EU-Taiwan political relations and cooperation

2021/2041(INI) - 21/10/2021 - Text adopted by Parliament, single reading

The European Parliament adopted by 580 votes to 26, with 66 abstentions, a 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.

With a total amount of bilateral trade between the EU and Taiwan amounting to EUR 51 billion in 2019, Taiwan is the EU's 5th largest trading partner in Asia and its 15th largest trading partner in the world. China's continued military hostility and provocations against Taiwan pose a serious threat to the status quo between Taiwan and China, as well as to the peace and stability of the Indo-Pacific region and could lead to a dangerous escalation of tensions.

In 2016, the EU committed to using all available channels to encourage initiatives to promote cross-strait dialogue, cooperation and confidence-building. These aspirations have so far not been fulfilled. In October 2021, Chinese President Xi Jinping pledged to pursue ‘reunification’ with Taiwan by allegedly peaceful means, which Member say raises serious doubts.

Enhanced comprehensive partnership

Members see Taiwan as a key partner and democratic ally in the Indo-Pacific region, as a robust democracy and technologically advanced economy that could help maintain a rules-based order in the middle of an intensifying great power rivalry.

In this context, Parliament recommended working with Member States to intensify political relations between the EU and Taiwan and to pursue a comprehensive and strengthened partnership in line with the EU's One China policy. It called for an urgent impact assessment, public consultation and scoping exercise on a **bilateral investment agreement** with the Taiwanese authorities.

In particular, Members stressed the importance of the economic and trade relationship between the EU and Taiwan, including issues related to multilateralism and the WTO, technology and public health, as well as essential cooperation on critical supplies such as semiconductors.

Chinese military pressure

Members expressed 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.

According to Members, **maintaining peace and stability in the Indo-Pacific is a core interest for the EU** and its Member States. 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. As regards the existing tensions across the Taiwan Strait, Members insisted that any change to cross-strait relations must not be made unilaterally nor against the will of Taiwanese citizens.

Taiwan’s position on an international level

Parliament strongly advocated for Taiwan's meaningful participation as an observer in meetings, mechanisms and activities of international bodies. It urged Member States and the EU institutions to support international initiatives calling for Taiwan's participation in international organisations.

Dialogue and cooperation with Taiwan should be encouraged in all industrial sectors and supply chains, in particular **emerging industries and industries of strategic importance** such as electric vehicles, robotics and smart manufacturing, as well as semiconductor technologies. Members suggested highlighting Taiwan's central role in strategic sectors such as 5G, as Taiwan is home to the world's largest foundry and the world's largest producer of semiconductors.

Further recommendations include:

- encouraging 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;

- further promoting current EU-Taiwan cooperation on research and innovation in the Horizon Europe Framework Programme (2021-2027);

- encouraging tourism and youth exchanges with Taiwan through initiatives such as the working holiday, the Erasmus programmes or the Taiwan-Europe Connectivity Scholarship and exploring 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.

- deepening cooperation with Taiwan in confronting disinformation from malign third countries.

Lastly, Parliament called for 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 the reciprocal ties.