Canada’s Shifting Views on China and Taiwan

I-wei Jennifer Chang

On October 14 and 15, the USS Dewey and Canadian frigate HMCS Winnipeg sailed through the Taiwan Strait in the first joint transit coordinated by the US and Canadian navies. “Dewey’s and Winnipeg’s transit through the Taiwan Strait demonstrates the commitment of the United States and our allies and partners to a free and open Indo-Pacific,” said the US military. However, the Chinese People’s Liberation Army (PLA) criticized the operation: “The United States and Canada colluded to provoke and stir up trouble [...] seriously jeopardizing [the] peace and stability of the Taiwan Strait.” The United States and Canadian joint transit marked a potential turning point in Ottawa’s long-standing policy towards China and Taiwan. A downturn in bilateral relations since 2018 has caused Ottawa to reassess its ties with Beijing, and has created an opening for steady engagement with Taiwan. Clearly, Canada is emerging as an important regional stakeholder in Indo-Pacific security and as a supporter of Taiwanese efforts to carve out more international space.

Canadian Naval Transits in the Indo-Pacific Region

Prior to the first US-Canadian joint passage through the Taiwan Strait, the Canadian navy had conducted several solo transits through the Strait in recent years. Previously, the Royal Canadian Navy said its passage through the Taiwan Strait in 2019 was not intended to make a political statement; rather, it was “the most direct route” between its United Nations sanctions monitoring activities in the seas near North Korea and its engagements in Southeast Asia. Yet internal government documents suggest that at least one of its Taiwan Strait transits had “demonstrated Canadian support for our closest partners and allies, regional security, and the rules-based international order.” Indeed, the US-Canadian joint transit came as cross-Strait tensions reached new heights following the record number of PLA air incursions into Taiwan’s Air Defense Identification Zone (ADIZ) on October 1-4, 2021.
The Canadian navy also has been more operationally active in the disputed East and South China Seas. In March of this year, a Canadian warship passed through the South China Sea while traveling from Brunei to Vietnam, and was followed by a Chinese vessel. In 2019, Canadian naval ships transiting through the South China Sea and East China Sea were buzzed by Chinese fighter jets on both occasions. While Ottawa has said that it “does not conduct so-called Freedom of Navigation operations aimed at challenging the territorial claims of other nations,” it also has expressed alarm at China’s maritime expansionism. Global Affairs Canada, the governmental department managing foreign diplomacy, released this statement in July 2021: “Canada is particularly concerned by China’s escalatory and destabilizing actions in the East and South China Seas, including, recently, off the Philippine coast, and by the militarization of disputed features and the use of naval, coast guard, and maritime militia vessels to intimidate and threaten the ships of other states.” The statement also emphasized Canada’s commitment to “defending and revitalizing an effective rules-based international order, including for the oceans and seas.” Beijing’s newfound assertiveness in the Indo-Pacific region has ignited debate within Canada about the longer-term consequences of continuing Ottawa’s traditionally risk-adverse and accommodative approach towards China.

Canada-China Tensions Over Meng

Relations between Canada and China took a sharp downturn following the high-profile arrest of Meng Wanzhou (孟晚舟), daughter of Huawei (华为) founder and chief executive Ren Zhengfei (任正非). Meng, who was accused of bank and wire fraud related to sales of telecommunication equipment to Iran, was detained by Canadian police in December 2018, at the request of the United States. In apparent retaliation for Meng’s arrest, Beijing moved quickly to detain two Canadians dubbed the “two Michaels”: Michael Kovrig, a former diplomat who was working for the International Crisis Group; and Michael Spavor, a businessman who was later convicted by a Chinese court of espionage in August 2021. The “hostage diplomacy” surrounding Meng and the “two Michaels” became the main irritant in Canadian-Chinese relations over the past few years. Although Meng was finally set free by Canadian authorities in September of this year, which led Beijing to soon release Kovrig and Spavor, it may be difficult for bilateral relations to recover and bounce back to a more cordial working relationship in the near term.

Indeed, during this three-year ordeal, bilateral relations deteriorated as Beijing and Ottawa swapped punitive measures against each other in response to Meng’s detainment as well as Chinese human rights issues. Beijing targeted Canadian exports of pork and canola as an apparent means to penalize Ottawa for Meng’s detention, leading to a 16-percent drop in Canadian exports to China in 2019. In March 2021, Canada joined the United States, United Kingdom, and European Union to impose sanctions on Chinese officials suspected of participating in the persecution of the ethnic Uyghur minority in the Xinjiang Uyghur Autonomous Region (XUAR). Ottawa announced that its sanctions against four Chinese officials and one entity in China “underscore Canada’s grave concerns with the ongoing human rights violations occurring in the XUAR, affecting Uyghurs and other Muslim ethnic minorities.”

Beijing then responded by slapping unilateral sanctions on US, Canadian, and EU officials and entities. China sanctioned Canadian Member of Parliament (MP) Michael Chong of the Conservative Party and the House of Commons Subcommittee on International Human Rights; the latter had concluded that Beijing was conducting genocide in Xinjiang. Chong expressed that Canada has a “duty to call out China” on its crackdown in Hong Kong and its genocide of the Uyghurs. “If that means China sanctions me, I’ll wear it as a badge of honor,” he wrote on Twitter.

The pressure on the Canadian government to promote a more values-based foreign policy, particularly in its relations with China, also extends to its policy on Taiwan. As GTI Senior Non-Resident Fellow J. Michael Cole has argued, Ottawa needs to bring more moral clarity to its treatment of Taiwan, which he called a “natural ally” that shares similar values with Canada. The tensions with Beijing have highlighted the need to for Ottawa to decouple from China, diversify its relationships in the Indo-Pacific region, and unite with other democratic nations against Beijing’s expansionism and coercive diplomacy. Ottawa has been urged to work with like-minded regional partners like Taiwan to uphold the rules-based international order in the re-
gion in the face of the persistent challenge from China. Some Canadian commentators have touted Taiwan as a country that practices fair trade and promotes public health, and thus argue that the island democracy could be a reliable partner for Canada.

**Canada-Taiwan Relations Framework Act**

On June 17, Conservative Party politician Michael Cooper, a member of the Canadian House of Commons, introduced the Canada-Taiwan Relations Framework Act as a legal framework for strengthening bilateral ties in the absence of official ties. Cooper tweeted: “Taiwan is one of Canada’s largest trading partners, a leading democracy & one of the world’s top economies. Canada’s policy towards Taiwan should reflect this reality.” The bill proposes that Ottawa support Taiwan’s participation in multilateral international organizations, including the World Health Organization (WHO) and the International Civil Aviation Organization (ICAO); waive the visa requirement for high-level Taiwanese government officials, including the president, to enter Canada; and allow the Taipei Economic and Cultural Office in Canada (駐加拿大台北經濟文化代表處) to be renamed as the “Taiwan Representative Office” (台灣代表處). Ottawa and Taipei can also sign mutual agreements, including international agreements between countries, according to the legislation. The draft bill was approved by the House of Commons the same day that it was introduced.

Cooper stressed that the relationship between Canada and Taiwan should not be subject to the dictates of the Chinese Communist regime. He said that the Canada-Taiwan Relations Framework Act does not violate his country’s “One-China Policy” (一個中國政策), pointing out that Ottawa said that it merely “takes note” of Beijing’s claims to Taiwan when it recognized the People’s Republic of China (PRC) in 1970. Such an interpretation means that Canada and Taiwan have a certain degree of flexibility to further bolster relations, according to Cooper, though Beijing is likely to push back against perceived contraventions of this principle.

**Support for Taiwan in International Organizations**

In recent years, Canada has spoken out with other Western countries in favor of Taiwan’s meaningful participation in international organizations. The G7 Foreign and Development Ministers’ joint statement in May 2021 backed Taiwan’s participation in WHO forums and the World Health Assembly (WHA). Moreover, Prime Minister Justin Trudeau announced to the Parliament in January 2020 that he supported observer status for Taiwan in the WHO, especially when the island “provides important contributions to the global public good” during the COVID-19 pandemic. “We believe that Taiwan’s role as an observer in the World Health Assembly meetings is in the best interest of the international health community and [it] is an important partner in the fight against this epidemic,” Trudeau said. Ottawa also has endorsed Taiwan’s bid to join ICAO meetings to engage on global air security and regulations, calling Taiwan’s absence from such international organizations “detrimental to global interests.”

**Issues Related to the CPTPP**

Taipei is also counting on Canadian support for the island’s bid to enter the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), an 11-nation regional trade bloc of which Canada is a member. Taipei formally applied to join the CPTPP on September 22, less than a week after China submitted its membership application. Beijing responded to Taipei’s CPTPP application by underscoring that Taiwan’s accession must be based on the “One-China Principle” (一個中國原則). Meanwhile, news reports indicate that Canada, Japan, and Australia may be working behind the scenes to assist with Taiwan’s membership bid. Canadian officials are hard-pressed not to publicly support or comment on either Taiwan’s or China’s CPTPP applications, though a 2020 public opinion poll found that 68 percent of Canadians support Taiwan’s accession into the CPTPP.

Taiwan’s entry into the CPTPP could further deepen Taiwan-Canada economic and trade links and provide an alternative to negotiating a bilateral Free Trade Agreement (FTA). In 2018 Ottawa began exploring the option of a Foreign Investment Promotion and Protection Agreement (FIPA)—a steppingstone to an FTA—with Taiwan, but talks were repeatedly delayed for fear of angering Beijing and were later shelved. The difficulties in realizing a Canada-Taiwan FTA mainly lie in Beijing’s demand that foreign governments must first sign an FTA with China before they can negotiate with Taipei. However, Ottawa has decided against pursuing
FTA talks with Beijing, which could procedurally complicate FTA negotiations with Taipei under the “China first, Taiwan second” sequencing. Given these circumstances, perhaps the best method for Taipei and Ottawa to achieve bilateral free trade is through Taiwan’s membership in the CPTPP.

Canada is at a potential turning point in its relations with China and Taiwan. As many countries around the world, in particular Western countries, have begun reassessing their policies toward China in the face of growing Chinese assertiveness, Canada is showing signs that it is also gradually moving in this direction. A greater focus on Chinese challenges to Canada’s broader interests in peace and security and a rules-based order in the Indo-Pacific region, and an emphasis on values-based foreign policy, could make Taiwan a more attractive partner for Ottawa. Removing some of Canada’s self-imposed restrictions on its engagement with Taipei would be the first step in creating opportunities for higher levels of contact and cooperation with Taipei.

The main point: Canada has started to shed some of its traditional reluctance to engage more meaningfully with Taiwan, and it could become an important stakeholder in Indo-Pacific security and a supporter of Taiwan’s participation in international organizations.

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Taiwan’s New Special Defense Budget Emphasizes Indigenous Anti-Ship Weapons Production

By: John Dotson

John Dotson is the deputy director of the Global Taiwan Institute and associate editor of the Global Taiwan Brief.

On October 5, Taiwan’s Ministry of National Defense (MND, 國防部) formally presented the Legislative Yuan (LY, 立法院) with a proposed new special defense allocation request. A joint meeting of the LY’s Foreign Affairs and Defense Committee (外交及國防委員會) and Finance Committee (財政委員會) officially received the “Sea-Air Combat Power Improvement Plan Purchase Special Regulations” (海空戰力提升計畫採購特別條例) (hereafter “special budget”). The proposed budget increase is significant in its size: at NTD $240 billion (the rough equivalent of USD $8.6 billion), it is just over half the size of the entire projected NTD $471.7 billion (USD $16.9 billion) defense budget for 2022.

Speaking at the same time that the special budget was unveiled—with comments no doubt intended to support its passage—Defense Minister Chiu Kuo-cheng (邱國正) stated that the situation across the Taiwan Strait was “the most serious” that he had seen in his 40 years of military experience. He further stated that the People’s Republic of China (PRC) possessed the capability to invade Taiwan, and that it would be capable of mounting a “full scale” invasion within four years. Chiu also highlighted an MND report indicating that the PRC could achieve the effective ability to blockade the Taiwan Strait within the same 2025 timeframe—citing, among other developments, rapid production of the PRC’s Type-075 amphibious assault ship.

Although the proposed special budget is still under review, the control of both the presidency and the LY by the Democratic Progressive Party (DPP, 民進黨) suggests that the budget is very likely to be approved. The proposed supplemental budget reveals a great deal about how MND planners see the military threat from the PRC, and how they evaluate the resource requirements of the Republic of China (ROC) armed forces in terms of mounting an effective deterrent (or potentially, kinetic) response. The particular provisions of this budget are worthy of a more detailed look.

Contents of the Special Defense Budget

Per reporting by Taiwan’s Central News Agency and SETN Media, the special budget is intended to cover 8 acquisition programs over the next five years, from 2022 to 2026. The single most striking aspect of the special budget is its emphasis on anti-ship and surface warfare systems: the two largest components of the budget (see immediately below) are both focused upon this warfare area, and together represent approximately 62 percent of the overall expenditure. Secondary areas of emphasis are focused on surface-to-air missiles (SAMs) for anti-aircraft and anti-ballistic missile roles, and the further acquisition of ground attack systems. A breakdown of the specific budget programs
follows below.

Anti-Ship and Surface Warfare Systems

• The special budget allocates NTD $79.7 billion (USD $2.86 billion, 33 percent of the overall special budget) for the further development and acquisition of anti-ship cruise missile (ASCM) systems. This funding is to be focused on increased production of the Hsiung-Feng (HF, 雄風) II and III systems, which are indigenously-designed ASCMs that can be mounted on both naval vessels and land-based mobile launchers. The program includes a projected first phase of production, budgeted for NTD $35.6 billion (USD $1.27 billion), focused on ramped-up manufacturing of HF-IIs and HF-IIs. A second phase, budgeted for NTD $44.1 billion (USD $1.58 billion), would commence in 2023 and focus on the production of a new, extended-range variant of the HF-III (增程型雄三).

• The special budget would provide NTD $69.6 billion (USD $2.5 billion, 29 percent overall) in additional funding for Taiwan’s indigenous military shipbuilding programs. This funding is to be used primarily for the construction of additional Tuo-Chiang (沱江) guided missile patrol craft (PPG). These vessels are small corvettes, with a catamaran hull design and stealth features including waterjet propulsion and a lower radar cross-section (RCS) profile. The Tuo-Chiang class PPGs are intended to serve primarily as more mobile and survivable surface combatants capable of targeting larger vessels with their HF-II/III ASCMs. Taiwan’s Lung Teh Shipbuilding (龍德造船) reportedly received a contract in 2018 to build 11 of the vessels by the end of 2026 (with two of these ships already commissioned into service with the ROC Navy), at a reported cost of NTD $2.2 billion each. The special budget allocation could potentially allow for the production of even more such vessels, although no projected number of ships associated with the special budget has been made public.

• A much smaller portion of the budget, roughly 1 percent overall, has been designated for upgrades to command-and-control systems on ROC Navy and Coast Guard vessels.

Anti-Aircraft Systems

• Approximately NTD $33.6 billion (USD $1.2 billion, 14 percent of the budget) is allocated for further acquisition of Tien Kung-III (TK-3, 天弓三型) SAM systems. The TK-3, or “Skybow-3,” is a land-based SAM employed alongside the US-produced Patriot Advanced Capability-3 (PAC-3) missile system to perform both anti-aircraft and anti-ballistic missile roles.

• Approximately NTD $9.6 billion (USD $340 million, 4 percent overall) is allocated for further acquisitions of the “Battlefield Air Defense System” (野戰防空系統), a truck-mounted SAM intended for shorter-range, point air defense.

Ground Attack Systems

• The special budget would provide approximately NTD $16.8 billion (USD $600 million, 7 percent overall) for the development and production of the Hsiung Sheng (雄昇) missile. This missile, a Hsiung Feng variant which is also called the HF-2E (雄二E), is an intermediate-range surface-to-surface missile (SSM) system potentially capable of striking targets in the PRC.

• NTD $14.4 billion (USD $510 million, 6 percent overall) will support further production of Wan Chien (萬劍) (“Ten Thousand Swords”) missiles, an air-to-ground munition intended primarily for attacks on fixed ground targets such as ports and radar facilities.

• NTD $12 billion (USD $430 million, approximately 5 percent) is planned for the development and production of the Chien Hsiang UAV system (“Circling Sword,” 劍翔無人機), an anti-radiation attack UAV intended primarily to destroy radar stations.
Image: The ceremonies for the October 10 ROC National Day celebration were noteworthy for their inclusion of a military parade that highlighted some of Taiwan’s more advanced military hardware, including Hsiung Feng-3 ASCMs and Tian-Kung SAM systems—an apparent effort by Taiwan’s government to communicate to both Beijing and a broader international audience that it is serious about the island’s defense. (Image source: Formosa News)

Military Force Planning Amid Escalating PRC Military Activity

The content of the special budget suggests that the high-profile incursions into Taiwan’s air defense identification zone (ADIZ) by PLA aircraft over the past year have not prompted a radical reorientation of Taiwan’s acquisition budgets in the direction of air defense assets. Although the special budget does allocate approximately 18 percent of overall expenditure to anti-aircraft (or anti-missile) SAMs, the primary focus on anti-ship systems indicates a more methodical, clear-eyed view of the most dangerous threat to Taiwan: the PLA Navy’s ability to either enforce a blockade, or to escort and transport invasion troops across the Taiwan Strait.

That said, other developments outside the special budget indicate that the MND is looking for ways to respond to the ADIZ incursions, which have placed a strain on ROC Air Force resources. In August 2019, the US Government approved a major arms sale package to Taiwan that included sixty-six F-16C/D Block 70 aircraft (as well as associated equipment, munitions, and technical support), at an estimated cost of USD $8 billion. Ordinarily, such a large package of equipment could take several years to manufacture and deliver—and the aircraft purchased in the 2019 deal have been projected to arrive in batches between 2023 and 2026. However, in light of the escalating ADIZ incursions and other “gray zone” military pressure tactics employed by the PRC, Taiwan officials reportedly reached out to US representatives in October to request expedited delivery of the new F-16s.

The Increasing Focus on Indigenous Defense Production

Another salient aspect of the special budget is its focus on funding indigenously-manufactured weapons programs. Improving Taiwan’s capacity for indigenous defense production has been a significant policy priority under the administration of President Tsai Ing-wen (蔡英文)—who has, for example, made a point of holding public events to mark the entry into service of indigenously-manufactured anti-aircraft missiles in 2019, and the commissioning of the Tuo-Chiang-class corvette Ta Chiang (塔江) into service with the ROC Navy in September 2021. During the latter event, President Tsai praised the ship as a “testament to our ability to overcome any challenge on our path to achieve self-sufficiency in national defense.” Further commentary posted on Tsai’s official Twitter page opined that “Self-sufficiency in national defense is more than just a slogan. It reflects our resolve to [...] develop our own national defense capabilities.”

Beefing up Taiwan’s missile forces has become a major emphasis in Taiwan defense planning, and increased missile production has been in the works for some time. The National Chung-Shan Institute of Science and Technology (NCSIST, 國家中山科學研究院)—Taiwan’s primary research and development center for indigenous missiles—was reportedly directed in summer 2018 to expedite and ramp up production for multiple missile systems. President Tsai has made a personal point of promoting Taiwan’s missile development programs: writing in the November/December 2021 issue of Foreign Affairs, she stated that “In addition to investments in traditional platforms such as combat aircraft, Taiwan has made hefty investments in asymmetric capabilities, including mobile land-based anti-ship cruise missiles.”

Conclusion

Although arms sales from the United States often dominate international media discussions about Taiwan’s
force planning, the ROC military has been undertaking an active effort to upgrade its inventory of tactical missile systems. The special budget announced in early October reflects this ongoing effort—projecting a significant increase in expenditure for both anti-air and anti-ship systems, but with the latter receiving the lion’s share of the new funding. This reflects an accurate recognition of the most pressing threat to Taiwan: although the PLA’s high-profile ADIZ incursions observed over the past year are a matter of serious concern, it is the steadily growing capabilities of the PLA Navy that pose the greatest existential threat to Taiwan’s autonomy and to its democratic way of life. The focus on indigenous production is also a sensible step away from reliance on the unpredictable nature of US arms sales, and towards self-sufficiency in the weapons systems most critical to Taiwan’s defense. Although Taiwan has often been criticized in the recent past for failing to put adequate resources towards its own defense, the special budget unveiled in October appears to be a significant step in the right direction.

The main point: The proposed supplemental defense budget for Taiwan’s armed forces places a renewed emphasis on anti-ship missile capabilities, with all of the planned acquisitions to be made via indigenous manufacturing rather than foreign arms sales. This represents a significant step forward for enhancing the ROC military’s ability to resist PRC coercion or invasion, as well as for Taiwan’s efforts to pursue greater self-sufficiency in defense production.

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Taiwan’s Successes and Challenges on Fisheries Cooperation with the Philippines and Japan

By: Margaux Garcia

Margaux Garcia is a Masters of Law and Diplomacy graduate student at the Fletcher School, Tufts University, and was a GTI intern during the summer of 2021.

In September 2020, a Japanese Coast Guard ship collided with a Taiwanese fishing boat in the waters around the Senkaku (尖閣諸島)/ Diaoyutai Islands (釣魚列嶼). The Taiwanese captain asserted that he never entered disputed waters, and that the Japanese Coast Guard relentlessly chased him after colliding with his ship. In response, Taiwan’s Premier Su Tseng-chang (蘇貞昌) demanded an explanation, and said Taiwan would not tolerate “any inappropriate behavior” from Japan. Tokyo, on the other hand, said that the Taiwanese boat was fishing illegally in the Senkaku territorial waters. No one was injured, but following this incident, Taiwan’s coast guard actively patrolled waters surrounding the Senkaku Islands, with the intention of protecting Taiwanese fishermen.

This incident shows the limits of Taiwan’s approach to fishery disputes. Taiwan has adopted a model of practical compromise through fisheries agreements with Japan and the Philippines. However, tensions with both countries still remain due to overlapping territorial claims and pressures from an increasingly competitive fishing industry in Asia. Taiwan’s fisheries agreement with the Philippines from 2015 narrowly focuses on law enforcement and fails to clarify fundamental issues of disagreement. Taiwan’s fisheries agreement with Japan has a stronger foundation, but is set back by a lack of communication and little buy-in from local interests. Until these systems are reworked, fisheries will continue to be a sore spot in two of Taiwan’s closest regional partnerships.

Taiwan’s Maritime Claims in the East and South China Seas

The Republic of China (ROC) in theory holds the same territorial claims in the East and South China Seas as the People’s Republic of China (PRC). The PRC’s “Nine-Dash Line” (九段線) delineating its maritime claims stems from the “Eleven-Dash Line” (十一段線) put forward by the ROC’s Nationalist government in 1947. However, in practice, China’s and Taiwan’s approaches to claims in the South China Sea are quite different. Taiwan, particularly under the current Democratic Progressive Party (DPP, 民進黨) leadership, does not benefit from animosity with neighboring democratic nations like the Philippines and Japan. The Philippines is a central target of President Tsai Ing-wen’s (蔡英文) New Southbound Policy (新南向政策), while Japan is an increasingly important security partner for Taiwan.

However, Taiwan is forced to move delicately on this is-
sue, as complete rejection of Chinese maritime claims could be interpreted as a move toward independence, and might inspire Chinese retaliation. While Taipei has paid lip service to the ROC’s historical claims, its actions have largely been in support of the US position on the South China Sea. In light of this situation, Taiwan has relied on ambiguity and moderation, downplaying its territorial claims in favor of practical agreements for shared use of contested waters.

Taiwan-Philippines Fisheries Relationship: A Dangerous Lack of Details

Overlapping claims between Taiwan and the Philippines center on the Spratly Islands (Nansha Islands, 南沙群島) including Scarborough Shoal (黃岩島). The most contentious areas are Thitu Island (also known as Zhongye Island, 中業島) and Itu Aba (also known as Taiping Island, 太平島). Thitu Island is currently administered by the Philippines, but it was originally controlled by Taiwan. In 1971, the Philippines took the opportunity to seize the island after the ROC left the island due to an oncoming typhoon. Thitu Island remains a sore spot in Taiwan-Philippines relations today. The Philippines have actively embarked on numerous construction projects on Thitu Island. This sparked Taiwanese outrage in 2019, but their complaints have been ignored, as the Philippines announced plans for a new logistics hub on the island in May of 2021.

Itu Aba, on the other hand, is currently controlled by Taiwan and claimed by the Philippines. As the largest above-water feature in the Spratly Islands, Itu Aba played a large role in the 2016 arbitration case between the Philippines and China, where it was classified by the Hague tribunal as a “rock” rather than an island. Taiwan, which was excluded from proceedings, vehemently protested this classification.

These disputed waters are prime territory for conflict over fisheries. The most famous fishing dispute between the Philippines and Taiwan occurred in 2013, nearly leading to a complete breakdown in bilateral relations. The Philippines Coast Guard killed Taiwanese fisherman Hung Shih-cheng (洪石成) during a time when he was located in the overlapping area of Taiwan and the Philippines’ Exclusive Economic Zones (EEZs), provoking anger on both sides. After a good deal of brinkmanship, President Benigno Aquino III of the Philippines apologized, and the two sides began a laborious negotiation process.

After two years of negotiations, Taiwan and the Philippines signed the Agreement Concerning the Facilitation of Cooperation on Law Enforcement in Fisheries Matters (臺菲有關促進漁業事務執法合作協定) in 2015. Implementation questions have been discussed at yearly technical working groups. In 2017, the agreement was updated to improve law enforcement notification procedures and to fight illegal, unreported, and unregulated (IUU) fishing. The 2013 incident, which was what originally set Taiwan and the Philippines on the path to cooperation, took longer to resolve. The Filipino coast guardsmen who killed Hung Shih-cheng were not convicted until 2019.
Despite the successes of the fisheries agreement, there is still ample room for improvement. The agreement, which is exclusively focused on avoiding the use of unnecessary force by law enforcement, is limited in scope. For example, the bilateral agreement has not clearly delineated where Taiwanese fishermen can operate without being arrested by the Philippine Coast Guard. The agreement also does not include joint fisheries regulations. This is a lost opportunity, as joint regulations could serve as a cohesive plan for maintaining fish stocks and the health of the sea floor. Finally, the agreement lacks an associated committee with the authority to finesse details or provide guidance. These shortcomings have obstructed progress in resolving outstanding fisheries issues between Taiwan and the Philippines.

In addition, the relationship between Filipino workers and Taiwanese ship captains is another source of tension. A substantial proportion of the crews on Taiwanese ships are from the Philippines and other Southeast Asian countries. Unfortunately, Taiwanese fleets are known for frequent reports of non-payment, long working hours, verbal and physical abuse, and “debt bondage.” Worker-employer relationships can spiral into bilateral conflict. In 2019, a Filipino fisherman killed eight people on board a Taiwanese fishing vessel. Although thankfully this case remained fairly low profile and was not disputed by the Filipino government, incidents like this can easily become politically sensitive. While they are unlikely to derail the Taiwan-Philippines relationship, they can strongly impact public opinion.

In 2020, Taiwanese seafood was included on the US Labor Department’s List of Goods Produced by Child Labor or Forced Labor, and this July, Taiwan ranked 12th on the US Trafficking in Persons Report, largely due to the practices of its fishing industry. The Taiwanese government is taking these charges seriously, with a new Action Plan for Fisheries and Human Rights, and orders from the Control Yuan (監察院) to take corrective measures.

Overall, the Taiwan-Philippines relationship is susceptible to damage from fisheries conflicts, due to workplace exploitation and a fisheries agreement that is insufficient on a number of key issues. In particular, the agreement’s lack of specified boundaries, joint regulations, and a managerial committee to clarify questions, leaves fishermen and law enforcement in a dangerous state of uncertainty.

**Taiwan-Japan Fisheries Relationship: Good Foundations with Insufficient Communication**

Unlike Taiwan-Philippines maritime disputes, which are centered in the South China Sea, Taiwan-Japan disputes are focused on the Senkaku Islands in the East China Sea. The Senkaku Islands are administered by Japan, despite being located closer to Taiwan than Japan. President Tsai has tried to avoid controversy with Japan, but backlash sprung up in 2020 when the Ishigaki city government changed the area’s administrative name to “Tonoshiro Senkaku,” prompting President Tsai to reiterate Taiwan’s claim. More recently, in February 2021, the Japan Coast Guard received authorization to fire on anyone landing on the Senkaku Islands.

Arguments between Japan and Taiwan over the islands go back decades. The most significant incident occurred in 2012, when Japan attempted to nationalize the Senkaku Islands via purchase by Tokyo Governor Shintaro Ishihara (石原慎太郎). In response, Taiwan fiercely protested the move and sent over two coast guard ships. After this incident, the two sides signed the Taiwan-Japan Fisheries Agreement (臺日漁業協議) in 2013, which clarified fishing rights around the Senkaku Islands, as well as the Yaeyama Islands (八重山列島) and Miyako Islands (宮古列島). The agreement was modified in 2015 and 2018 to reduce collisions and to more clearly delineate areas and times for each group to fish. Taiwan’s fisheries agreement with Japan is more comprehensive than its agreement with the Philippines: it is detailed, with a clearly mapped border and an active managerial committee.

However, incidents still occur, as can be seen from the 2020 collision mentioned above. Beyond collisions, the competition over fish stocks that shrink each year also places stress on the Taiwan-Japan relationship. Japan blames Taiwan (in addition to China) for the declining Pacific saury catch in 2021. Taiwan has the second largest distant-water fishing fleet in the world (after China), and its industry is substantially subsidized, incentivizing unsustainable fishing practices.

Taiwan has also expressed concern about Japan’s choice to release treated radioactive water from
Fukushima Daiichi into the ocean and its impact on the fishing industry. On June 11, 2021, Taipei protested against Japan’s “unilateral decision” to release the water without consulting its neighbors, and is carefully monitoring the water. This year, Taiwan’s government discussed helping Taiwanese fishermen to seek compensation from Japan if the release of the radioactive water creates adverse effects on their livelihoods. Kuo-mintang (KMT, 國民黨) politicians have criticized the slow progress of these negotiations, calling the DPP response “too weak.”

Conclusion
Ship collisions, competing demands on fish stock, and contamination concerns will likely become increasingly salient issues in the coming years. To handle this, the Taiwan-Japan and Taiwan-Philippines cooperative frameworks should be bolstered and expanded in scope, especially in the latter case. Furthermore, all sides should take preventive measures to dispel conflicts over fish stocks, waste, and the marine environment. Improved bilateral communications are necessary but may not be sufficient, and greater effort by all three sides should be taken to get buy-in from local fishermen, who have not completely accepted the agreements.

The main point: Fisheries disputes are a weak area in Taiwan’s otherwise strong relationships with the Philippines and Japan. Taiwan’s fisheries agreements are a good first step, but the Philippines agreement is unclear and lacks crucial details, while the Japan agreement is not sufficiently proactive in preventing future conflicts.

Defending Taiwan’s 2022 Local Elections: Lessons from 2018 and 2020

By: Milo Hsieh

Milo Hsieh has a B.A. in international studies from American University and was a fall 2019 intern at Global Taiwan Institute.

Since the election of President Tsai Ing-wen (蔡英文) in 2016, the People’s Republic of China (PRC) has been ramping up political, diplomatic, economic, and military pressure on Taiwan. In response to the island’s refusal to accept the “one country, two systems” (一國兩制) model for unification, Beijing has taken steps to influence public opinion in Taiwan through overt intimidation and covert influence tactics. Forces friendly to Beijing are suspected to have been the primary actors attempting to influence Taiwan’s local elections in 2018 and the national elections in 2020. What lessons can Taiwan draw from the previous two elections to better defend against China’s interference in its democracy?

These observable covert attempts to interfere with Taiwanese elections have primarily been categorized into four types of activities: courting of Taiwan’s media; creation of inauthentic online trends; liaison work and coordination with pro-Beijing elements based in Taiwan; and use of financial means to sponsor these local actors. These influence activities played a significant role during the 2018 local elections, leading to victories by several pro-Beijing mayors and local officials. In the 2020 national elections, these methods were identified and countermeasures were taken by Taiwan’s government, political parties, and civil society. Partially as a result of this, pro-Beijing candidates suffered a major defeat and were not successful in taking the legislative majority or the presidency.

An evaluation of Taiwan’s current ability to counter Beijing’s influences—which prominently changed Taiwan’s political landscape in 2018 and 2020—will provide insights into how Taipei can strengthen its resilience ahead of the 2022 local elections.

2018: Taiwan’s Democracy under Assault

The 2018 local elections represented a victory for the opposition Kuomintang (KMT, 國民黨) party, which won several mayorships and majorities in local legislatures. The KMT’s campaign—which centered around a conservative, pro-Beijing platform—was effective on its own. However, several mayoral candidates also received support from local actors with varying ties to Beijing.

The most significant source of influence exerted by actors tied to Beijing was the Want Want China Times Group (旺旺集團有限公司), which supported several pro-China mayoral candidates through news channels CTi TV (中天電視) and China TV (中國電視), as well as in print media via the China Times (中國時報). CTi
TV’s partisan reporting—**which has resorted to spreading disinformation** on many occasions—along with its heavy focus on promoting the campaign of KMT mayoral candidate for Kaohsiung Han Kuo-yu (韓國瑜) in 2018, led Taiwan’s National Communications Commission (NCC, 國家通訊傳播委員會) to issue fines against the network.

Simultaneously, **Chinese cyber operatives** created fake Facebook profiles and administered fan groups in support of Han Kuo-yu ahead of the 2018 election. These operatives and online trolls frequently circulated **“talking points”** and disinformation to harass Han’s electoral opponent.

Disinformation spread via broadcasting, print, and social media were amplified by local pro-Beijing elements in Taiwan. The Chinese Unification Promotion Party (CUPP, 中華統一促進黨), the most prominent of these elements, plays an important role in performing liaison between the PRC government and local actors in Taiwan. CUPP Members have collaborated with administrators of disinformation networks known as “content farms” as early as 2014. Beijing likely funds these actors through financial means hidden from Taiwan’s government. Chang An-lo (張安樂), founder of the Bamboo Triad (竹聯幫) and president of CUPP, allegedly accepts such funding to support his pro-Beijing political activities and to make illegal campaign contributions in Taiwan.

The combination of these influences, in addition to powerful lobbying efforts by other conservative actors in Taiwan not connected to Beijing, contributed to a major victory for the KMT at the local level in 2018. In the aftermath of the election, several of the newly elected KMT mayors acted on their promise to strengthen ties with Beijing. In particular, Kaohsiung Mayor Han Kuo-yu met with CCP officials at the Hong Kong and Macau Liaison Office as well as the Taiwan Affairs Office during a visit to Hong Kong in March 2019.

Additionally, in April 2019, Taichung Mayor Lu Shiow-yen (盧秀燕) defended her decision to permit the China Council for the Promotion of Peaceful Reunification (全球華僑華人促進中國和平統一大會) to hold a panel featuring Li Yi (李毅). Li, a prominent promoter of armed annexation of Taiwan by the PRC, was deported from Taiwan following the publicity surrounding his appearance.

**2020: Taiwan Democracy Stands its Ground**

The 2018 election and ensuing events stirred anxiety in Taiwan, leading to responses from Taiwan’s civil society, the Democratic Progressive Party (DPP, 民進黨)-led central government, and within the DPP ranks. In particular, a strong public sentiment against disinformation and organizations with ties to Beijing grew between the 2018 and 2020 elections. **Financial ties between the Want Want China Times conglomerate and its connection to the PRC government** from as early as 2007 were revealed and publicized in 2019. A subsequent **report by the Financial Times** confirmed the close level of collaboration between China Times and the PRC Taiwan Affairs office, which “called every day” and had discretion over what appeared on the front page of the print publication.

In a bid to fight foreign-sourced, targeted advertisements used to influence Taiwanese voters via social media, DPP legislators and the Taiwan government worked with Facebook to introduce a database revealing all online ad expenditures prior to the 2020 national election. In mid-2019, Taiwan’s cabinet—led by Premier Su Tseng-chang (蘇貞昌)—introduced **new measures and funding** to empower social media managers representing government ministries to dispel disinformation within a four-hour window. Within the Ministry of Justice Investigation Bureau (MJIB, 法務部調查局), a Counter-Disinformation Center (假訊息防制中心) was also established in September 2019. DPP officials were particularly active in responding to and publicizing disinformation attacks, and frequently pointed to China as the source of these attacks. When MJIB’s Counter-Disinformation Center identified a China National Radio (中央人民廣播電台) reporter operating a viral YouTube disinformation campaign in October 2020, the DPP youth wing countered using viral memes and infographics. Outside of the Taiwan government, disinformation-fighting organizations such as CoFacts, MyGoPen, and Taiwan Factcheck Center also gained prominence by checking viral posts for disinformation, and providing real-time verification services and plug-ins for the social media app Line.

Nevertheless, pro-Beijing united front (統一戰線) work continues, as the Chinese Unification Promotion Party
has worked to expand its membership within religious organizations. Although CUPP head Chang An-lo was charged with making illegal campaign contributions and funneling Chinese capital through his son’s travel firm in August 2019, CUPP members have continued to take aggressive actions towards opposition elements. This has included dousing visiting Hong Kong activist and singer Denise Ho with red paint in September 2019 and unsuccessfully attempting to hold a rally in Taipei celebrating the PRC National Day on October 1.

Unlike in 2018, when the DPP government was caught by surprise, the party took significant steps ahead of the 2020 election to counter disinformation and foreign influence within Taiwan’s government. As a result, the DPP both secured the presidency and held onto its legislative majority, decisively defeating the KMT and only losing a few seats to third party candidates. In the aftermath, Taiwan’s democracy received an upgrade in rating by The Economist Intelligence Unit, rising from a “flawed democracy” in 2019 to a “full democracy” in 2020.

**Looking Ahead to 2022: Pointing Out the Risks**

With the local elections coming up in 2022, Taiwan continues to face numerous risks. Although travel restrictions and changing political norms have lessened the impact of Beijing’s influence, they have not been completely eliminated. Populism, which was a powerful factor during the 2018 local election when combined with disinformation, has returned once again, as political parties have increasingly sought to use recalls and by-elections to take down opposition politicians outside of the typical election cycle. There is also less visibility into China’s influence operations at the local level.

Disinformation itself appears to be less of a direct threat, owing to a whole-of-society approach primarily headed by Digital Minister Without Portfolio Audrey Tang (唐鳳), Premier Su, DPP party officials, and Taiwan’s civil society. However, distinguishing and taking down media networks that have worked with Beijing remains difficult.

Cooperation continues between social media companies and the Taiwan government to fight disinformation and introduce regulations on targeted political ad expenditures. Notably, several of Facebook’s policies on Taiwan’s 2020 election were later adopted during the 2020 United States election. Nevertheless, much work remains necessary to combat united front work in Taiwan.

Beijing is also flexing its economic power by circumventing regulations intended to protect against influence in Taiwan’s internet marketplace, which faces a flood of Chinese investments and entry attempts by companies that are not legally permitted to operate in Taiwan. Though the Ministry of Economic Affairs has been able to block attempts by Alibaba’s Taobao and iQIYI to set up an office in Taiwan, the ministry has not been able to prevent these services from circumventing regulations by operating online.

**Conclusion**

Of China’s four categories of influence operations, Taiwan has made the most progress in curbing Chinese social media influences and limiting the courting of traditional media outlets by Beijing. United front activities and Beijing’s economic pressure, however, continue to undermine and influence Taiwan from within. To continue to effectively defend Taiwan against all four types of foreign influence, Taiwanese legislators will need to offer creative and forward-looking responses while working to redefine Taiwan’s relationship with Beijing, particularly in terms of economic ties. This will be a politically difficult task, given the outdated definitions in Taiwan’s constitution—and a high bar to modify the articles of the constitution.

With referenda voting slated to happen in December 2021, a year before the 2022 local elections, competition and mobilization among political parties have already begun. With the rise of social media use in politics, politicians are now working to perpetually mobilize their supporters, regardless of election cycles. There are several key issues that will likely be debated prior to the 2021 referendum, including the import of US pork, US-Taiwan relations, cross-Strait security and trade, Taiwan’s changing demographics, and energy security. These discussions will be a preface to the 2022 local elections. In order to safeguard these crucial elections, Taiwan’s government will need to continue to keep up its policy communications with the public, and keep a watch on any populist activism inspired by disinformation or pro-Beijing elements in Taiwan.
The main point: Taiwan rapidly adapted to countering foreign influence between the 2018 and 2020 elections, but it will have to continue to reinvent itself in order to counter illicit influences ahead of the 2022 local elections.

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Meat Product Smuggling and African Swine Fever: Taiwan’s Next Crisis?

By: Leo Lin

Dr. Leo Lin is a former senior police liaison officer at the Taipei Economic and Cultural Representative Office in Washington, DC. The views expressed in this article represent his personal opinions, and are not intended to represent any of his affiliate organizations.

Over the summer, while the world was still battling to contain the COVID-19 pandemic, a local police department in Taiwan seized 71 kilograms of smuggled meat products that were later confirmed to contain the African Swine Fever (ASF, 非洲豬瘟) virus. Taiwan authorities determined that this batch of smuggled meat products originated from Vietnam, and further confirmed that Chung Ho International Logistics Co., Ltd. (仲賀國際物流有限公司) was the culprit. Due to repeated violations of laws and regulations, the company’s customs declaration business license has been officially revoked. On October 5, two Vietnamese-heritage suspects in Taiwan who smuggled the meat products were prosecuted by the New Taipei District Prosecutor’s Office. According to Taiwan’s Statute for the Prevention and Control of Infectious Animal Diseases (動物傳染病防治條例), the illegal import of meat products could result in a sentence of up to seven years in prison and a fine of NTD $3 million (equivalent to USD $100,000).

Since the first outbreak of the African swine fever virus inside China in 2018, Taiwan and Japan have been the only two countries in Asia to successfully prevent the spread of the virus from different points of origin, and to avoid being labeled as an ASF-endemic area. The main reason that Taiwan has been able to avoid and stop the spread of ASF is because of its strict border controls. For imported goods, Taiwan’s Customs Administration (關務署) conducts thorough X-ray inspections; for passengers returning to Taiwan from the “African Swine Fever High-Risk Area” (非洲豬瘟高風險地區), the Ministry of Transportation, Aviation Police Department, and travel agencies work jointly to screen passengers at the border. Since December 2018, the Taiwan government has strengthened its ASF prevention measures at the cabinet-level and set up the “Central Emergency Operations Center for African Swine Fever”(非洲豬瘟中央災害應變中心), resulting in efficient prevention of the ASF virus from spreading to Taiwan.

A Bitter Past with Livestock Diseases

In 1997, Taiwan experienced an outbreak of Aphthous fever through the spreading of the foot-and-mouth disease virus (FMDV, 口蹄疫病毒). Since then, Taiwan-produced pork has not been an article of export, and overall industry losses have exceeded NTD $170 billion (equivalent to USD $6.1 billion). In June of last year, after 24 years, Taiwan’s Council of Agriculture announced that it would no longer administer foot-and-mouth vaccines to pigs. As long as there is no further outbreak at home, Taiwan’s pork could soon return to the world market.

However, the reappearance of ASF could present Taiwan with yet another crisis. If there is another outbreak of African swine fever in Taiwan, it could also damage the government’s efforts to prevent a resurgence of FMDV—and inhibit the reopening of exports to the international market, which would deal another
significant blow to Taiwan’s pork industry. **ASF is more dangerous than FMDV**, because it can cause acute and malignant infectious diseases in both domestic pigs and wild boars. Due to the highly contagious nature of this virus, pigs of all breeds and ages may be infected. Since there is no vaccine for prevention and treatment, the mortality rate of infected pigs can potentially reach 100 percent.

On August 31, Premier Su Tseng-chang (蘇貞昌) declared a vow to “block the loopholes, [and] safeguard Taiwanese pork and the country for the people”(堵住破口, 守住台灣豬肉, 為國人把關). He further stated that Taiwan had done a great job defending against ASF for over two years, while neighboring countries have fallen victim to the virus. Only Taiwan and Japan continue to be safe. Therefore, Taiwan still has pork to eat, and related industries in the country are still in business.

**Factors Contributing to the Spread of ASF Virus Entering Taiwan**

Two main factors increase the risk of an ASF outbreak in Taiwan. The first one is that the Covid-19 pandemic changed methods of smuggling, which in turn increased the workload of the screeners at the border. During the pandemic, cargos with imported products have become the primary routes of smuggling. The increase in workload has made screenings difficult for Taiwan customs. For example, Taoyuan International Airport has four cargo warehouses (貨運倉儲); however, there has been a shortage of human resources in spite of the increase in workload. It is a challenge for customs to intercept smuggled meat products simply by relying on X-ray screenings. Quarantine dogs are the main force assisting the detection of meat products. However, there are not enough dogs and handlers to carry out the intensive detection work, as the dogs cannot work nonstop.

Another factor is that the rise in local pork meat prices has created an opportunity to smuggle cheaper meat products than domestic products. The demand for pork products has increased as well because of stay-at-home orders during the pandemic. The people of Taiwan prefer to purchase domestic pork products. However, pigs eat less during summer due to the rising temperature, and raising them is difficult due to the heat stress that pigs may easily have during summertime. The overall quantity of Taiwan’s pork production is relatively small compared to the demand. Consequently, the price of pork has increased.

According to the **Council of Agriculture**, the current pork market has been dominated by domestic pork, which accounts for 90 percent of the market; imported pork accounts for the remaining 10 percent. There are 6,759 pig farms in Taiwan, raising roughly 5.5 million pigs, and Taiwan has a self-sufficiency rate in pork production of 90 percent. The average price of pork in Taiwan remains high, with prices reaching a high of NTD $89 per kilogram in August of this year. These high domestic pork prices give smuggled pork from other countries, such as Vietnam, a competitive price advantage—and provide an incentive for smuggling.

**Contingency Actions**

Because contaminated products have been distributed in Taiwan, the government has been developing strategies to stop domestic pigs from contracting the ASF virus. To reduce costs, Taiwan’s pig farmers often use food waste (廚餘) to feed their pigs. Since the incubation period of the ASF virus is 28 days, the Council of Agriculture announced a one-month “food waste ban” (廚餘禁令) in September, during which food waste is prohibited from being used as feed on pig farms. This ban was an essential first step to stem the flow of ASF at its point of origin.

In addition, the Central Emergency Operations Center for African Swine Fever has also strengthened various border prevention and quarantine methods through the inter-ministerial cooperation mechanism. Domestically, relevant ministries work together to trace and intercept various distribution channels such as wholesalers and retailers to mitigate possible infection risks. At the same time, the Food and Drug Administration of the Ministry of Health and Welfare (衛服部食藥署) and the Council of Agriculture announced that they will initiate market investigations to prevent the unlawful importation of meat products. In particular, Taiwan Customs has been conducting a 100-percent customs clearance inspection (百分之百查驗) policy on imported goods from Vietnam. A potential consequence of this effort is a longer waiting period for customs clearance from Vietnam compared to other
countries. The Council of Agriculture has also offered a whistleblowing bonus (檢舉獎金): anyone who reports that pig farms use kitchen food waste to raise pigs will be eligible to receive up to NTD $1.2 million in whistleblowing bonuses.

At the borders, customs, airport police, and agricultural authorities have been thoroughly screening imported goods from Vietnamese flights and imported goods from other high-risk countries, including China. The Customs Administration has also strengthened the training of customs personnel, improved the “AI-assisted Meat Detection System” (AI輔助肉品查緝系統), and supported analysis of the declaration data of seized meat products and the interception of high-risk goods. The Bureau of Animal and Plant Health Inspection and Quarantine (動植物防疫檢疫局) has also taken an essential role in border control work, streamlining the joint effort to prevent illegal pork products from entering Taiwan.

Effective November 1, the Customs Administration will ban air-imported express goods (空運進口快遞貨物) from Vietnam and nine other countries (Cambodia, Laos, Myanmar, the Philippines, East Timor, Indonesia, India, Malaysia, Bhutan) from being combined in packages (併袋) for more efficient customs clearance. Prior policy allowed for different goods to be combined in packages for faster X-ray screening; however, such combined packages are more difficult for Customs officers to inspect, especially for meat smuggling violations. A total ban on combining packages (全面取消併袋) will take effect next year.

Conclusion

Since the end of August, Taiwan has been vigilant in monitoring for possible outbreaks of the African Swine Fever virus. Taiwan’s government is diligently working with warehouse companies, farmers, and the general public through the Central Emergency Operation Center platform. For Taiwan, the upcoming months are considered a critical period for preventing ASF. How this battle plays out will directly impact Taiwan’s future, especially the nation’s agricultural economy and health in the long run. Particularly during the COVID-19 pandemic, Taiwan certainly does not want to repeat its experience with Aphthous fever. Preventing the ASF virus from spreading cannot be done solely by the government of Taiwan: it will require timely, joint efforts not only among the affected countries in the region, but also through greater international and regional cooperation with Taiwan.

The main point: Since August 2021, Taiwan has been on high alert since discovering a new case of African Swine Fever, and the government has activated a contingency plan. After the new case, Taiwan has effectively prevented smuggled meat products from being distributed in different channels across the country. However, the upcoming months are critical for controlling and preventing the further spread of the virus from different points of origin to Taiwan’s local pig farms.