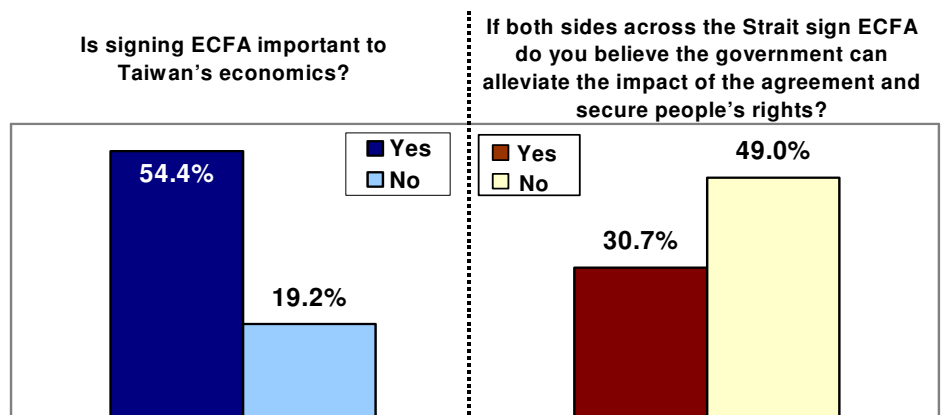


**Survey on Cross-strait Economic Cooperation Framework Agreement (ECFA) and Exchanges, Taiwanese's Views on Ultimate Unification with China and Independence and President Ma Ying-jeou's Approval Rating**

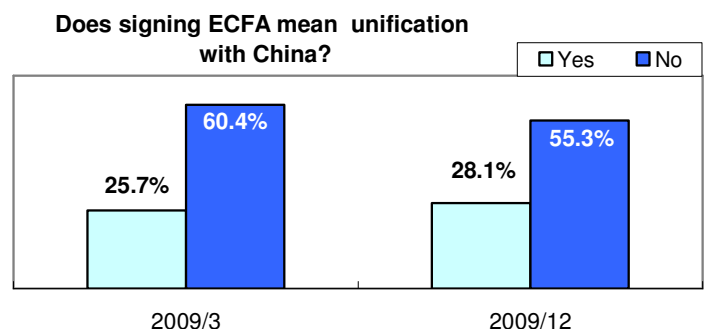
A. Signing of ECFA: 54.4 percent said it is very important to Taiwan's economics, 55.3 percent said it should not be interpreted as being unified with China, 49 percent did not believe that the government would be capable of alleviating the impact of the agreement.

According to the GVSRC survey, 54.4 percent of people thought if both sides across the Strait signed the ECFA it would be crucial to Taiwan's overall economic development in the next few years. 19.2 percent of the polled,



however, voiced the opposite opinion. Nearly 35.6 percent of pan-green alliance thought the agreement was important while 43 percent of them think it was unimportant, which indicated the pan-green supporters were divided and had discrepancy with the mainstream public opinion.

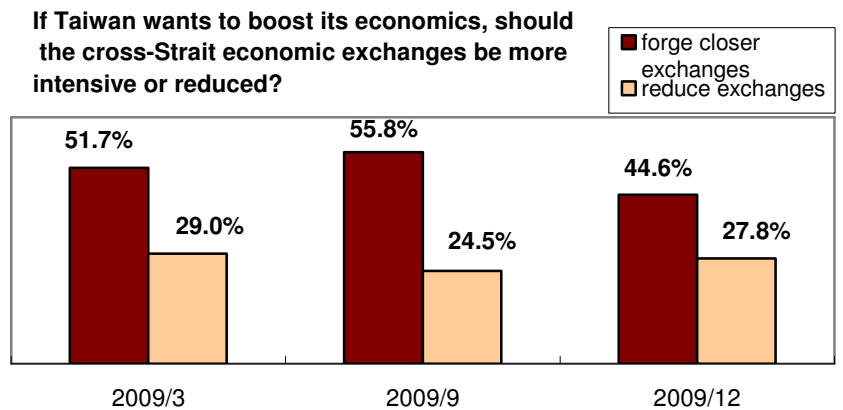
The poll also found 55.3 percent of the interviewed said signing ECFA with China does not mean to be unified with China but 28.1 percent held opposite opinion, which was close to the survey conducted in March this year. In addition, although more than half of people were inclined to sign ECFA with China 49 percent of them did not have much



faith in the government handling the influence of the agreement and ensuring people's rights. Only 30.7 percent of people had confidence in the authority. Generally speaking, although most of people thought it necessary to sign ECFA with China the government did not obtain the confidence of people in lowering the impact and securing their rights. Therefore, the authority still needs to propose a clear and lucid explanation on ECFA to defuse people's concerns.

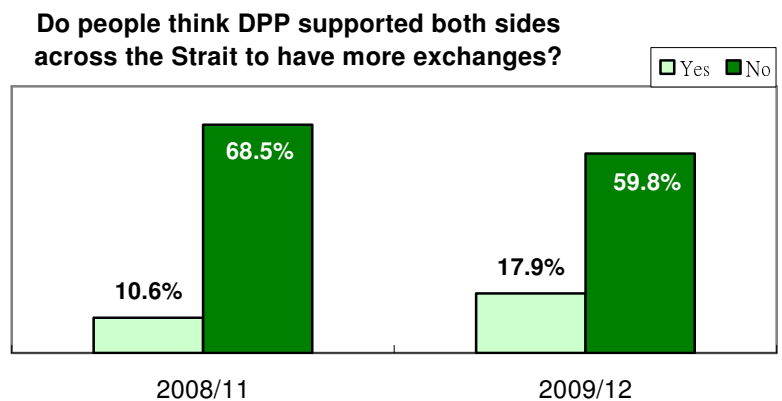
B. 44.6 percent of the polled said two sides across the Strait should conduct closer economic exchanges. 59.8 percent of people said DPP did not support the two sides across the Strait to have more exchanges and 49.1 percent said it would be of much benefit to Taiwan if DPP had more exchanges with China, and 51.2 percent said DPP's China policy should be more open.

According to the GVSRC survey, 44.6 percent of the respondents said two sides across the Strait should have closer economic cooperation if Taiwan wanted to strengthen its economics while 27.8 percent of them had opposite views. (60.4 percent of the DPP supporters held the views).



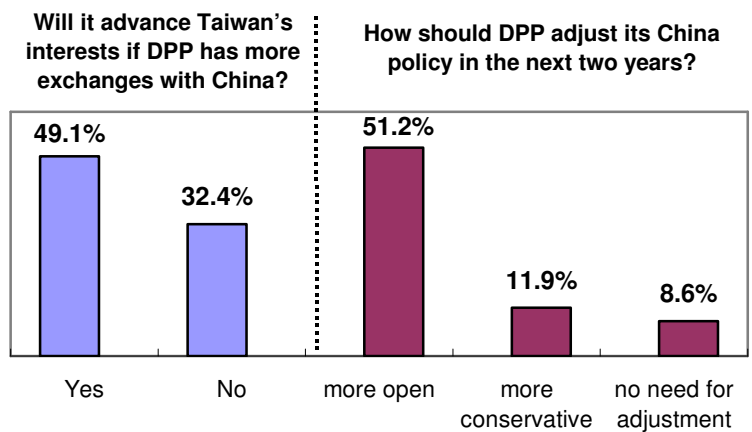
27.6 percent of people did not give explicit answers. As aforementioned, most of people thought it necessary to enhance cross-strait economic exchanges such as signing ECFA, but they also worried about the impact of the agreement on the industry and employment in Taiwan, which resulted in people's hesitation on cross-strait economic exchanges.

The poll found 59.8 percent of the interviewed did not think DPP supported two sides across the Strait to have more exchanges (Amid them, somewhat unsupported accounted for 20 percent while very unsupported accounted nearly for 39.8 percent) and only 17.9 percent said the opposition DPP did



support it. Compared with the poll held in November 2008, people who did not think DPP would support more exchanges across the Strait declined 8.7 percentage points while people thought DPP was actually supportive of the exchanges increased 7.3 percentage points. The variation of the polls should be ascribed to that people thought DPP Chairperson Tsai Ing-wen should take the blame for the rally in protest of Chairperson of Association for Relations Across the Taiwan Straits (ARATS) Chen Yunlin's visit to Taiwan in November last year, which later became street conflict. While the fourth "Chiang-Chen Talks" is about to take place DPP will once again hold a large-scale rally. It is widely believed that the activity is held to raise their supporters' morale following they party's election victory in the beginning of this month. Meanwhile, the party will also take advantage of the protest for preparation of the mayoral elections next year. It is noteworthy whether the activity will be conducted in a DPP-claimed rational, peaceful and non-violent manner. Tsai's leadership will also be scrutinized by the public once again.

The poll showed 49.1 percent of polled thought if DPP had more exchanges with mainland China it would help advance Taiwan's overall interests while 32.4 percent of them take opposite views. Among the DPP supporters, 41 percent said it would be helpful while 46.1 percent voiced their opposition to the views, which showed the DPP



supporters were divided. When asked whether DPP should adjust its China policy in the next two years, namely during the remaining half of President Ma's first term, 51.2 percent said the party's China policy should be more open, 11.9 percent said it should be more conservative, 8.6 percent said there was no need for adjustment, and 28.2 percent did not give explicit response. As for the DPP supporters, 37.6 percent of them said the party's China policy should be more open, 22.7 percent gave the opposite response and 17.4 percent said it did not need any adjustment.

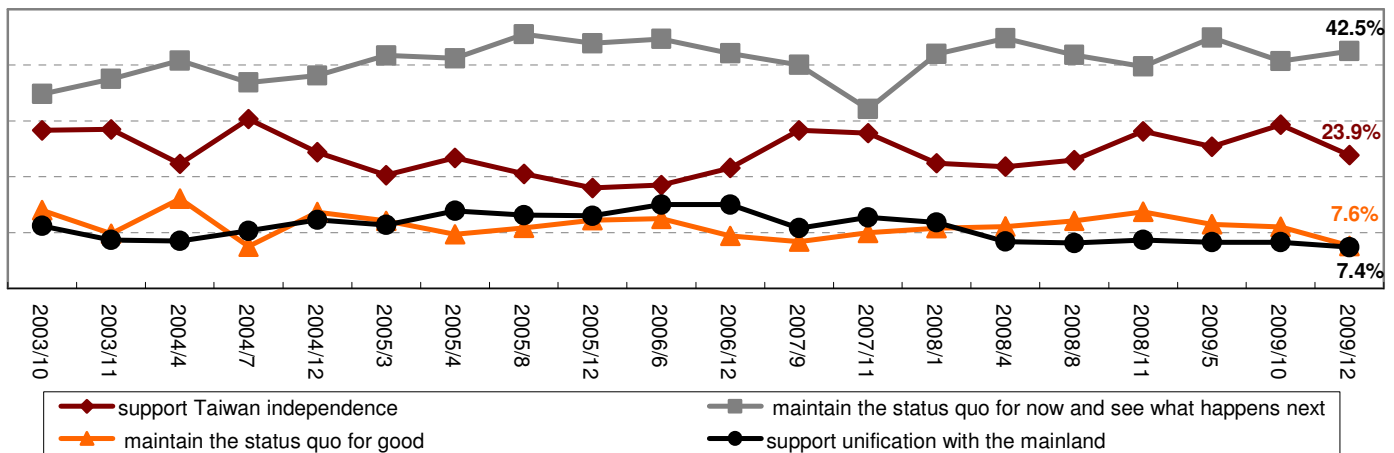
In general, more than half of people thought it would help further the best interests of Taiwan if DPP had more intensive exchanges with China and should adopt a more open policy toward China. It will not only be a litmus test of DPP's China policy but also a matter of international concern whether DPP Chairperson Tsai Ing-wen can successfully meet most people's expectation and forge her leadership after getting rid of former President Chen Shui-bian's corruption scandal.

C. People's current views on unification-independence issue: 50.1 percent of people preferred to maintain status quo, 23.9 percent favored Taiwan independence while 7.4 percent chose to be unified with China. When asked about the stance on eventual unification-independence issue, 42.1 percent of people were supportive of Taiwan independence eventually while 30.2 percent voiced their opposition. 54.7 percent were opposed to the ultimate unification with China while 18.9 percent were in favor of it.

The GVSRC has been watching the variations on Taiwanese people's stance on unification-independence issue for a long time. Aside from the regular surveys, the survey center also conducted polls after the major elections. The most recent poll on this issue was conducted from December 7 to 9 right after the county magistrate and mayoral elections held December 5. The poll, of 1,000 adults, had a margin of sampling error of plus or minus 3.1 percentage points with 95 percent of confidence level. The procedures regarding sampling and data process are identical to the regular surveys. The most recent concluded survey indicated 16.1 percent of the respondents supported Taiwan to declare independence as soon as possible, 7.8 percent said Taiwan should maintain status quo before pursuing independence. (People who favored either

radical or moderate independence move accounted for 23.9 percent.) 42.5 percent of interviewed preferred to maintain status quo and then act according to circumstances and 7.6 percent favored permanent status quo. (People who favored to maintain status quo accounted for 50.1 percent.) 4.1 percent of the respondents hoped maintain status before being unified with China while 3.3 percent suggested get unified with China as soon as possible. (People preferred either radical or moderate unification accounted for 7.4 percent.) 18.6 percent of people did not give clear response.

Taiwanese people's attitude toward the issue of unification and independence



Note: Data from 2003 to 2005 is from surveys conducted and published by the ERA Poll Center.

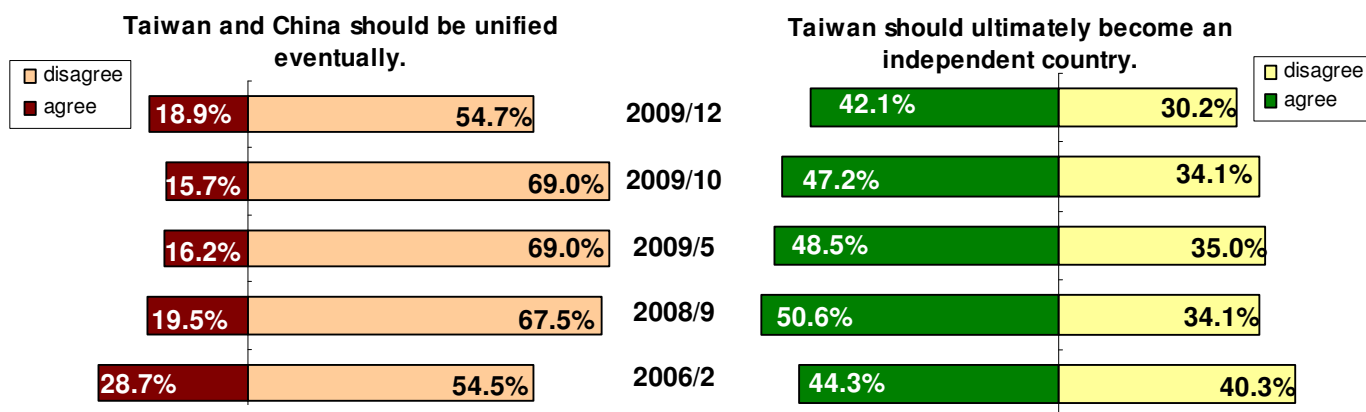
Generally speaking, the result of the 17 counties magistrate and mayoral elections held in early December showed the votes the pan-blue alliance garnered decreased 5 percentage points while the pan-green camp increased 1 percentage points compared with the scope of the 2005 election when it comes to the all voters. As far as the voter base of the pan-blue and pan-green camp in the 17 counties and cities is concerned, the voter base between the blue and green was 58 to 42 in 2005 while the one in 2009 is 54 to 46. Although most of the press reports and the public usually highlighted on the DPP's considerable gain there was actually no obvious change on the voter base of the blue and green camp respectively. Besides, the post-election poll showed 51.6 percent of people thought the election results reflected people's dissatisfaction with the ruling KMT's performance while only 6.9 percent said it showed people were satisfied with DPP's overall performance. In other words, people expressed their discontentment with KMT's performance and sent the party a warning through their votes rather than switched their support to the opposition DPP.

It is noteworthy that people of the 17 counties and cities only account for 40 percent of the total population; however, the general perception of the press and the public on DPP's harvest after the election seemed to influence the other 60 percent of people's stance on unification-independence issue. The poll found people in supportive of Taiwan independence decreased 5.4 percentage points in comparison with October and people who refused to give explicit response increased 8 percentage points. It implied people perceived distinctly DPP's election victory and turned conservative toward independence move. Similar variation on public

opinion was also found by comparing with the survey on people's stance on unification-independence issue.

When asked if Taiwan should move toward independence and ultimately become a new country, 42.1 percent of people approved of it while 30.2 percent voiced their opposition and 27.8 percent did not give explicit response. In comparison with the poll conducted in October, people in supportive of Taiwan moving toward independence slipped 5.1 percentage points and people opposed to the move also reduced 3.9 percentage points while the ones who did not give clear response increased 9 percentage points. It showed people were divided on whether Taiwan should move toward independence and there was a continuing tug of war between the two sides by comparing with the regular polls.

When asked whether the two sides across the Strait should be unified eventually, 18.9 percent of people were supportive of it while 54.7 percent were opposed to the idea. 26.3 percent did not give clear response. Compared with the poll held in October, people who approved of the unification increased 3.2 percentage points and people who disapproved of it plunged 14.3 percentage points. People who did not give obvious response advanced 11.1 percentage points. It showed people reached agreement on whether Taiwan should move toward ultimate unification with China; nevertheless, the situation still might change in the future.



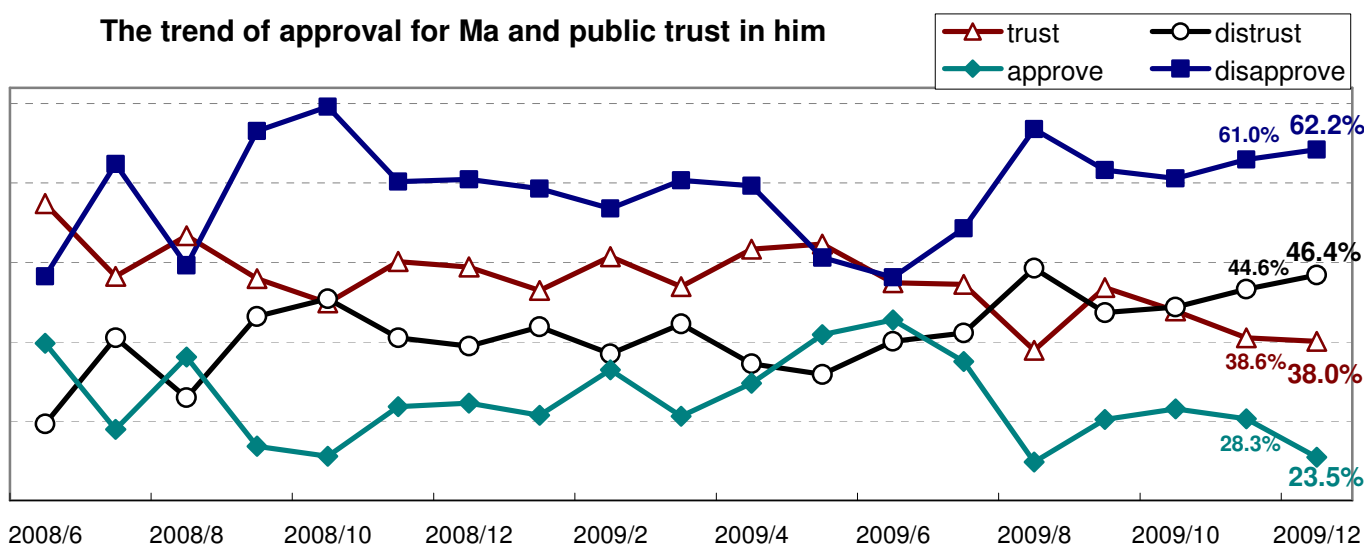
Note: 2006/2, ERA poll center.

D. President Ma Ying-jeou's approval rating this month: 23.5 percent of the interviewed were content with his performance while 62.2 percent not. 38.0 percent trusted President Ma and 46.4 percent said distrust. If it were election day tomorrow, 39.8 percent would give President Ma and his KMT a second change while 28.4 percent preferred to have DPP put into power.

The poll indicated President Ma's approval rating was 23.5 percent while 62.2 percent of people were dissatisfied with his performance. In comparison with last month, his approval rating fell by 4.8 percentage points and disapproval rating increased 1.2 percentage points almost reaching the level after the flooding in August. In addition, although 75 percent of KMT supporters still trusted President Ma after the election concluded this month Ma's approval rating slipped by 7 percentage points amid the party's supporters and disapproval rating rose 3.5 percentage

points. It is widely believed the situation reflected KMT's supporters' disillusionment and anger at the election results. When asked which party they would vote for if tomorrow were the presidential election day, 39.8 percent of people would still give President Ma and KMT a second chance, but 28.4 percent would vote for DPP.

The poll shows 38 percent of the polled had trust in President Ma but 46.4 percent said distrust. Compared with last month, the level of public trust in Ma dropped 0.6 percentage points while the level of public distrust in Ma edged up 1.8 percentage points. Changes of the two evaluations were both within the margin of the sampling error, but the margin between the public trust and distrust was close to the one after the typhoon Morakot disaster in August. However, the margin is likely to become wide in the future, another crisis of confidence and test for President Ma.



**E. KMT lawmakers' approval rating is 20.3 percent and disapproval rating is 59.8 percent.**

Although KMT lost some legislative seats because some lawmakers were recruited into the cabinet, some were elected heads of local government and some were convicted of vote buying it still seized nearly 70 percent of seats and shared the dominating power. The poll found 59.8 percent of the respondents were not satisfied with the overall performance of the KMT legislators, much higher than the approval rating of 20.3 percent. Compared with last month, their approval rating fell by 5.6 percentage points and disapproval rating rose 2.6 percentage points. Whether people's chronic dissatisfaction with the KMT lawmakers' performance will be influential to the legislative by elections slated for next year needs further observation.

This survey was conducted by GVSRC from 6.20 p.m. to 10.00 p.m. from December 14-16, 2009. It was conducted with random-digit-dial sampling and computer-assisted telephone interviewing methods. 1022 Taiwanese people who are 20 or older completed the interview. One can say with 95% confidence level that the theoretical margin of sampling error is  $\pm 3.1\%$ . Gender, living areas, ages, educational level and other features of the interviewees have undergone weighting procedure and test of the sample's representativeness in the survey results.