



Plenary sitting

A9-0265/2021

9.9.2021

REPORT

on a European Parliament recommendation to the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy on EU-Taiwan political relations and cooperation (2021/2041(INI))

Committee on Foreign Affairs

Rapporteur: Charlie Weimers

CONTENTS

	Page
DRAFT EUROPEAN PARLIAMENT RECOMMENDATION	3
INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE	11
FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE	12

DRAFT EUROPEAN PARLIAMENT RECOMMENDATION

to the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy on EU-Taiwan political relations and cooperation (2021/2041(INI))

The European Parliament,

- having regard to yearly European Parliament reports on CFSP and their sections concerning EU-Taiwan relations,
- having regard to the EU-Taiwan Industrial Policy Dialogue Mechanism (IPD), established in 2015,
- having regard to its resolution of 9 October 2013 on EU-Taiwan trade relations¹,
- having regard to Taiwan’s participation in the Enterprise Europe Network, the European Cluster Cooperation Platform and the Dialogue on Digital Economy,
- having regard to the communiqué of the G7 Ministers of Foreign Affairs and Development of 5 May 2021, in particular the section on support for Taiwan’s meaningful participation in the World Health Organization and the World Health Assembly,
- having regard to the cooperation agreements on fighting commercial fraud, and to Taiwan’s implementation of international standards of tax good governance as of 2017,
- having regard to Taiwan’s successful cooperation and participation in European Union Framework Programmes (EUFPs),
- having regard to the EU-Taiwan Labour Consultation established in 2018,
- having regard to the EU visa waiver for Taiwanese passport holders since 2011,
- having regard to the EU’s One China policy,
- having regard to US-Japan Joint Leaders’ Statement of 16 April 2021,
- having regard to US-Republic of Korea Leaders’ Joint Statement of 21 May 2021,
- having regard to the Commission’s Joint Communication of 10 June 2020 entitled ‘Tackling COVID-19 disinformation – Getting the facts right’ (JOIN(2020)0008),
- having regard to the 16 April Council Conclusions on an EU Strategy for cooperation in the Indo-Pacific,

¹ OJ C 181, 19.5.2016, p. 52.

- having regard to Rule 118 of its Rules of Procedure,
 - having regard to the report of the Committee on Foreign Affairs (A9-0265/2021),
- A. whereas the EU and Taiwan are like-minded partners that share common values of freedom, democracy, human rights and the rule of law;
 - B. whereas China's continued military belligerence and grey-zone activities, as well as other forms of provocation, such as spying, cyberattacks and talent-poaching, against Taiwan pose a grave threat to the status quo between Taiwan and China, as well as to the peace and stability of the Indo-Pacific region and may lead to dangerous escalation; whereas this region is of great importance to the EU both because of its many close partners there, and because one of its Member States, France, has overseas territories there;
 - C. whereas in 2016 the EU committed to using every available channel to encourage initiatives aimed at promoting dialogue, cooperation and confidence-building between both sides of the Taiwan Strait; whereas these aspirations have so far not been fulfilled;
 - D. whereas Taiwan's efforts to contain the spread of the coronavirus have proven among the most effective in the world; whereas Taiwan's efforts to contribute actively on different fronts to the international community's common good during the pandemic, including via numerous international studies, is a tangible example of Taiwan behaving as a partner, and proof that it should be treated as such; whereas this shows that Taiwan has the capacity to provide equally valuable contributions to the international community for dealing with the other many challenges of our time; whereas the recent surge in COVID infections, the lack of vaccines and Chinese interference in Taiwan's efforts to directly procure them raise serious concerns;
 - E. whereas the EU remains the largest source of foreign direct investment (FDI) in Taiwan, with an accumulated value of EUR 48 billion up to 2019, accounting for 31 % of Taiwan's inward FDI; whereas there is considerable potential for increasing Taiwan's FDI in the EU; whereas Taiwan dominates the semiconductor manufacturing markets, as its producers manufacture around 50 % of world semiconductor output;
 - F. whereas Taiwan's location, its critical role in global high-tech supply chains, and its democratic way of life makes it strategically important for European democracies;
 - G. whereas the total amount of bilateral trade between the EU and Taiwan reached EUR 51 billion in 2019, with Taiwan being the EU's fifth largest trading partner in Asia and its 15th largest trading partner in the world;
1. Recommends that the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy and the Commission:
 - (a) work closely with the Member States to intensify EU-Taiwan political relations and to pursue a comprehensive and enhanced partnership under the guidance of the EU's One China Policy; consider Taiwan a key partner and democratic ally in the Indo-Pacific on its own merit as a robust democracy and technologically advanced economy that could contribute to maintaining a rules-based order in the

middle of an intensifying great power rivalry;

- (b) urgently begin an impact assessment, public consultation and scoping exercise on a Bilateral Investment Agreement (BIA) with the Taiwanese authorities in preparation for negotiations to deepen bilateral economic ties, as such a BIA would lead to an easing of 'own content' requirements by European investors and producers in Taiwan; recall, in the context of regional dynamics, the importance of trade and economic relations between the EU and Taiwan, including on matters relating to multilateralism and the WTO, technology and public health, as well as of essential cooperation on critical supplies such as semiconductors; encourages Taiwan to increase investments in the EU, and notes that Taiwan is a full member of the WTO;
- (c) express grave concern about China's continued military belligerence against Taiwan and pressure on it, notably through China's considerable investment in military capabilities, its assault exercises and frequent violations of Taiwan's airspace; furthermore call out the inflammatory Chinese rhetoric signalling its seemingly contradictory intention of wanting to incorporate Taiwan under the totalitarian rule of the Chinese Communist Party (CCP), while at the same time claiming to pursue a peaceful development of relations with Taiwan, and insist that any change to cross-strait relations must not be made unilaterally nor against the will of Taiwanese citizens; urge the EU and Member States to take a proactive role in working with like-minded international partners to pursue peace and stability across the Taiwan Strait, and to establish partnerships with the democratic government of Taiwan;
- (d) express serious concerns about the situation in the East and South China Seas, and strongly oppose any unilateral attempts to change the status quo and increase tensions; reiterate the importance of respecting international law, in particular the UN Convention on the Law of the Sea (UNCLOS) with its provisions on the obligation to settle disputes by peaceful means, and on maintaining freedom of navigation and overflight;
- (e) recall that maintaining peace and stability in the Indo-Pacific is a core interest for the EU and its Member States; stress that a military conflict in the Taiwan Strait would not only create significant economic disruptions affecting European interests, but would also seriously undermine the rules-based order in the region, as well as democratic governance with human rights, democracy and rule of law at its core;
- (f) bear in mind that the EU greatly values security in the Taiwan Strait and that there is a direct connection between European prosperity and Asian security and, therefore, consequences for Europe if a conflict spread well beyond the economic realm; declare that China's actions against Taiwan and in the South China Sea will have consequences for EU-China relations;
- (g) express concern about China's Taiwan-related legislation and point out that the imposition of the National Security Law on Hong Kong has made the 2005 anti-secession law's claim to grant Taiwan a high level of autonomy in case of

unification completely untrustworthy;

- (h) strongly advocate for Taiwan's meaningful participation as an observer in meetings, mechanisms and activities of international bodies, including the World Health Organization (WHO), the International Civil Aviation Organization (ICAO), the International Criminal Police Organization (Interpol) and the UN Framework Convention on Climate Change (UNFCCC); urge Member States and the EU institutions to support international initiatives calling for Taiwan's participation in international organisations; welcome again Taiwan's proactive cooperation with the international community in learning about the COVID-19 pandemic and finding the best ways to respond to it, and underline that this case has proven that Taiwan's contributions in the WHO would be an added value to the health and well-being of the citizens of all its members;
- (i) encourage increased economic, scientific, cultural, political and people-to-people exchanges, meetings and cooperation between the EU and Taiwan, and exchanges with the participation of Member State representatives, including at the most senior levels, so as to fully reflect the dynamic, multi-faceted and close cooperation between the EU and Taiwan as like-minded partners; condemn the threats of reprisals and pressure on Miloš Vystrčil, the President of the Czech Senate, by the PRC because of his visit to Taiwan in August 2020, and note that the Czech Republic and all other sovereign countries have the right to develop economic and cultural cooperation with Taiwan;
- (j) address the tensions across the Taiwan Strait, the need to protect Taiwan's democracy and the importance of Taiwan as an EU partner and regional economic power in the context of the EU's future Indo-Pacific Strategy currently being prepared by the EEAS and the Commission; urge the EU to work closely with other like-minded partners through its Indo-Pacific Strategy to address China's assertive posture in the region, and to strengthen the rules-based order, given the EU's own interests in the region;
- (k) continue to adopt initiatives to enhance bilateral economic relations and people-to-people contacts, especially among youth, and including academia, civil society, sports, culture and education, as well as city-to-city and region-to-region partnerships; commend current sister city partnerships between European and Taiwanese cities and encourage city diplomacy as a tool to help Taiwan's participation in international initiatives, which would enable Taiwan to bypass Chinese attempts to further increase its diplomatic isolation;
- (l) encourage European and Taiwanese cooperation in the media sector, so as to diversify the Chinese language media environment in the EU and provide an alternative to PRC-controlled media outlets;
- (m) encourage the EU and Member States to help raise awareness in Europe about the situation in the Taiwan Strait, as well as the complexity of Taiwan-China relations through the establishment and funding of dedicated programmes and research targeting society at large; underline the importance of investing in an inclusive debate across Member States, explaining to the European public the risks of an

authoritarian advance in the Indo-Pacific through China's assertive posture and its efforts to undermine democracy, in particular in Taiwan, and the implications of leaving such threats unaddressed for democracies across the globe;

- (n) encourage dialogue and cooperation with Taiwan in all industrial sectors and supply chains, in particular emerging industries and industries of strategic importance such as electronic vehicles, robotics and smart manufacturing, as well as semiconductor technologies;
- (o) support further strengthening of initiatives allowing the EU to engage in partnerships with Taiwan in the fields of ICT, biotech, health and security, and to work on concrete cooperation and initiatives between the EU Connectivity Strategy and Taiwan's New Southbound Policy; strongly support intensifying both sides' partnership in semiconductors;
- (p) acknowledge Taiwan's central role in strategic industries such as the fifth generation of communication infrastructure (5G), as it is home to the world's largest foundry and the leading producer of semiconductors; stress that in the future microchips will play a central role in shaping the global order and that whoever is in control of the design and manufacturing of microchips will set the course in the 21st century; recall that the disruption to global supply chains caused by the pandemic has put Taiwan at the centre stage of the technological drive, and has also made the EU realise its own vulnerabilities, highlighting the urgency of reflecting on how to reduce its dependencies on external actors; urge therefore increased cooperation with Taiwan to support the EU's agenda for its green and digital transition, as well as the EU's efforts toward diversification of value and supply chains, as the pandemic has accelerated demands for both, highlighting the need for increased investment and political support, in particular in value chains of strategic importance, such as microelectronics, autonomous driving and artificial intelligence (AI), which are areas where Taiwan plays a central role;
- (q) welcome the organisation of the first ever European Investment Forum in Taiwan in September 2020, and encourage more bilateral investment in both directions; urge the increase of such investment in particular in industries where Taiwan is a leader, namely critical technologies including semiconductors, which would support the EU's efforts to strengthen its own microelectronic capacity; note that following the 2020 Taiwan-EU Dialogue on Digital Economy, the EU and Taiwan should further build on their discussions on research and technology cooperation, blockchain, AI, cybersecurity certification, the data economy and digital connectivity, in order to identify further synergies, expand policy exchange on the development of the digital economy, and establish more extensive partnerships;
- (r) welcome Taiwan's voluntary commitments to help combat global warming, thereby contributing to the implementation of the objectives of the Paris Climate Agreement;
- (s) encourage the EU and the Member States to deepen cooperation with Taiwan in confronting disinformation from malign third countries, including the sharing of best practices, joint approaches to fostering media freedom and journalism,

deepening cooperation on cybersecurity and cyber-threats, raising citizens' awareness and improving overall digital literacy among the population in order to strengthen the resilience of our democratic systems; support intensified cooperation between relevant European and Taiwanese think tanks in this field;

- (t) consider learning from Taiwan's experience of fighting disinformation from the mainland that target Taiwan's media independence by using social media platforms, infiltrating Taiwanese television and print media in order to influence public opinion, seeking to undermine elections in Taiwan; commend Taiwan for considering media literacy a useful and vital tool for educating people on identifying disinformation, and for therefore incorporating media literacy into the school curriculum;
- (u) stress that the benefits of Taiwan's efforts to fight disinformation and combat fake news go beyond Taiwan, influencing not only society on the island, but also the Chinese-speaking community in Hong Kong and other South East Asian countries;
- (v) condemn Chinese attempts to discredit the Taiwanese government's handling of the pandemic; commend Taiwan's effective bottom-up approach, led by its citizens, to fact-check news and information using technology, such as AI, to scale up efforts and enable fact-checkers to identify the most harmful claims circulating on social media platforms and thus stop their spread;
- (w) recall that the threat Taiwan faces from China's disinformation operations is part of a larger problem facing democracies across the globe in an era where communication technologies are central to the geopolitical competition for global leadership; recall that China, together with other non-democratic countries, also remains a major threat to democracies in Europe through disinformation campaigns, a threat that has significantly increased with the pandemic, as the 2020 June EEAS report noted; note that cooperation in the fight against disinformation is therefore in the interest of both the EU and Taiwan;
- (x) further promote current EU-Taiwan cooperation on research and innovation in the Horizon Europe Framework Programme (2021-2027); urge the participation of more Taiwanese researchers in Horizon Europe in future;
- (y) further promote tourism and youth exchanges with Taiwan through initiatives such as the working holiday, the Erasmus programmes or the Taiwan-Europe Connectivity Scholarship, and explore opportunities for cooperation in higher education and other areas with the goal of strengthening Chinese and Taiwanese expertise in Europe and contributing to a better understanding of Europe in Taiwan;
- (z) encourage the EU and its Member States to enhance cooperation with Taiwan in the Global Cooperation and Training Framework (GCTF), which is a regional cooperation platform for capacity-building and training programmes for third countries around the globe;
- (aa) change the name of the European Economic and Trade Office in Taiwan to

‘European Union Office in Taiwan’ in order to reflect the broad scope of our ties;

- (ab) welcome the plans to set up a Taiwanese Representative Office in Lithuania; condemn the Chinese government’s reaction of imposing economic sanctions on Lithuania; express its support and solidarity with Lithuania in this regard, take appropriate measures, and call on the Council to do likewise;
- (ac) commend Taiwan as an outstanding partner in promoting human rights and freedom of religion in the Indo-Pacific region; acknowledge Taiwan’s performance in setting an example in the region with its strong record of respect for fundamental freedoms, both economic and social, as well as political and cultural rights, including progress on LGBTQI people’s rights, and the rights of indigenous communities; the EU Special Representative for Human Rights and the EU Special Envoy for the Freedom of Religion or Belief to participate in international human rights conventions in Taiwan and to take concrete action to work with Taiwan to advance human rights, social rights, religious freedom, the digital economy and sustainable growth of the developing countries in the Indo-Pacific region;
- (ad) strengthen cooperation with Taiwan with a view to exchanging best practices in handling the COVID-19 pandemic, launching initiatives to facilitate the procurement of vaccines and continuing to enhance the EU’s cooperation with Taiwan in health and communicable disease control; commend the Taiwanese government and its people for their relatively successful containment of the pandemic domestically and for their generosity in extending help to other countries; recall that Taiwan’s effective response relied on transparency, openness and the use of technology in collaboration with society, an approach rooted in public trust;
- (ae) commend Taiwan’s acts of solidarity with the EU, as demonstrated by the donation of over 7 million surgical masks to several Member States during the dire early months of the pandemic, as well five mask production lines to the Czech Republic; call for this solidarity to be reciprocated;
- (af) continue to encourage intelligence sharing between Member States and Taiwan and the joint fight against cross-border crime;
- (ag) acknowledge that the US and Japan have highlighted for the first time the importance of peace and stability in the Taiwan Strait in the joint statement of a recent bilateral summit, which was then followed by a similar statement by the G7 in early May; urge the EU to work together with other like-minded partners, such as Australia, New Zealand, India, Japan, South Korea and the United States, and consider inviting Taiwan to participate with its partners in existing platforms and working groups on critical industries;
- (ah) encourage Member States which do not have an Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion or a Tax Information Exchange Agreement with Taiwan to initiate negotiations on such agreements as soon as possible;

2. Instructs its President to forward this recommendation to the Council, the Commission and the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, as well as the Government of Taiwan.

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	1.9.2021
Result of final vote	+ : 60 - : 4 0 : 6
Members present for the final vote	Alviina Alametsä, Alexander Alexandrov Yordanov, Maria Arena, Petras Auštrevičius, Traian Băsescu, Anna Bonfrisco, Reinhard Bütikofer, Fabio Massimo Castaldo, Susanna Ceccardi, Włodzimierz Cimoszewicz, Katalin Cseh, Tanja Fajon, Anna Fotyga, Michael Gahler, Sunčana Glavak, Raphaël Glucksmann, Klemen Grošelj, Bernard Guetta, Márton Gyöngyösi, Andrzej Halicki, Sandra Kalniete, Maximilian Krah, Andrius Kubilius, Ilhan Kyuchyuk, David Lega, Miriam Lexmann, Nathalie Loiseau, Antonio López-Istúriz White, Jaak Madison, Claudiu Manda, Lukas Mandl, Thierry Mariani, David McAllister, Vangelis Meimarakis, Sven Mikser, Francisco José Millán Mon, Javier Nart, Gheorghe-Vlad Nistor, Urmas Paet, Demetris Papadakis, Kostas Papadakis, Tonino Picula, Manu Pineda, Thijs Reuten, Jérôme Rivière, María Soraya Rodríguez Ramos, Nacho Sánchez Amor, Isabel Santos, Jacek Saryusz-Wolski, Andreas Schieder, Radosław Sikorski, Jordi Solé, Sergei Stanishev, Tineke Strik, Hermann Tertsch, Harald Vilimsky, Idoia Villanueva Ruiz, Viola Von Cramon-Taubadel, Witold Jan Waszczykowski, Charlie Weimers, Isabel Wiseler-Lima, Salima Yenbou, Željana Zovko
Substitutes present for the final vote	Robert Biedroń, Vladimír Bilčík, Andrea Cozzolino, Özlem Demirel, Assita Kanko, Hannah Neumann, Mick Wallace

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

60	+
ECR	Anna Fotyga, Assita Kanko, Jacek Saryusz-Wolski, Hermann Tertsch, Witold Jan Waszczykowski, Charlie Weimers
ID	Anna Bonfrisco, Susanna Ceccardi
NI	Fabio Massimo Castaldo, Márton Gyöngyösi
PPE	Alexander Alexandrov Yordanov, Vladimír Bilčík, Traian Băsescu, Michael Gahler, Sunčana Glavak, Andrzej Halicki, Sandra Kalniete, Andrius Kubilius, David Lega, Miriam Lexmann, Antonio López-Istúriz White, Lukas Mandl, David McAllister, Vangelis Meimarakis, Francisco José Millán Mon, Gheorghe-Vlad Nistor, Radosław Sikorski, Isabel Wiseler-Lima, Željana Zovko
Renew	Petras Auštrevičius, Katalin Cseh, Klemen Grošelj, Bernard Guetta, Ilhan Kyuchyuk, Nathalie Loiseau, Javier Nart, Urmas Paet, María Soraya Rodríguez Ramos
S&D	Maria Arena, Robert Biedroń, Włodzimierz Cimoszewicz, Andrea Cozzolino, Tanja Fajon, Raphaël Glucksmann, Claudiu Manda, Sven Mikser, Demetris Papadakis, Tonino Picula, Thijs Reuten, Nacho Sánchez Amor, Isabel Santos, Andreas Schieder, Sergei Stanishev
Verts/ALE	Alviina Alametsä, Reinhard Bütikofer, Hannah Neumann, Jordi Solé, Tineke Strik, Viola Von Cramon-Taubadel, Salima Yenbou

4	-
NI	Kostas Papadakis
The Left	Özlem Demirel, Manu Pineda, Mick Wallace

6	0
ID	Maximilian Krah, Jaak Madison, Thierry Mariani, Jérôme Rivière, Harald Vilimsky
The Left	Idoia Villanueva Ruiz

Key to symbols:

+ : in favour

- : against

0 : abstention