taiwan first for the benefit of the people". He also communicated and exchanged views with participants from all sectors on the implementation status of policies related to Mainland tourists' visiting Taiwan, impacts of the Cross-Strait Economic Cooperation Framework Agreement (ECFA) on the farming and fishery industries, and future direction for Mainland policy promotion.

Deputy Minister Lin noted that from July 2008, when Mainland tourists were first allowed to visit Taiwan, to the end of November, 2012, over 4.69 million Mainland tourists have made group visits to Taiwan, generating NT\$236.3 billion in foreign exchange earnings. This has not only promoted investment and development in domestic tourism-related industries, but also attracted international chain hotel brands to Taiwan, such as W Hotel and Crown Plaza, stimulating integration and innovation

among domestic hotel chain brands. Moreover, in order to expand the coverage of benefits to all sectors, and enable Mainland visitors to profoundly experience Taiwan's cultural diversity and charm, the government has opened up for individual Mainland tourists to Taiwan in June of 2011. As of the end of November, 2012, a total of 193,079 individual Mainland tourists have visited Taiwan. Pingtung is an area of extensive tourism resources, where Kenting National Park, Dapeng Bay National Scenic Area, National Museum of Marine Biology and Aquarium are among scenic spots popular with Mainland tourists. Furthermore, the Liudui area, full of Hakka historical and cultural resources, is also believed to be a site that will attract more individual Mainland tourists in their tracks to stop and experience Hakka culture.

Deputy Minister Lin indicated that, since the signing of the ECFA, 539 Taiwan products have been listed in the Early Harvest List to enjoy tariff reduction in exports to the Mainland, out of which include petrochemicals, textiles, transportation equipment, and machinery products. Most of the Early Harvest products are related to the interests of small and medium enterprises (SMEs) and traditional industries; however, Taiwan has also obtained preferential tariff reductions on 18 Mainland-bound agricultural items as well. In the period since tariff reductions came into effect on January 1 of 2011 to the end of October of 2012, Taiwan export products to the Mainland, included in the Early Harvest List, have enjoyed a total of about US\$551 million in tariff concessions. This overall figure includes tariff reduction of approximately US\$428 million on Early Harvest products applicable to preferential treatment in the period between January and October of 2012,

representing a substantial increase over the comparable figure of US\$120 million, also included, for the whole year of 2011. As for the progress of agricultural and fishery product tariff reductions, starting January 1st of 2013, the 18 Early Harvest products will enjoy tariff free exports to the Mainland, which will help improve export competitiveness and substantially increase the income of farmers and fishermen in Pingtung and other areas. Taiwan agricultural exports to the Mainland from January to November of 2012 increased by 19% compared to the same period in 2011, amounting to a total of about US\$700 million, out of which exports of the 18 agricultural Early Harvest products accounted for US\$146.11 million, showing an increase of 36% compared to the same period in 2011, with the strongest growths seen in orange (103%) and grouper (32%) exports.

Deputy Minister Lin also explained the three major directions in the government's future promotion of Mainland policy. The first is to expand and deepen cross-strait exchanges through the increasing of Mainland tourists, investments and students in Taiwan, which are few among the many important cross-strait issues to be further promoted. Second, the government has begun to promote and plan the establishment of reciprocal offices between the SEF and the ARATS in view of increasing cross-strait personnel, economic, and trade exchanges across the Strait so as to more comprehensively resolve problems encountered by the people in the course of exchanges. Third, the government will thoroughly review and amend the Act Governing Relations between the People of the Taiwan Area and the Mainland Area to create more space for future cross-strait exchanges. In the process of reviewing these policies and

measures on cross-strait exchanges, the government will include issues of concern in the local regions and opinions related to local development as important foundations for reference.

Executive Director Ruey-Wei Gong of the Executive Yuan's Southern Taiwan Joint Services Center, Deputy Director-General Chiang Ying-Chih of the Fisheries Agency under the Council of Agriculture (COA), Deputy Director Hsiao Chung-Chiung of the Department of International Affairs under the COA, Director Lin Chin-Tien of the Ministry of Economic Affairs' Southern Region Service Center, Deputy Director Hsu Chu-Lung of the Dapeng Bay National Scenic Area under the Tourism Bureau, Ministry of Transportation and Communications (MOTC), Division Chief Yang Yung-Sheng of the Tourism Bureau, MOTC, and Dean Li Ming-Yi of the Graduate Institute of Educational Administration at National Pingtung University of Education all participated in this policy promotion seminar focused on tourism, agricultural and fishing industry, and SME related issues. The mentioned participants communicated face-to-face and exchanged ideas with locals from all sectors on their issues of concern.