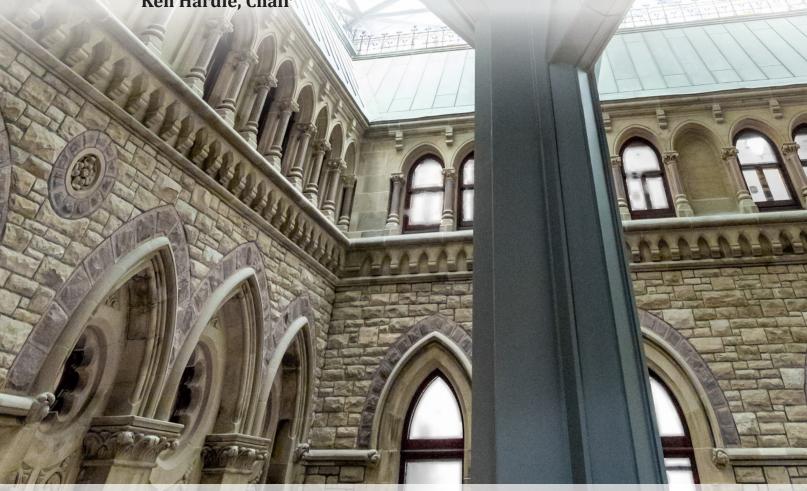


# CANADA AND TAIWAN: A STRONG RELATIONSHIP IN TURBULENT TIMES

Interim Report of the Special Committee on the Canada-People's Republic of China Relationship

Ken Hardie, Chair



MARCH 2023 44th PARLIAMENT, 1st SESSION Published under the authority of the Speaker of the House of Commons

### SPEAKER'S PERMISSION

The proceedings of the House of Commons and its Committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its Committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Standing Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the House of Commons website at the following address: <a href="www.ourcommons.ca">www.ourcommons.ca</a>

# CANADA AND TAIWAN: A STRONG RELATIONSHIP IN TURBULENT TIMES

# Interim Report of the Special Committee on the Canada-People's Republic of China Relationship

Ken Hardie Chair

MARCH 2023
44th PARLIAMENT, 1st SESSION

NOTICE TO READER	
Reports from committees presented to the House of Commons	
Presenting a report to the House is the way a committee makes public its findings and recommendations on a particular topic. Substantive reports on a subject-matter study usually contain a synopsis of the testimony heard, the recommendations made by the committee, as well as the reasons for those recommendations.	

# SPECIAL COMMITTEE ON THE CANADA-PEOPLE'S REPUBLIC OF CHINA RELATIONSHIP

# **CHAIR**

Ken Hardie

# **VICE-CHAIRS**

Hon. Michael D. Chong Heather McPherson Denis Trudel

# **MEMBERS**

Serge Cormier

Raquel Dancho

**Emmanuel Dubourg** 

Peter Fragiskatos

Tom Kmiec

Hon. Robert Oliphant

**Kyle Seeback** 

Jean Yip

# OTHER MEMBERS OF PARLIAMENT WHO PARTICIPATED

Stéphane Bergeron

Ali Ehsassi

**Garnett Genuis** 

Angelo Iacono

Damien C. Kurek

Hon. Mike Lake

Kelly McCauley

Taleeb Noormohamed

Hon. Michelle Rempel Garner

Hon. Judy A. Sgro

Sameer Zuberi

# **CLERKS OF THE COMMITTEE**

Christine Holke Nancy Vohl

# LIBRARY OF PARLIAMENT

# **Parliamentary Information, Education and Research Services**

Marie Dumont Brendan Naef

# THE SPECIAL COMMITTEE ON THE CANADA-PEOPLE'S REPUBLIC OF CHINA RELATIONSHIP

has the honour to present its

# **SECOND REPORT**

Pursuant to the Order of Reference of Monday, May 16, 2022, the committee has studied the Canada–People's Republic of China Relations and has agreed to report the following:

# **TABLE OF CONTENTS**

LIST OF RECOMMENDATIONS	1
CANADA AND TAIWAN: A STRONG RELATIONSHIP IN TURBULENT TIMES	5
Introduction	5
Section I: Canada's Engagement with Taiwan	6
Canada's One China Policy	
Support for Taiwan's Democracy	8
People-to-People Ties	10
Parliamentary Visits	12
Multilateral Engagement	14
Indigenous Cooperation	16
Development Assistance	18
Combatting Disinformation and Foreign Interference	20
Section II: Canada's Trade and Investment with Taiwan	22
Taiwan's Role in Supply Chains, Technology Development and the Semiconductor Industry	22
Trade Opportunities Between Canada and Taiwan	24
Foreign Investment Promotion and Protection Agreement Between Canada and Taiwan	25
Taiwan's Application for Membership to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership	26
The People's Republic of China's Economic Coercion	29
Section III: Peace and Security in the Region	31
The People's Republic of China's Provocations and Statements Towards Taiwan	31
The Capacity of Taiwan, its Neighbours and Allies to Respond to a Potential Invasion	34
The Implications of Russia's Invasion of Ukraine	36
International Best Practices, Including the Responses of Canada's Allies	38

Canada's Position and Role	40
Conclusion	43
APPENDIX A LIST OF WITNESSES	45
REOUEST FOR GOVERNMENT RESPONSE	47

# **LIST OF RECOMMENDATIONS**

As a result of their deliberations committees may make recommendations which they include in their reports for the consideration of the House of Commons or the Government. Recommendations related to this study are listed below.

# **Recommendation 1**

That the Government of Canada ensure that all official communications from government agencies, institutions and departments are in line with Canada's official position.
Recommendation 2
That the Government of Canada offer and declare its clear and unwavering commitment that the future of Taiwan must only be the decision of the people of Taiwan
Recommendation 3
That the Government of Canada support increased engagement between Canada and Taiwan by encouraging visits by parliamentary delegations
Recommendation 4
That the Government of Canada strongly consider the benefits of diplomatic visits to Taiwan
Recommendation 5
That the Government of Canada engage with allies to further opportunities for Taiwan's meaningful participation in multilateral organizations, including the United Nations Permanent Forum on Indigenous Issues, the International Civil Aviation Organization and the World Health Organization
Recommendation 6
That the Government of Canada advance the economic empowerment of Indigenous peoples in Canada and Taiwan by supporting the objectives of the Indigenous Peoples Economic and Trade Cooperation Arrangement

Recommendation 7
That Global Affairs Canada, in coordination with Canada's allies, explore opportunities for cooperation with Taiwan to support international development efforts that enable Taiwan to participate in multilateral initiatives
Recommendation 8
That the Government of Canada seek to learn from Taiwan's experience in addressing disinformation and foreign interference and consider implementing some of Taiwan's approaches to such issues
Recommendation 9
That the Government of Canada explore opportunities to collaborate with Taiwan's semiconductor industry to enhance innovation in Canada
Recommendation 10
That Global Affairs Canada work with Natural Resources Canada and Innovation, Science and Economic Development Canada to advance Canada's role as a key supplier of critical minerals to like-minded partners, including Taiwan, by implementing the Canadian Critical Minerals Strategy and pursuing a critical minerals cooperation agreement with Taiwan, while ensuring that this cooperation allows Canada to continue developing domestic value chains for critical minerals.
Recommendation 11
That the Government of Canada enter into formal negotiations concerning a Foreign Investment Promotion and Protection agreement with Taiwan
Recommendation 12
That the Government of Canada strongly consider that the Minister of International Trade sign any concluded Foreign Investment Promotion and Protection Agreement with Taiwan in Taiwan

Recommendation 13
That the Government of Canada prioritize the assessment of Taiwan's application to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership
Recommendation 14
That the Government of Canada support Canadian industries as they aim to diversify export markets in the Indo-Pacific region, including with Taiwan
Recommendation 15
That the Government of Canada work with its allies, including the G7, to indicate support for the peaceful status quo in the Taiwan Strait and to consider adopting best practices to cooperate with Taiwan on peace and security issues
Recommendation 16
That the Government of Canada affirm its support for international law and the international law of the sea with respect to the People's Republic of China's claims in the South China Sea
Recommendation 17
That the Government of Canada make efforts to join the Quadrilateral Security Dialogue and AUKUS security pact in order to bolster Canada's presence in the Indo-Pacific region to counter the People's Republic of China's threats to the region
Recommendation 18
That the Government of Canada, in response to military exercises in the Taiwan Strait, publicly call on the People's Republic of China to refrain from escalating its military threats



# CANADA AND TAIWAN: A STRONG RELATIONSHIP IN TURBULENT TIMES

# INTRODUCTION

The House of Commons Special Committee on the Canada–People's Republic of China Relationship (the Special Committee) is mandated to explore all aspects of the relationship between Canada and the People's Republic of China (PRC), including diplomatic, consular, legal, security and economic relations. On 20 September 2022, the Special Committee agreed to undertake a study on Canada–Taiwan relations that would incorporate testimony from both the House of Commons Standing Committee on Foreign Affairs and International Development (FAAE)¹ and the Special Committee's meetings that focused on Taiwan.² Witnesses included Canadian and Taiwanese government representatives, academics and former diplomats.

The Special Committee's study occurred during a period when security in the Taiwan Strait was at the forefront of global attention, particularly due to the PRC's aggressive response to a visit by a delegation led by then-United States (U.S.) House of Representatives Speaker Nancy Pelosi to Taiwan in August 2022. As well, PRC President Xi Jinping's October 2022 Report to the 20th National Congress of the Communist Party of China reaffirmed the PRC's position on Taiwan, and stated the following:

Taiwan is China's Taiwan. Resolving the Taiwan question is a matter for the Chinese, a matter that must be resolved by the Chinese. We will continue to strive for peaceful reunification with the greatest sincerity and the utmost effort, but we will never promise to renounce the use of force, and we reserve the option of taking all measures necessary.<sup>3</sup>

In addition to these developments, witness testimony highlighted the value of Canada's engagement with Taiwan in areas such as people-to-people ties, unofficial diplomacy, trade and other forms of cooperation. This interim report reflects the balance between

The House of Commons Standing Committee on Foreign Affairs and International Development [FAAE] presented a report to the House of Commons on 13 June 2022 that noted its support for Taiwan's full participation in the International Civil Aviation Organization's Triennial Assembly. See: House of Commons, FAAE, <u>Taiwan's participation in the International Civil Aviation Organization</u>, Third Report, June 2022.

<sup>2</sup> House of Commons, Special Committee on the Canada–People's Republic of China Relationship [CACN], Minutes of Proceedings, 20 September 2022.

Ministry of Foreign Affairs of the People's Republic of China [PRC], <u>Full text of the report to the 20th National Congress of the Communist Party of China</u>, 25 October 2022.



these softer engagement efforts and the importance of maintaining peace and security in the Taiwan Strait by reinforcing the status quo that has been in place since the PRC replaced the Republic of China as the sole representative for China at the United Nations (UN) in 1971.

# SECTION I: CANADA'S ENGAGEMENT WITH TAIWAN

Underpinned by Canada's "one China" policy, Canada's engagement with Taiwan – a democratic and progressive island – is bolstered by people-to-people ties, parliamentary visits and multilateral engagement, including Indigenous cooperation and development assistance. Witnesses also identified opportunities to share best practices between Canada and Taiwan in combatting foreign interference and disinformation.

# Canada's One China Policy

Canada's relationship with the PRC and Taiwan is governed by its one China policy. Established in 1970, the policy recognizes the PRC as the sole legitimate government of China, but neither endorses nor challenges the PRC's position on Taiwan.<sup>4</sup> The approach is similar to that taken by France and the U.S. and is consistent with the UN General Assembly Resolution 2758 – which recognized the PRC as the legitimate government of China and expelled the Republic of China (Taiwan) from the UN – adopted in 1971.<sup>5</sup> While the policy forms the basis of Canada's bilateral official relations with the PRC, it has also allowed Canada to maintain significant unofficial people-to-people ties as well as trade and investment ties with Taiwan.<sup>6</sup> A Global Affairs Canada (GAC) official

<sup>4</sup> CACN, <u>Evidence</u>, 29 November 2022, 1835 (Paul Thoppil, Assistant Deputy Minister, Asia Pacific, Global Affairs Canada).

CACN, *Evidence*, 22 November 2022, 1930 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual). United Nations General Assembly Resolution 2758 recognized that the People's Republic of China "are the only lawful representatives of China to the United Nations" and expelled "forthwith the representatives of Chiang Kai-shek [the leader of the Republic of China] from the place which they unlawfully occupy at the United Nations..." The resolution does not include information on the status of Taiwan. See United Nations Digital Library, *Restoration of the lawful rights of the People's Republic of China in the United Nations*, 26<sup>th</sup> Session, Resolution 2758, 25 October 1971.

<sup>6</sup> FAAE, <u>Evidence</u>, 14 February 2022, 1220 (Weldon Epp, Director General, North East Asia, Global Affairs Canada).

characterized the policy as a "very flexible approach," and explained that it was designed to be "strategically ambiguous."<sup>7</sup>

A GAC official told the Special Committee that Canada's Indo-Pacific strategy, launched on 27 November 2022, reiterates Canada's commitment to its one China policy and covers "a number of areas beyond trade" that fall under the policy, including technology, health, democratic governance and countering disinformation. The official added that "[t]he strategy presents a comprehensive framework to deepen our presence and engagement in the region by increasing our contributions to regional peace and security. It will allow Canada to strengthen its position as an active, engaged and reliable partner in the Indo-Pacific, including Taiwan."

For its part, the PRC has a "one China principle" that is markedly different from Canada's one China policy. The principle holds that Taiwan is part of the PRC and should be reunited with mainland China. As such, the PRC currently objects to visits by foreign parliamentarians or government officials to Taiwan, and considers such visits "inconsistent in bestowing an act of sovereignty to the state that China believes should be a province." Witnesses highlighted the PRC's efforts to make its position "universally recognized," by promoting its own interpretation of UN General Assembly Resolution 2758 and by incorporating language supporting its views into international documents. As Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, explained, the PRC agreed to Canada's framework of neither endorsing nor challenging the PRC's position on Taiwan during negotiations surrounding Canada's recognition of the PRC in 1969. However, that has not inhibited the PRC from promoting its one China principle with increasing vigor. 12

A GAC official highlighted that Canada has been applying its one China policy consistently over the past 50 years. The official noted that GAC is "deeply concerned"

FAAE, <u>Evidence</u>, 14 February 2022, 1225 (Weldon Epp, Director General, North East Asia, Global Affairs Canada); Professor Simon characterized the strategically ambiguous approach as Canada having "kept our options open." CACN, <u>Evidence</u>, 1 November 2022, 2010 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

<sup>8</sup> CACN, *Evidence*, 29 November 2022, 1900 (Paul Thoppil, Assistant Deputy Minister, Asia Pacific, Global Affairs Canada).

<sup>9</sup> Ibid., <u>1840</u>.

<sup>10</sup> Ibid., <u>1855</u>.

<sup>11</sup> CACN, <u>Evidence</u>, 22 November 2022, 1930 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual).

<sup>12</sup> CACN, <u>Evidence</u>, 1 November 2022, 2025 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).



with current PRC actions that are "adding both pressure and tension to the region and potentially being seen as a dress rehearsal for future actions." He drew attention to PRC statements related to not ruling out reunification with Taiwan by force, economic coercion, and "reducing Taiwan's international space." He noted that Canada would continue to oppose economic coercion as well as more overt military coercion and threats.

Witnesses spoke about the importance of consistency and the need to pay attention to terminology while applying Canada's one China policy. According to Scott Simon, while Canada often self-censors to avoid challenging the PRC position on the status of Taiwan, it must also be careful to not inadvertently endorse the PRC government's position. He explained that endorsements can be found in "even the little things," including dropdown menus on government websites with the wording "Taiwan-Province of China." Professor Simon added that guidelines to ensure that universities, other educational institutions, and Canada's research network remain consistent with Canada's one China policy would be helpful. He also highlighted the importance of reminding the PRC – not necessarily in a public manner – that Canada does not endorse the PRC's claims over Taiwan. Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada, praised the inclusion of language in Group of Seven (G7) statements reaffirming the unchanging stance of G7 members on Taiwan, including their stated one China policies. He emphasized that the statement by G7 countries "carries a lot of weight." 16

### **Recommendation 1**

That the Government of Canada ensure that all official communications from government agencies, institutions and departments are in line with Canada's official position.

# Support for Taiwan's Democracy

Witnesses applauded Taiwan's democratic transition, with a GAC official expressing that Taiwan serves as an example of how Confucian values can coexist with individual rights

<sup>13</sup> FAAE, <u>Evidence</u>, 14 February 2022, 1150 (Weldon Epp, Director General, North East Asia, Global Affairs Canada).

<sup>14</sup> Ibid.

<sup>15</sup> CACN, <u>Evidence</u>, 1 November 2022, 2010 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

<sup>16</sup> CACN, <u>Evidence</u>, 1 November 2022, 1955 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

and freedoms, including for women, minority groups, the LGBTQ community and Indigenous peoples.<sup>17</sup> Scott Simon contended that Taiwan's leadership in these areas has been achieved through Taiwan's self-determination with elections. He emphasized that democratization has allowed Taiwan to shape its own identity.<sup>18</sup>

Referencing public opinion surveys in Taiwan that indicate a growing majority of people identify distinctly as Taiwanese, witnesses suggested that Taiwan is increasingly opposing the idea of unification with the PRC.<sup>19</sup> Whereas the PRC makes promises to Taiwan under the concept of "one country, two systems,"<sup>20</sup> Hong Kong's 2019 experience with the PRC's national security law has led most Taiwanese people to reject the idea of such an arrangement.<sup>21</sup>

As Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute, pointed out, Taiwan scored 94 out of 100 on Freedom House's 2021 assessment of civil rights and political liberties.<sup>22</sup> In comparison, the PRC scored 9 out of 100.<sup>23</sup> Despite Taiwan's progressive democracy, as Scott Simon said, "Chinese threats to invade and annex the island country prevent [Taiwan] from living free of fear. This is already a human rights

<sup>17</sup> FAAE, <u>Evidence</u>, 14 February 2022, 1105 (Weldon Epp, Director General, North East Asia, Global Affairs Canada).

<sup>18</sup> CACN, <u>Evidence</u>, 1 November 2022, 2010 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

CACN, Evidence, 22 November 2022, 1940 (Yeh-Chung Lu, Professor and Chair, Department of Diplomacy, National Chengchi University, As an individual); FAAE, Evidence, 12 May 2022, 1610 (Kerry Brown, Professor of Chinese Studies, King's College London and Director Lau China Institute, As an individual); FAAE, Evidence, 12 May 2022, 1715 (André Laliberté, Full Professor, School of Political Studies, Faculty of Social Sciences and Research Chair in Taiwan Studies, University of Ottawa, As an individual); and FAAE, Evidence, 14 February 2022, 1135 (Jordan Reeves, Executive Director, Canadian Trade Office in Taipei, Global Affairs Canada).

The "one country, two systems" arrangement was a concept originally applied to the PRC's relationship with Hong Kong and Macau. In recent PRC documents, the PRC outlines how this arrangement would apply to Taiwan. See Ministry of Foreign Affairs of the People's Republic of China, Full text of the report to the 20th National Congress of the Communist Party of China, 25 October 2022 and The State Council of the People's Republic of China, China releases white paper on Taiwan question, reunification in new era, 10 August 2022.

CACN, <u>Evidence</u>, 22 November 2022, 1945 (Yeh-Chung Lu, Professor and Chair, Department of Diplomacy, National Chengchi University, As an individual); FAAE, <u>Evidence</u>, 12 May 2022, 1805 (André Laliberté, Full Professor, School of Political Studies, Faculty of Social Sciences and Research Chair in Taiwan Studies, University of Ottawa, As an individual); and FAAE, <u>Evidence</u>, 14 February 2022, 1135 (Jordan Reeves, Executive Director, Canadian Trade Office in Taipei, Global Affairs Canada).

<sup>22</sup> CACN, <u>Evidence</u>, 15 November 2022, 1840 (Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute, As an individual) and Freedom House, "<u>Taiwan</u>," *Freedom in the World 2022*.

<sup>23</sup> Freedom House, "China," Freedom in the World 2022.



issue. When China coerces Canada to marginalize Taiwan, it is also a violation of our sovereignty."<sup>24</sup>

Joseph Wong, Roz and Ralph Halbert Professor of Innovation, Munk School of Global Affairs & Public Policy and Professor of Political Science, University of Toronto, outlined that Taiwan's democratization in the late 1980s to early 1990s is reflective of a pathway of democratization in Asia that emerged from the strong leadership of political parties, rather than from collapsed regimes. <sup>25</sup> Colin Robertson observed Taiwan's democratization contradicts the belief held by the PRC's Chinese Communist Party that Chinese people prefer and do well under autocracy. Accordingly, Taiwan's experience undermines the PRC's legitimacy. <sup>26</sup> Professor Wong stressed that Canada "can open up the political space for more opportunities on how [it] might be able to continue to recognize Taiwan as the sovereign democracy that it is."

#### Recommendation 2

That the Government of Canada offer and declare its clear and unwavering commitment that the future of Taiwan must only be the decision of the people of Taiwan.

# **People-to-People Ties**

The strong relationship between Canada and Taiwan is built on a foundation of people-to-people ties, including connections between diaspora communities, tourism, educational exchanges, and business connections. With around 60,000 Canadians living in Taiwan, the island is home to one of the largest Canadian diaspora communities in the world.<sup>28</sup> Representative Tseng singled out Canada and Taiwan's shared values and beliefs – including freedom, democracy and respect for human rights and the rule of law – as

For example, in 2018, Air Canada added "China" to Taipei, Taiwan on its booking system in accordance with conditions set by the PRC. CACN, *Evidence*, 1 November 2022, 2010 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

<sup>25</sup> FAAE, <u>Evidence</u>, 12 May 2022, 1715 (Joseph Wong, Roz and Ralph Halbert Professor of Innovation, Munk School of Global Affairs & Public Policy, Professor of Political Science, University of Toronto, As an individual).

<sup>26</sup> CACN, <u>Evidence</u>, 15 November 2022, 1840 (Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute, As an individual).

FAAE, *Evidence*, 12 May 2022, 1720 (Joseph Wong, Roz and Ralph Halbert Professor of Innovation, Munk School of Global Affairs & Public Policy, Professor of Political Science, University of Toronto, As an individual).

FAAE, *Evidence*, 14 February 2022, 1105 (Weldon Epp, Director General, North East Asia, Global Affairs Canada).

forming the pillars of comprehensive Canada-Taiwan ties. Despite the impact of COVID-19 on two-way tourism, the ties continue to be strong, with many Taiwanese families having friends or family members in Canada. Characterizing the ties as "inspiring," Representative Tseng stressed that people-to-people diplomacy – or second track diplomacy – forms "the backbone of relations."

Representative Tseng also spoke of recent visits to Canada by Taiwan's Overseas Community Affairs Council Minister and its Minister of Taiwan's Council of Indigenous Peoples. He noted that both ministers "deal with people-to-people relations, or popular affairs" rather than issues of security or trade, and considered this an indication that people-to-people relations between Canada and Taiwan "are indeed very comprehensive and deep." Highlighting improvements in relations related to economic and investment issues, he judged that relations between Canada and Taiwan "are moving in the right direction." Nevertheless, he stressed the importance of even stronger ties between Taiwan and Canada in light of the report delivered by Xi Jinping to the 20th National Congress of the Chinese Communist Party of China, stating that it is now "more important than ever."

Joseph Wong commended the Canadian Trade Office in Taipei for playing a significant role in fostering Canada-Taiwan relations through establishing links within civil society, facilitating collaborative business and industry partnerships, and promoting joint research and development initiatives. He noted that Canada has excelled in utilizing informal channels and that the work had been done while, until recently, avoiding upsetting the PRC.<sup>33</sup> Nevertheless, with the PRC's increasingly hostile stance toward Taiwan, Canada will need to be "ever more clever and innovative" in its engagement with Taiwan in order to overcome these obstacles.<sup>34</sup>

Yeh-Chung Lu, Professor and Chair, Department of Diplomacy, National Chengchi University, Taiwan, noted the benefits of Canada-Taiwan partnerships in the areas of

<sup>29</sup> CACN, <u>Evidence</u>, 1 November 2022, 1850 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>30</sup> Ibid.

<sup>31</sup> Ibid., <u>1915</u>.

<sup>32</sup> Ibid., <u>1835</u>.

FAAE, <u>Evidence</u>, 12 May 2022, 1755 (Joseph Wong, Roz and Ralph Halbert Professor of Innovation, Munk School of Global Affairs & Public Policy, Professor of Political Science, University of Toronto, As an individual).

<sup>34</sup> Ibid.



education and exchange of "high technologies."<sup>35</sup> He advocated for the continuation and expansion of these types of collaborations, citing recent significant investments in similar exchanges by the Fulbright cultural exchange program in the U.S. Professor Simon acknowledged that universities can be hesitant in collaborating with universities in Taiwan due to concerns of jeopardizing their cooperation with PRC institutions. Nevertheless, he provided the University of Ottawa as an example of an institution that has successfully maintained relationships with universities in both Taiwan and the PRC.<sup>36</sup>

# **Parliamentary Visits**

Witnesses spoke of the value of visits by parliamentarians to Taiwan, and of recent PRC reactions to those events. Representative Tseng explained that such visits have been a matter of fact for many years and only slowed during the pandemic. He noted that an October 2022 visit by Canadian parliamentarians<sup>37</sup> to promote trade and investment with Taiwan was "a great success." Still, witnesses discussed recent PRC objections to parliamentary visits to Taiwan. Representative Tseng believed that the PRC's reservations regarding such visits stem from concerns that international support for Taiwan may promote independence sentiments. In response, he affirmed that independence is not the policy of the current, nor of previous, Taiwanese governments.

According to Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, France, the PRC's response to then-Speaker Pelosi's visit was an attempt to "change the status quo in the Taiwan Strait" by putting an end to visits that have been occurring for the past four decades. Explaining that parliamentary visits normally focus on strengthening cooperation and exchanges with Taiwanese society and with the Taiwanese economy, he affirmed that they do not challenge the respective countries' one China policies. He highlighted a role for parliamentarians in promoting stability through "declaratory diplomacy," adding that "[t]alking about Taiwan

CACN, *Evidence*, 22 November 2022, 2025 (Yeh-Chung Lu, Professor and Chair, Department of Diplomacy, National Chengchi University, As an individual).

<sup>36</sup> CACN, <u>Evidence</u>, 1 November 2022, 2045 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

The parliamentary visit was led by Member of Parliament the Honourable Judy Sgro. The other participants were members of Parliament Anglo Iacono, Richard Martel, Chris Lewis and Simon-Pierre Savard-Tremblay.

CACN, <u>Evidence</u>, 1 November 2022, 1845 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>39</sup> CACN, <u>Evidence</u>, 22 November 2022, 1910 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual).

<sup>40</sup> Ibid.

is already, in itself, a message sent to Chinese authorities."<sup>41</sup> He reiterated the value of parliamentary visits to this effect, stating that visits are a useful reminder that despite an absence of official diplomatic relations, "there is economic cooperation and trade, in particular, and they are extremely advanced."<sup>42</sup> Colin Robertson also noted the value of parliamentary visits to Taiwan, highlighting significant learning and sharing from his own experiences.<sup>43</sup>

Witnesses also spoke of ministerial visits to the island. The last Canadian minister to visit Taiwan was then-Minister of Industry John Manley in 1998. Representative Tseng stated that Taiwan receives relatively few ministerial visits – the last one being from the U.S. Secretary of Health and Human Services in 2020. Representative Tseng noted, however, that there are many visits by former ministers or even former prime ministers. He added that in Taiwan's foreign service "a minister's meeting has something that cannot be replaced by a visit of lower-ranking officials." Such meetings are therefore more than symbolic and "will always carry out something concrete, something useful for bilateral relations, and this is why a ministerial visit is very much welcomed by Taiwan." An official from GAC told the Special Committee that there are currently no plans for a Canadian minister to travel to Taiwan and that a ministerial visit would depend upon which of Canada's interests necessitate a trip. The last Canadian minister to visit visit would depend upon which of Canada's interests necessitate a trip.

#### **Recommendation 3**

That the Government of Canada support increased engagement between Canada and Taiwan by encouraging visits by parliamentary delegations.

<sup>41</sup> Ibid., <u>1855</u>.

<sup>42</sup> Ibid.

<sup>43</sup> CACN, <u>Evidence</u>, 15 November 2022, 1905 (Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute, As an individual).

<sup>44</sup> CACN, *Evidence*, 1 November 2022, 1950 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>45</sup> Ibid., <u>1930</u>.

<sup>46</sup> Ibid.

<sup>47</sup> CACN, <u>Evidence</u>, 29 November 2022, 1845 (Paul Thoppil, Assistant Deputy Minister, Asia Pacific, Department of Foreign Affairs, Trade and Development).



### **Recommendation 4**

That the Government of Canada strongly consider the benefits of diplomatic visits to Taiwan.

# **Multilateral Engagement**

Taiwan has faced ongoing obstacles in its efforts to participate in international fora and diplomacy as a result of pressure from the PRC. Scott Simon stated his understanding that

Canada was instrumental in getting [the PRC] into the United Nations system [in 1971]. A big part of that was the argument that excluding them from things is a threat to world peace. We brought them into it with the assumption that having them join the world system would lead to world peace and there would be a peaceful resolution of the Taiwan Strait issues. That's clearly not happening.<sup>48</sup>

Taiwan continues to be excluded from the UN and many other multilateral forums. While there was a brief period of increased accommodation from the PRC about a decade ago, witnesses noted the country has become increasingly aggressive in limiting Taiwan's international presence and space, demonstrating a clear strategy to that end.<sup>49</sup> The PRC's hardening posture in this area comes despite Taiwan demonstrating its importance in addressing global issues, such as maintaining semiconductor supply chains and contributing expertise to the fight against the COVID-19 pandemic. As a result, Canada has advocated for Taiwan's participation in international organizations where its inclusion serves a practical purpose and its absence would harm global interests.<sup>50</sup>

A GAC official emphasized that Canada has advocated for Taiwan to hold observer status with the World Health Organization (WHO) and has worked to ensure Taiwan's participation in aviation safety and security at the International Civil Aviation Organization (ICAO). The official highlighted Taiwan's participation in various fisheries organizations and noted Canada's collaboration with Taiwan, under the name Chinese

<sup>48</sup> CACN, <u>Evidence</u>, 1 November 2022, 2020 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

<sup>49</sup> FAAE, *Evidence*, 12 May 2022, 1635 (Kerry Brown, Professor of Chinese Studies, King's College London and Director Lau China Institute, As an individual).

<sup>50</sup> CACN, <u>Evidence</u>, 29 November 2022, 1840 (Paul Thoppil, Assistant Deputy Minister, Asia Pacific, Global Affairs Canada).

Taipei, at the World Trade Organization, and the Asia-Pacific Economic Cooperation. <sup>51</sup> He explained that Canada and its partners believe that Taiwan, with its democratic government and strong economy, can make valuable contributions to these organizations. <sup>52</sup> Jordan Reeves, Executive Director, Canadian Trade Office in Taipei, Global Affairs Canada, added that Canada has consistently called for a non-politicized and inclusive approach to Taiwan's participation in international organizations, especially with respect to issues that do not respect borders, such as the environment, aviation safety, and health. <sup>53</sup> Finally, in addition to the WHO and the ICAO, Colin Robertson argued that Canada should support Taiwan's aspirations to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). <sup>54</sup>

Witnesses stressed that the inclusion of Taiwan in international organizations is not a political issue, but rather one of collective interest. Joseph Wong, for example, cited Taiwan's readiness and expertise in handling the COVID-19 pandemic as a result of lessons learned from the 2003 outbreak of Severe Acute Respiratory Syndrome (SARS). He emphasized that Taiwan's participation in organizations like the WHO and the World Health Assembly is a crucial issue for global public health. Professor Wong stated, "I think changing that narrative and being steadfast in our commitment to a collective security, be it health security, be it cybersecurity or so forth, is a functional imperative that should trump any sort of political discussion, as far as I'm concerned." 55

Representative Tseng informed the Special Committee that over the past year, Canada's Parliament has played a significant role in supporting Taiwan's participation in

A deliberately ambiguous term, "Chinese Taipei" is a compromise that has allowed Taiwan to bypass political disputes surrounding its status and allow it to participate in various international organizations. The term was first adopted by the International Olympic Committee and is used at the World Trade Organization and at the Asia-Pacific Economic Cooperation.

<sup>52</sup> FAAE, <u>Evidence</u>, 14 February 2022, 1120 (Weldon Epp, Director General, North East Asia, Global Affairs Canada).

FAAE, <u>Evidence</u>, 14 February 2022, 1120 (Jordan Reeves, Executive Director, Canadian Trade Office in Taipei, Global Affairs Canada).

<sup>54</sup> CACN, *Evidence*, 15 November 2022, 1840 (Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute, As an individual).

FAAE, *Evidence*, 12 May 2022, 1750 (Joseph Wong, Roz and Ralph Halbert Professor of Innovation, Munk School of Global Affairs & Public Policy, Professor of Political Science, University of Toronto, As an individual).



international organizations through various motions and committee reports.<sup>56</sup> He acknowledged that these efforts were widely covered in Taiwanese media and were greatly appreciated by the Taiwanese people, who found comfort in knowing that they have the support of Canada. He added, "this kind of morale for a country like Taiwan is really important."<sup>57</sup> Representative Tseng encouraged Canada to continue supporting Taiwan in this regard.

Witnesses emphasized the significance of Taiwan's bilateral relations with other nations, highlighting the importance of diplomatic allies for Taiwan's survival on the global stage. Yeh-Chung Lu specifically called on Canada and its partners to support Taiwan on this issue, noting that the PRC has been pressuring Taiwan's diplomatic allies to change their recognition of Taiwan.<sup>58</sup> An official from GAC stated that Canada will continue to work with other international partners to push back against the PRC's "moving of the goal posts" and attempts to alter the status quo for Taiwan, both in unofficial bilateral arrangements and in organizations of which Taiwan is already a member.<sup>59</sup>

Finally, Joseph Wong argued that it is important for Canada to support Taiwan in a clear and unambiguous manner, while not looking to isolate the PRC. He added that it is possible to pursue both goals simultaneously, but that "isolating China will not result in a positive outcome."

# **Indigenous Cooperation**

Witnesses also raised several specific areas of cooperation between Indigenous peoples in Canada and Taiwan, underpinned by people-to-people ties, trade relations and a

For example, see House of Commons, Standing Committee on Health, <u>Full Participation of Taiwan in the World Health Assembly (WHA) and the World Health Organization (WHO)</u>, Third Report, October 2022; House of Commons, Standing Committee on Transport, Infrastructure and Communities, <u>International Civil Aviation Organization</u>, Forth Report, May 2022; House of Commons, FAAE, <u>Taiwan's participation in the International Civil Aviation Organization</u>, Third Report, June 2022.

<sup>57</sup> CACN, *Evidence*, 1 November 2022, 1920 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>58</sup> CACN, <u>Evidence</u>, 22 November 2022, 2030 (Yeh-Chung Lu, Professor and Chair, Department of Diplomacy, National Chengchi University, As an individual).

<sup>59</sup> FAAE, <u>Evidence</u>, 14 February 2022, 1245 (Weldon Epp, Director General, North East Asia, Global Affairs Canada).

FAAE, *Evidence*, 12 May 2022, 1750 (Joseph Wong, Roz and Ralph Halbert Professor of Innovation, Munk School of Global Affairs & Public Policy, Professor of Political Science, University of Toronto, As an individual).

struggle for recognition.<sup>61</sup> Professor Simon highlighted Canada and Taiwan's joint participation with Australia and New Zealand in the Indigenous Peoples Economic and Trade Cooperation Arrangement and noted that Canada had signed a memorandum of understanding with Taiwan on Indigenous affairs.<sup>62</sup> Likewise, a GAC representative identified Indigenous trade as an area of deep cooperation between Canada and Taiwan.<sup>63</sup>

Professor Simon noted that because Taiwan is not part of the UN, Indigenous people in Taiwan do not have access to the UN's Special Rapporteur on the Rights of Indigenous Peoples nor the UN Permanent Forum on Indigenous Issues (UNPFII). He provided an example of an unresolved issue in Taiwan, where Indigenous people are seeking hunting rights, yet hunting has mostly been criminalized in Taiwan. He contended that having access to the UNPFII would benefit Indigenous peoples in Taiwan and that its exclusion contradicts the purpose of having a forum on Indigenous issues at the UN. While states should not be able to interfere in this forum, "[t]his principle is not respected in the case of Taiwan."

Professor Simon drew attention to the experiences of Indigenous peoples in Canada and Taiwan, including loss of territory and recognizing sovereignty. He stated that in Taiwan, all Indigenous communities "have access to electricity and clean water, which is not the case in Canada." He said that engagement on Indigenous issues, including reconciliation "will strengthen and knit together Canada and Taiwanese society more

Approximately 2.48% of Taiwan's total population – more than 580,000 people – are officially recognized as Indigenous in Taiwan. There are 16 officially recognized Indigenous groups in Taiwan, who are represented in all forms of government and in the Taiwan Council of Indigenous Peoples. In addition, there are 10 unrecognized Indigenous peoples' groups from the lowland region, known as Pingpu. See International Work Group for Indigenous Affairs, *The Indigenous World 2022: Taiwan*. FAAE, *Evidence*, 14 February 2022, 1105 (Weldon Epp, Director General, North East Asia, Global Affairs Canada) and CACN, *Evidence*, 1 November 2022, 2010 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

CACN, <u>Evidence</u>, 1 November 2022, 2010 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual). The Indigenous Peoples Economic and Trade Cooperation Arrangement is a "non-binding and cooperation-based arrangement" that acknowledges the importance of enhancing the ability of Indigenous peoples and Indigenous businesses to benefit from the opportunities created by international trade and investment. See GAC, <u>Indigenous peoples economic and trade cooperation arrangement</u>.

<sup>63</sup> CACN, <u>Evidence</u>, 29 November 2022, 1835 (Paul Thoppil, Assistant Deputy Minister, Asia Pacific, Global Affairs Canada).

<sup>64</sup> CACN, <u>Evidence</u>, 1 November 2022, 2050 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

<sup>65</sup> Ibid., <u>2045</u>.



robustly and, frankly, in ways that are going to contribute to the strength of Taiwan's democracy and the resilience of the democracy over time." <sup>66</sup>

#### **Recommendation 5**

That the Government of Canada engage with allies to further opportunities for Taiwan's meaningful participation in multilateral organizations, including the United Nations Permanent Forum on Indigenous Issues, the International Civil Aviation Organization and the World Health Organization.

### **Recommendation 6**

That the Government of Canada advance the economic empowerment of Indigenous peoples in Canada and Taiwan by supporting the objectives of the Indigenous Peoples Economic and Trade Cooperation Arrangement.

# **Development Assistance**

Witnesses identified that development assistance was another area of potential collaboration between Canada and Taiwan. While noting that Taiwan's official development assistance remains a "tiny percentage" of its gross domestic product, Antoine Bondaz suggested that "in the Indo-Pacific, there is a huge potential for multilateral cooperation projects, which the Taiwanese could be part of" such as the Kiwa initiative, <sup>67</sup> without the challenge of recognition. <sup>68</sup> He noted that working together on such issues as reducing ocean plastic and promoting biodiversity could help depoliticize cooperation with Taiwan and reduce the PRC's criticism of such engagement. <sup>69</sup> He stressed that "the idea is not to change the one China policy that each of our countries implements but to make sure we can integrate Taiwan as much as possible."

FAAE, <u>Evidence</u>, 12 May 2022, 1745 (Joseph Wong, Roz and Ralph Halbert Professor of Innovation, Munk School of Global Affairs & Public Policy, Professor of Political Science, University of Toronto, As an individual).

The Kiwa Initiative is a multi-donor program that aims to strengthen the climate change resilience of Pacific Island ecosystems, communities and economies. Its current members are the European Union, France, Canada, Australia and New Zealand. See Kiwa Initiative, *About Us*.

<sup>68</sup> CACN, <u>Evidence</u>, 22 November 2022, 1915 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual).

<sup>69</sup> Ibid., <u>1925</u>.

<sup>70</sup> Ibid., <u>1915</u>.

Canada has engaged with Taiwan – along with the U.S., Japan and Australia – through the Taiwan-based Global Cooperation and Training Framework (GCTF), which provides training on topics including good governance, public health, humanitarian assistance and women's empowerment in the Indo-Pacific region. A representative of the Canadian Trade Office in Taipei highlighted that in the past year, Canada co-organized a session on women's political participation. Yeh-Chung Lu noted that the GCTF is a good opportunity for Taiwan to engage with the international community while addressing important issues for the Indo-Pacific region, including disaster relief and humanitarian assistance. Joseph Wong highlighted that pandemic preparedness and working together on achieving the Sustainable Development Goals were other areas of potential collaboration for Canada and Taiwan.

Scott Simon suggested that Canadian development cooperation with Taiwan and its 14 diplomatic allies could serve to "reinforce the peaceful status quo." He proposed a range of cooperation initiatives, including development assistance, military or coast guard, peacekeeping, disaster relief and search and rescue operations. Among Taiwan's diplomatic allies is Haiti, a country that he noted is important to Canada and needs its help. He suggested an initiative between Canada and Taiwan's coast guards in Haiti as an example of a potential project for collaboration. The suggested and the

#### **Recommendation 7**

That Global Affairs Canada, in coordination with Canada's allies, explore opportunities for cooperation with Taiwan to support international development efforts that enable Taiwan to participate in multilateral initiatives.

<sup>71</sup> Global Cooperation and Training Framework, *About GCTF*.

<sup>72</sup> FAAE, <u>Evidence</u>, 14 February 2022, 1120 (Jordan Reeves, Executive Director, Canadian Trade Office in Taipei, Global Affairs Canada).

<sup>73</sup> CACN, <u>Evidence</u>, 22 November 2022, 2010 (Yeh-Chung Lu, Professor and Chair, Department of Diplomacy, National Chengchi University, As an individual).

FAAE, <u>Evidence</u>, 12 May 2022, 1745 (Joseph Wong, Roz and Ralph Halbert Professor of Innovation, Munk School of Global Affairs & Public Policy, Professor of Political Science, University of Toronto, As an individual).

<sup>75</sup> CACN, *Evidence*, 1 November 2022, 2010 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual). As of 26 March 2023, the number of diplomatic allies decreased to 13. See Ministry of Foreign Affairs, Republic of China (Taiwan), *The Republic of China (Taiwan)*has terminated diplomatic relations with the Republic of Honduras with immediate effect to uphold national dignity, 26 March 2023.

<sup>76</sup> Ibid., 2055.



# **Combatting Disinformation and Foreign Interference**

Witnesses highlighted the need for Canada to reduce its vulnerability to disinformation originating from the PRC, as well as interference targeting Canadian elections. Engagement with Taiwan, they suggested, could provide insight into how to address various aspects of foreign interference. Representative Tseng explained that Taiwan is subject to PRC "cyber-attacks, grey-zone tactics, hybrid threats and all kinds of possible approaches, including disinformation campaigns." He added that disinformation campaigns, primarily from the PRC, "are occurring on a daily basis." He told the Special Committee that countering disinformation is a process of socialization, and that Taiwan provides education that informs citizens on how to scrutinize information. Representative Tseng and Tong Lam, Associate Professor, University of Toronto, explained that Taiwan's Digital Affairs Minister developed a strategy to combat disinformation by setting up a rapid response centre that quickly identifies disinformation and misinformation. The centre allows citizens to verify the accuracy of news if they are uncertain.

Stating that disinformation is only one aspect of a broader strategy by the PRC to extend its influence abroad, Representative Tseng warned the Special Committee of the PRC's attempts to exercise its judicial powers in other countries. The Special Committee examined the PRC's attempts to expand its extraterritorial jurisdiction during previous related studies, including through its imposition of the national security law on Hong Kong. Pepresentative Tseng pointed to a recent report alleging the existence of overseas PRC "police service stations" in multiple countries, including Canada, as an example of this expansion. In contrast, he highlighted that none were found in Taiwan,

<sup>77</sup> CACN, *Evidence*, 1 November 2022, 1910 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>78</sup> Ibid., <u>1855</u>.

<sup>79</sup> Ibid., <u>1910</u>.

<sup>80</sup> Ibid.; CACN, <u>Evidence</u>, 15 November 2022, 1855 (Tong Lam, Associate Professor, University of Toronto, As an individual)

<sup>81</sup> CACN, *Evidence*, 1 November 2022, 1905 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

Officially the Law of the People's Republic of China on Safeguarding National Security in the Hong Kong
Special Administrative Region. See CACN, <u>The Breach of Hong Kong's High Degree of Autonomy: A Situation of International Concern</u>, Second report, February 2021.

CACN, *Evidence*, 1 November 2022, 1910 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada). See Safeguard Defenders, *110 Overseas: Chinese Transnational Policing Gone Wild*, 29 October 2022 and Safeguard Defenders, *Patrol and Persuade*, December 2022.

attributing this to Taiwan's constant vigilance to prevent and respond to such actions.<sup>84</sup> For his part, a GAC official stated that, in response to the allegations, GAC has called in the PRC's ambassador to Canada on multiple occasions to convey Canada's "deep concern" and the Government of Canada has formally insisted that the PRC "cease and desist" such operations.<sup>85</sup>

Colin Robertson emphasized that Canada has a lot to learn from Taiwan in terms of addressing both disinformation and cyberthreats. He noted that Taiwan had been forthcoming in sharing information and best practices for a Department of National Defence project on disinformation, in which he participated.<sup>86</sup> In addition to disinformation campaigns, he highlighted that Taiwan is under constant cyber-assaults from proficient PRC-linked "hackers," and has been for some time.<sup>87</sup> He informed the Special Committee that Canadian cybersecurity teams have learned from the Taiwanese, given their extensive experience.<sup>88</sup>

Justin Massie pointed out that Canada has the potential to proactively address strategic challenges posed by disinformation and foreign interference and proposed that more ambitious goals be set in tackling these issues. <sup>89</sup> While noting that Canada's electoral process has been a target of foreign interference and hostile activities, he stated that Canada could demonstrate leadership by developing best practices to counter foreign interference in elections. He also suggested that Canada should implement a strategy to fight disinformation and counter attempts "by certain actors and visionaries to question the truth in order to rewrite history and control the narrative." <sup>90</sup> He stressed, however, that Canada develop its strategies in consultation with its allies. Highlighting Taiwan's willingness to share its experiences and strategies, Representative Tseng stated: "This is something we can share with other countries ... I hope we can work together."

84 Ibid.

87 Ibid.

88 Ibid.

90 Ibid.

<sup>85</sup> CACN, *Evidence*, 29 November 2022, 1905 (Weldon Epp, Director General, North East Asia, Global Affairs Canada).

<sup>86</sup> CACN, *Evidence*, 15 November 2022, 1905 (Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute, As an individual).

<sup>89</sup> CACN, <u>Evidence</u>, 15 November 2022, 1950 (Justin Massie, Full Professor, Université du Québec à Montréal, and Co-Director, Network for Strategic Analysis, As an individual).

<sup>91</sup> CACN, *Evidence*, 1 November 2022, 1910 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).



### **Recommendation 8**

That the Government of Canada seek to learn from Taiwan's experience in addressing disinformation and foreign interference and consider implementing some of Taiwan's approaches to such issues.

# SECTION II: CANADA'S TRADE AND INVESTMENT WITH TAIWAN

In speaking to the Special Committee, witnesses highlighted the importance of Taiwan in global supply chains, its innovation and strengths in the global semiconductor industry and risks to the global economy if those industries were threatened by conflict. Witnesses described Canada's growing trade relationship with the island, and the opportunities to expand that relationship through a Foreign Investment Promotion and Protection Agreement (FIPA) and inclusion in a multilateral trade agreement while identifying the ongoing risks of the PRC's acts of economic coercion.

# Taiwan's Role in Supply Chains, Technology Development and the Semiconductor Industry

Taiwan's integral role in global supply chains, particularly with semiconductor and microchip development was raised by several witnesses. As Harry Ho-jen Tseng explained, Taiwan "provide[s] most of the chips to important industries in the world." In 2021, Taiwan held 92% of the world's most advanced semiconductor manufacturing capacity, and its leading chip company, the Taiwan Semiconductor Manufacturing Company produced an estimated 35% of the global automotive microcontrollers and 70% of the world's smartphone chips. With growing commitments to achieve net-zero emissions, the need for semiconductors is only likely to increase. Representative Tseng

<sup>92</sup> FAAE, <u>Evidence</u>, 12 May 2022, 1725 (André Laliberté, Full Professor, School of Political Studies, Faculty of Social Sciences and Research Chair in Taiwan Studies, University of Ottawa, As an individual); CACN, <u>Evidence</u>, 29 November 2022, 1910 (Weldon Epp, Director General, North East Asia, Global Affairs Canada); CACN, <u>Evidence</u>, 15 November 2022, 1950 (Jonathan Berkshire Miller, Director and Senior Fellow, Indo-Pacific Program, Macdonald-Laurier Institute); CACN, <u>Evidence</u>, 15 November 2022, 1840 (Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute, As an individual); and CACN, <u>Evidence</u>, 29 November 2022, 1840 (Paul Thoppil, Assistant Deputy Minister, Asia Pacific, Global Affairs Canada).

<sup>93</sup> CACN, *Evidence*, 1 November 2022, 1955 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>94</sup> Antonio Varas et al., <u>Strengthening the Global Semiconductor Value Chain in an Uncertain Era</u>, Boston Consulting Group and Semiconductor Industry Association, April 2021, p. 5.

<sup>95</sup> Charlie Vest, Agatha Kratz and Reva Goujon, <u>The Global Economic Disruptions from a Taiwan Conflict</u>, Rhodium Group, 14 December 2022.

pointed out that traditional fossil fuel-powered cars require just 18 chips, but every electric vehicle needs approximately 250 chips. 96 Stressing the importance of this industry, Colin Robertson told the Special Committee that Taiwan's Digital Affairs Minister, Audrey Tang, had attributed Taiwan's status as a developed nation to applied technology, and more specifically semiconductors. 97

A GAC representative drew the Special Committee's attention to research from the Rhodium Group, which recently published *The Global Economic Disruptions from a Taiwan Conflict*. <sup>98</sup> It calculated the potential losses that could be incurred if there were a disruption to Taiwan's economic activity due to a conflict at well over \$2 trillion, without factoring in international responses and secondary effects. Most of those losses would be in the semiconductor and chip industry, with companies in that industry forgoing \$1.6 trillion of revenue annually if there were a blockade. <sup>99</sup> The GAC representative assessed, "[i]t would make the economic impact of Ukraine look small by comparison." <sup>100</sup> As Joseph Wong put it,

Taiwan is an extraordinary economy, and we have seen that any blockages in the global supply chain, particularly as it relates to the semiconductor sector, can be crippling. It presents a strategic value that I think is quite unprecedented. 101

Witnesses identified opportunities for collaboration with Canada in this domain. Jonathan Berkshire Miller, Director and Senior Fellow, Indo-Pacific Program, Macdonald-Laurier Institute, recognized that Canada has an abundance of critical and raw materials necessary to develop technology such as semiconductors but noted that Canada lacks the ability to extract and refine such materials. <sup>102</sup> He contended that, Canada could be a

<sup>96</sup> CACN, <u>Evidence</u>, 1 November 2022, 1850 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>97</sup> CACN, *Evidence*, 15 November 2022, 1840 (Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute, As an individual).

<sup>98</sup> CACN, *Evidence*, 29 November 2022, 1910 (Weldon Epp, Director General, North East Asia, Global Affairs Canada).

<sup>99</sup> Charlie Vest, Agatha Kratz and Reva Goujon, *The Global Economic Disruptions from a Taiwan Conflict*, Rhodium Group, 14 December 2022.

<sup>100</sup> CACN, *Evidence*, 29 November 2022, 1910 (Weldon Epp, Director General, North East Asia, Global Affairs Canada).

<sup>101</sup> FAAE, *Evidence*, 12 May 2022, 1715 (Joseph Wong, Roz and Ralph Halbert Professor of Innovation, Munk School of Global Affairs & Public Policy, Professor of Political Science, University of Toronto, As an individual).

<sup>102</sup> CACN, *Evidence*, 15 November 2022, 2020 (Jonathan Berkshire Miller, Director and Senior Fellow, Indo-Pacific Program, Macdonald-Laurier Institute).



"superpower on these issues, if we choose to be." Harry Ho-jen Tseng suggested that "the potential for cooperation is high" by harnessing Canada's strengths in artificial intelligence design and Taiwan's strengths in chipmaking, bringing "economic relations to a new height." 104

# **Recommendation 9**

That the Government of Canada explore opportunities to collaborate with Taiwan's semiconductor industry to enhance innovation in Canada.

### **Recommendation 10**

That Global Affairs Canada work with Natural Resources Canada and Innovation, Science and Economic Development Canada to advance Canada's role as a key supplier of critical minerals to like-minded partners, including Taiwan, by implementing the Canadian Critical Minerals Strategy and pursuing a critical minerals cooperation agreement with Taiwan, while ensuring that this cooperation allows Canada to continue developing domestic value chains for critical minerals.

# Trade Opportunities Between Canada and Taiwan

Canada's economic linkages and trade relationship with Taiwan were raised by several witnesses, who discussed Taiwan's role in the global economy. Harry Ho-jen Tseng highlighted the mutual benefits of promoting trade and investment between Canada and Taiwan and jointly building a resilient supply chain among democracies. He outlined that two-way trade between Canada and Taiwan surpassed \$10 billion in 2021, a growth of 39% from 2020, that Taiwan is Canada's fifth largest trading partner in Asia and is Canada's sixteenth-largest export market globally. 106

103 Ibid.

104 CACN, *Evidence*, 1 November 2022, 1850 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

105 Ibid., 1835.

In 2022, Canada's highest-value imports from Taiwan were computer equipment and electronic integrated circuits, with exports totalling \$1.1 billion and \$822.6 million, respectively. That same year, Canada's highest-value exports to Taiwan were coal and motor vehicles, totaling \$821.5 million and \$219.7 million, respectively. See Government of Canada, "Canadian imports," Report – Trade Data Online, accessed 14 February 2023; and Government of Canada, "Canadian total exports," Report – Trade Data Online, accessed 14 February 2023.

One official from GAC shared that Canada's trade relationship with Taiwan is underpinned by "robust business-to-business ties, shared values and significant science, technology and innovation collaboration." Another GAC official said that

Canada has a very robust relationship and strong interest in promoting more integration of our trade relationship with Taiwan. Taiwan plays an incredibly important role in global supply chains, not least in the tech sector. One of the largest Canadian investments in Asia is in Taiwan.<sup>108</sup>

He noted that through the exploratory discussions surrounding a Foreign Investment Promotion and Protection Agreement and Taiwan's bid to join the CPTPP, the two-way relationship may be strengthened.

# Foreign Investment Promotion and Protection Agreement Between Canada and Taiwan

In January 2022, Canada launched exploratory discussions with Taiwan toward the conclusion of a Foreign Investment Promotion and Protection Agreement (FIPA). As of 2022, Canada has FIPAs in force with 38 jurisdictions, including one with the PRC, which came into force in 2014. The three rounds of exploratory discussions between Canada and Taiwan have been concluded and, according to a representative from GAC, an assessment of the FIPA is now under way. The representative stated that if the FIPA proceeds, it would "in fact buttress what is already a robust trading relationship between Taiwan and Canada." He highlighted that as a result of bilateral economic consultations between Canada and Taiwan, the parties agreed to a memorandum of understanding concerning supply chain resiliency in a number of sectors.

Representative Tseng agreed that more substantive talks on the FIPA are desirable, <sup>112</sup> but also emphasized the need for talks to be accompanied by more action <sup>113</sup> He

<sup>107</sup> CACN, *Evidence*, 29 November 2022, 1840 (Paul Thoppil, Assistant Deputy Minister, Asia Pacific, Global Affairs Canada).

<sup>108</sup> FAAE, <u>Evidence</u>, 14 February 2022, 1115 (Weldon Epp, Director General, North East Asia, Global Affairs Canada).

Government of Canada, <u>Trade and investment agreements</u>.

<sup>110</sup> CACN, <u>Evidence</u>, 29 November 2022, 1845 (Paul Thoppil, Assistant Deputy Minister, Asia Pacific, Global Affairs Canada).

<sup>111</sup> Ibid., <u>1900</u>.

<sup>112</sup> CACN, *Evidence*, 1 November 2022, 1915 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>113</sup> Ibid., <u>1900</u>.



expressed optimism in the momentum of the FIPA, noting that it "is going in a positive direction... We are hopeful that some major steps can be demonstrated on both sides." Yeh-Chung Lu noted that if the Canada—Taiwan FIPA could "be considered positively in the months to come, I think that would be very welcomed and appreciated by Taiwan." 115

Witnesses outlined several benefits of a FIPA between Canada and Taiwan. A GAC representative recognized the agreement would build broader confidence in the health, environment, clean energy biotech and information technology sectors, among others, and said that those are sectors that the Canadian Trade Office in Taipei is working hard to grow. Representative Tseng stated that the FIPA, as well as Taiwan's accession to the CPTPP would "no doubt bring our economic relations to a new height and reinforce our supply chain resilience." 117

### **Recommendation 11**

That the Government of Canada enter into formal negotiations concerning a Foreign Investment Promotion and Protection agreement with Taiwan.

### **Recommendation 12**

That the Government of Canada strongly consider that the Minister of International Trade sign any concluded Foreign Investment Promotion and Protection Agreement with Taiwan in Taiwan.

# Taiwan's Application for Membership to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership

In September 2021, approximately one week following the PRC's formal application to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership

<sup>114</sup> Ibid., 1905.

<sup>115</sup> CACN, <u>Evidence</u>, 22 November 2022, 2025 (Yeh-Chung Lu, Professor and Chair, Department of Diplomacy, National Chengchi University, As an individual).

<sup>116</sup> FAAE, <u>Evidence</u>, 14 February 2022, 1245 (Weldon Epp, Director General, North East Asia, Global Affairs Canada).

<sup>117</sup> CACN, *Evidence*, 1 November 2022, 1835 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

(CPTPP), Taiwan submitted an application to join as Chinese Taipei. As Harry Ho-jen Tseng contended, Taiwan's application "should not be regarded side by side with the [PRC's application]" because Taiwan can join on its own merit. He noted that his Taiwanese colleagues in different missions are also seeking support for their application to the CPTPP with their counterparts. He stated, "[t]o get the multilateral support, we start with bilateral support" and requested that the Canadian government welcome Taiwan's application to the trade agreement. He understood that the current focus of the CPTPP membership was on the United Kingdom (U.K.), which had applied to accede to the trade agreement in February 2021, but he requested that Taiwan be given "a fair chance" in seeking its membership given that it meets the agreement's high standards and requirements. He stated that Taiwan be given "a fair chance" in seeking its membership given that it meets the agreement's high standards and requirements.

A GAC representative confirmed that the focus of CPTPP members, including Canada, is to ensure that the U.K. "meets the high bar that's embedded in the agreement through the results of the negotiations." He pointed out that the first accession member to join the CPTPP would set a precedent for the other parties wishing to join, including Taiwan, and emphasized that conversations about other parties are not happening at this time. In stating a similar view, another GAC representative remarked that Canada's "position on any aspirant economy seeking to join the CPTPP would be guided by the best interests of Canadians." 123

For more information about Taiwan's application to join the Comprehensive and Progressive Trans-Pacific Partnership, see Executive Yuan, Republic of China (Taiwan), Taiwan applies to join CPTPP, 23 September 2021; Australia, Parliament of Australia, "4. Applications to the CPTPP: the United Kingdom, China, Taiwan and South Korea," Expanding the membership of the Comprehensive and Progressive Trans-Pacific Partnership, February 2022; Taiwan, Ministry of Economic Affairs, Taiwan's Bid for CPTPP Membership, 12 January 2022; and Brock R. Williams and Michael D. Sutherland, China and Taiwan Both Seek to Join the CPTPP, Congressional Research Service, 24 September 2021.

<sup>119</sup> CACN, *Evidence*, 1 November 2022, 1920 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>120</sup> Ibid., <u>1915</u>.

<sup>121</sup> Ibid.

<sup>122</sup> CACN, *Evidence*, 29 November 1930 (Paul Thoppil, Assistant Deputy Minister, Asia Pacific, Global Affairs Canada).

FAAE, <u>Evidence</u>, 14 February 2022, 1115 (Mary-Catherine Speirs, Executive Director, Trade Policy and Negotiations, Asia, Global Affairs Canada).



Concerning the PRC's application to accede to the CPTPP, several witnesses questioned its ability to meet the high standards required of the agreement, <sup>124</sup> including a GAC representative, who, however, noted that the PRC's inclusion would bring significant market access. <sup>125</sup> Kerry Brown, Professor of Chinese Studies, King's College London and Director Lau China Institute, highlighted the significant size difference between the PRC and Taiwan's economies and raised the question of whether the exclusion of the PRC would have an impact on the CPTPP's overall significance. <sup>126</sup> Steve Tsang, Professor, School of Oriental and African Studies (SOAS) University of London, United Kingdom, suggested that the PRC may influence CPTPP members through economic leverage to prevent Taiwan from joining the agreement, even though it does not meet its requirements to join itself. <sup>127</sup> He stated his belief that, other than the U.S., there is not another country powerful enough to stand up to the PRC without being punished. <sup>128</sup>

Many witnesses were supportive of Taiwan's application to accede to the CPTPP. Yeh-Chung Lu highlighted its strong and open market, and liberal economy, which would benefit other members of the agreement. André Laliberté, Full Professor, School of Political Studies, Faculty of Social Sciences and Research Chair in Taiwan Studies, University of Ottawa, stated that Taiwan already meets the requirements to qualify for the CPTPP, "[t]here's no question about that." He stated his belief that "[b]ecause the CPTPP includes states as well as separate customs territories, I believe we should accept Taiwan's application to join the CPTPP." He suggested that if Canada did not provide

<sup>124</sup> CACN, <u>Evidence</u>, 29 November 2022, 1930 (Paul Thoppil, Assistant Deputy Minister, Asia Pacific, Global Affairs Canada); FAAE, <u>Evidence</u>, 12 May 2022, 1700 (Steve Tsang, Professor, SOAS University of London, As an individual) and FAAE, <u>Evidence</u>, 12 May 2022, 1725 (André Laliberté, Full Professor, School of Political Studies, Faculty of Social Sciences and Research Chair in Taiwan Studies, University of Ottawa, As an individual).

<sup>125</sup> CACN, *Evidence*, 29 November 2022, 1930 (Paul Thoppil, Assistant Deputy Minister, Asia Pacific, Global Affairs Canada).

FAAE, <u>Evidence</u>, 12 May 2022, 1655 (Kerry Brown, Professor of Chinese Studies, King's College London and Director Lau China Institute, As an individual).

<sup>127</sup> FAAE, Evidence, 12 May 2022, 1700 (Steve Tsang, Professor, SOAS University of London, As an individual).

<sup>128</sup> Ibid., <u>1640</u>.

<sup>129</sup> CACN, <u>Evidence</u>, 15 November 2022, 1840 (Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute, As an individual).

<sup>130</sup> CACN, <u>Evidence</u>, 22 November 2022, 2025 (Yeh-Chung Lu, Professor and Chair, Department of Diplomacy, National Chengchi University, As an individual).

FAAE, <u>Evidence</u>, 12 May 2022, 1725 (André Laliberté, Full Professor, School of Political Studies, Faculty of Social Sciences and Research Chair in Taiwan Studies, University of Ottawa, As an individual).

<sup>132</sup> FAAE, Correction by André Laliberté to the testimony of May 12, 2022, 26 May 2022.

such support, it "would contribute to the decline of [Canada's] reputation as supportive of democracies." 133

#### **Recommendation 13**

That the Government of Canada prioritize the assessment of Taiwan's application to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

#### The People's Republic of China's Economic Coercion

While witnesses stressed the importance of economic cooperation with Taiwan, many also acknowledged the impact of the PRC's economic coercion in response to engagement with Taiwan. Kerry Brown suggested that, because of the possible repercussions of such engagement, economies wishing to engage with Taiwan "face a quandary" in balancing the significance of the PRC's economy and market with the opportunity for engagement with Taiwan. <sup>134</sup> He contended that under Xi Jinping, there are high costs of engaging with Taiwan, "not just with security but economically." <sup>135</sup> In a recent example, the PRC retaliated with coercive economic action on Lithuania, including trade embargoes and informal secondary sanctions, after the country allowed Taiwan to open an office in its capital that used the name "Taiwan" instead of "Taipei." <sup>136</sup> Representative Tseng noted that Taiwan had helped Lithuania "weather through their difficulties" as the PRC retaliated. <sup>137</sup> David Curtis Wright, Associate Professor of History, University of Calgary, recommended that responding to acts of economic coercion should be met with quick reprisals, diplomatic démarches, and working with allies. <sup>138</sup>

Still, as Professor Brown also pointed out, while countries may appear to be aligned in indicating some support for Taiwan, when it comes to actions, the scale of the PRC's economy may prevent countries from supporting Taiwan. As he put it, "[t]he brute fact is

FAAE, *Evidence*, 12 May 2022, 1725 (André Laliberté, Full Professor, School of Political Studies, Faculty of Social Sciences and Research Chair in Taiwan Studies, University of Ottawa, As an individual).

FAAE, *Evidence*, 12 May 2022, 1635 (Kerry Brown, Professor of Chinese Studies, King's College London and Director Lau China Institute, As an individual).

<sup>135</sup> Ibid.

For additional information, see Matthew Reynolds and Matthew P. Goodman, <u>China's Economic Coercion:</u>
<u>Lessons from Lithuania</u>, Center for Strategic and International Studies, 6 May 2022.

<sup>137</sup> CACN, <u>Evidence</u>, 1 November 2022, 1920 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>138</sup> CACN, *Evidence*, 18 October 2022, 1920 (David Curtis Wright, Associate Professor of History, University of Calgary, As an individual).



that Taiwan is a tiny economy compared with China. It's absolutely tiny."<sup>139</sup> Harry Ho-jen Tseng acknowledged the importance of the PRC market for Canada as the world's third-biggest market following the U.S. and the European Union, but also pointed out that the current state of the PRC economy should be "of great concern" for Canada. <sup>140</sup> He shared his observation that the PRC is "closing up their economy and trying to redistribute the wealth of the people, and I don't think it's going to make anyone feel good, including their own people." <sup>141</sup> He identified the "decoupling or engagement" debate over how best to approach the PRC and suggested that the PRC "is accelerating its self-initiated decoupling in the name of self-sufficiency and self-dependency." <sup>142</sup> Similarly, Scott Simon noted that "there is now a trend in China to disconnect from the global economy. It is China that is doing this, not the west." <sup>143</sup>

A GAC representative outlined the possible risks for Canadian businesses that rely on revenue from one dominant buyer. Any type of economic coercion from that buyer could cause "tremendous hardship." He outlined that Canada's Indo-Pacific Strategy aims to encourage Canadian businesses to diversify, while noting that "Canadian businesses should take an eyes-wide-open approach to their engagement with [the PRC]." Justin Massie, Full Professor, Université du Québec à Montréal and Co-Director, Network for Strategic Analysis, advocated that Canada should decouple from the PRC in "certain sectors, not the more mundane ones, but rather the strategic industries, such as high-tech and mining." Likewise, Scott Simon did not advocate for a complete decoupling from the PRC in stating, "China needs the whole world, and the whole world also needs China. In the long run, I think it is very important that China is integrated with

FAAE, *Evidence*, 12 May 2022, 1645 (Kerry Brown, Professor of Chinese Studies, King's College London and Director Lau China Institute, As an individual).

<sup>140</sup> CACN, *Evidence*, 1 November 2022, 1950 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>141</sup> Ibid.

<sup>142</sup> Ibid., 1835.

<sup>143</sup> CACN, <u>Evidence</u>, 1 November 2022, 2050 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

<sup>144</sup> CACN, <u>Evidence</u>, 29 November 2022, 1915 (Paul Thoppil, Assistant Deputy Minister, Asia Pacific, Global Affairs Canada).

<sup>145</sup> Ibid.

<sup>146</sup> Ibid., 1950.

<sup>147</sup> CACN, *Evidence*, 15 November 2022, 1930 (Justin Massie, Full Professor, Université du Québec à Montréal, and Co-Director, Network for Strategic Analysis, As an individual).

the world."<sup>148</sup> He recommended that Canada do more to support Taiwan by cooperating with other states in the region, and specifically mentioned Japan.<sup>149</sup>

#### **Recommendation 14**

That the Government of Canada support Canadian industries as they aim to diversify export markets in the Indo-Pacific region, including with Taiwan.

#### SECTION III: PEACE AND SECURITY IN THE REGION

In speaking to the Special Committee, witnesses stressed the importance of addressing peace and security in the Taiwan Strait region. Witnesses addressed major topics such as the PRC's provocations towards Taiwan, the capacity of Taiwan and its allies to respond to such threats and situating Taiwan in the context of Russia's invasion of Ukraine. They shared their thoughts on Canada's position and role.

#### The People's Republic of China's Provocations and Statements Towards Taiwan

Witnesses outlined how the PRC used then-U.S. Speaker Pelosi's visit as a pretext for "unprecedented" military coercion towards Taiwan in recent months. Harry Ho-jen Tseng drew attention to the continued daily intimidation by the PRC towards Taiwan, with PRC aircraft and ships crossing over the median line. Antoine Bondaz highlighted that the frequency of such crossings had increased dramatically in the time surrounding that visit and summed up the PRC's instruments of coercion as "miliary exercises, cyber attacks, twisting international law, large-scale disinformation, and economic sanctions." 152

<sup>148</sup> CACN, *Evidence*, 1 November 2022, 2050 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

<sup>149</sup> Ibid.

CACN, <u>Evidence</u>, 15 November 2022, 1935 (Jonathan Berkshire Miller, Director and Senior Fellow, Indo-Pacific Program, Macdonald-Laurier Institute); and CACN, <u>Evidence</u>, 22 November 2022, 1840 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual).

<sup>151</sup> CACN, *Evidence*, 1 November 2022, 1955 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>152</sup> CACN, *Evidence*, 22 November 2022, 1840 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual).



The PRC's emphasis on security was outlined in its October 2022 report to the 20th National Congress of the Communist Party of China, which included the word "security" more than 75 times. 153 Representative Tseng maintained that "the more [the PRC] stresses security, the more it will look inward and the tighter the political control will be... I think that message should be taken up by all of us so we can be better prepared for any kind of possible consequences." 154 Steve Tsang stated his belief that President Xi's "first priority is to keep [himself] and the Communist Party in power. That requires making China great again. Taking Taiwan is part of that." 155

The PRC's longstanding belief that Taiwan should be a part of it was articulated in its August 2022 white paper: *The Taiwan Question and China's Reunification in the New Era*. While the white paper uses the wording "peaceful reunification," Justin Massie and Antoine Bondaz interpreted it as indicating the PRC's desire to annex Taiwan against the will of its people. Likewise, André Laliberté stressed that PRC aggression towards Taiwan "is not about reunification, as the Chinese government purports; it is about an irredentist claim to subjugate a sovereign state, pure and simple. After all, Taiwan has never been part of the PRC." Elbridge Colby, Principal and Co-Founder, The Marathon Initiative and former Deputy Assistant Secretary of Defense for Strategy and Force Development, United States, argued that the PRC "appears to be increasingly assessing that Taiwan will not fall into its hands peacefully." 159

<sup>153</sup> Ministry of Foreign Affairs of the People's Republic of China, *Full text of the report to the 20th National Congress of the Communist Party of China*, 25 October 2022.

<sup>154</sup> CACN, *Evidence*, 1 November 2022, 1905 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>155</sup> FAAE, Evidence, 12 May 2022, 1620 (Steve Tsang, Professor, SOAS University of London, As an individual).

The People's Republic of China previously released two white papers on the topic, in 1993 and 2000. See The State Council of the People's Republic of China, <u>China releases white paper on Taiwan question</u>, reunification in new era, 10 August 2022.

<sup>157</sup> CACN, <u>Evidence</u>, 15 November 2022, 1930 (Justin Massie, Full Professor, Université du Québec à Montréal, and Co-Director, Network for Strategic Analysis, As an individual) and CACN, <u>Evidence</u>, 22 November 2022, 1840 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual).

FAAE, <u>Evidence</u>, 12 May 2022, 1710 (André Laliberté, Full Professor, School of Political Studies, Faculty of Social Sciences and Research Chair in Taiwan Studies, University of Ottawa, As an individual).

Elbridge Colby, Statement of Elbridge A. Colby to the Special Committee on the Canada—China Relationship, House of Commons Canada, 22 November 2022.

Witnesses shared their differing views on a timeline for a potential confrontation. While stressing that it is difficult to predict the "mindset of a dictator," Representative Tseng stated that "in Taiwan, we think that over the next five years under Xi Jinping's watch—his third term—he'll probably be pressing further on Taiwan in ways unseen before." He and Elbridge Colby noted that the U.S. Secretary of State, Anthony Blinken, had also voiced the view that the PRC has moved up its timeline concerning its threats toward Taiwan, a belief echoed by other witnesses. Scott Simon pointed out that the U.S. viewpoint on such a timeline has evolved: "[t]hey used to say 2049, hen it was 2027. Now they're saying maybe 2023 or maybe later this year." Elbridge Colby suggested that a "strike" by the PRC on Taiwan might occur in "this decade or even sooner" and suggested that "some kind of confrontation with the United States and its allies is inevitable."

Providing a different perspective, a GAC official reasoned that it is hasty to assume that an invasion of Taiwan is inevitable. Similarly, while acknowledging that "the situation in the Taiwan Strait is very tense," Steve Tsang shared that he does "not see a war as something that is imminent," noting that it would take at least 10 years for the PRC to acquire the capability to invade Taiwan. Antoine Bondaz warned of a risk in "binary reasoning" by "thinking that the only possible option in the strait is either a form of

<sup>160</sup> CACN, *Evidence*, 1 November 2022, 1900 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>161</sup> Ibid., <u>19</u>55.

CACN, <u>Evidence</u>, 1 November 2022, 1955 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada) and Elbridge Colby, <u>Statement of Elbridge A. Colby to the Special Committee on the Canada—China Relationship</u>, <u>House of Commons Canada</u>, 22 November 2022; FAAE, <u>Evidence</u>, 12 May 2022, 1805 (Joseph Wong, Roz and Ralph Halbert Professor of Innovation, Munk School of Global Affairs & Public Policy, Professor of Political Science, University of Toronto, As an individual) and FAAE, <u>Evidence</u>, 12 May 2022, 1800 (André Laliberté, Full Professor, School of Political Studies, Faculty of Social Sciences and Research Chair in Taiwan Studies, University of Ottawa, As an individual).

The year 2049 is the 100<sup>th</sup> Anniversary of the founding of the People's Republic of China.

<sup>164</sup> CACN, <u>Evidence</u>, 1 November 2022, 2020 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

Elbridge Colby, Statement of Elbridge A. Colby to the Special Committee on the Canada–China Relationship, House of Commons Canada, 22 November 2022.

<sup>166</sup> CACN, *Evidence*, 29 November 2022, 1915 (Weldon Epp, Director General, North East Asia, Global Affairs Canada).

<sup>167</sup> FAAE, Evidence, 12 May 2022, 1615 (Steve Tsang, Professor, SOAS University of London, As an individual).



precarious peace or a large-scale invasion by China."<sup>168</sup> He and Jonathan Berkshire Miller drew attention to other potential grey-zone tactics that the PRC may take, including taking islands surrounding Taiwan, violation of air space, or even a partial or total maritime blockade.<sup>169</sup> Emphasizing the seriousness of grey-zone tactics, Representative Tseng suggested that for political leaders in the PRC, using cyber-attacks, hybrid threats and disinformation campaigns would be the "cheapest way," to take Taiwan, instead of taking it by direct military intervention.<sup>170</sup> Nevertheless, he said that, "for decision-makers in Taiwan, we have to prepare for that worst kind of scenario. So it is not a question of if, but of when."<sup>171</sup>

## The Capacity of Taiwan, its Neighbours and Allies to Respond to a Potential Invasion

Considering the risks of a potential incursion by the PRC on Taiwan, the capacity of Taiwan and its allies to respond was raised by several witnesses, many of whom stressed that such an incursion would not only have a significant impact on Taiwan, it would also affect neighbouring countries and, ultimately, all democratic countries. Colin Robertson and Justin Massie described Taiwan using a "porcupine" analogy, noting that it, and its allies, should continue to raise the cost and repercussions of invading Taiwan by building up deterrence.

<sup>168</sup> CACN, <u>Evidence</u>, 22 November 2022, 1840 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual). In his testimony, Scott Simon also described the current situation as a "precarious peace," see CACN, <u>Evidence</u>, 1 November 2022, 2030 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

<sup>169</sup> CACN, <u>Evidence</u>, 15 November 2022, 2020 (Jonathan Berkshire Miller, Director and Senior Fellow, Indo-Pacific Program, Macdonald-Laurier Institute).

<sup>170</sup> CACN, <u>Evidence</u>, 1 November 2022, 1910 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>171</sup> Ibid., <u>1990</u>.

Elbridge Colby, "<u>Why Protecting Taiwan Really Matters to the U.S.</u>," *TIME Magazine*, 22 October 2022; CACN, <u>Evidence</u>, 15 November 2022, 2010 (Jonathan Berkshire Miller, Director and Senior Fellow, Indo-Pacific Program, Macdonald-Laurier Institute); and CACN, <u>Evidence</u>, 1 November 2022, 1955 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

CACN, <u>Evidence</u>, 15 November 2022, 1850 (Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute, As an individual) and CACN, <u>Evidence</u>, 15 November 2022, 1930 (Justin Massie, Full Professor, Université du Québec à Montréal, and Co-Director, Network for Strategic Analysis, As an individual).

However, as Antoine Bondaz pointed out, the balance of power in the Taiwan Strait has shifted in favour of the PRC, to the detriment of Taiwan.<sup>174</sup> He drew the Special Committee's attention to the difference in military spending, with the PRC spending approximately 15 times more than Taiwan.<sup>175</sup> He suggested that this deficit "forces Taiwan to develop weapons systems and strategies that are increasingly asymmetric." <sup>176</sup>

Several witnesses discussed the role of the U.S. in the event of a PRC invasion of Taiwan. Antoine Bondaz highlighted the security assurances provided by the U.S. to Taiwan through the *Taiwan Relations Act* of 1979.<sup>177</sup> Still, observers characterized the U.S. policy concerning how it would respond to an invasion of Taiwan as one of strategic ambiguity, an approach that Professor Laliberté believed "is now showing its limits." Colin Robertson acknowledged considerable division within U.S. policy institutes about how the country would respond to an attack on Taiwan. Professor Laliberté believed that the signals from the U.S. indicate that if the PRC were to truly launch an attack on Taiwan, the American response "would do great harm to [the PRC]." 180

Elbridge Colby argued that the U.S. and its allies "are not doing what is needed to build an effective denial defense." While questioning the capacity of the U.S. to defend Taiwan, he cited U.S. Strategic Command chief Admiral Chas Richard, who said that, concerning the U.S.'s ability to deter the PRC, "the ship is slowly sinking." Elbridge Colby noted that the issue of support for Taiwan has been a rare area of bipartisan agreement in the U.S., accordingly "[t]he debate is more about how to confront China

<sup>174</sup> CACN, <u>Evidence</u>, 22 November 2022, 1900 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual).

<sup>175</sup> See China Power Team, <u>What Does China Really Spend on its Military?</u>, China Power Project, Center for Strategic and International Studies, updated June 29, 2022.

<sup>176</sup> CACN, *Evidence*, 22 November 2022, 1900 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual).

<sup>177 &</sup>lt;u>Ibid.</u>, 1905 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual).; see also United States 96<sup>th</sup> Congress (1979-1980), <u>H.R.2479 - Taiwan</u>
Relations Act.

<sup>178</sup> FAAE, <u>Evidence</u>, 12 May 2022, 1730 (André Laliberté, Full Professor, School of Political Studies, Faculty of Social Sciences and Research Chair in Taiwan Studies, University of Ottawa, As an individual).

<sup>179</sup> CACN, <u>Evidence</u>, 15 November 2022, 1850 (Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute, As an individual).

<sup>180</sup> Ibid., (Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute, As an individual).

<sup>181</sup> Elbridge Colby, "Why Protecting Taiwan Really Matters to the U.S.," TIME Magazine, 22 October 2022.

<sup>182</sup> CACN, Statement of Elbridge A. Colby to the Special Committee on the Canada–China Relationship, House of Commons of Canada, 22 November 2022.



and help Taiwan, not about whether to do so."<sup>183</sup> Consequently, he stressed the importance of a coalition, led by the U.S., that would aim to block the PRC from dominating Asia. He stated that the U.S. "needs a coalition because it is neither realistic nor fair for Americans to take on the enormous task of blunting Beijing's ambitions alone," and noted Japan, India, Australia and Taiwan could have the will and the capacity to stand up to the PRC.<sup>184</sup> Antoine Bondaz agreed that a coordinated response, not only from the U.S., but its allies and the international community, could serve as a prohibitive cost to deter the PRC from an escalation.<sup>185</sup>

#### The Implications of Russia's Invasion of Ukraine

Several witnesses raised the issue of Taiwan in the context of Russia's most recent invasion of Ukraine, which began on 24 February 2022. Earlier that month, the PRC and Russia issued a joint statement signalling a "new era" of their international relations. A number of witnesses commented on the relationship, with a GAC representative noting that it is one that the Government of Canada monitors closely. In describing the "very abstract" joint statement, Kerry Brown assessed that while the PRC remains "neutral yet very friendly toward Russia," it would not necessarily appreciate Russia's invasion of Ukraine due to its destabilizing impact on the global economy. Professor Tsang characterized the PRC's policy as "clear neutrality: support Russia and pay no price. Those are the limits of Chinese support for the unlimited friendship with Russia. It is [the PRC] first."

Robert Huebert, Associate Professor, University of Calgary, outlined that the PRC provides Russia with backing when it is increasingly isolated and sanctioned by western

183 Ibid.

184 Elbridge Colby, "Why Protecting Taiwan Really Matters to the U.S.," Time Magazine, 22 October 2022.

185 CACN, <u>Evidence</u>, 22 November 2022, 1920 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual).

President of Russia, <u>Joint Statement of the Russian Federation and the People's Republic of China</u>
<u>on the International Relations Entering a New Era and the Global Sustainable Development</u>, **4 February**2022.

187 FAAE, <u>Evidence</u>, 14 February 2022, 1115 (Weldon Epp, Director General, North East Asia, Global Affairs Canada).

FAAE, *Evidence*, 12 May 2022, 1620 (Kerry Brown, Professor of Chinese Studies, King's College London and Director Lau China Institute, As an individual).

189 FAAE, Evidence, 12 May 2022, 1625 (Steve Tsang, Professor, SOAS University of London, As an individual).

states, while Russia provides the PRC with inexpensive energy.<sup>190</sup> He characterized their relations as a "relationship of convenience, and in many ways in the longer term Russia actually has as much to fear from [the PRC] as [it] becomes the great power in the region as, say, the Americans have to fear."<sup>191</sup>

In light of Russia's invasion of Ukraine, some witnesses compared Taiwan to Ukraine. Professor Laliberté pointed out that comparisons of Taiwan and Ukraine are valid because although Taiwan, unlike Ukraine, "does not enjoy diplomatic recognition by the international community," he contended that "Taiwan is a sovereign state according to the criteria set out in the Montevideo convention: it has a permanent population, a defined territory, a government and the capacity to enter into relations with other states." Antoine Bondaz warned the consequences of a conflict in the Taiwan Strait would be considerable, "exceeding by far the already tragic consequences of the war in Ukraine." <sup>193</sup>

Professor Tsang underscored that both the PRC and Taiwan are drawing lessons from what happens in Ukraine and may frame their own policies on the outcome. He theorized that the PRC would not want to make the same mistake as Russia by invading "without proper planning and preparation." Another such lesson, Jonathan Berkshire Miller suggested, is that that the PRC would be more likely to conduct grey-zone attacks as compared to a "full-scale invasion of the main island of Taiwan." Professor Brown noted that the speed of the West's imposition of sanctions on Russia would "make them think a bit," although he pointed out that such sanctions were not applied by all countries in Africa, Latin America and the Middle East, many of which have strong connections with the PRC. Similarly, while stressing the uniqueness of each situation, a GAC official acknowledged that the economic sanctions and "quick, consolidated pushback against Russia's invasion of Ukraine have been interesting, but the Chinese have

<sup>190</sup> CACN, <u>Evidence</u>, 22 November 2022, 1955 (Robert Huebert, Associate Professor, University of Calgary, As an individual).

<sup>191</sup> Ibid., <u>1950</u>.

FAAE, <u>Evidence</u>, 12 May 2022, 1710 (André Laliberté, Full Professor, School of Political Studies, Faculty of Social Sciences and Research Chair in Taiwan Studies, University of Ottawa, As an individual).

<sup>193</sup> CACN, <u>Evidence</u>, 22 November 2022, 1855 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual).

<sup>194</sup> FAAE, Evidence, 12 May 2022, 1615 (Steve Tsang, Professor, SOAS University of London, As an individual).

<sup>195</sup> CACN, *Evidence*, 15 November 2022, 2020 (Jonathan Berkshire Miller, Director and Senior Fellow, Indo-Pacific Program, Macdonald-Laurier Institute).

<sup>196</sup> FAAE, <u>Evidence</u>, 12 May 2022, 1620 (Kerry Brown, Professor of Chinese Studies, King's College London and Director Lau China Institute, As an individual).



always taken a very long view of Taiwan. Their approach is not contingent on any particular timeline." <sup>197</sup>

In terms of Taiwan's lessons learned, the GAC official noted that Russia's invasion of Ukraine has also led Taiwanese authorities to review and revisit their own planning and operating assumptions concerning self-defence. Professor Tsang postulated that Taiwan would be looking to see what type of western support Ukraine would receive and would anticipate that the PRC would be taking note of lessons learned from Russia's experience.

## International Best Practices, Including the Responses of Canada's Allies

In May 2021, for the first time, security in the Taiwan Strait was included in an official G7 Statement.<sup>200</sup> The G7's June 2021 Summit Communiqué similarly included a paragraph that underscored the importance of peace and stability across the Taiwan Strait.<sup>201</sup> Following the uptick in the PRC's incursions after Speaker Pelosi's visit, the G7 Foreign Ministers' Statement on Preserving Peace and Stability Across the Taiwan Strait from 3 August 2022 stated:

We call on China not to unilaterally change the status quo by force in the region, and to resolve cross-Strait differences by peaceful means. There is no change in the respective one China policies, where applicable, and basic positions on Taiwan of the G7 members.<sup>202</sup>

In recognizing these statements, which demonstrated a shift in G7 rhetoric, Representative Tseng inferred that "[i]t has become part of the G7's position." He stated, "[t]he more you reiterate that kind of position, the more China will think twice, because they know that they are defying the international aspiration for peace and stability in

199 FAAE, Evidence, 12 May 2022, 1615 (Steve Tsang, Professor, SOAS University of London, As an individual).

200 See Government of Canada, <u>G7 Foreign and Development Ministers Communiqué</u>, 5 May 2021.

201 Prime Minister of Canada, Justin Trudeau, Carbis Bay G7 Summit Communiqué, 13 June 2021.

202 Global Affairs Canada, <u>G7 Foreign Ministers' Statement on Preserving Peace and Stability Across the Taiwan Strait</u>, 3 August 2022.

<sup>197</sup> CACN, *Evidence*, 29 November 2022, 1905 (Weldon Epp, Director General, North East Asia, Global Affairs Canada).

<sup>198</sup> Ibid.

that part of the world."<sup>203</sup> Antoine Bondaz remarked that the G7 should continue to respond with such coordinated statements when the PRC attempts to change the status quo by force, because they represent "one of the key levels that have been chosen over the last few years to make sure we have a united answer, and more broadly a transatlantic answer to address what's going on in the Taiwan Strait."<sup>204</sup> For his part, André Laliberté stressed that it is essential to make "absolutely clear" that military action against Taiwan "would be illegal under international law, regardless of the antisecession law passed by the National People's Congress of [the PRC]."<sup>205</sup>

Professor Simon highlighted examples of cooperation between Japan and Taiwan, noting that these "could inspire Canada in many ways." He identified that Japan and Taiwan had initiated a defence and security dialogue between political parties and suggested that such dialogue indicated to the PRC that Japan is "willing to work with Taiwan for its protection." He proposed that such a model could work for Canada and Taiwan and recommended that Canada "work more closely with Japan on issues related to peace and security in the region." <sup>208</sup>

In recognizing that Canada was not part of two regional security alliances – the Quadrilateral Security Dialogue<sup>209</sup> and the trilateral security pact between Australia, the U.K. and the U.S. known as AUKUS – Justin Massie highlighted the advantages of Canadian multilateralism. He stated that "Canada would like to see consensus amongst its allies. There is no real divergence of opinion between the Europeans, the Americans and the Japanese on the issue of Taiwan, but it would be good to stake out a common position."<sup>210</sup> He voiced his view that such alliances and multilateral institutions should include more actors, such as France and Canada. Antoine Bondaz highlighted that

<sup>203</sup> CACN, *Evidence*, 1 November 2022, 1925 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>204</sup> CACN, <u>Evidence</u>, 22 November 2022, 1910 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual).

<sup>205</sup> FAAE, <u>Evidence</u>, 12 May 2022, 1710 (André Laliberté, Full Professor, School of Political Studies, Faculty of Social Sciences and Research Chair in Taiwan Studies, University of Ottawa, As an individual).

<sup>206</sup> CACN, <u>Evidence</u>, 1 November 2022, 2035 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

<sup>207</sup> Ibid., <u>2055</u>.

<sup>208</sup> Ibid., 2050.

The Quadrilateral Security Dialogue, also known as the "Quad" is a strategic security dialogue between Australia, India, Japan and the United States.

<sup>210</sup> CACN, <u>Evidence</u>, 15 November 2022, 1955 (Justin Massie, Full Professor, Université du Québec à Montréal, and Co-Director, Network for Strategic Analysis, As an individual).



although France, like Canada, was not invited to join those alliances, the opportunity for both nations to join certain working groups within the Quad might arise given that the work of those groups goes well beyond security and military matters.<sup>211</sup>

Concerning AUKUS, GAC representatives stated that Canada's Department of National Defence is not currently advocating the acquisition of nuclear submarines, which is the centrepiece of the agreement. They noted that Canada can work with the alliance in such areas as emerging technologies, research and innovation, artificial intelligence and quantum computing, and said that Canada is already working with those countries in those areas through the Five Eyes arrangement.<sup>212</sup>

#### Canada's Position and Role

Commenting on Canada's position and role in the Taiwan Strait, Representative Tseng stressed that while its contribution to peace and security in the region is important, "Canada cannot do it alone." He urged Canada "to help maintain the status quo," a sentiment shared by other witnesses who highlighted the importance of Taiwan's security. Scott Simon speculated that Canada's history of staying silent on Taiwan was conditional on the PRC refraining from aggression. However, he argued that this no longer seems to be the case and maintained that Canada should consistently advocate for the preservation of the peaceful status quo. Tong Lam suggested Canada could contribute to doing so by strengthening its ties with Taiwan, particularly at the civil society level. A GAC official drew attention to Canada's position outlined in Canada's Indo-Pacific Strategy: "what Canada aspires to is the status quo in terms of regional

<sup>211</sup> CACN, <u>Evidence</u>, 22 November 2022, 1905 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual).

<sup>212</sup> CACN, <u>Evidence</u>, 19 November 2022, 1910 (Paul Thoppil, Assistant Deputy Minister, Asia Pacific, Global Affairs Canada) and FAAE, <u>Evidence</u>, 14 February 2022, 1140 (Kevin Hamilton, Director General, International Security Policy, Global Affairs Canada).

<sup>213</sup> CACN, <u>Evidence</u>, 1 November 2022, 1925 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>214</sup> Ibid., 1935; CACN, Evidence, 15 November 2022, 1855 (Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute, As an individual); CACN, Evidence, 15 November 2022, 1930 (Justin Massie, Full Professor, Université du Québec à Montréal, and Co-Director, Network for Strategic Analysis, As an individual); and CACN, Evidence, 22 November 2022, 1850 (Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po, As an individual).

<sup>215</sup> CACN, <u>Evidence</u>, 1 November 2022, 2010 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

<sup>216</sup> CACN, <u>Evidence</u>, 15 November 2022, 1835 (Tong Lam, Associate Professor, University of Toronto, As an individual).

peace and stability in the region."<sup>217</sup> He noted that Canada "will engage, together with other like-minded countries, in opposing any unilateral actions that will threaten the status quo."<sup>218</sup>

Articulating Canada's support for Taiwan's status quo involves managing Canada's relationship with the PRC. Colin Robertson strongly believed that Canada should engage with the PRC on such issues as climate change, 219 global health, including pandemics, nuclear proliferation, trade, and people-to-people ties, while noting that Canada should re-examine its policy on the PRC's state-owned enterprises and enforce sanctions under the Canadian-led Declaration Against Arbitrary Detention in State-to-State Relations. 220 He stressed that engagement with the PRC should be coupled with the communication of the message that Canada is not going to change its position on the status quo with regard to Taiwan's status. 221 In response to the PRC's aggression towards Taiwan, Scott Simon stated that Canada "need[s] to emphasize that we do not endorse China's coercion." 222 He recommended that Canada consider legislation similar to the U.S. Taiwan Relations Act, which could provide guidance on how to manage Canada's engagement with Taiwan.

Representative Tseng acknowledged Canada's recent actions regarding Taiwan. He shared appreciation for Canada's naval passages through the Taiwan Strait and advocated for Canada to increase the frequency of such passages, which he said, demonstrate Canada's "commitment to keeping peace and stability in this part of the world." Yeh-Chung Lu similarly shared Taiwan's appreciation for Canada's passages of

<sup>217</sup> CACN, <u>Evidence</u>, 29 November 2022, 1920 (Paul Thoppil, Assistant Deputy Minister, Asia Pacific, Global Affairs Canada).

<sup>218</sup> Ibid.

Justin Massie also highlighted Canada's opportunity to engage with the PRC on climate change, stating that "Canada's strength lies in its capacity to rally its allies and other states around positions that are similar to its own in order to exert pressure. One of the ideas that is currently being discussed within the European Union is to impose tariffs according to the amount of pollution caused by international imports. If we establish an international consensus with the United States and our European friends in matters of trade and we set a price on pollution, that could change [the PRC's] position." See CACN, Evidence, 15 November 2022, 2010 (Justin Massie, Full Professor, Université du Québec à Montréal, and Co-Director, Network for Strategic Analysis, As an individual).

<sup>220</sup> CACN, <u>Evidence</u>, 15 November 2022, 1845 (Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute, As an individual).

<sup>221</sup> Ibid., <u>1855</u>.

<sup>222</sup> CACN, <u>Evidence</u>, 1 November 2022, 2010 (Scott Simon, Professor, University of Ottawa and Senior Fellow, Macdonald-Laurier Institute, As an individual).

<sup>223</sup> CACN, <u>Evidence</u>, 1 November 2022, 1900 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).



ships through the region, as well as Canadian expressions of concern over the PRC's efforts to unilaterally change the status quo in the region.<sup>224</sup>

In addition to noting Canada's statements in concert with the G7, Representative Tseng drew attention to the recent response from three Canadian ministers who urged the PRC to refrain from its military threats toward Taiwan following Speaker Pelosi's visit. He stated, "[w]e appreciate such timely gestures from Canada, alongside those of other like-minded countries, and we believe that Canada should do more." Professor Tsang framed Canada's role:

I think the strength of Canada is always that it has a moral strength but is not actually part of the United States. You are not the United States, so you don't have those kinds of issues there. You can stand on your principles. When you do that, you could potentially provide leadership for other countries that share your values, which will also do so. There is scope for you to try to do the right things, but you really will need to have quite a few friends acting together. Otherwise, you will pay a heavy price. Beijing will make sure that you do.<sup>226</sup>

#### **Recommendation 15**

That the Government of Canada work with its allies, including the G7, to indicate support for the peaceful status quo in the Taiwan Strait and to consider adopting best practices to cooperate with Taiwan on peace and security issues.

#### **Recommendation 16**

That the Government of Canada affirm its support for international law and the international law of the sea with respect to the People's Republic of China's claims in the South China Sea.

#### **Recommendation 17**

That the Government of Canada make efforts to join the Quadrilateral Security Dialogue and AUKUS security pact in order to bolster Canada's presence in the Indo-Pacific region to counter the People's Republic of China's threats to the region.

<sup>224</sup> CACN, <u>Evidence</u>, 22 November 2022, 1940 (Yeh-Chung Lu, Professor and Chair, Department of Diplomacy, National Chengchi University, As an individual).

<sup>225</sup> CACN, <u>Evidence</u>, 1 November 2022, 1835 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

<sup>226</sup> FAAE, Evidence, 12 May 2022, 1700 (Steve Tsang, Professor, SOAS University of London, As an individual).

#### **Recommendation 18**

That the Government of Canada, in response to military exercises in the Taiwan Strait, publicly call on the People's Republic of China to refrain from escalating its military threats.

#### CONCLUSION

The PRC's recent aggression towards Taiwan is a stark reminder that the peaceful status quo between Taiwan and the PRC remains precarious. The Special Committee is troubled by the ongoing situation. During this study, it reviewed the ways that Canada can indicate its support for the status quo while engaging with Taiwan in adherence with its one China policy by enhancing people-to-people ties, trade and investment, and security cooperation. Such engagement with Taiwan is important in the face of increased aggression from the PRC. As Representative Tseng framed it, "the fact is that if Taiwan falls, democracy falls, and that will be the ultimate concern of all of us." Ensuring that Taiwan does not fall, then, is incumbent on all democracies.

<sup>227</sup> CACN, *Evidence*, 1 November 2022, 1955 (Harry Ho-jen Tseng, Representative, Taipei Cultural and Economic Office in Canada).

# APPENDIX A LIST OF WITNESSES

The following table lists the witnesses who appeared before the committee at its meetings related to this report. Transcripts of all public meetings related to this report are available on the committee's <u>webpage for this study</u>.

Organizations and Individuals	Date	Meeting
As an individual	2022/10/18	4
David Curtis Wright, Associate Professor of History, University of Calgary		
As an individual	2022/11/01	6
Scott Simon, Professor, University of Ottawa and Senior Fellow, MacDonald Laurier Institute		
Taipei Economic and Cultural Office in Canada	2022/11/01	6
Bryan Chiao-Lu Ping, Executive Director		
Ethan Han-Ming Chen, Executive Assistant Director		
Harry Ho-Jen Tseng, Representative		
As an individual	2022/11/15	7
Dr. Tong Lam, Associate Professor, University of Toronto		
Dr. Justin Massie, Full Professor, Université du Québec à Montréal and Co-Director, Network for Strategic Analysis		
Colin Robertson, Senior Advisor and Fellow, Canadian Global Affairs Institute		
Macdonald-Laurier Institute	2022/11/15	7
Jonathan Berkshire Miller, Director and Senior Fellow, Indo-Pacific Program		

Organizations and Individuals	Date	Meeting
As an individual	2022/11/22	8
Dr. Antoine Bondaz, Director, Taiwan Program, Foundation		

Dr. Antoine Bondaz, Director, Taiwan Program, Foundation for Strategic Research and Professor, Sciences Po

Dr. Robert Huebert, Associate Professor, University of Calgary

Dr. Yeh-Chung Lu, Professor and Chair, Department of Diplomacy, National Chengchi University

### REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this Report.

A copy of the relevant *Minutes of Proceedings* (Meetings Nos. 4, 6-8, 13 and 14) is tabled.

Respectfully submitted,

Ken Hardie Chair