



Internet Association

February 9, 2017

The Honorable President Tsai Ing-wen
Office of the President Republic of China (Taiwan)
No. 122, Sec. 1, Chongqing S. Rd., Zhongzheng District
Taipei City 10048
Taiwan (ROC)

Dear President Tsai:

We wrote to you on December 1, 2016 expressing concern that the Legislative Yuan was considering legislation that would raise fines against Uber and its driver-partners to the highest levels anywhere in the world - from NTD150,000 (US\$4,700) to NTD25,000,000 (US\$785,000). At that time, we asked for a delay in implementing such competition-killing policies so that a fair and balanced solution could be found to facilitate consumer choice and allow new and innovative technologies, such as Uber, to thrive in Taiwan. Unfortunately, the opposite occurred. The legislation was pushed through rapidly and entered into force on January 6, 2017. As a result, Uber suspended its operations in Taiwan as of February 10.

The Internet Association's members¹ foster innovation, promote economic growth, and empower people through the free and open internet. We recognize that the digital economy brings new challenges for policymakers and that regulators worldwide are grappling with how to properly regulate new digital goods and services. We strongly believe that such laws and regulations must promote fair and equitable treatment of internet-based platforms around the world. Taiwan's hard line against innovative new digital services like those in the peer-to-peer sharing economy will have a chilling effect on your goal of establishing Taiwan as the Silicon Valley of Asia, and will likely have negative effects on U.S. investment in Taiwan more broadly. It also seriously jeopardizes Taiwan's interest in future efforts that would bring our economies closer together.

We ask that you use your appropriate authority to direct the Ministry of Transportation to work with Uber in the immediate term to come to an agreement on a regulatory framework. This can address your government's legitimate issues of concern, while setting aside the competition-killing proposals advanced thus far, and at the same time allow Uber to operate under its innovative e-commerce business model, which has several distinctions from a taxi operation. However, a solution that only addresses ride-sharing will not be sufficient for the longer term. We encourage you to take a leadership role in defining Taiwan's broader approach to digital

¹Airbnb, Amazon, Coinbase, DoorDash, Dropbox, eBay, Etsy, Expedia, Facebook, FanDuel, Google, Groupon, Handy, IAC, Intuit, LinkedIn, Lyft, Match Group, Microsoft, Monster Worldwide, Netflix, Pandora, PayPal, Pinterest, Practice Fusion, Rackspace, reddit, Salesforce.com, Snap Inc., Spotify, SurveyMonkey, Ten-X, TransferWise, TripAdvisor, Turo, Twitter, Uber Technologies, Inc., Upwork, Yahoo!, Yelp, Zenefits, and Zynga.



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economy issues by convening a cross-ministerial working group to establish key principles and approaches for addressing broader digital economy issues. We believe these steps, taken together, will go a long way in showing that Taiwan is open for business in the digital economy.

Sincerely,

Michael Beckerman
President & CEO
Internet Association