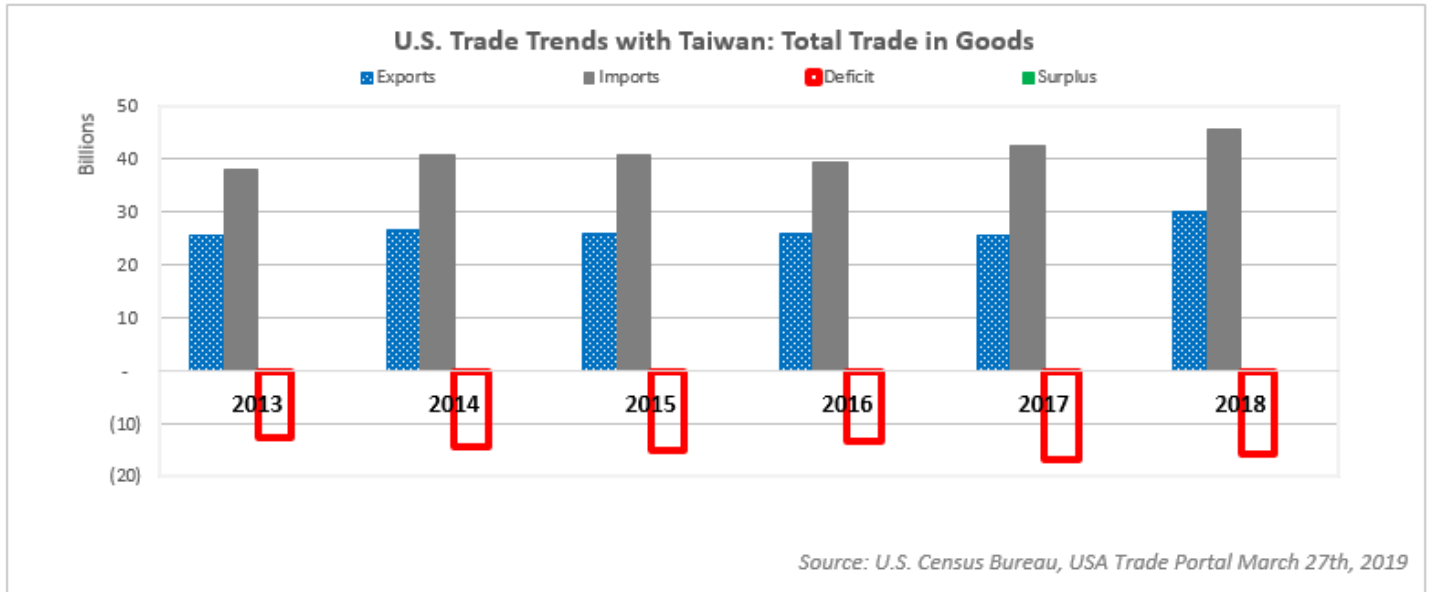




## I. Total U.S. Trade in goods with Taiwan

In 2018, U.S. exports to Taiwan totaled \$30.2 billion, a 17.5% (\$4.5 billion) increase from 2017; U.S. imports from Taiwan totaled \$45.7 billion, a 7.8% (\$3.2 billion) increase; and the trade deficit was \$15.6 billion, a 7.3% (\$1.2 billion) decrease.



In 2018, **1.8%** of total **U.S. exports** were shipped to Taiwan while **1.8%** of total **U.S. Imports** were delivered from Taiwan. In 2018, the level of U.S. exports to, and U.S. exports from Taiwan exceeded the prior five-year average level by value not adjusted for inflation. In 2018, the U.S. trade balance with Taiwan is negative.

| Calendar Year  | 2013      | 2014      | 2015       | 2016      | 2017       | 2018      | 2013 - 2017 Average |
|----------------|-----------|-----------|------------|-----------|------------|-----------|---------------------|
| <b>EXPORTS</b> | \$25.5 B  | \$26.6 B  | \$25.8 B   | \$26 B    | \$25.7 B   | \$30.2 B  | \$25.9 B            |
| Δvalue         | --        | \$1.1 B   | \$-849.1 M | \$208.3 M | \$-304.9 M | \$4.5 B   |                     |
| Δpct           | --        | 4.5%      | -3.2%      | 0.8%      | -1.2%      | 17.5%     |                     |
| <b>IMPORTS</b> | \$37.9 B  | \$40.8 B  | \$40.9 B   | \$39.2 B  | \$42.4 B   | \$45.8 B  | \$40.2 B            |
| Δvalue         | --        | \$2.9 B   | \$71.8 M   | \$-1.7 B  | \$3.2 B    | \$3.2 B   |                     |
| Δpct           | --        | 7.6%      | 0.2%       | -4.1%     | 8.2%       | 7.8%      |                     |
| <b>BALANCE</b> | \$-12.5 B | \$-14.2 B | \$-15.1 B  | \$-13.3 B | \$-16.8 B  | \$-15.6 B | \$-14.4 B           |
| Δvalue         | --        | \$-1.8 B  | \$-921 M   | \$1.8 B   | \$-3.6 B   | \$1.2 B   |                     |
| Δpct           | --        | 14.1%     | 6.5%       | -12.5%    | 26.7%      | -7.3%     |                     |

Source: U.S. Census Bureau, USA Trade Portal March 27th, 2019; Value of Data in M = millions; B = billions



# U.S. Trade with Taiwan

In 2018, of the \$30.2 billion in U.S. exports to Taiwan, the top commodity sectors were Machinery and Mechanical Appliances (31.5%), Chemicals, Plastics, and Leather (14.4%), and Minerals (12.7%).

In 2018, of the \$45.8 billion in U.S. imports from Taiwan, the top commodity sectors were Machinery and Mechanical Appliances (52.4%), Base Metals (13.2%), and Chemicals, Plastics, and Leather products (9.3%).

| 2018 U.S. Imports from Taiwan by Sector | 2018 U.S. Commodity Trade With Taiwan                             | 2018 U.S. Exports to Taiwan by Sector |
|---|---|---------------------------------------|
| <b>\$45,761,559,556</b>                 | <b>Total Value All Commodities</b>                                | <b>\$30,242,789,570</b>               |
| 1.3%                                    | Agriculture (Chapters 01-24)                                      | 12.5%                                 |
| 0.7%                                    | Minerals (Chapters 25-27)   | 12.7%                                 |
| 9.3%                                    | Chemicals, Plastics, Leather (Chapters 28-43)                     | 14.4%                                 |
| 0.6%                                    | Wood Products (Chapters 44-49)                                    | 1.7%                                  |
| 2.0%                                    | Textiles and Footwear (Chapters 50-67)                            | 0.9%                                  |
| 1.0%                                    | Stone, Glass, & Semiprecious Metals (Chapters 68-71)              | 1.6%                                  |
| 13.2%                                   | Base metals (Chapters 72-83)                                      | 4.5%                                  |
| 52.4%                                   | Machinery (Chapters 84-85)  | 31.5%                                 |
| 6.6%                                    | Transportation (Chapters 86-89)                                   | 10.7%                                 |
| 3.6%                                    | Optical, Measuring, Medical or Other Instruments (Chapters 90-92) | 6.9%                                  |
| 0.2%                                    | Arms & Ammunition (Chapter 93)                                    | 0.2%                                  |
| 5.0%                                    | Miscellaneous Manufactured Items (Chapters 94 -96)                | 0.3%                                  |
| 0.0%                                    | Art & Antiques (Chapter 97)                                       | 0.2%                                  |
| 4.1%                                    | Special Items (Chapters 98-99** Imports only 99)                  | 2.0%                                  |

Source: U.S. Census Bureau, USA Trade Portal March 27th, 2019



## II. U.S. Exports to Taiwan subject to U.S. Government Filing Requirements

In 2018, of the \$30.2 billion in U.S. exports to Taiwan:

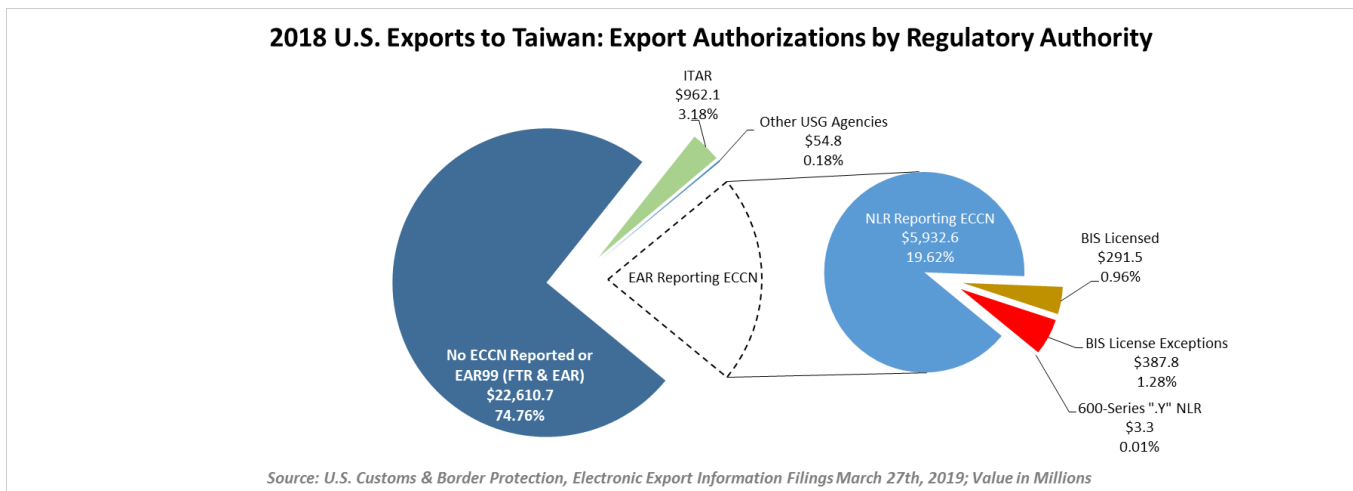
- 2.3% were subject to a BIS license requirement
  - 1.0% were exported under a BIS license; Worldwide, 0.4% were exported under a BIS license.
  - 1.3% were exported under a BIS license exception; Worldwide, 1.2% were exported under a BIS license exception.
- 19.6% were exported under No License Required with an ECCN; Worldwide, 12.1% were exported under No License Required with an ECCN.
- 0.01% were exported under NLR for .y 600-series items; Worldwide, 0.02% were exported under NLR for .y 600-series items.

|                               | 2016              | 2017              | 2018              |
|-------------------------------|-------------------|-------------------|-------------------|
| <b>Department of State</b>    | <b>\$1,463.0</b>  | <b>\$833.5</b>    | <b>\$962.1</b>    |
| <b>Other USG Agencies</b>     | <b>\$261.0</b>    | <b>\$81.1</b>     | <b>\$54.8</b>     |
| <b>Department of Commerce</b> | <b>\$24,310.4</b> | <b>\$24,814.9</b> | <b>\$29,225.9</b> |
| BIS Licensed                  | \$215.0           | \$237.2           | \$291.5           |
| BIS License Exceptions        | \$782.0           | \$353.2           | \$387.8           |
| NLR reporting an ECCN         | \$6,656.2         | \$6,600.1         | \$5,932.6         |
| NLR reporting EAR99           | \$0.0             | \$8,266.7         | \$12,220.0        |
| NLR not reporting an ECCN     | \$16,649.8        | \$9,355.4         | \$10,390.7        |
| 600-Series ".Y" Paragraph NLR | \$7.3             | \$2.3             | \$3.3             |

*Value in Millions; Source: U.S. Customs & Border Protection, Electronic Export Information Filings March 27th, 2019*

| Reasons for Control | Chemical and Biological Weapons |      |      | Nuclear Nonproliferation |      | National Security |      | Missile Tech | Regional Stability |      | Firearms Convention | Crime Control |      |      | Anti-Terrorism |      |
|---------------------|---------------------------------|------|------|--------------------------|------|-------------------|------|--------------|--------------------|------|---------------------|---------------|------|------|----------------|------|
|                     | CB:1                            | CB:2 | CB:3 | NP:1                     | NP:2 | NS:1              | NS:2 | MT:1         | RS:1               | RS:2 | FC:1                | CC:1          | CC:2 | CC:3 | AT:1           | AT:2 |
| Taiwan              | X                               | X    | X    | X                        |      | X                 | X    | X            | X                  | X    |                     | X             |      | X    |                |      |

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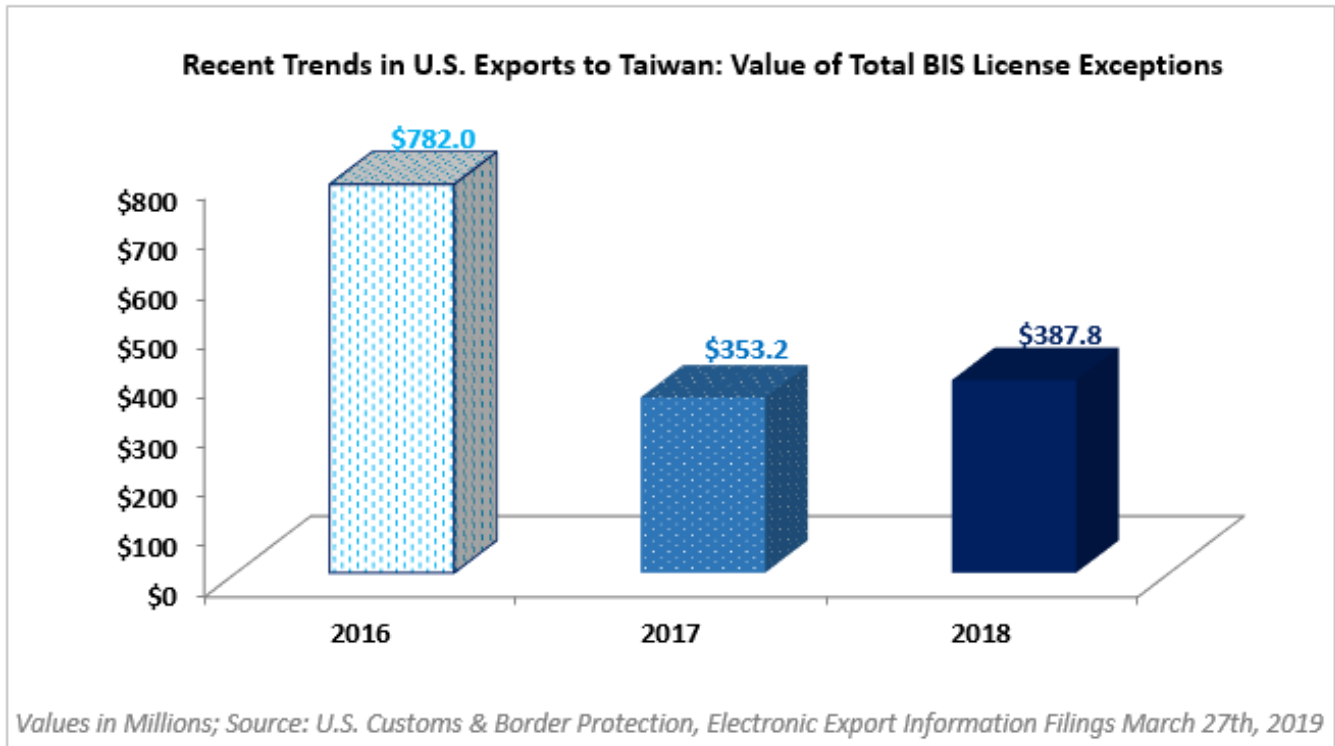


*Source: U.S. Customs & Border Protection, Electronic Export Information Filings March 27th, 2019; Value in Millions*

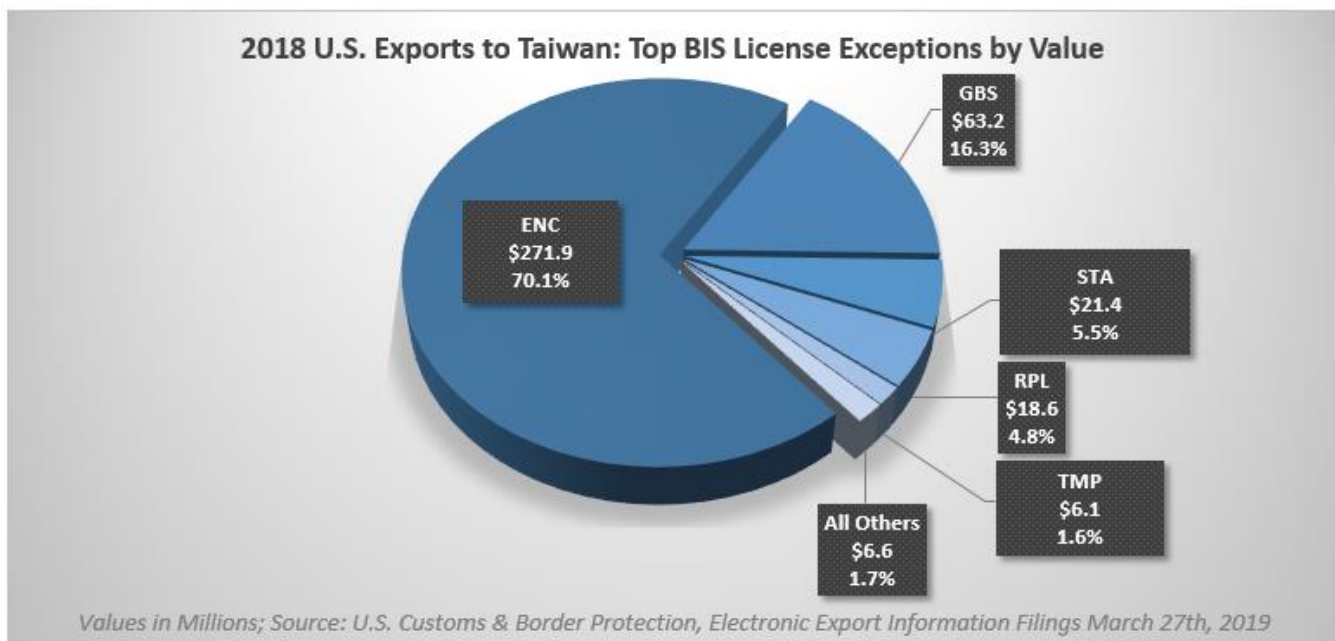


# U.S. Exports to Taiwan

In 2018, U.S. exports to Taiwan shipped under a BIS license exception totaled \$387.8 million, a 9.8% (\$34.6 million) increase from 2017.



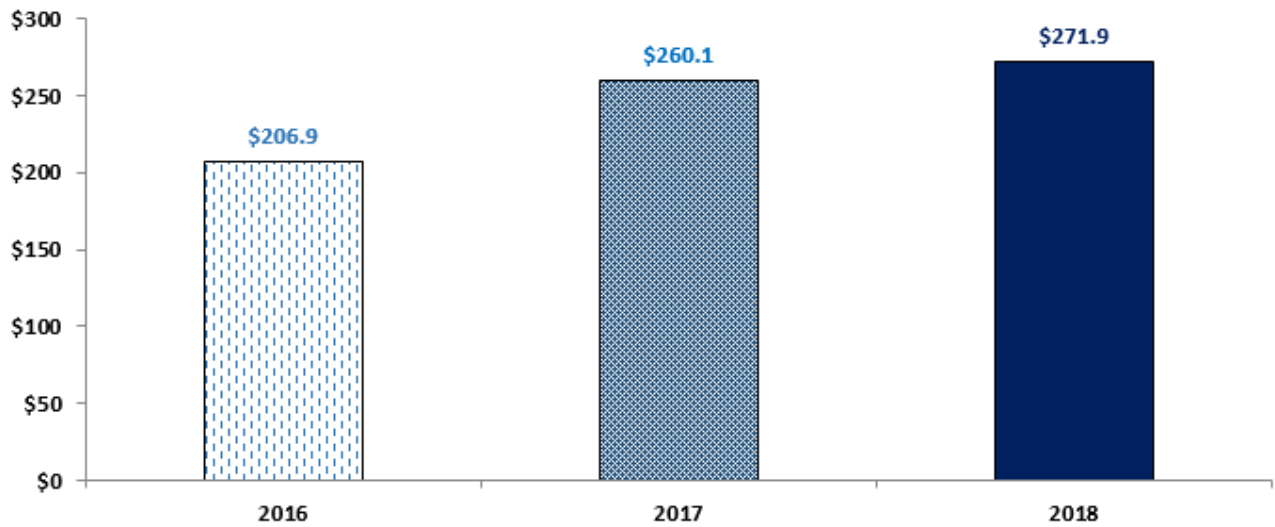
In 2018, the top license exception by value was Encryption commodities, Software and Technology (ENC) totaling \$271.9 million (70.1% of all license exceptions) reported for Taiwan.





# U.S. Exports to Taiwan

**Recent Trends in U.S. Exports to Taiwan under Top BIS License Exception: Encryption Commodities & Software**



Values in Millions; Source: U.S. Customs & Border Protection, Electronic Export Information Filings March 27th, 2019

**Trends in U.S. Exports to Taiwan under Top 5 BIS License Exceptions excluding: Encryption Commodities & Software**



**Note: The BIS License Exception for Encryption Commodities & Software is excluded from this chart**

Values in Millions; Source: U.S. Customs & Border Protection, Electronic Export Information Filings March 27th, 2019



U.S. Exports to Taiwan by Top Ten Export Control Classification Numbers (ECCN)

| Top Ten ECCNs by Value to Taiwan |     |  |
|----------------------------------|-----|--|
| <b>LICENSED</b>                  | #1  | 9A619 Military Gas Turbine Engines and Related Commodities |
|                                  | #2  | 9A610 Military Aircraft and Related Commodities            |
|                                  | #3  | 3B001 Epitaxial Equip. for Semiconductors                  |
|                                  | #4  | 2B350 Chemical Manufacturing Facilities and Equip.         |
|                                  | #5  | 3C004 Hydrides of Phosphorus, Arsenic, Or Antimony         |
|                                  | #6  | 3A611 Military Electronics                                 |
|                                  | #7  | 3A233 Mass Spectrometers                                   |
|                                  | #8  | 2B230 Pressure Transducers                                 |
|                                  | #9  | 9A515 Spacecraft and Related Commodities                   |
|                                  | #10 | 3C002 Resist Materials                                     |

Source: U.S. Customs & Border Protection, Electronic Export Information Filings March 27th, 2019

| Top Ten ECCNs by Value to Taiwan |     |   |
|----------------------------------|-----|---|
| <b>EXCEPTIONS</b>                | #1  | 5A002 Systems/Equip./Integrated Circuits for Info Sec                           |
|                                  | #2  | 3A001 Electronic Components   |
|                                  | #3  | 3C001 Hetero-Epitaxial Materials  |
|                                  | #4  | 9A610 Military Aircraft and Related Commodities                                 |
|                                  | #5  | 9A619 Military Gas Turbine Engines and Related Commodities                      |
|                                  | #6  | 3A992 General Purpose Electronic Equip. Note Controlled by 3A002                |
|                                  | #7  | 3C006 "Substrates" Specified In 3C005 with At Least one Epitaxial Layer of S... |
|                                  | #8  | 3C004 Hydrides of Phosphorus, Arsenic, Or Antimony                              |
|                                  | #9  | 3A002 General Purpose Electronic Equip.   |
|                                  | #10 | 1C006 Fluids and Lubricating Materials  |

Source: U.S. Customs & Border Protection, Electronic Export Information Filings March 27th, 2019

\*Note: No ECCN is Required for License Exception TMP per EAR 758.1(g)(2)

| Top Ten ECCNs by Value to Taiwan |     |  |
|----------------------------------|-----|--|
| <b>NLR with ECCN</b>             | #1  | 3B991 Other Mfg/Test Equip. Not Controlled By 3B                                   |
|                                  | #2  | 9A991 Aircraft N.E.S. and Gas Turbine Engines not Controlled by 9A001 or 9A101 ... |
|                                  | #3  | 3B992 Equip. for the Inspection/Testing of Components not Controlled by 3B002      |
|                                  | #4  | 3A991 Electronic Devices and Components  |
|                                  | #5  | 5A991 Telecommunication Equip. Not Controlled by 5A001                             |
|                                  | #6  | 5A992 Equipment not controlled by 5A002  |
|                                  | #7  | 4A994 Computers Not Controlled By 4A001 or 4A003                                   |
|                                  | #8  | 2B999 Specific Processing Equip., N.E.S.   |
|                                  | #9  | 3A992 General Purpose Electronic Equip. Note Controlled by 3A002                   |
|                                  | #10 | 7A994 Other Navigation Direction Finding Equip. ... Not Controlled under 7A003     |

Source: U.S. Customs & Border Protection, Electronic Export Information Filings March 27th, 2019

**NOTE: ECCN Descriptions have been truncated; please review Commerce Control List for Full Description**



U.S. Exports to Taiwan by Top Ten Export Control Classification Numbers (ECCN)

| Top Ten ECCNs by Count to Taiwan |     |  |
|----------------------------------|-----|--|
| <b>LICENSED</b>                  | #1  | 2B230 Pressure Transducers                                 |
|                                  | #2  | 9A610 Military Aircraft and Related Commodities            |
|                                  | #3  | 2B350 Chemical Manufacturing Facilities and Equip.         |
|                                  | #4  | 9A619 Military Gas Turbine Engines and Related Commodities |
|                                  | #5  | 3B001 Epitaxial Equip. for Semiconductors                  |
|                                  | #6  | 1C350 Chemicals, Precursors for toxic Chemical Agents      |
|                                  | #7  | 5A002 Systems/Equip./Integrated Circuits for Info Sec      |
|                                  | #8  | 3C004 Hydrides of Phosphorus, Arsenic, Or Antimony         |
|                                  | #9  | 3A611 Military Electronics                                 |
|                                  | #10 | 3A001 Electronic Components                                |

Source: U.S. Customs & Border Protection, Electronic Export Information Filings March 27th, 2019

| Top Ten ECCNs by Count to Taiwan |     |  |
|----------------------------------|-----|--|
| <b>EXCEPTIONS</b>                | #1  | 5A002 Systems/Equip./Integrated Circuits for Info Sec            |
|                                  | #2  | 3A001 Electronic Components                                      |
|                                  | #3  | 9A619 Military Gas Turbine Engines and Related Commodities       |
|                                  | #4  | 9A610 Military Aircraft and Related Commodities                  |
|                                  | #5  | 3C001 Hetero-Epitaxial Materials                                 |
|                                  | #6  | EAR99 Items subject to the EAR that are not elsewhere controlled |
|                                  | #7  | 5D002 "Sortware" as follows (see List of Items Controlled)       |
|                                  | #8  | No ECCN No ECCN is required for License Exceptions TMP*          |
|                                  | #9  | 3B001 Epitaxial Equip. for Semiconductors                        |
|                                  | #10 | 1C006 Fluids and Lubricating Materials                           |

Source: U.S. Customs & Border Protection, Electronic Export Information Filings March 27th, 2019

\*Note: No ECCN is Required for License Exception TMP per EAR 758.1(g)(2)

| Top Ten ECCNs by Count to Taiwan |     |  |
|----------------------------------|-----|--|
| <b>NLR with ECCN</b>             | #1  | 3B991 Other Mfg/Test Equip. Not Controlled By 3B                                   |
|                                  | #2  | 9A991 Aircraft N.E.S. and Gas Turbine Engines not Controlled by 9A001 or 9A101 ... |
|                                  | #3  | 5A992 Equipment not controlled by 5A002  |
|                                  | #4  | 5A991 Telecommunication Equip. Not Controlled by 5A001                             |
|                                  | #5  | 3B992 Equip. for the Inspection/Testing of Components not Controlled by 3B002      |
|                                  | #6  | 3A991 Electronic Devices and Components  |
|                                  | #7  | 2B999 Specific Processing Equip., N.E.S.   |
|                                  | #8  | 4A994 Computers Not Controlled By 4A001 or 4A003                                   |
|                                  | #9  | 3A992 General Purpose Electronic Equip. Note Controlled by 3A002                   |
|                                  | #10 | 3A999 Specific Processing Equip., N.E.S.   |

Source: U.S. Customs & Border Protection, Electronic Export Information Filings March 27th, 2019

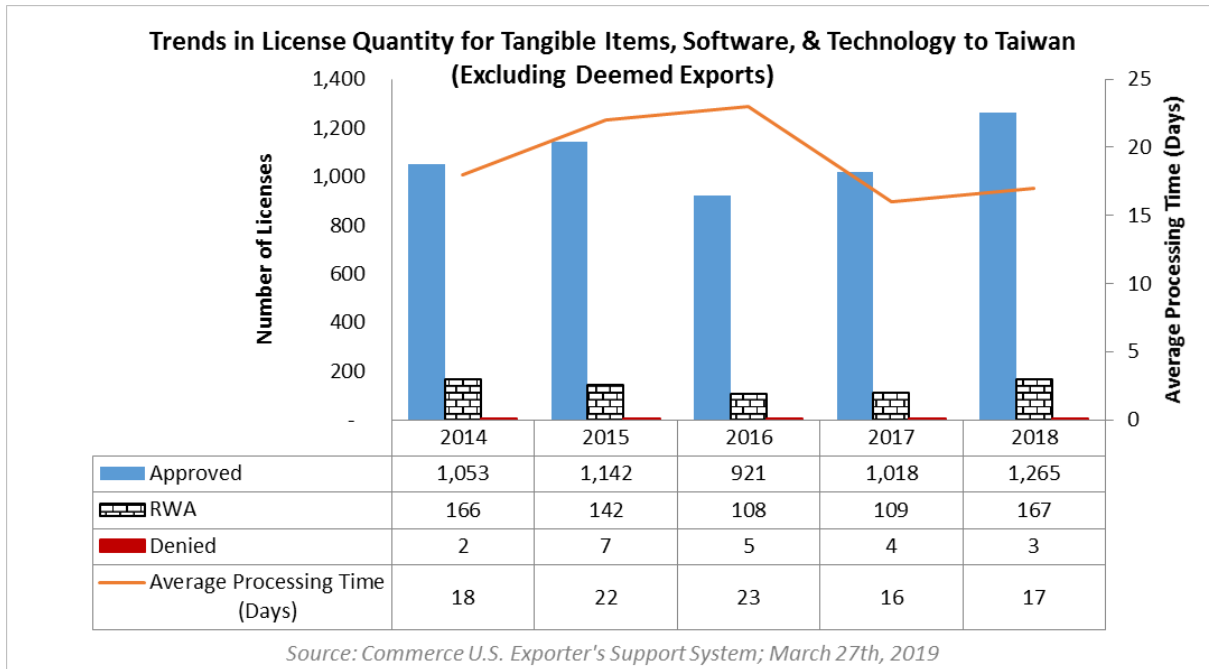
**NOTE: ECCN Descriptions have been truncated; please review Commerce Control List for Full Description**



### III. BIS Licensing to Taiwan

In 2018, BIS reviewed 1,435 export/re-export applications (not including deemed export applications) valued at \$2.9 billion for Taiwan, out of a total of 33,844 applications worldwide valued at \$81.3 billion.

– Approved applications for Taiwan totaled 1,265 (88.2% of the total applications) for \$2.7 billion, compared to the 29,032 (85.8%) approved applications for all destinations valued at \$64.3 billion.



In 2018, BIS reviewed 8 deemed export applications from Taiwan, out of 1,007 applications worldwide.

– Approved deemed export applications for Taiwan totaled 8 (100%), compared to the 846 (91.5%) approved for all destinations.

| Deemed Export Licenses for Taiwan |          |     |        |
|-----------------------------------|----------|-----|--------|
|                                   | Approved | RWA | Denied |
| 2014                              | 2        | 0   | 0      |
| 2015                              | 2        | 1   | 0      |
| 2016                              | 2        | 1   | 0      |
| 2017                              | 2        | 0   | 0      |
| 2018                              | 8        | 0   | 0      |

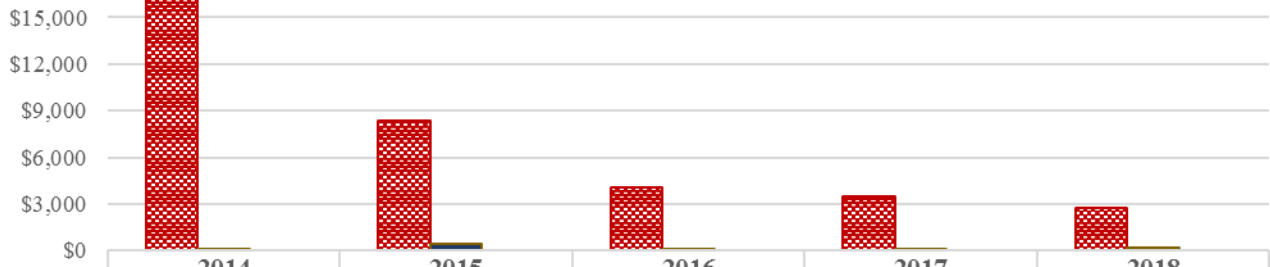
Source: Commerce U.S. Exports Exporter Support System retrieved on May 23, 2019





## BIS License Determination Trends for Taiwan

**License Value for Tangible Items, Software, & Technology to Taiwan  
Smillion**



|          | 2014       | 2015      | 2016      | 2017      | 2018      |
|----------|------------|-----------|-----------|-----------|-----------|
| Approved | \$16,895.7 | \$8,364.3 | \$4,100.7 | \$3,483.7 | \$2,705.0 |
| RWA      | \$45.0     | \$450.1   | \$37.2    | \$115.2   | \$174.5   |
| Denied   | \$1.3      | \$8.2     | \$3.70    | \$2.0     | \$0.4     |

Source: Commerce U.S. Exports Exporter Support System, March 27, 2019