

# COMPARATIVE

## CONNECTIONS

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## CHINA- TAIWAN RELATIONS

# OVERCOMING COVID-19, NAVIGATING US-CHINA TENSIONS, AND ANXIOUSLY AWAITING A NEW US ADMINISTRATION

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Taiwan's successful management of COVID-19 infections and the pandemic's economic impact has elevated Taiwan's international profile and President Tsai Ing-wen's already high domestic approval ratings, but did little to ameliorate Taiwan's confrontation with mainland China. Growing US-China economic and security tensions have continued to swirl around the island. Chinese air and naval forces have increased intimidation operations around Taiwan, with the Chinese media threatening that People's Liberation Army (PLA) aircraft might even overfly the island. Taiwan has committed to increasing its defense budget and upgrading its reserve forces, and the US approved a series of military sales that are more closely aligned with Taipei's porcupine strategy than some earlier high-profile sales. Taiwan's IT companies have struggled to preserve their production base in China, while assuring the US that they would not contribute technology to US-sanctioned Chinese companies. They also opened facilities in third countries and the US in order to ensure US market access and political support.

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Tsai's decision in late August to allow imports of US pork treated with ractopamine was intended to reopen negotiations with the US on a bilateral trade agreement and it was driven by a strategic calculation that closer economic ties with the US would advance the island's economy and security. That move caused a storm of domestic opposition, led by the Kuomintang (KMT) but with no response from the US Trade Representative, a combination that risks undermining the initial successes of her second term in office. The election of Joe Biden caused anxiety in Taiwan that the new Democratic administration, in an effort to reduce tensions with China, might be less supportive of Taiwan than President Trump has been.

### **President Tsai's National Day Summation**

In her annual speech on Oct. 10, the Republic of China National Day, President Tsai attributed Taiwan's success in managing COVID-19 to "the unity and cooperation the people of Taiwan have shown." She promised that Taiwan would strengthen its economy and take advantage of global supply chain reorganization to attract international investment. She stressed her commitment to strengthen Taiwan's military, while promising to expand Taiwan's contribution to regional democracy and prosperity. She promised that Taiwan would "not act rashly and [would] uphold our principles" in cross-Strait relations, calling for dialogue based on "mutual respect, goodwill and understanding ... parity and dignity." However, she added, "this is not something Taiwan can shoulder alone; it is the joint responsibility of both sides."

#### COVID-19 Key to Taiwan's 2020 Record

Taiwan's successful management of COVID-19 was perhaps the single most important step that it took to strengthen its international image as a successful democracy facing unfair attacks from China. A <u>Brookings study</u> identified Taiwan as the only economy to record positive economic growth and low COVID-19 deaths through August, and that economic growth strengthened further through the end of the year as unemployment continued to decline. By late November, Taiwan economic agencies were predicting that 2020 GDP growth would exceed 1.8% and industrial production would increase 7.06%. *The New York Times* <u>called Taiwan</u> the "Switzerland of chips" and "pound

for pound ... the most important place in the world." <u>Freedom House</u> cited Taiwan as one of four countries proving "You don't need dictatorships to fight COVID-19." Tsai's job approval ratings continued to remain high.

#### **Economy Still Tied to China**

Although Taiwan's economy remained buffeted by economic tensions between the US and China and by US sanctions against Chinese hightechnology companies, Taiwan's economic ties to China remained strong. In September, Taiwan's Mainland Affairs Council confirmed that Beijing had not abrogated the Cross-Strait Economic Cooperation Framework Agreement (ECFA) negotiated by the Ma Ying-jeou administration, which had reached the end of its 10-year term, and Taiwan would not suspend it either. The Mainland Affairs Council (MAC) explained its decision by noting that Taiwanese businesses and scholars had urged it be retained.

October. the Taiwan Semiconductor Manufacturing Corporation (TSMC) announced that its 2020 revenue would increase 30% despite its decision, under pressure from the US, to discontinue supplying Huawei. A month later, it was reported that TSMC was expanding production of lower end chips (28 nanometer) in China. Yet, there were also clear signals that Taiwanese businesses were seeking to reduce their reliance on China. Foxconn, among other Apple suppliers, said that it would relocate production facilities to South and Southeast Asia. Taiwan's Economic Affairs Minister, Wang Mei-hua, told the Taipei American Chamber of Commerce that US\$64 billion in investment and 90,000 jobs had returned to Taiwan from China. Taiwan Central Bank data indicated that Taiwanese individuals were also repatriating significant funds from Hong Kong. Chinese investments in Taiwan also came under scrutiny. Taiwan Taobao, the e-commerce company that is affiliated with Alibaba, announced that it would withdraw from the Taiwan market after being ordered to reregister as a Chinese company.

## Chinese Intimidation & Taiwan's Renewed Focus on Defense

Throughout this period, Chinese military operations continued near Taiwan. More than 1,700 PLA aircraft flew near the island this year through early October, according to Taiwan

Defense Minister Yen De-fa, increasing in pace over the last four months. As these PLA intrusions repeatedly entered Taiwan's Air Defense Identification Zone (ADIZ), they caused Taiwan to scramble aircraft in response, leading to a 20% increase in Taiwan sortie rates over 2019 through September and to concerns that Taiwan's Air Force operations tempo was unsustainable and exceeding budget allocations.

In response to the September visit of US State Department Under Secretary Keith Krach to Taiwan, China announced that it would conduct naval drills in the East China Sea, its seventh drill in the region within the month, which China's Taiwan Affairs Office (TAO) labeled as "necessary actions taken to safeguard national sovereignty." A month later, in response to a rumored US military flight over Taiwan, China's Global Times warned that PLA aircraft might fly over Taiwan if such a US flight happened, and there would be dire consequences if a Taiwanese jet fired on them. This remarkable and troubling hyperbole underscored how PLA operations were intended to intimidate.



Figure 1 US Undersecretary for Economic Affairs Keith Krach meets Taiwan President Tsai Ing-wen in Taipei. Photo: AFP Photo

On Sept. 22, after several PLA aircraft crossed the median line of the Taiwan Strait, Chinese Foreign Ministry Spokesman Wang Wenbin stated at a regularly scheduled press briefing that China did not consider that there was any median line down the center of the Taiwan Strait that the PLA Air Force needed to respect. Some commentators considered this to be a nonevent, noting that China had never acknowledged the median line; others, including former President Taiwan Ma Yingjeou, countered that the PLA had traditionally respected the line and urged Beijing to continue to do so.

On Oct. 15, a routine Taiwan resupply flight to its base on Pratas Island at the northern edge of the South China Sea was ordered not to approach the island by Hong Kong air traffic controllers, who warned there were "dangerous activities" in the area, although the "notice to airmen," which is standard in such situations, had not been issued. No explanation of the dangerous activities was offered, and the flight returned to Kaohsiung amidst accusations that Beijing was seeking to block Taiwan's access to the island. Eleven days later, still without any clarification of the earlier incident, a second resupply flight proceeded normally.

The 2020 edition of the US Defense Department report, Military and Security Developments Involving the People's Republic of China, confirmed the continuing broad increases in the PLA's coercive capabilities against Taiwan, but also concluded that the PLA is not building up its large-scale amphibious capability or training for such an assault, leading *The Economist's* defense editor to conclude that "It's relatively unlikely that we're going to see an invasion anytime soon," although the dangers of conflict are growing.

David Helvey, acting US Assistant Secretary of Defense for East Asia, told the annual US-TW defense industry conference that the 10% increase in Taiwan's 2021 military budget announced in August was a "step in the right direction", but more was required. Taiwan, he said, needs "large numbers of small capabilities" and must strengthen its reserve forces. Taiwan also needs to upgrade the capabilities of its reserve forces, which Minister of Defense Yen told Taiwan's legislature it has begun to do, although some doubt as to whether the upgrade will actually strengthen their combat capabilities. On Nov. 24, inaugurated the construction of Taiwan's indigenous submarine, the first of eight projected to cost \$16 billion in total. Whether the defensive capability of those submarines will justify the cost continues to be the subject of heated debate. In December, Taiwan launched the first of its indigenous Tuo Chiang corvettes equipped with anti-ship missiles, calling it an "aircraft carrier killer."

KMT Insists on 1992 Consensus while Cross-Strait Frictions Flare In June, the new chairman of the Nationalist Party (Kuomintang/KMT), Johnny Chiang Chichen, sought to deemphasize the party's support for the "1992 Consensus," seeking to bring the party closer to Taiwan's mainstream opinion. The KMT has long claimed that the "1992 Consensus" reflects its "different interpretation" of "one China," but Beijing has insisted that it reflects the unitary sovereignty of the PRC over mainland China and Taiwan under "one country, two systems." At its annual party conference on Sept. 6, under pressure from older party leaders, the KMT nonetheless insisted that a re-defined "1992 Consensus" remained essential to cross-Strait dialogue. Plans for the former KMT speaker of the Legislative Yuan, Wang Jin-pyng, to lead a party delegation to the annual cross-Strait forum sponsored by China's Taiwan Affairs Office (TAO) in Xiamen were upended after China's Central TV (CCTV) headlined that Wang was "coming to the Mainland to sue for peace." KMT Chairman Chiang, in explaining the withdrawal. insisted that cross-Strait exchanges must be based on mutual respect and be held on an equal footing, perhaps inadvertently echoing Tsai's inaugural address.

On the same day Taiwan's resupply flight to Pratas Island was turned away, Beijing CCTV aired a series of confessions by four alleged Taiwanese spies, at least two of whom had been held by Chinese authorities since 2018. Taiwan Premier Su Tseng-chang called the allegations groundless and "unbecoming of a world power." Taiwan's Mainland Affairs Council (MAC) called them "malignant political manipulation" and warned Taiwanese of the risks of traveling to the mainland, pointing out that two of the four alleged spies had been arrested during a cross-Strait academic exchange. The MAC added that 48 Taiwan nationals have disappeared in China since 2016, clearly suggesting that they had fallen victim to detention by the Chinese government. China's People's Daily, in turn, published a commentary, thought to be from the Ministry of State warning Taiwanese spies independence supporters to be "on the right side of history" and adding "don't say I didn't warn you," a phrase previously used on the eve of Chinese military action against India and Vietnam. Reports that Beijing had begun compiling a list of Taiwan independence supporters that are guilty of violating national security and subject to arrest, including Premier Su Tseng-chang, only deepened cross-Strait suspicions.

Attempting to counter what Democratic Progressive Party (DPP) supporters said was biased reporting during the 2019-20 election campaign and commentary that provided a mouthpiece for Beijing's cross-Strait propaganda, Taiwan's National Communications Commission (NCC) decided on Nov. 18 not to renew the broadcast license for Chung T'ien TV (CTiTV), owned by the Want Want Group, which also owns The China Times newspaper. The NCC found that CTiTV was guilty of "repeated violations of regulations and a failure of its internal discipline and control mechanisms." The KMT and Taiwan People's Party (TPP) objected that the NCC itself was biased, because five of its seven members were confirmed by the DPP-controlled Legislative Yuan over their objections.

Chinese actions against Hong Kong, particularly under the Hong Kong National Security Law, continued to fuel Taiwanese suspicions of Beijing, with the detention of Jimmy Lai, owner of Hong Kong's Apple Daily newspaper, attracting particular attention. Bringing the confrontation closer to home, on Oct. 16 a man entered Taipei's Aegis restaurant, which offered employment to dissidents who fled Hong Kong, and splattered chicken feces in the kitchen and on an employee, forcing the restaurant to close. Four men were arrested for the act, who were supposedly paid for by a Chinese national. At the same time, Taiwan universities were reporting that applications by Hong Kong students were up 44% over the previous year, and the number of Hong Kong residents applying for residency in Taiwan rose 71.7%.

### US-Taiwan Relations Advance as US-China Relations Deteriorate

US-Taiwan relations continued to strengthen with the establishment of an annual bilateral economic dialogue and Washington's approval of several arms sales totaling \$5 billion. Trade talks—that had stalled since late 2016—did not take place, underscoring a gap in the Trump administration's otherwise strong track record on Taiwan. US Trade Representative (USTR) Robert Lighthizer disregarded growing calls for a bilateral trade agreement (BTA), even refusing to hold more modest talks on the Trade and Investment Framework Agreement (TIFA).

Tsai's announcement in late August that Taiwan would remove a number of restrictions on US beef and pork imports effective Jan. 1, 2021 brought increased attention to the US-Taiwan economic relationship in the final months of 2020. Although the US secretary of state and National Security Council both publicly welcomed Tsai's dramatic step, the USTR remained silent. The USTR during the Trump administration has demanded the full removal of trade barriers on beef and pork as a condition for resuming trade negotiations, either within the already established TIFA or toward a bilateral trade agreement (BTA). In support of Tsai's initiative, the US-Taiwan Business Council formed a coalition to lobby for a BTA. A bipartisan group of 50 US senators also sent a letter to USTR Lighthizer in early October, urging him to open BTA negotiations. Nonetheless, Lighthizer has remained silent, and Trump's election defeat means that the transition process to a new administration will stall any negotiations well into 2021 or beyond.

In Taiwan, thousands marched to protest Tsai's opening the Taiwan market to US pork. The KMT said that Tsai's decision risked the health of Taiwanese consumers and the survival of Taiwan's pork producers, and introduced a petition for a referendum to overturn the move. Local KMT officials across the island sought to pass local laws forbidding pork sales, while central government ministries sought to assure citizens that their decision was in line with scientific health assessments. Despite these opposition-orchestrated pressures, the DPPcontrolled Legislative Yuan in late December approved measures to lift the restrictions on pork and beef ahead of the Jan. 1 market opening. Because only the USTR could open BTA negotiations, Tsai's pork gamble appeared to have failed, at least for the moment. As a result of the USTR's inaction and local protests, Tsai's months-long high popular approval rating is faltering.



Figure 2 Taiwan legislators protest government approval of importing US pork. Photo: Annabelle Chih/Nur Photo via Getty Images

In the United States, other factors added to momentum for a US-Taiwan trade deal. COVID-19 has accelerated calls to shift US supply chains of sensitive technologies away from China toward trusted trading partners, like Taiwan. US-Taiwan trade has also grown steadily since 2018, with Taiwan having moved up two rankings to become the US's ninth largest goods trading partner as of October 2020. While the USTR has either negotiated or re-negotiated trade agreements with more than half of the US's top 10 trading partners since 2017, the USTR has resisted calls to open even routine TIFA trade discussions with Taiwan.

Aided by Tsai's market-opening gesture, interagency discussions regarding how to upgrade economic ties with Taiwan took place within the Trump administration, with Washington and Taipei announcing the creation US-Taiwan Economic Prosperity Partnership Dialogue (EPPD) in November. The forum, which is spearheaded by the US State Department and with the backing of the NSC, is intended to discuss areas of high-level economic and industrial cooperation, such as telecommunications security, supply chains, investment screening, and global health. The first meeting of the EPPD took place in Washington on Nov. 19–20, with the two sides agreeing to hold the dialogue annually for five years as part of a signed MoU. While a welcome development in US-Taiwan economic relations, and perhaps intended to lessen the sting to Tsai because of Lighthizer's silence, an annual meeting of the EPPD led by the State Department is still no substitute for regular trade talks culminating in a BTA. Only the USTR has the statutory remit and resources to open such trade talks.

A variety of reasons have been put forward for Lighthizer's intransigency on BTA talks, despite pressure from Congress and other Trump administration officials. The technical explanations include the USTR's limited bandwidth, the non-ideal timing of opening trade talks in the Trump administration's final stretch, and the parochial argument that Tsai's announcement does not address all the barriers on beef and pork. Several analysts have suggested that Lighthizer is most concerned that a trade overture with Taiwan could jeopardize China's implementation of the phase one trade agreement that he painstakingly negotiated and his agency's excellent line of communication with the PRC government.

The Trump administration approved six major arms sales to Taiwan totaling \$5 billion during seven-week period. On Oct. 21, the administration notified Congress of three separate sales covering sensors, missiles, and artillery worth an estimated \$1.8 billion. The following week, the State Department approved 100 Harpoon coastal missile defense systems and related equipment that was valued at \$2.37 billion. On Nov. 3, the administration announced the sale of four weapons-capable unmanned aerial vehicles (UAVs) worth \$600 million. Finally, in December. administration authorized a \$280 million battlefield communication system. Altogether, arms sales notifications in 2020 totaled \$5.8 billion and they were the second largest in value since 2012, exceeded only by 2019 sales notifications that included 66 F-16 Block 70 fighters. All of these decisions, coming in administration's tandem with the confrontational steps toward China, left many seeing these sales as more closely tied to Trump's frustration with China than support for Taiwan. This rapid succession of arms approvals around the US election may also have been an 11th-hour effort by the Trump administration's China hawks to lock in highend systems for Taiwan, no matter the election's outcome.

On the diplomatic front, a series of high-level interactions between US and Taiwan officials also took place in autumn. Under Secretary of State for Economic Growth, Energy, and the Environment, Keith Krach, visited Taiwan in September to attend Lee Teng-hui's memorial service. Krach, the most senior State Department official to visit the island in decades, also met with Tsai and Taiwan economic officials. In New York, US ambassador

to the UN Kelly Craft had lunch with James Lee, director of the Taipei Economic and Cultural Office (TECO) in New York, where the pair discussed how to include Taiwan in UNaffiliated agencies. Craft called the meeting "historic," as it was the first interaction between the US UN ambassador and a senior Taiwan official. EPA Administrator Andrew Wheeler was due to visit Taipei in December, but controversy regarding the expense of his chartered flight in the waning days of the Trump administration led to the trip's cancellation by Washington. Wheeler and Taiwan Foreign Minister Joseph Wu instead spoke by phone on Dec. 22, where the two discussed ways to enhance cooperation on environmental protection.

## International Reminders of Cross-Strait Squabbles

In the first week of September, an 89-member delegation from the Czech Republic that was headed by Czech Senate President Milos Vystrcil paid a six-day visit to Taiwan. In an address to Taiwan's Legislative Yuan, Vystrcil said "I am a Taiwanese." The delegation's visit, although not sanctioned by the Czech government, drew Beijing's ire. While on a visit to Germany, PRC Foreign Minister Wang Yi called the trip a "provocation" and said Vystrcil will "pay a heavy price." Wang's strong comments drew a rebuke from German Foreign Minister Heiko Maas, who said "threats don't fit in here."



Figure 3 Czech Senate President Milos Vystrcil meets Taiwan President Tsai Ing-wen during a visit to Taiwan. Photo: AFP

A physical altercation between Chinese and Taiwan diplomats occurred in Fiji on Oct. 8, as Taiwan hosted a celebration of its Double Ten national day at a hotel in capital city Suva. Chinese diplomats reportedly arrived at the venue to scope out the invited guests and take pictures. After Taiwan diplomats demanded they leave, a fistfight ensued, resulting in one Taiwan diplomat being admitted to a local hospital. Although Fiji has recognized Beijing since 1975, Taiwan has retained an unofficial representative office in this Pacific hub. China—Taiwan competition for diplomatic recognition in the South Pacific has intensified since 2016, with Beijing keen to win over Taipei's remaining four diplomatic allies in the region.

## **Looking Ahead**

The transition from the Trump to the Biden administration has generated apprehension within some quarters in Taiwan, fearing that the latter might adopt a much less friendly approach to Taipei. This anxiety may be the result of tying the marked expansion and deepening of US-Taiwan diplomatic and security ties since 2017 exclusively to Trump policies and officials, but other important factors arguably contributed to the flourishing of bilateral relations: heightened US-China competition, the active engagement of Congress in Taiwan policy, and Tsai's prudent and nonprovocative policies. cross-Strait apprehension may also be fueled by memories of the Obama-Biden era policy of more quiet and cautious support for Taipei to avoid offending Beijing and to preserve US-China cooperation. However, there appears to have been a fundamental re-think on the threat that is posed by China and the importance of supporting a democratic Taiwan among former Obama-era foreign policy officials who have been tapped for senior posts in the Biden administration.

Will the Biden administration manage to strike the balance of a tough principled approach to China while avoiding unnecessary vitriol? Will it combine the strong defense support Taiwan enjoyed from the Trump administration with measured symbolic support? Will it find a way to reciprocate the Tsai administration's opening of the Taiwan pork and beef markets, even if it delays international trade commitments? Almost all analysts anticipate that the Biden administration is more likely to maintain several areas of continuity with the Trump administration, such as expanded trade and high-level investment, political enhanced US military activity in and around the Taiwan Strait, and continued "normalized" arms sales to Taipei.

With the Chinese Communist Party celebrating the 100th anniversary of its founding on July 1, 2021, one continuity seems inescapable: Beijing will continue to increase pressure on Taipei by conducting military operations around the island, blocking access to multilateral and bilateral international recognition, threatening sanctions against any Taiwanese who does not endorse its preferred formula of "one country, two systems." The annual plenums of the PRC National People's Congress and Chinese People's Consultative Congress will offer occasions for any further tightening, or, far less likely, loosening, of Beijing's cross-Strait policy.

## CHRONOLOGY OF CHINA-TAIWAN RELATIONS

## SEPTEMBER - DECEMBER 2020

- **Sept. 1, 2020**: Visiting Czech Senate President Miloš Vystrčil praises Taiwan's democracy and freedom in a speech at the Legislative Yuan, ending his remarks with "I am a Taiwanese" in Mandarin.
- **Sept. 1, 2020:** US Department of Defense releases <u>its annual report</u> on China's military power, assessing that Beijing's military modernization has eroded Taiwan's potential advantages should a cross-Taiwan Strait conflict occur, even though Taiwan is taking steps to compensate for the growing disparities
- **Sept. 2, 2020**: Taiwan Ministry of Foreign Affairs introduces a new design for Republic of China passports, making the word "Taiwan" more prominent.
- **Sept. 2, 2020**: Nationalist Party (Kuomintang/KMT) Chairman Johnny Chiang Chi-chen announces that the KMT will start a signature campaign seeking a referendum on the government's decision to allow the import of US pork containing ractopamine.
- **Sept. 3, 2020**: An amendment to Taiwan's Audio-Visual Management Act banned PRC companies providing "Over the Top (OTT)" services in Taiwan (OTT services provide cable TV access over the internet).
- **Sept. 6, 2020:** KMT national convention reiterates the party's cross-Strait narrative, which is "1992 Consensus based on the ROC Constitution." The KMT said it opposes Taiwan independence and China's "one country, two systems."
- **Sept. 6, 2020**: The Dalai Lama expresses hope to visit Taiwan in 2021 "if Beijing allows."

- **Sept. 7, 2020:** Taipei-based Chinese Wild Bird Federation (CWBF) says that it has been removed from its partnership with BirdLife International after the British-based conservation group insisted the CWBF commit to not promoting the legitimacy of the Republic of China or the independence of Taiwan from China.
- **Sept. 9, 2020:** KMT caucus whip in Taiwan's Legislative Yuan, Lin Yi-hua, announces the party would introduce amendments to Article 15 of the Act Governing Food Safety and Sanitation to ban ractopamine and other beta agonists in domestic and imported pork.
- **Sept. 9, 2020**: Somaliland opens a representative office in Taiwan.
- **Sept. 14, 2020**: KMT <u>announces</u> that it would not send a delegation headed by former speaker of the Legislative Yuan Wang Jin-pyng to the annual Cross-Strait Forum sponsored by China's Taiwan Affairs Office (TAO) after China Television said Wang would be coming "to sue for peace."
- **Sept. 16, 2020**: US Ambassador to the UN Kelly Craft, meets James K.J. Lee, director of the Taipei Economic and Cultural Office (TECO) in New York, the first time such a public meeting occurred.
- **Sept. 18, 2020**: US Under Secretary of State Keith Krach begins three-day visit Taiwan to attend memorial services for former Taiwan President Lee Teng-hui. No economic dialogue talks were held, but Krach met with Hong Kong and China democracy activists.
- **Sept. 22, 2020**: Taiwan Foreign Minister Joseph Wu <u>criticizes</u> Beijing for breaking the status after it claimed that the median line of the Taiwan Strait did not exist.

**Sept. 22, 2020**: The European Union hosts its first-ever investment forum in Taiwan.

Sept. 30, 2020: Taiwan and the US hold a virtual Global Cooperation and Training Framework (GCTF) webinar on using public-private partnerships to improve infrastructure. They announce the signing of "The Framework to Strengthen Infrastructure Finance and Market Building Cooperation" to support such projects in the Indo-Pacific region.

**Sept. 30, 2020:** China <u>blocks</u> observer status for the San Francisco-based Wikimedia Foundation, Wikipedia's parent, at the Genevabased World Intellectual Property Organization (WIPO) on the grounds that it had a Taiwan subsidiary.

**Oct. 3, 2020**: The US <u>classifies</u> fish caught by Taiwan boats as products of forced labor, based on conditions under which the crews worked, according to the US Department of Labor's annual List of Goods Produced by Child Labor or Forced Labor report.

**Oct. 6, 2020:** Legislative Yuan <u>passes</u> KMT motion calling for formal diplomatic relations with the US. Taiwan Foreign Minister Wu had earlier insisted that Taiwan was not pursuing formal diplomatic relations with the US.

Oct. 7, 2020: US Secretary of State Mike Pompeo criticizes Chinese military maneuvers in the Pacific and reiterated US assurances to help Taiwan defend itself at a meeting of the quadrilateral security dialogue meeting of the US, Australia, Japan, and India. Separately, US National Security Advisor Robert O'Brien warned China against any attempt to retake Taiwan by force, reiterating that the US stood by its posture of "strategic ambiguity."

**Oct. 8, 2020**: Chinese diplomats interrupt Republic of China National Day reception hosted by the Taiwan office in Suva, Fiji. The clash injured Taiwan diplomats, but Taiwan chose not to acknowledge the incident until it had made the news in Fiji. China claims that its diplomats were provoked.

**Oct. 10, 2020:** President Tsai Ing-wen's <u>National Day address</u> focuses on plans to support Taiwan's economic development. She also urged China to move on cross-Strait dialogue.

**Oct. 13, 2020**: Taiwan's Mainland Affairs Council (MAC) warns Taiwan of the risks of traveling to China after CCTV broadcasts supposed confessions of four accused of spying for Taiwan.

**Oct. 14, 2020**: Center for Strategic and International Studies (CSIS) in Washington publishes a <u>survey</u> reporting that US "thought leaders" expressed strong support for defending Taiwan.

**Oct. 15, 2020**: Taobao Taiwan <u>decides</u> to shut down after it was ordered to register as a mainland-based company.

Oct. 15, 2020: A Taiwan civilian air aircraft carrying supplies to Taiwanese coast guard officers stationed on the disputed Dongsha Islands is advised by Hong Kong air traffic controllers not to enter the airspace over the islands because "dangerous activities" were in progress in the area. A second flight completed the resupply on Oct. 26.

Oct. 21, 2020: US approves arms sales to Taiwan worth a total of \$1.81 billion including: standoff land attack missiles, HIMARS rocket launchers, MS-110 Recce Pods, various vehicles, light arms, and communication equipment. China's Foreign Ministry announces sanctions on Lockheed Martin, Boeing Defense, and Raytheon over the companies' involvement in arms sales to Taiwan.

**Oct. 26, 2020**: Taiwan's Department of Cyber Security reports that Taiwan's central and local governments had been hacked 1,709 times since 2018, attributing the hacks to China.

**Oct. 26, 2020**: US <u>announces</u> a possible sale to Taiwan of up to 100 Harpoon Coastal Defense Systems (HCDS) and related equipment for approximately \$2.37 billion.

Nov. 3, 2020: US <u>announces</u> a possible sale to Taiwan of four Weapons-Ready MQ-9B Remotely Piloted Aircraft and related equipment for an estimated cost of \$600 million.

**Nov. 7, 2020**: US Mission to the UN in Geneva urges WHO Director–General Tedros Adhanom Ghebreyesus to invite Taiwan to its upcoming meeting on COVID-19.

**Nov. 9, 2020:** Taiwan Navy <u>confirms</u> that US Marine Corps personnel had arrived in Taiwan to provide training on assault boats and infiltration operations. The US Defense Department and Taiwan's Ministry of National Defense subsequently denied the report.

**Nov. 12, 2020**: Secretary of State Pompeo tells a syndicated radio show that "Taiwan has not been a part of China." On Nov. 14, the State Department clarified that the US takes no position on Taiwan sovereignty.

**Nov. 13. 2020**: Taiwan representative to the US Bi-Khim Hsiao speaks with Biden foreign policy advisor Tony Blinken by phone to congratulate Biden on his election victory.

**Nov. 15, 2020**: China and 14 other Asia-Pacific nations sign the Regional Comprehensive Economic Partnership (RCEP). Taiwan immediately announces it would seek to join the trade bloc.

**Nov. 15, 2020**: Pro-Beijing Dagongbao newspaper reports that Beijing plans to punish Taiwan "separatists" and their foreign backers with measures, including "severe sanctions" and giving them up to life sentences in their absence. *Global Times* suggested that Taiwan Premier Su Tseng-chang would be among the first targeted by the measure.

**Nov. 18, 2020**: Taiwan's National Communications Commission <u>announces</u> it would not renew the license of CTiTV, which had been accused of being a mouthpiece for Chinese propaganda.

Nov. 20, 2020: For the fourth time, Taiwan Semiconductor Manufacturing Company (TSMC) founder Morris Chang represents Taiwan's president at the annual leaders meeting of the Asia Pacific Economic Cooperation Forum (APEC).

**Nov. 20, 2020**: Inaugural meeting of US-Taiwan Economic Prosperity Partnership Dialogue is held in Washington.

**Nov. 22, 2020:** Several Taiwanese media report that Rear Adm. Michael Studeman, director of intelligence of US Indo-Pacific Command, arrived in Taiwan for a visit. Both AIT and Taiwan's Foreign Ministry refused comment.

**Nov. 27, 2020:** KMT legislators throw pig skin and entrails at Premier Su Tseng-chang when he tries to address the Legislative Yuan on the issue of US pork imports.

**Nov. 30, 2020**: Yuan T. Lee, Taiwan's only Nobel laureate, <u>endorses</u> plan to open Taiwan to US pork. He said that it was safe to consume pork with ractopamine so long as the drug was within the safety limit.

**Dec. 1, 2020**: Japan's representative in Taiwan, Izumi Hiroyasu, says that his main task is to assist the island in joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

**Dec. 1, 2020**: In its annual report, the US-China Economic and Security Review Commission recommends that the position of director of the American Institute in Taiwan (AIT) Taipei be made a presidential nomination comparable to ambassador and subject to Senate confirmation.

**Dec. 2, 2020**: Taiwan and Saudi Arabia sign an agreement on avoiding double taxation.

**Dec. 7, 2020**: Taiwan military announces that 18 F-16A/Bs originally sold to Taiwan in 1994 had completed scheduled upgrades to F-16Vs.

**Dec. 7, 2020**: US <u>approves</u> the possible sale to Taiwan of a Field Information Communications System (FICS) and related equipment to Taiwan at an estimated cost of \$280 million.

**Dec. 7, 2020**: Taipei District Prosecutors' Office indicts Ho Jianghua, head of the China Unification Promotion Party's (CUPP) women's department, and aide Pao Ke-ming over alleged involvement in setting up a spy network for Beijing.

**Dec. 9, 2020:** New Taipei Mayor Hou You-yi announces regulations in the city that stipulate that pork importers in the city must disclose ractopamine inspection results.

**Dec. 14, 2020**: John Deng, Taiwan's de-facto chief trade negotiator, <u>says</u> that a requirement to label US pork containing ractopamine could be challenged as a nontariff trade barrier unless Taiwan could provide scientific evidence to support it.

**Dec. 15, 2020**: Taiwan's first *Tuo-Chiang* guided missile corvette is launched. The Coast Guard's variant of the corvette was launched on Dec. 11.

**Dec. 16, 2020:** US includes Taiwan on the watchlist for currency manipulation for the first time since 2017.

**Dec. 19, 2020:** Taiwan's Central Election Commission approves two referendum proposals aimed at banning the import of US pork with ractopamine and requiring a binding referendum with island-wide election. Organizers must collect 289,667 valid signatures on petitions. If they do, the referendum banning US pork imports would take place on Aug. 24, 2021.

**Dec. 22, 2020**: Taiwan reports first community spread of COVID-19 after 253 days without infections.

**Dec. 24, 2020:** Taiwan's Legislative Yuan approves a series of government measures implementing the government's decision to lift restrictions on imports of pork containing the controversial feed additive ractopamine and US beef from cattle aged over 30 months.

**Dec. 27, 2020**: President Trump signs COVID-19 relief and government funding bill into law, which <u>included</u> the Taiwan Assurance Act.

**Dec. 31, 2020**: Two US destroyers sail through the Taiwan Strait, bringing the number of such transits in 2020 to 13.