

The US Congress is expected to consider a new proposal for a free-trade agreement (FTA) with Taiwan this year, a US-based organization has said.

While it remains unlikely that a bill will pass this year, the tactic is to create enough momentum to give it a fighting chance next year.

News of the proposed bill surfaced following US President Barack Obama's State of the Union address on Tuesday, during which he called on Congress to pass an FTA with South Korea "as soon as possible."

Republicans, who now control the House of Representatives, also want to consider FTAs with Panama and Colombia before June.

With those agreements out of the way and Connecticut independent Senator Joseph Lieberman now pushing for a vote on a congressional resolution urging quick approval of all three trade pacts, the proposed Taiwan FTA would move up the line.

Coen Blaauw, executive director of the Formosan Association for Public Affairs (FAPA), told the Taipei Times his organization would seek to introduce a Taiwan Free Trade bill in the next few months.

They hope to attract a coalition of sponsors from the Taiwan Caucus and the Ways and Means Committee, which would be called upon to consider the bill.

"We need to kickstart the Free Trade Agreement for Taiwan and give it some momentum," Blaauw said. "It's an idea whose time has come. We are encouraged by President Obama's support of the [South] Korean FTA. And after that, it will be Taiwan's turn."

## US-Taiwan FTA moving up list

Written by Taipei Times

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Blaauw, who has already sounded out Democrats and Republicans on Capitol Hill about the proposed bill, said that it was important not only to boost trade but also “for Taiwan’s survival as a country.”

He said there were fears that China might eventually use the Economic Cooperation Framework Agreement (ECFA) to “blackmail” Taiwan and that an FTA with the US would provide Taipei with “freedom” to deal with such a move.

A study published by the Peterson Institute for International Economics on a Taiwan FTA found that Taiwan “has a special status for the US as both a leading high-technology economic partner and a place of political and security concern.”

The study looked at both the economic benefits and at the potential impact that an FTA would have on “securing a prosperous and secure future for Taiwan.”

A final analysis indicated that the direct economic benefits would be “modest” and that an FTA would be most valuable to the US if it “leads Taiwan toward greater regional integration.”

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