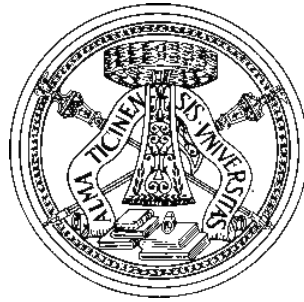


UNIVERSITA' DEGLI STUDI DI PAVIA

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**UNLOCKING POTENTIAL: ELEVATING THE
EU-TAIWAN PARTNERSHIP TO A STRATEGIC
LEVEL**

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Abstract

Taiwan and the European Union are like-minded democratic and key economic partners. In recent times, the EU has progressively engaged with the island and started to become more vocative in its support for cross-Strait stability. Yet, its approach presents several challenges that hinder a more comprehensive and strategic partnership. This thesis studies these obstacles and how they affect the development in bilateral relations, ultimately unlocking the potential that lies within existing ties. Given Taiwan's global significance, the study argues that the EU needs clarity in discourse, coherence in engagement and creativity in action. As interviews carried out in the context of the internship at INDSR in Taipei reveal, the Union should refine its "One China" policy and be consistent in its approach. The EU, then, must be creative in engaging with the island, particularly in the economic security and FIMI threats' domain, the two most fruitful and promising areas of further cooperation. This course of action would advance the EU's strategic interests as well as support stability in the Taiwan Strait, thereby contributing to its defense against authoritarian regimes.

Taiwan e l'Unione Europea sono democrazie affini e importanti partner economici. In tempi recenti, l'UE ha progressivamente rafforzato il suo coinvolgimento con l'isola e ha iniziato a esprimere un sostegno più deciso alla stabilità nello Stretto di Taiwan. Tuttavia, il suo approccio presenta diverse sfide che ostacolano una partnership più strategica. Questa tesi analizza l'impatto di questi ostacoli sulle relazioni bilaterali, evidenziando il potenziale ancora inespresso. Data l'importanza globale di Taiwan, lo studio sostiene che l'UE debba garantire chiarezza nel discorso, coerenza nell'impegno e creatività nell'azione. Come emerso dalle interviste condotte nell'ambito dell'internship presso l'INDSR a Taipei, l'UE dovrebbe affinare la propria politica dell'"una sola Cina" e mantenere un approccio coerente. Inoltre, la sicurezza economica e il contrasto alle minacce FIMI rappresentano le aree più promettenti per una collaborazione più profonda. Seguire questa direzione rafforzerebbe gli interessi strategici dell'UE, contribuendo alla stabilità nello Stretto di Taiwan e alla sua difesa contro i regimi autoritari.

Introduction

As it is argued by several scholars, Taiwan and the European Union have mutually become crucial economic and like-minded partners in the recent years. More recently, the two sides seem to have, at least rhetorically, set a new goal: to unlock potential and build a more strategic and comprehensive partnership. However, several obstacles and constraints affect the development of such a relationship. This thesis tries to shed some light on these limits. Its purpose is to comprehend how ongoing collaboration in economic security and fostering democratic resilience may help untie the knots, eventually promoting a thorough mutual appreciation of each other's capabilities, interests, and expectations.

Over the last ten years, the EU has been increasingly engaging with Taiwan under the framework of its “One China” policy. With the introduction of the Indo-Pacific Strategy in 2021, the EU furthered its relationship with the Asian country. Certainly, the People’s Republic of China (PRC)’s increasing assertiveness in the region and its impact on European security and economic interests have been a factor to this process. However, in spite of these developments, the establishment of a truly comprehensive EU-Taiwan partnership remains, *rebus sic stantibus*, unattainable. The barriers to deeper engagement extend beyond the constraints imposed by Beijing’s influence – namely, its “One China” principle – and the EU’s concerns over potential economic and political retaliation from the PRC. Impediments are present within the partnership itself: the EU and Taiwan still struggle with misconceptions about their respective advantages, strategic objectives, and long-term goals.

This study explores how these divergences in expectations and perceptions shape the prospects of the EU-Taiwan partnership. What are the primary internal impediments to closer collaboration? What mechanisms and policy frameworks could facilitate such an upgrade towards a more robust cooperation? And how can both actors align their strategic interests to ensure that their relationship be resilient to external

changes? In answering these questions, the thesis points out the need for integrating Taiwan more prominently into the EU's strategic discourse and tackling the issues that have so far hindered progress.

The concerns over Taiwan, then *Formosa*, and the importance of bilateral relations with the country are anything new, as evidenced in General MacArthur's words:

"The domination of Formosa by an unfriendly power would be a disaster of utmost importance to the United States, and I am convinced that time is of the essence." — Douglas MacArthur, June 14, 1950¹.

MacArthur's speech, delivered at the onset of the Cold War, warned about Taiwan's pivotal role in the balance of power in East Asia. He described Taiwan as an "unsinkable aircraft carrier"² whose control by communist forces would have enabled adversaries to frustrate U.S. and its allies in the region. While the geopolitical landscape has evolved since then, Taiwan's significance has only grown, particularly in economic terms.

Yet, distinct from MacArthur's era, Taiwan is now a mature and fully-fledged democracy. The island's transformation stands in contrast with Beijing's authoritarian model, demonstrating that a liberal political system can thrive even in a society with deep cultural ties to China. Be this democratic system extinguished, it would mark the eradication of the first liberal democracy established by people of Chinese heritage, a loss that would resound far beyond Taiwan's borders and ideology. Different scholars and experts contends that Taiwan's security may prove to be a litmus test for the credibility of democratic resistance in the broader Indo-Pacific and international area.

¹ Office of the Historian, *Memorandum on Formosa, by General of the Army Douglas MacArthur, Commander in Chief, Far East, and Supreme Commander, Allied Powers, Japan*, in *Foreign Relations of the United States, 1950, Korea*, Volume VII, p.164.

² *Ivi*, p.165.

As the *status quo* is becoming increasingly fragile, there have been growing debates in Washington, Brussels, and other capitals over the island’s economic and strategic importance. Is Taiwan crucial enough to deserve protection against external threats? Even though opinions may diverge, one reality remains indisputable: regardless of whether it is viewed through the lenses of *realpolitik* or democracy promotion, Tai-

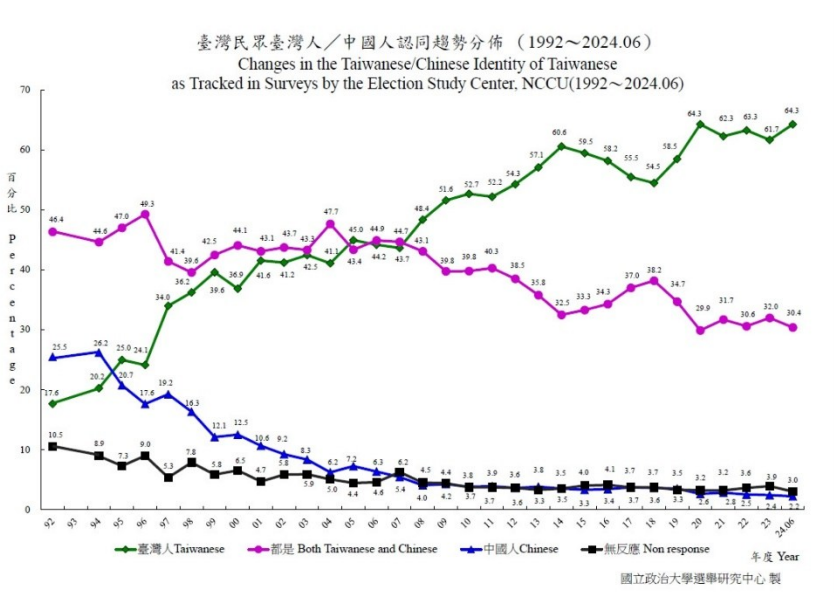


Figure 1. Source: Election Study Center, National Chengchi University, 2025

wan’s future is of global significance. Safeguarding its stability is not only a regional concern but a broader imperative for the preservation of the rules-based international order. Arguably³, the unfeasibility of the upholding to the current *status quo* is rising. Several are the factors behind this shift: they include Taiwan’s democratization process in the last thirty years, the growing power imbalance in the broader Indo-Pacific, and Xi Jinping’s apparent abandonment of peaceful means for unification. Other decisive factors comprise Taipei’s diversification efforts, which have led to China no longer being the island’s primary export market, and President Tsai Ing-wen’s rejection of the 1992 Consensus⁴. This growing distrust toward the Chinese Communist

³ Campagnola 2024
⁴ After a 1992 semiofficial meeting between representatives from the Association for Relations Across the Taiwan Strait (Taiwan) and Straits Exchange Foundation (PRC) in Hong Kong, the two sides reached a disputed consensus over the definition of One China. Ever since there have been major problems relating to the

Party (CCP) is strengthening a distinct Taiwanese identity, as seen in Figure 1. Polls from the Election Study Centre⁵ and studies by the Institute for National Defence and

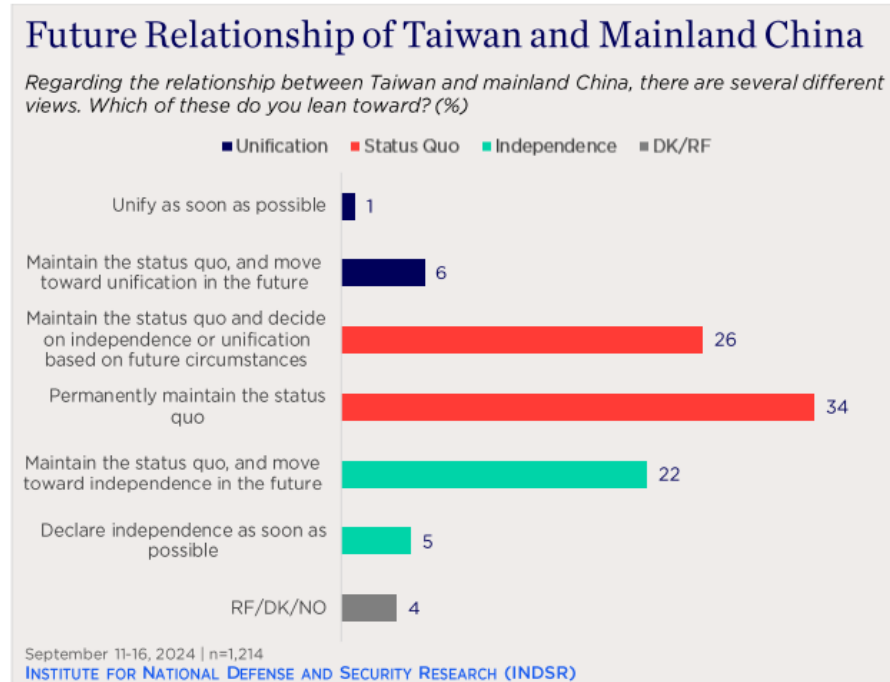


Figure 2. Source: Craig Kafura , Dina Smeltz , Kuan-chen Lee , and Christina Chen, 2024

Security Research (INDSR) additionally confirm the declining appeal of unification and the increased instability of the *status quo*. Recently, a joint survey conducted by INDSR and the Chicago Council on Global Affairs showed a strong consensus favouring the maintenance of the *status quo*⁶. Critically, the prevailing stance among policymakers – such as U.S. Senator Marco Rubio’s January 2025 remarks⁷ - gives emphasis to neither independence nor unification, be it through peaceful means or force. Another polling by INDSR underlines a noteworthy evolution in Taiwanese

interpretation of such consensus which resulted in discrepancies: Taiwan’s understanding of the consensus is “one China, different interpretations”, whilst China believe the consensus states that there is one China and that the PRC is the sole legitimate representative.

⁵ Election Study Center, National Chengchi University, 2025

⁶ Craig Kafura , Dina Smeltz , Kuan-chen Lee , and Christina Chen, 2024

⁷ Moriyasu, 2025

attitudes toward China⁸. While 65% of respondents express concern over the possibility of an armed conflict, nearly half of them (49%) believe a Chinese attack could occur in a short period, while the other half disagree. Additionally, 62% classify China's territorial ambitions as a serious threat. Yet, 46.9% report indifference to PLA military exercises. Instead, it suggests a growing awareness and rationality about the prospects of an imminent war. The resilience of Taiwanese society is reflected as well in its broad support for whole-society defence initiatives. According to INDSR's survey:

- 71% support mobilizing businesses, schools, and civil organizations to counter external threats.
- Women (75%) and younger individuals (74%) significantly back such support, while it decreases to 60% among those aged 60 and above.
- 69% would willingly participate in civil defence activities, with Green camp supporters showing a considerably higher involvement (92%) than their Blue camp counterparts (47%).

These findings emphasize the increasing fragility of the *status quo*. Rather than moving toward peaceful resolution, cross-strait dynamics are becoming more unpredictable, leaving little margin for error. Each stakeholder must act cautiously so to prevent miscalculations that could escalate tensions into open conflict.

To prevent war, the *status quo* must be reinforced. In this context, the role of the United States is decisive. It appears as whether Washington has started to shift from a strategically ambiguous approach to a policy of dual clarity, making a clearer commitment to defending Taiwan from aggression while opposing any unilateral attempts at independence. At least, this was the case under the previous Democrats' presidency.

⁸ Lee, 2025

Remarkably, the Biden administration's Taiwan Policy Act (TPA) may have represented a significant policy change, allocating \$4.5 billion over four years to sustain Taiwan's defence, enhance its international participation, and deter PRC's coercion⁹. Albeit these developments, the EU's response remains fragmented and lacks a unified strategic vision. Unlike the U.S., which has issued multiple legislative measures supporting Taiwan – that is, the Taiwan Relations Act and the TPA – the EU is less likely to adopt a comparable stance. Whilst European countries have released rhetorical statements in support of the *status quo* in the Strait, they have been inconsistent and largely reactive in their approach. Since the risks associated with the deterioration of stability in relations are mounting, the EU is starting to recognize it has a duty to re-evaluate its policies and take a more proactive stance, eventually ensuring regional peace.

The first section focuses on this. It stresses Taiwan's significance on a global scale and how it is relevant to the European continent, although geographically distant. As it will be seen throughout the section, Taiwan remains crucial to the EU's economic and security interests. It, then, examines Taiwan's strategic role in the Indo-Pacific, exploring the key developments that have made EU-Taiwan rapprochement possible in recent years.

The second section, instead, displays the contents from the interviews and materials I gathered during my internship at the Institute for National Defence and Security Research in Taipei. It presents insights from discussions with ministry officials, representatives from the Democratic Progressive Party (DPP), and scholars—both Taiwanese and Taiwan-based Europeans—associated with universities and local think tanks. This chapter provides a far-reaching understanding of the current state of EU-Taiwan relations and elucidate why it is timely and necessary for the EU to elevate Taiwan to

⁹ Congress, Taiwan Policy Act of 2022

a more comprehensive partnership within the framework of its “One China” policy. It also deals with the difficulties intrinsic to advancing up their bilateral relations.

Building on this basis, the third part concentrates on current initiatives, specifically in areas of democratic resilience – such as tackling foreign interference and manipulation campaigns, information operations and cybersecurity – and economic security, especially through building supply chain. These are the areas that were identified by interviewees as the most feasible, practical and fruitful for the strengthening of the partnership.

Finally, the thesis concludes by exploring the implications of an improved collaboration: firstly, a more consistent understanding of Taiwan would deepen ties and reduce ambiguities in the EU’s “One China” policy, pragmatically expanding opportunities for cooperation. It would also make it increasingly unfeasible for China to take on aggressive actions. Ultimately, the strengthening of the bilateral agenda between Taiwan, the EU, and its member states should be of highly strategic value. This approach would eventually increase opportunities for Europe to advance its economic, technological, and security interests while, at the same time, supporting a vibrant and well-established democracy, thereby contributing to its defence against authoritarian regimes.

How Much Is the EU Exposed?

The Political, Economic and Security Costs of a Taiwan Contingency

Introduction

The Taiwan Strait crisis is not merely a regional issue but a challenge with far-reaching global implications.

Taiwan is, above all, economically relevant. The island is the primary producer of advanced semiconductors, a strategic sector that underpins global industries, from high-tech manufacturing to critical infrastructure. A conflict over Taiwan would have enormous repercussions, potentially provoking a global recession and severe disruptions of supply chains in key industries.

Secondly, Taiwan has significant symbolical importance in today's battle of narratives. Unlike during MacArthur's era, Taiwan today is not just a strategic outpost but a fully developed democracy. Ranked by the Economist Intelligence Unit as the world's eighth most advanced democracy – surpassing all Asian nations and even established democracies such as the United Kingdom and the United States – Taiwan stands as a testament to the viability of democratic governance in the Indo-Pacific¹⁰. Its society is marked by relatively equitable income distribution and robust civil liberties, with growing public trust in democracy, a stark contrast to the global trend of democratic disillusionment.

Lastly, a possible Taiwan crisis is critical from a security perspective as well. The stability of the international order and the credibility of Western security commitments would be under pressure. Indo-Pacific is now characterized by a dense network of U.S. alliances, with regional partners relying on American protection for their security. This has fuelled intense debates in Western capitals, particularly in Washington,

¹⁰ Economist Intelligence Unit, Democracy Index 2023, p. 11

regarding Taiwan's strategic and economic importance and whether it warrants protection even in the most challenging contingencies.

For Europe, Taiwan's future is neither a remote nor secondary issue. The European economy is deeply intertwined with Taiwan's, not only due to the critical role of semiconductors in digital transformation and the automotive sector but also because of the stability of trade routes that traverse the Indo-Pacific. Moreover, Taiwan's fate is a crucial test for the future of democracies in the 21st century: if the island were to lose its freedom, Beijing would erase the first liberal democracy of Chinese heritage, demonstrating to the world that authoritarianism can prevail. This section will therefore examine the economic and security implications of a Taiwan Strait crisis for Europe, assessing its impact on trade, technology, regional stability, and the broader systemic competition between democracy and authoritarianism.

Globally

From Beijing's perspective, as evident in some assertions by its leaders, Taiwan is a "purely internal affair"¹¹. For instance, Chinese officials often react sharply to foreign naval operations in the Taiwan Strait, especially those enforcing the freedom of navigation as guaranteed under the international law and international treaties. However, things are starkly different. The economic and geopolitical significance of the island far exceeds regional dynamics. Any disruption of the stability of this corridor, particularly through military action, would have far-reaching consequences for global commerce. Safeguarding its openness is not only vital for Taiwan's closest neighbours, such as China, South Korea, and Japan; it is crucial for the broader global economy as well. The United States and its allies necessitate to maintain cross-strait stability so as to safeguarding international trade flows. Research from the Center for Strategic and International Studies (CSIS) estimates \$2.45 trillion worth of goods – around 20% of global maritime trade – passed through the Strait in 2022¹². Any interruption to this trade would thus trigger economic shocks far beyond the Indo-Pacific, impacting economies worldwide.

In an even more alarmist way, Beijing might implement strategic choices different from a full-scale invasion. CSIS, based on the study of the most recent military exercises around the island, identify other, less kinetic scenarios, different from an amphibious assault. In the short term, China is more likely to employ a coast guard-led quarantine or a military blockade¹³. Even though these actions would have a lower intensity than an invasion, or even though the grey-zone tactics used in those operation would make it difficult to trigger a coordinated international reaction. The trillions of

¹¹ Mainland Affairs Council, 2000

¹² Matthew P. Funaiolo *et al.*, 2024

¹³ The two scenarios, despite having some similarities in the outcome, would be different. This would be due to the use of different means, bodies and actors, be them state or non- state ones. Specifically, a quarantine would involve the Chinese Coast Guard or *militia* vessels, whereas a blockade scenario would rely on the PLAN. For a better understanding of all the possible and most likely scenarios for a Taiwan contingency see Bonny Lin *et al.*, 2024.

dollars in trade that transit the Strait each year would be in jeopardy, eventually resulting in financial instability.

A Taiwan contingency, particularly a military blockade, would cost the global economy astonishingly. According to an estimate by Bloomberg Economics, the outcome would amount to roughly \$10 trillion, corresponding to 10% of

global GDP. Importantly, it would inflict more economic damage than the Global Financial Crisis, COVID-19 pandemic and Russia’s invasion of Ukraine have ever inflicted combined (Figure 3)¹⁴. Whilst this estimate covers also the potential impact of sanctions, another more recent Bloomberg’s research assesses the economic contraction following a limited blockade scenario¹⁵. The research, as outlined in Figure 4, suggests that it would still reduce global GDP by approximately \$5 trillion, with China experiencing a steeper decline (8.9%) than the U.S. (3.3%). The disruption of semiconductor supply chain would face the most severe consequences. Given that Taiwan Semiconductor Manufacturing Company (TSMC) is the world’s largest contract chip-maker, supplying companies like Apple and Nvidia, it is needless to say how indispensable its role is in the global technology system. A cut-off of TSMC’s semiconductor exports would have dramatic effects on industries reliant on advanced chips, like automotive manufacturing, consumer electronics, telecommunications and medical devices. Among the most disproportionately affected countries would be the ones with high dependence on these sectors. For instance, South Korea, Southeast Asia, Japan, Mexico, and the European Union would enormously be impacted by the

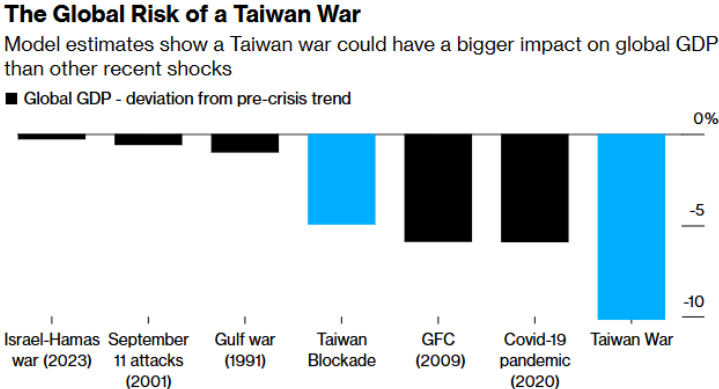
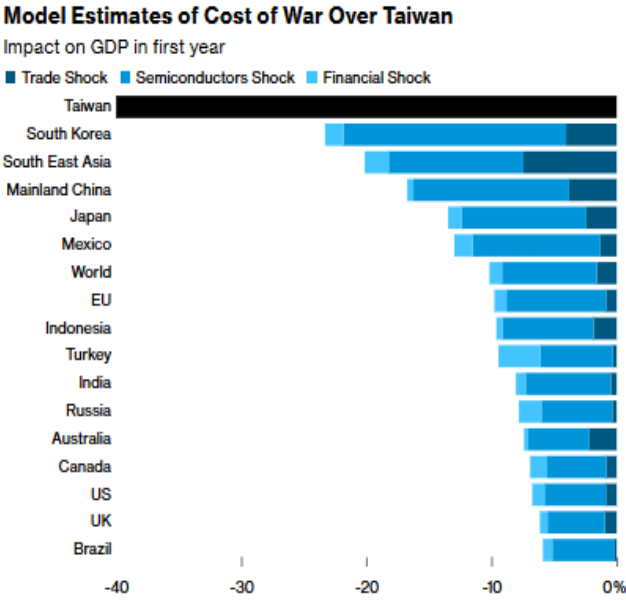


Figure 3. Source: Bloomberg Economics

¹⁴ Anstey, 2024

¹⁵ Jennifer Welch *et al.*, 2024

economic fallout from a Taiwan crisis. Further research helps understand better this second-order consequences, namely the spilling effects on those industries reliant on Taiwanese components. The Rhodium Group warns that the financial loss could exceed the initial projections¹⁶. Vest *et al.* consider, among others, the automotive, ICT, and manufacturing sectors as well as Chinese investment and trade, arguing for similar disruptive effects of a Taiwan contingency. As well, financial markets would experience severe instability. As it happened during the Global Financial Crisis, a similar contraction in trade financing can occur causing, together with other factors, a decline in global trade. Indeed, risk-averse investors would retreat from lending and investment activities. This, in turn, would cause an acute reduction in trade finance. Whatever the contingency may be (a quarantine or a blockade), such effect could be even



more pronounced. Anticipating Western sanctions or a possible escalation, financial institutions might pre-emptively limit their exposure to Chinese markets. A global liquidity crisis, combined with constraints on trade finance, could disrupt more than \$270 billion in trade between China and the rest of the world.

Figure 4. Source: Welch *et al.* Bloomberg Economics, 2024

¹⁶ Charlie Vest *et al.*, 2022

Consider then the level of exposure of the European market specifically to the Chinese one (Figure 5)¹⁷. PRC dominates EU’s imports of key technologies. It provides essential goods like cars, computers and electric batteries, accounting for over 50% of EU imports in 11 out of 17 categories of critical goods. If taken together, financial shortages, trade and supply chain disruptions would have repercussions and put at risk well over two trillion dollars globally. This would happen, as it has been noted in the Rhodium Group research, even before sanctions or military escalation are factored in. Thus, this figure should be considered a conservative estimate, since it does not include the whole potential disruptions stemming from financial instability, geopolitical realignments, and long-term shifts in global supply chain. Many of these consequences would be felt almost immediately and they would be hard to reverse. Not only for these reasons should the stability in the Taiwan Strait be upheld. Proactive measures to deter escalation are of utmost importance also because of the global ramifications

a crisis in the region is expected to have. The PRC is, not surprisingly, among the most impacted countries in such an event. An estimate calculates that a blockade’s economic impact could be twice as severe as the 2008 financial crisis, causing a decline in global GDP by 2.8% within a year¹⁸. Critically, the Chinese economy would contract by an estimated 7%, while Taiwan’s could shrink by nearly 40%. China would face significant disruptions to

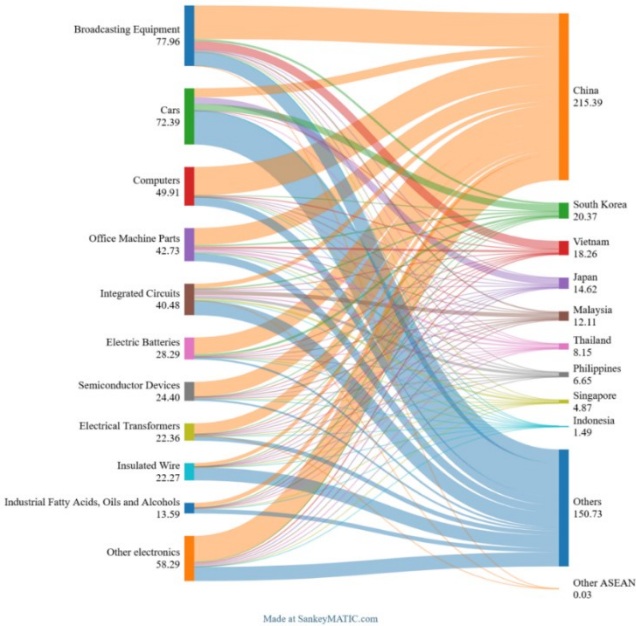


Figure 5. Liew, CEIAS, 2025

¹⁷ Liew, 2025
¹⁸ Moriyasu, 2023

trade, both in terms of its bilateral relationship with Taiwan and its internal trade flows within its various ports on the East coast. It is not exceptional that the two have close economic ties. However, a brief caveat about the economic relationship between the two sides is needed since now the situation is different and Taiwan is working on de-risking strategies. The evolution of the economic relationship between China and Taiwan has been influenced by Beijing’s increasing pressure and Taipei’s growing concerns about overreliance on trade with China, as evidenced in Figure 6¹⁹.

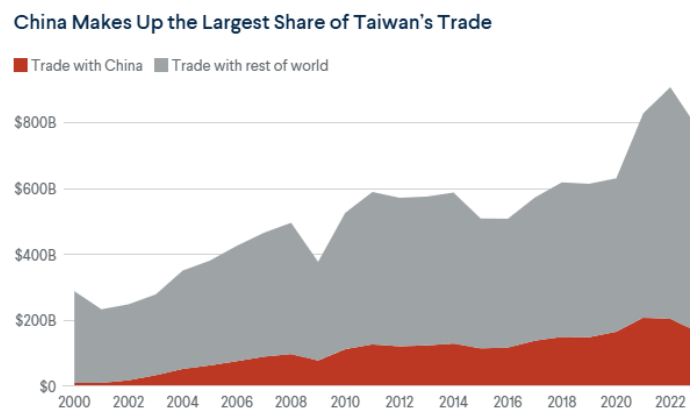


Figure 6. Source: Maizland and Fong, Council on Foreign Relations, 2025

Under President Ma Ying-jeou (2008–2016), Taiwan signed different agreements with the PRC. Among them, the 2010 Cross-Straits Economic Cooperation Framework Agreement (ECFA)²⁰. The parties aimed with it at reducing trade barriers. However, with the introduction, in August and September 2024, of new tariffs on certain goods, mainly agricultural, Taiwan’s exports to China reached their lowest levels²¹. In contrast, Taiwanese investments in the United States have surged in recent years. A staggering \$1.3 trillion worth of Chinese imports and exports passed through the Taiwan Strait – more than any other country’s trade volume.

¹⁹ Lindsay Maizland and Clara Fong, 2025

²⁰ Cross-Straits Economic Cooperation Framework Agreement, 2010

²¹ Tang, 2024

Beyond its role in China’s international trade, the Strait is also essential for the flow of goods within China itself. More than half of all voyages through the Taiwan Strait

Reliance on the Taiwan Strait: BRICS vs. G7
Percent of imports and exports transiting the Taiwan Strait

BRICS	% of Imports	% of Exports	G7	% of Imports	% of Exports
China	32.50	14.90	Japan	32.10	25.20
United Arab Emirates	20.30	24.80	United States	3.20	2.70
Iran	9.40	24.00	United Kingdom	3.20	2.40
India	14.70	13.60	Canada	3.20	1.30
South Africa	13.20	10.60	Italy	2.60	1.20
Ethiopia	9.40	12.00	Germany	1.40	1.50
Brazil	8.20	12.90	France	0.90	1.00
Russia	5.60	13.40			
Egypt	8.20	4.90			

involve ports along China’s eastern seaboard. While China could redirect some goods via land or air transport, these alternatives are significantly more expensive than maritime shipping. This logistical reality is likely a key factor in Beijing’s strategic calculations regarding the use of

Figure 7. Source: Funaiole, Hart, Peng, Lin, Verschuur, CSIS, 2024

force against Taiwan. The Taiwan Strait's strategic significance extends beyond the Indo-Pacific. The four nations most dependent on the strait for exports are in Africa, as they ship raw materials to Asia, particularly China. The Democratic Republic of Congo, for instance, exported nearly \$13 billion worth of copper, cobalt, and other metals through the strait, approximately 62% of its total global exports, with nearly all destined for China²². Likewise, Middle Eastern nations rely heavily on the Taiwan Strait for transporting oil to Asian markets. Looking at developing countries’ exposure to a crisis or conflict scenario is extremely relevant since it would likely affect China’s broader diplomatic strategy. It should be crucial for Beijing as well to maintain stability under its long-term economic and geopolitical goals themselves. In fact, whereas

²² Matthew P. Funaiole *et al.*, 2024, *op. cit.*

developing countries may continue to trade with China, just as it happened to other countries with their commercial ties with Russia after the Ukraine war in 2022, these nations might also collectively exert pressure after facing severe trade disruptions, however unrealistic this might be. In scenarios like a quarantine, China could attempt to close the Taiwan Strait to non-Chinese vessels while permitting or even mandating that its own ships continue navigating the waterway. Nearly half of all cargo and tanker vessels transiting through the Taiwan Strait each year fly the Chinese flag. However, there is no certainty that Chinese-owned vessels would be immune to interdiction by opposing forces, particularly in a contested scenario.

As said before, the economic repercussions of a full blockade on Taiwan would be harsher than the COVID-19 pandemic. The consequences would be devastating not only for developing countries, but for the United States, Japan, Southeast Asia, India, and Europe as well. Given the dominant position of Taiwan in critical and emerging technologies (CETs), the most advanced economies would be jeopardized. Taiwan contributes to U.S. economic growth in a significant and evident manner²³. The island's commercial ecosystem is profoundly embedded in globalized supply chains essential to American economic stability and technological dominance. Such indispensable role goes from consumer electronics to automotive industries and advanced dual-use technologies. Apple visibly demonstrates this reliance. Although the majority of the iPhone's technological value is derived from U.S. innovation, the company is still dependent on third-party suppliers. Several Taiwanese firms lead the market of specialized components such as integrated circuits for sound enhancement and connectivity. These companies surpass Apple's in-house capabilities in key technological areas, making Taiwan's semiconductor industry vital to the global electronics sector.

²³ Whitney, 2025

Taiwan's economic integration with the United States and its supply chains is stronger than ever for other reasons too. The island fabricates nearly one-third of the world's computing capacity annually, with U.S. companies and consumers being among the primary beneficiaries. Taiwanese semiconductor firms have historically underpinned the growth of the U.S. digital economy, supporting not only U.S.-based chip designers but also industries reliant on data centres, telecommunications, networking infrastructure, and software-as-a-service (SaaS) platforms. This ecosystem extends to social media, e-commerce, automakers, and a wide range of advanced manufacturers.

Finally, a conflict involving Taiwan would necessitate alterations to maritime routes, significantly increasing shipping expenses—particularly through heightened insurance premiums—and extending delivery times. Many companies that do not sail under a Chinese flag might find themselves unable to navigate the Taiwan Strait, forcing them to take longer and costlier paths. This could also render stops at Chinese ports *en route* to Busan impractical, thereby disrupting supply chains given China's pivotal role in global maritime logistics. While alternative routes could be charted, the logistical hurdles would drive up costs and cause delays, ultimately impacting consumers worldwide. Among those most affected would be Japan and South Korea, two of Washington's key allies. According to CSIS²⁴, in 2022, 32% of Japan's imports and 25% of its exports—amounting to nearly \$444 billion—relied on transit through the Taiwan Strait. Likewise, South Korea moved 30% of its imports and 23% of its exports, worth approximately \$357 billion, through the same passage. Additionally, China's dependency on Australian iron ore—crucial for its northern industrial regions, where three-quarters of the country's steel production takes place—would come under strain. A useful comparison to gauge the potential disruption is the ongoing instability in the Red Sea, where attacks by Houthi rebels have forced vessels to either reroute

²⁴ Matthew P. Funaiolo *et al.*, 2025, *op. cit.*

around Africa or pay increased insurance fees²⁵. Continuous military operations near key trade corridors would have similar repercussions for European shipping, leading to additional border checks and enforced detours²⁶. This is already evident in the case of 2024, when several shipping companies adjusted their routes to evade threats in the Red Sea.



Figure 8. Source: Funaiole, Hart, Peng, Lin, Verschuur, CSIS, 2024

²⁵ Mchugh, 2024

²⁶ Saul, 2023

At The European Level

After having analysed the global implications, it is time to look at the European level. Like the cases above, the disruptions would challenge EU's interests beyond shipping. The growing frictions could limit access to Taiwanese markets, investments and resources.

The trade between the two sides has been flourishing in the past few years. In 2022, EU-Taiwan trade surpassed €102 billion, and almost 40% of the EU's total annual trade moves through the Taiwan Strait²⁷. The EU uses this vital waterway for its commerce with key partners like China (€858 billion in 2022), Japan (€196 billion), and South Korea (€148 billion). Consequently, Taiwan serves as both an essential trade hub and a gateway to the wider East Asian economy. It is no doubt, then, that instability in the region should be of extreme concern to European businesses. As with U.S., Japan and other countries worldwide, the automotive, telecommunications, and green technology industries, whose production relies heavily on Taiwanese inputs, would face severe consequences.

Moreover, the EU is the largest source of FDI in Taiwan. Similarly, Taiwan's investments in the EU, valued at €12.6 billion as of 2023, have experienced a steady growth especially under the presidencies of President Tsai Ing-wen since 2016, particularly in manufacturing. A key component of these investments aligns with the EU's ambition to strengthen its semiconductor industry, as TSMC's €3.5 billion joint venture in Germany under the European Semiconductor Manufacturing Company witnesses. Likewise, Taiwan's partnership with Lithuania's Teltonika, which received over €10 million to build semiconductor capabilities, exemplifies Taipei's commitment to European technological development. The commercial exchanges in the semiconductor industry goes both ways. European companies too export semiconductor-related

²⁷ Niklas Swanström *et al.*, 2024

goods to Taiwan. About 79% of EU shipments includes lithography equipment, silicon wafers, and chemical compounds. Notably, ASML's EUV lithography machines—valued at €350 million per unit—remain indispensable to TSMC. German firms such as Soitec SA and Siltronic also rely on Taiwan's demand for high-grade silicon wafers. Should tensions escalate, European industries would experience an even more severe semiconductor shortage than during the COVID-19 crisis, compounded by rising shipping costs.

To understand why Taiwan's relevance is so critical, it is worth noting that TSMC alone produces 92% of the world's most advanced chips (below 5nm). The remaining 8% is manufactured by South Korea's Samsung²⁸, whose cutting-edge semiconductors are necessary for high-performance computing and energy efficiency. In 2022, Ken Griffin, hedge fund manager, admonished that a semiconductor supply shock from Taiwan only could reduce U.S. GDP by up to 10%, ultimately resulting in an economic depression. The concentration of semiconductor manufacturing in East Asia, where 75% of global production takes place, presents significant vulnerabilities²⁹. More than 50 key points across the supply chain are dominated by single regions, with Taiwan and South Korea holding a near-monopoly over the most advanced chip production. These geographic dependencies heighten the risk of disruption due to natural disasters, infrastructure failures, or geopolitical conflicts (Figure 9)³⁰. As demonstrated, such reliance (over 90%) on a single supplier is an extremely fragile point of failure that, if destabilized, could severely impact global supply chains. Europe, though in a considerable minor way, plays a pivotal role in technology supply chains since it is home to key firms such as ASML, SAP and others, and European policymakers recognize it. However, efforts to enhance Europe's economic security

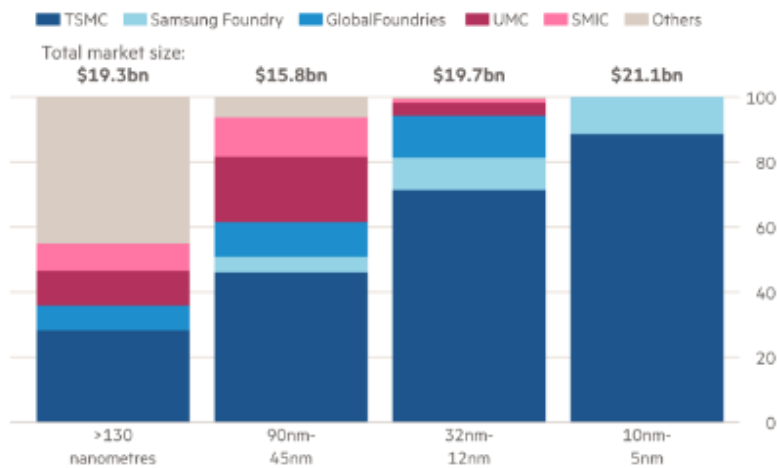
²⁸ Andrew S. Erickson *et al.*, 2024

²⁹ Antonio Varas *et al.*, 2021

³⁰ Hille, 2021

TSMC is leading the way in advanced chip technology fabrication

Pure-play foundry revenue, 2020 (%)



Source: Bain/IC Insights/Gartner © FT

Figure 9. Source: Hille, Financial Times, 2021

have made little progress. Although European leaders frequently stress the need to de-risk from China, they struggle to define the concept or outline concrete measures to achieve it³¹. Looking at the EU’s position within this critical industry, it appears that the EU still remains a net importer of essential components, including transistors, diodes, and electronic integrated circuits, primarily sourced from China and Taiwan.

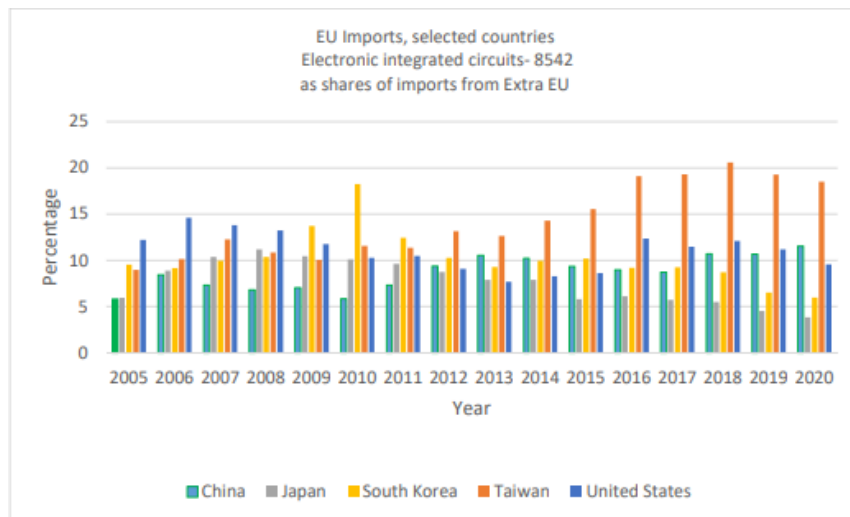


Figure 10. Source: European Commission, JRC Publication Repository, 2022

³¹ Newman, 2024

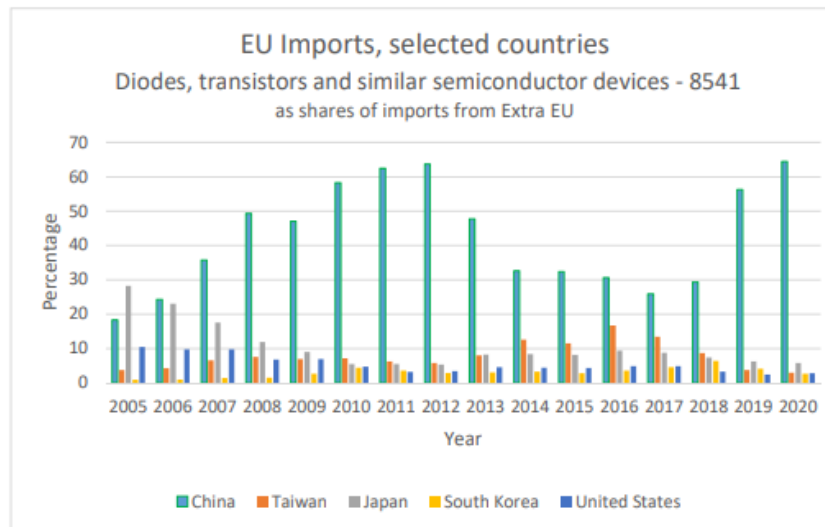


Figure 11. Source: European Commission, JRC Publication Repository, 2022

Taiwan stands out as the EU's leading supplier of processors, other electronic circuits, DRAMs, and multi-combinational memories. This landscape may shift in the coming years as leading chipmakers from these regions establish state-of-the-art manufacturing facilities in the United States. Upstream in the value chain, the EU is a net exporter of semiconductor manufacturing equipment, reinforcing its crucial role in chip production³². Nevertheless, the EU still largely relies on suppliers and customers based outside the bloc according to such supply chain data. As it happened during the COVID-19 crisis, a new one would disrupt supply chain and lead to semiconductor shortages in Europe. Throughout the pandemic a rapid increase in demand for semiconductors made European manufacturers struggle to secure supplies. An ECB report on such shortages analyses the difficulties in sourcing chips by eurozone manufacturers in several sectors³³. Together with deficiencies in other critical inputs, such as chemicals, plastics, metals, and shipping disruptions, the European economy faced severe delays in supplier deliveries. Survey data further gives emphasis on the extent of the problem. According to the business survey, 23% of manufacturing firms in the

³² European Commission, 2022

³³ Maria Grazia Attinasi *et al.*, 2021

euro area limited their production due to a lack of materials and equipment as a major factor influencing this. More importantly, industries heavily reliant on electronic components, i.e. computer and electronics manufacturing, electrical equipment production, and the automotive sector, have experienced such semiconductor chokepoint at the time. Germany has been among the most affected member states given its strong automotive industry and the sector’s exposure to such shortages and delays. As evidenced in Figure 12, such vulnerability is crystal clear. A pillar of the European economy, the automotive sector contributes about 7% to the region’s GDP. The industry’s dependance on advanced chips from Taiwan implies that any disruption in the supply chain could lead to falls in production, as witnessed during the pandemic. As stressed by the ECB, the risk of over-reliance on external suppliers, particularly in such a critical sector, is concrete and previous experiences may repeat and hit harder. Tackling these weaknesses is fundamental to safeguarding Europe’s industrial competitiveness and ensuring long-term stability. At present, the automotive industry still remains one of the hardest-hit sectors, struggling to keep up production levels amid ongoing chip shortages. The vulnerability of Europe’s semiconductor supply chain is evident looking at these data. The need for strategic initiatives to enhance resilience in the face of geopolitical and economic uncertainties is thus simply pressing and urgent.

	Euro area	Germany	France	Italy	Spain	Netherlands
Manufacturing	23	42	6	7	14	20
Computers/electronics	34	70	-1	14	19	11
Electrical equipment	36	56	23	12	32	37
Motor vehicles/trailers	35	58	2	7	50	35

Figure 12. Source: Attinasi et al., European Central Bank, 2021

From a Security Perspective

With a Chinese attempt to annexing Taiwan, problems would arise not just economically. A regional dispute of this calibre would also have extensive security concerns.

China has numerous ongoing disputes in the area: it actively challenges Japan's territorial claims over the *Senkaku* Islands (or *Diaoyu* in Chinese) and claims territoriality on several islands in the South China Sea (SCS) with five other nations. Taiwan should be seen as part of a wider picture. Were the island to fall under Beijing's control, Japan's security would utterly be jeopardized and its ability to self-defence seriously weakened. Its strategy hinges on its capacity to deter the PLA beyond the *first island chain*, a strategic line that includes Taiwan³⁴. In the words of General MacArthur, the presence of PLA bases in Taiwan, who remember being an "unsinkable aircraft carrier"³⁵, would render Japan acutely vulnerable. Chinese military doctrine reinforces this concern, with an air force textbook noting that "once Taiwan is reunified with mainland China, Japan's maritime lines of communication will fall completely within the striking range of China's fighters and bombers."³⁶ This risk became evident during the PLA's August 2022 military exercises, when ballistic missiles landed near Japan's *Yonaguni* Island, just 68 miles from Taiwan.

The Philippines and other Southeast Asian nations would deeply face the consequences of Taiwan's capitulation as well. American security's guarantees in the region would be eroded: U.S. access to East Asia, Southeast Asia and the Indian Ocean would be restricted. Furthermore, should the United States be unable to defend Taiwan, regional powers might be pushed to develop their own nuclear deterrence. It would be a matter of serious concern given that since China's first nuclear test in 1964,

³⁴ Andrew S. Erickson *et al.*, 2024, *op. cit.*

³⁵ Office of the Historian, 1950, *op. cit.*

³⁶ Policy recommendations, The Select Committee on the Chinese Communist Party, available at <https://selectcommitteeontheccp.house.gov/sites/evo-subsites/selectcommitteeontheccp.house.gov/files/evo-media-document/ten-for-taiwan-pdf.pdf>

Washington effectively discouraged regional countries from pursuing nuclear armament. The calculus, though, could dramatically be altered, urging those actors to reconsider the reliability of U.S. security commitments. Historically, rising powers seeking regional dominance have exerted economic influence, developed military capabilities, and expelled external rivals. The United States itself, in the nineteenth and early twentieth centuries, aggressively enforced the Monroe Doctrine to eliminate European influence from the Western Hemisphere. Washington's actions included purchasing foreign debts, deploying naval forces, toppling governments, and engaging in military interventions. China, empowered by Taiwan's annexation, might exploit the economic and military gains to impose its own Monroe Doctrine in the Indo-Pacific.

The security of the Taiwan Strait is often framed as a regional issue as in the words of Chinese officials. However, setting aside for a moment the U.S., a major crisis there would have serious implications for European security, particularly in air and missile defence.

Impacts on NATO should not be disregarded. Given NATO's reliance on U.S. military assets, an increased commitment to the Indo-Pacific would imply a shift away from the European continent. Specifically, it would strain deterrence and defence capabilities in the Old Continent. Reallocating key resources like missile defence systems, advanced radar networks, precision-guided munitions, would significantly expose European allies to Russian threats. Three key vulnerabilities would emerge: stress on Integrated Air and Missile Defence (IAMD); shortage of interceptors and advanced radar systems; limited European capacity for a prolonged conflict³⁷.

A simultaneous crisis in Taiwan and Europe would stretch U.S. IAMD capabilities, already limited in number. Many U.S. air and missile defence systems are deployed across both regions. Prioritizing Taiwan's defence would inevitably reduce their

³⁷ Suess, 2024

availability in Europe. NATO currently possesses only about 5% of the air defence assets needed to protect its eastern flank³⁸. In the case of a re-allocation of U.S. resources to the Indo-Pacific, this shortfall would become even more dramatic, leaving its allies in Europe more vulnerable to Russian missile threats.

European NATO members already struggle to maintain sufficient radar coverage and interceptor systems. Furthermore, a lasting Taiwan contingency diverting U.S. industrial capacity towards Asia would slow the supplies of critical military equipment to Europe.

As it is noted above, the region has many dormant issues: the South China Sea disputes are among them. The SCS is a strategic crossroad directly linked to Taiwan's security. China, Taiwan, Vietnam, Malaysia, Indonesia, the Philippines, and Brunei all have overlapping claims. Apart from being a key flashpoint, the SCS is immensely significant due to the presence of natural resources. Exclusive Economic Zones (EEZs) in the SCS are rich in fisheries, gas, and oil. Given the contentious nature of the dispute and China's growing assertiveness, the case has been brought before an arbitral tribunal under the UNCLOS. In 2016 the Permanent Court of Arbitration (PCA) issued that China has no legal basis for claiming historic rights within the nine-dash line³⁹. Unsurprisingly, Beijing rejected this ruling, maintaining that the Court lacked jurisdiction.

Europe cannot afford to ignore this seemingly distant conflict. For several reasons. First, any escalation in the SCS would disrupt global trade, as about 22% to 30% of international commerce transits through the area. Second, several European nations,

³⁸ Missile Defence Advocacy Alliance, "NATO has only 5% of air defense assets needed to protect eastern flank", May 30 2024, <https://missiledefenseadvocacy.org/air-defense-news/nato-has-only-5-of-air-defense-assets-needed-to-protect-eastern-flank/#:~:text=About->

³⁹ The South China Sea Arbitration (The Republic of Philippines v. The People's Republic of China), 2016. The Nine-dash line is a set of segments on maps accompanying the PRC's claims. It concludes the Paracel Islands, the Spratly Islands, the Pratas Islands, and the Scarborough Shoal.

including France, Germany, the Netherlands, and Italy, have increased their naval presence in the Indo-Pacific and are likely to uphold to their commitment. Their involvement raises the risk of direct European entanglement in an armed escalation⁴⁰.

A Taiwan crisis could also lead to direct Chinese retaliation against European security interests. In a conflict scenario, Beijing might pre-emptively target European naval assets stationed in Djibouti or launch cyberattacks on critical infrastructure such as the Port of Rotterdam⁴¹. China could further escalate by imposing economic sanctions against the EU, cutting off the supply of critical raw materials (CRMs) essential for defence technologies. China holds a quasi-monopoly on several CRMs, including rare earth metals vital for military production. In 2016, the EU depended almost entirely on non-EU states for 19 of 39 key raw materials crucial to the defence industry. Beijing could leverage its control over these resources, thus hindering European military production.

The digital dimension also carries severe implications. Through the Digital Silk Road, China exports surveillance technology that enables authoritarian control, as seen in Serbia⁴². Chinese companies are legally obligated to share sensitive data with the Chinese government upon request, creating security vulnerabilities for European nations that adopt Chinese-built digital infrastructure. Expanding surveillance technologies, monitoring systems and cyber capabilities heighten the risk of data exploitation, further complicating Europe's security landscape.

Proliferation of dual-use technology might be hard to contain too. The spread of fissile material, missile, and nuclear technology, particularly by North Korea and China, (in)directly threatens Europe's security. Some examples are useful to understand how rapidly the balance of power may be altered due to such proliferation. This was

⁴⁰ Bontenbal, 2023

⁴¹ Suess, 2024, *op. cit.*

⁴² IPAC Statement, 2025

evident in 1987 when China sold 36 intermediate-range ballistic missiles to Saudi Arabia. Recent reports hypothesise that China supplied Saudi Arabia with 40 to 60 *Dongfeng (DF)-3* missiles with a maximum range of 2,650 kilometres, capable of striking targets in Austria, the Czech Republic, or Poland. In 2007, Saudi Arabia's arsenal was further reinforced with Chinese *DF-21* missiles. These missiles were likely used in the ongoing civil war in Syria, contributing to flows of refugees reaching European borders. Again, exports of Chinese *C-802 Silkworm* missiles to Iran can create a tangible threat to EU states. Such *C-802* missiles have been used by Hezbollah during the Lebanon war against Israeli vessels, killing four soldiers in July 2006. Plausibly, Hezbollah received the missiles from Iran. To this day, the Lebanese group is said to have Silkworm missiles in its arsenal, which, depending on the configuration, can have a range of up to 120 kilometres⁴³. European vessels in the Mediterranean would fall within such range. In that case, the sale of a Chinese cruise missile would be directly linked to threats against European forces.

Besides military arsenal's selling, China proved to have power projection in the Mediterranean in May 2015. Beijing took part in a joined manoeuvre with nine Russian vessels with live-fire exercises. This seemed in line with China's military strategy calling for the preparation of Chinese forces for scenarios beyond its geopolitical periphery. In this context, the "no-limits friendship" between Russia and China poses additional security concerns for Europe. As the NATO Strategic Concept states, PRC presents systemic challenges to the rules-based international order. Former NATO Secretary-General Jens Stoltenberg warned about China getting closer to Europe: both geographically, in the Central and Eastern European countries, in Africa and in the Arctic, and in the cyberspace as well. In 2019, the EU's High Representative for Foreign Affairs released *EU-China: A Strategic Outlook*, a document that described

⁴³ Wagener, 2016

China as “a partner, an economic competitor, and a systemic rival”⁴⁴. It also stressed the challenges to the EU's security presented by China's large-scale military exercises and cyber operations.

Having a look at the European states' level, it emerges that major powers like the United Kingdom and France have core interests in the security of the region as the two have both territories and personnel displayed in the Indo-Pacific. Under the Five Power Defence Arrangements (FPDA), the UK is a security guarantor in Asia, with the Royal Navy stationed at the British Defence Singapore Support Unit. The UK and French governments operate the Combined Joint Expeditionary Force (CJEF) under the Lancaster treaties. This includes interoperability for take-off and landing on UK and French aircraft carriers, with French and British naval personnel serving on each other's ships⁴⁵.

There is potential for the EU as a whole too to act as a facilitator of dialogue in East Asia, as it is not perceived as a threatening force and has an image of a civilian and soft power actor. The EU could promote reasons for dialogue and mutual understanding in the region, leveraging EU Centres for this purpose⁴⁶. For instance, as Casarini notes, the EU delegation in Seoul has consistently supported the Trilateral Cooperation process, a consultative mechanism involving China, Japan, and South Korea, through various workshops and initiatives aimed at promoting mutual understanding among young students.

Historically, the EU's engagement in Asia has been primarily economic rather than security driven. In recent years, it has shifted towards a more proactive stance, engaging in security cooperation with partners like Japan, ASEAN, India, and Australia⁴⁷.

⁴⁴ European Commission, 2019

⁴⁵ Davison, 2023

⁴⁶ Casarini, 2024

⁴⁷ C.-H. Su, 2022

The 2021 EU Strategy for Cooperation in the Indo-Pacific marked a milestone, embracing the Indo-Pacific concept but advocating a more inclusive and multilateral approach. However, the EU struggles to find a solution to the complex dilemma between its commitment to the Atlantic alliance and its economic engagement with China. It strives for building its strategic autonomy. Even though European strategic autonomy has gained traction, lots of work still needs to be done. Josep Borrell coined the *Sinatra Doctrine*, referencing *My Way* by Frank Sinatra, to describe the EU's strategy of pursuing its own independent path amid US-China competition⁴⁸.

Regardless of its alignment with U.S. security concerns regarding China, the EU rejects full confrontation, seeking, instead, meaningful cooperation with Beijing on global issues like climate change. Albeit de-risking strategies the EU maintains a softer stance if compared to the United States. Different from the U.S., the EU presents a softer stance, often due to fears of retaliation or dangerous dependence on Chinese goods, eventually favouring dialogue over decoupling.

⁴⁸ European Union External Action, 2020

Conclusions

As it has been evaluated throughout this chapter, a Taiwan contingency, and the consequent instability in the Strait, would have widespread implications.

Any disruptions to global semiconductor production would impact the global economy given Taiwan's centrality in supply chains and its unparalleled expertise and know-how, affecting industries essential to Europe's technological and industrial base. Vital trade routes might be destabilized as well. As a result, supply chain vulnerabilities would be amplified and would potentially alter global economic dynamics. Beyond its symbolic importance as an example of democratic endurance, Taiwan is of utter strategic and security importance to the EU. Shortages in interceptors and advanced radar systems would arise due to an increased U.S. commitment to the Indo-Pacific and the consequent loss of interest in the European continent. A conflict over Taiwan would not only strain Europe's IAMD capabilities, reliant on the United States, but also expose it to Russian threats. A possible Chinese retaliation could directly target European security interests. As it has been seen, Beijing might strike European naval assets stationed in Djibouti or launch cyberattacks against critical infrastructure, further escalating the conflict's repercussions. The crisis would also undermine Europe's capacities in the digital domain, where Chinese surveillance technologies and cyber operations could compromise critical systems. Lastly, as in the cases of Saudi Arabia deploying Chinese missiles and Iran's deal with Beijing for the selling of *C-802* missiles, European security interests would be directly at stake.

As demonstrated, a Taiwan Strait crisis would be a direct challenge to the security of the continent. Such a contingency would expose the limits of Europe's defence posture, the fragility of its economic resilience, and the extent to which its security interests are entangled with the Indo-Pacific. Conversely, assuming that such a conflict is too distant to deserve urgent consideration is flawed, complacent and dangerous. The ripple effects would reach European shores far sooner and with far greater force than

many anticipate, potentially drawing Europe into an unprecedented security dilemma. Whether through economic shocks, cyber threats, or military repercussions, the crisis would challenge Europe's ability to protect its own interests in an increasingly contested global order. A failure to acknowledge this reality today risks leaving Europe unprepared for the defining geopolitical crisis of the coming decades.

Democracy In Dialogue: Aligning Interests For Strategic Engagement

Introduction

In an era where the balance of power in Asia is ever more fragile, Taiwan's gaze toward Europe reveals both a hope and a challenge: can the European Union stand as a steadfast partner in the face of growing regional pressures?

In this chapter, perceptions of Taiwanese institutions, scholars, and government officials regarding the role and importance of the European Union in Taiwan's foreign policy landscape are analyzed.

During the period spent as an intern at the Institute for National Defense and Security Research in Taipei, I have gathered insights from interviews with representatives from Taiwan's Ministry of Foreign Affairs (MOFA), the Democratic Progressive Party (DPP), the Legislative Yuan, the European Union Centre in Taiwan (EUTW), the Italian Economic, Trade and Cultural Promotion Office (IETCPO) in Taipei. I also arranged meetings with several prominent Taiwanese and Taiwan-based European scholars during meetings in the context of the internship at INDSR or arranged independently.

By shedding light on Taiwan's expectations and priorities, by exploring specific areas where support is anticipated, as well as perceived limitations in the EU's approach to East Asia, it could be anticipated where potential for this partnership lies or where it could be headed to. On the other hand, such perspectives also elucidate how the relationship is currently hindered by limited reciprocal understanding, precluding both sides from entirely grasping the relevance, needs, and expectations of the other. The EU must step up its strategic discourse and finally overcome this lack of mutual awareness that obstructs the development of a truly strategic and comprehensive partnership, especially since it has long called upon Taiwan's like-mindedness and advocated for stability in the region. The interviews conducted for this chapter aim to

examine how the EU and Taiwan perceive each other at this early stage of mutual recognition and understanding. They reveal the divergences in perceptions and expectations that shape the dynamics of their cooperation, as well as the opportunities for greater alignment. Through an assessment of the level of reliance Taiwan places on EU engagement and an identification of concrete areas of expected collaboration, the findings offer a clearer picture of the challenges in bridging these gaps. This analysis is crucial for understanding whether the EU's strategic value to Taiwan aligns with Taiwan's needs for sustained support in an increasingly complex international environment. It looks at key areas of anticipated fruitful cooperation, such as economic engagement and resilience against security threats, and it also addresses the way Taiwan deals with the EU's multi-layered governance structure. After the identification of gaps and opportunities, the chapter seeks to provide insights into how to enhance mutual awareness and trust, eventually paving the way for a more effective and strategic relation. This scrutiny is particularly timely as Taiwan navigates a complex and often precarious international setting. With the EU's recent shift toward a more value-based diplomacy⁴⁹ and its increasing focus on Indo-Pacific stability⁵⁰, these Taiwanese perspectives reveal both the opportunities and the constraints shaping this relationship. Through this exploration, it is clarified to what extent Taiwan relies on EU support, where the greatest potential for collaboration is identified, and whether this relationship holds the relevance Taiwan urgently seeks.

Building on this context, the chapter will be structured in two main sections: one focused on institutions such as the DPP, MOFA, Legislative Yuan, and the IETCPO and the other on Taiwan-based academics. This dual approach allows us to capture both the official and semi-official views of key organizations directly involved in Taiwan's foreign affairs as well as the broader intellectual landscape of Taiwanese perspectives

⁴⁹ For a better understanding of value-based diplomacy and its growing importance as a significant driver in today's international relations see Sheafer, 2013

⁵⁰ EEAS, 2021

on EU relations. This combined focus on academia and institutions was chosen to provide a balanced understanding of Taiwanese viewpoints and to incorporate insights from European experts based in Taiwan who possess a more comprehensive understanding of the EU.

Each section of the chapter will follow a similar structure, beginning with an analysis of the content shared in the interviews, emphasizing three central themes: the diplomatic weight and influence that Taiwan assigns to the EU, opinions on current EU-Taiwan initiatives, and perceptions – or misperceptions – of both the EU's theoretical frameworks and practical contributions to Taiwan's goals which affect this relationship. This initial discussion will set the foundation by elucidating how the EU is currently viewed and valued within Taiwan's policy and academic circles. Following this, the discussion will move to examining Taiwan's perceptions of the EU's support in specific areas identified as crucial for collaboration. It will assess whether and in which specific areas Taiwan expects deeper engagement with the EU, drawing on insights from the interviews. Consequently, how these expectations are shaped by Taiwan's strategic priorities will be taken into account, as well as its assessment of the EU's current policies will be evaluated. Some perceptions arose from the interviews and thus particular attention will be given to them: wherever Taiwan sees significant potential for collaboration is thought to be of priority importance. Areas such as economic cooperation, diplomatic support, and resilience-building against authoritarian threats are among them. Likewise, in an effort to balance optimism with critical perspectives, each section highlights not only positive remarks expressed by Taiwanese stakeholders but also the concerns emerged during the talks I had. One of the most problematic areas emerged to be the EU's (lack of) clarity in implementing its "One China" policy whilst, at the same time, maintaining meaningful support for Taiwan.

Academic and Policy Experts' Interviews

In his inaugural policy briefing last May at the Legislative Yuan, Taiwan's Foreign Minister, Lin Chia-lung, called for a "[further] deepening of Taiwan-Europe relations: Taiwan has established numerous dialogue mechanisms with the European Union and like-minded countries focusing on trade, investment, the digital economy, education, culture, science, technology, labor issues, ICT security, countering disinformation, and human rights. In the future, we will continue to work toward creating more institutional dialogue mechanisms and jointly deepen cooperation and exchanges in areas of common concern".⁵¹ While Josep Borrell, the EU's High Representative, in a hearing before the European Parliament, declared: "to preserve peace, stability, and the status quo in the Taiwan Strait is key, not just for the security and prosperity of the region, but also for ours".⁵² It is evident from these words that mutual awareness of the unique potential EU-Taiwan relations hold is growing. Recent developments in world politics might have served as a wake-up call to move beyond the influence of cross-strait tensions and, building on shared values, to focus on mutual interests. Indeed, recent resolutions by the European Parliament⁵³ and endorsements from member states like the Netherlands⁵⁴ and Czech Republic⁵⁵ underline an increased recognition of Taiwan's significance for Europe and vice versa. Crucially, the EU has begun to regard Taiwan as a partner in its own right, not simply through the lenses of EU-China relations.

Approaching Taiwan-EU relations independently of Chinese assertiveness is critical. This, specifically, has been the center around which I carried out the interviews with academic experts here in Taipei: prof. Ferenczy⁵⁶; prof. Biedermann⁵⁷, prof. Cho-Hsin

⁵¹ Chia-Lung, 2024

⁵² Borrell, 2022

⁵³ European Parliament, 2024

⁵⁴ Inter Parliamentary Alliance on China (IPAC), 2024

⁵⁵ Ministry of Foreign Affairs, R.O.C., 2024

⁵⁶ Prof. Z. A. Ferenczy, National Dong Hua University, Taiwan, Interview by the author, 2024

⁵⁷ Prof. Biedermann, Tamkang University, Taiwan, Interview by the author, 2024

Su⁵⁸ and prof. Yu-Shan Wu⁵⁹, prof. Cheng⁶⁰. The following content has been taken from the insights they offered me during the interviews and discussions I had with them. Focusing on Taiwan solely as an aspect of cross-strait tensions reduces its agency and risks supporting Beijing's ambitions, as it frames Taiwan as a passive issue rather than an active member of the international community. Taiwan's 23 million citizens are deeply committed to democratic values, a perspective Europe is beginning to appreciate, as dr. Ketty Chen⁶¹, Country Representative of the Taiwan Office at the National Democratic Institute illustrated to me. Since the EU and Taiwan are in a learning process, a moment in which they have an opportunity to find out how to best approach each other, there is the need to focus solely on those two parts, not being excessively influenced by – however important and decisive it may be – the Chinese variable to prioritize dynamics and problems within the relationship itself.

Evaluating the EU's engagement from a Taiwanese point of view, as well as its perceptions about the evolution of this relationship, is necessary and timely since it permits to upgrade the relation from dialogues between democracy to strategic dialogues. As it emerges from conversations with both Taiwanese experts and Taiwan-based European scholars, the EU's posture might be welcomed but is no stranger to critical observations.

⁵⁸ C. H. Su, National ChengChi University, Taiwan, Interview by the author, 2024

⁵⁹ Wu, Yu-Shan, and C. H. Su. Interview by the author during the "Science Bubble Tea: Geopolitics in Asia" conference, organized by the French Office in Taipei and the College of International Affairs, NCCU, Taipei, October 24, 2024

⁶⁰ Prof. Marc Cheng, European Union Center in Taiwan, Interview by the author, 2024

⁶¹ Dr. Ketty Chen, National Democratic Insitute, Interview by the author, 2024

Areas of strong cooperation

Highlighting areas of alignment, progress, and potential for deeper cooperation, the experts presented some positive dimensions.

A cornerstone of the positive evaluations is the EU's Indo-Pacific Strategy⁶², a pivotal framework that underscores the Union's growing strategic engagement in a region marked by geopolitical complexity. Though broad in its scope, the strategy was welcomed favorably by Taiwan. Both symbolically and practically: it was perceived to be signaling Taiwan's importance to the EU as a like-minded partner in promoting democratic values, technological innovation, and regional stability. Remarkably, Taipei viewed this policy as not merely rhetorical but recognition of its efforts to positively contribute to the global order. Taiwanese experts interpreted this shift as a clear sign of the EU's commitment to fostering stability in the broader Indo-Pacific.

Economic engagement emerged as another significant area of progress. Increased trade volumes, European investment in Taiwan's high-tech sectors and collaboration on connectivity initiatives highlighted this renewed vigor in their economic relations⁶³. These developments have been met with enthusiasm in Taiwan, where there is a growing awareness of the EU's strategic interest in reducing dependency on China⁶⁴. According to the interviewees, this synergy has fostered optimism about the prospects for EU-Taiwan relations. Similarly, Taiwan has started to acknowledge that the EU is getting more vocative than before and adopting a more assertive stance toward China⁶⁵. It was under the leadership of European Commission's President von der Leyen that the EU has made notable progress in formulating its concerns over China's actions in the Taiwan Strait. Scholars underscored the importance of high-profile EU statements opposing unilateral changes to the status quo and framing such

⁶² European Commission, 2021

⁶³ Stec G., Ferenczy Z. A., 2024

⁶⁴ A. García-Herrero, 2024

⁶⁵ Ministry of Foreign Affairs, R.O.C., 2024

actions as threats to regional and global stability⁶⁶. These signals, they argue⁶⁷, represent a marked departure from the EU's previous ambiguity and suggest an emerging willingness to assert its geopolitical agency.

In accordance with Taiwanese experts, there has been a rising alignment between the EU's strategic priorities and Taiwan's security concerns, especially as a consequence of China's increasingly assertive posture. This allows for shared but cautious optimism regarding the perpetuation of these trends under von der Leyen's second term. Taiwanese anticipate that the EU will further toughen up its stance as a principled actor in the Indo-Pacific, pushing back against China's coercive tactics while intensifying its engagement with Taiwan. More broadly, such course of action might potentially transform EU-Taiwan relations into a cornerstone of the EU's strategy in Asia.

Other scenarios as well might offer new opportunities for this collaboration. For instance, a second Trump administration, marked by his unpredictability during the first term, might result in other strategies explored by Taiwanese policymakers to diversify partnerships⁶⁸. It would create a unique chance for the EU to position itself as a complementary partner to the United States. This way, Taiwan could enhance its strategic resilience. On the other side, this role would suit the EU, given its emphasis on multilateralism and normative diplomacy.

⁶⁶ European Parliament, 2024

⁶⁷ Z. Ferenczy, 2024, p.35

⁶⁸ Garcia-Herrero A., Schindowski, 2024

Limitations and concerns

In contrast to the positive assessments, the second subsection delves into the critical perspectives raised during my interviews. Significant challenges and shortcomings remain affecting how the EU is perceived in Taipei.

A recurring theme in these discussions was the EU's limited role in security matters, a factor that has contributed to a perception among some Taiwanese of a distant and disinterested Europe⁶⁹. Unlike the United States, which maintains a robust military presence in the Indo-Pacific and plays a direct role in regional security, the EU is seen as lacking both the capacity and the political will to assert itself in this domain. Taiwanese experts acknowledged the EU's structural constraints – its lack of power projection and its reliance on diplomatic and economic tools – but they also pointed to a deeper issue: the perception of a weak and fragmented Union⁷⁰.

This perception, according to several Taiwanese scholars, is reinforced by specific instances that cast doubt on the EU's coherence and decisiveness. One frequently cited example during the interviews was the EU's protracted and often divisive response to implementing sanctions on Chinese electric vehicles (EVs) in the autumn of 2024, as shown in Figure 13⁷¹. Even though the EU Council eventually adopted the sanctions, intense debates among member states governed the process, with some prioritizing economic considerations instead of strategic alignment. As observed in Taiwan, this episode has been

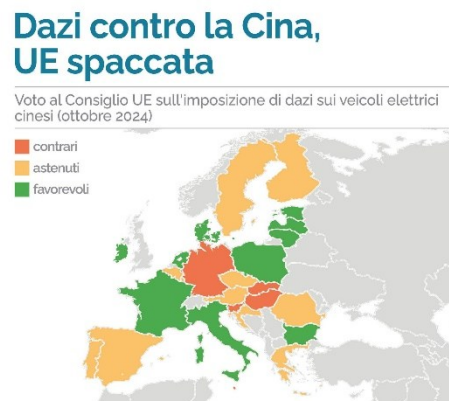


Figure 13 Source: ISPI. La crisi tedesca e il futuro dell'industria europea. November 10, 2024

⁶⁹ The EU only started to voice specific concerns in 2020, startling Chinese officials by raising concerns over cross-Strait tensions at the December 2020 EU-China security and defense consultations. EEAS, 2020

⁷⁰ N. Swanström, 2024, p.17

⁷¹ Istituto per gli Studi di Politica Internazionale, 2024

illustrative of broader EU dynamics: a fragile Union capable of taking principled stances frequently weakened by internal disagreements and slow decision-making processes.

Another critical point emerged, particularly raised by European scholars: they identified an excessive enthusiasm within Taiwanese institutions vis-à-vis Central and Eastern European (CEE) and Baltic member states and their role in shaping EU policies toward Taiwan. Whereas countries such as Lithuania, Latvia, and the Czech Republic have strongly advocated for supporting Taiwan more meaningfully through high-level visits and public endorsements, such scholars noted that this enthusiasm has sometimes led to false impressions of their actions as representative of the EU's overall standing. Reality, however, is different. The influence of these smaller member states is limited, and the discrepancy between their positions and those of larger EU powers like France and Germany, which adopt a more cautious approach is considerable. If not fully understood, it might create unrealistic expectations in Taipei about the Union's collective support.

Perhaps, the most critical observation regards the limited understanding of the complexities surrounding cross-strait relations and Taiwan's domestic politics within European institutions. Any such lack of extensive knowledge inside institutions about the historical, cultural, and political dynamics that shape Taiwan's interactions with China, appears to be widespread – or at least it was in the most recent years. This issue specifically emerged during the discussion with First Counselor Lombardi, Head of the IETCPO in Taipei: differences between the exaggeratedly alarmist views offered by Italian newspapers during the recent Chinese drills in the Strait of Taiwan known as Joint Sword-2024B⁷² and the relative tiredness, instead of worry, perceived on that day in the Taiwanese society were noted⁷³. The EU's engagement strategies

⁷² Ng Kelly, 2024

⁷³ Head of Italian Representative Office Marco Lombardi, IETPCO, Taiwan, Interview by the author, 2024

particularly evidence that gap which is sometimes viewed as overly generic or disconnected from the uniqueness of Taiwan's domestic context. In this regard, scholars stress the urgency for greater competence and expertise within EU institutions.

There are many ways to enhance that: several argued for the benefits deriving from the establishment of dedicated Taiwan-focused desks; others focused on expanding European academic and policy research on Taiwan. Short of these measures, the EU rolls the dice of crafting policies that, though well-intentioned, fail to meet Taiwanese needs or ineffectively address the specificities of cross-strait tensions.

The Bilateral Investment Agreement (BIA) negotiations represent a clear example of misunderstandings and unfulfilled expectations in EU-Taiwan relations. In the outcome of those negotiations, the consequences of differing priorities and a lack of clear alignment on the scope of economic cooperation critically emerged.

Initially, Taiwan aimed at a comprehensive deal covering trade, investment, and other regulatory questions within the framework of an Economic Cooperation Agreement (ECA). This proposal mirrored Taiwan's earlier successes with New Zealand and Singapore. However, by 2014, the discourse shifted, and Taiwan, responding to perceived EU preferences, pivoted towards pursuing a BIA instead⁷⁴. Despite this adjustment, the EU remained hesitant, largely due to concerns about its broader trade relations with China. The European Parliament played a supportive role, passing resolutions in 2013⁷⁵, 2015⁷⁶, and 2018⁷⁷, advocating for stronger economic ties with Taiwan, including negotiations for a BIA. However, these resolutions lacked binding authority, and EU institutions, especially the European Commission, prioritized engagement with Beijing over Taipei. The Commission cited political sensitivities and pressure

⁷⁴ Wang, 2023
Malinconi, 2023

⁷⁵ European Parliament, 2013

⁷⁶ European Parliament, 2015

⁷⁷ European Parliament, 2018

from China as key obstacles, alongside internal disagreements on advancing negotiations with Taiwan. For Taiwan, the BIA was viewed as a strategic instrument to deepen economic engagement and signal confidence to global investors. Despite years of preparatory discussions, official negotiations have not commenced. EU officials have refrained from initiating even preliminary steps like impact assessments or public consultations. This stalemate underscores a decade of ambiguity and miscommunication between the two sides, threatening the level of trust and progress in relations⁷⁸.

More significantly, Taiwan is currently conceived by the EU through economic lenses. Considerations about Taiwan's critical position in high-tech supply chains match Europe's strategic economic priorities. However, that is only on paper. The Taiwan Strait, under current policy initiatives risks remaining a secondary concern. Only in a distant fourth position does the EU view Taiwan as a vibrant democratic partner that shares its values, despite frequent rhetorical affirmations of this like-mindedness⁷⁹. This hierarchy of priorities reflects a cautious and pragmatic approach but also reveals an enduring gap between the EU's stated aspirations and its practical engagement with Taiwan.

While recent developments indicate a positive trajectory, deeper and more strategic alignment is essential to address the complexities of the relationship and to move beyond mere symbolism. Establishing regular consultations on democracy, trade, and security would represent a critical step forward. However, criticism of the EU's stance also highlights the need for introspection. For the EU, this is an opportunity for a reality check: to reassess its priorities and expectations while addressing its knowledge gaps about Taiwan's domestic politics and cross-strait relations. Acknowledging its limitations in understanding Taiwan, the next step must be a candid examination of the misunderstandings that have hindered deeper cooperation. The EU is

⁷⁸ Zhaoyan, 2023

⁷⁹ H. Legarda, 2023, p. 12.

not failing only in terms of fragmentation and lack of coordination but especially in addressing Taiwan with sufficient and nuanced knowledge.

This shortcoming stems, in large part, from the scarcity of dedicated Taiwan studies in Europe. Too often, Taiwan is analyzed through the lens of China, rather than as an independent subject of study. While some emerging institutions, such as SOAS in London⁸⁰, are beginning to focus exclusively on Taiwan, such initiatives remain the exception rather than the rule.

This gap in understanding was particularly evident during meetings I attended at INDSR with visiting EU delegations. In the context of think-thank level exchanges, the discussions concentrated overwhelmingly on topics such as the PLA, China's military development, or its domestic politics. These priorities might be justified, given the strategic weight of China in global affairs and their respective institutes' research focus, or the expertise of Taiwanese institutes in Chinese politics. Nonetheless, dialogue on Taiwan itself was nearly absent or took place through a focus on cross-strait dynamics and so was lacking an emphasis on EU-Taiwan relations. This raises only but critical concerns.

If these representatives and scholars, who influence EU policymaking, fail to engage deeply with Taiwan-specific issues, how can the Union hope to craft informed and effective policies? The lack of direct engagement with Taiwan has broader implications. People-to-people knowledge exchange remains limited, and European media coverage often reflects biases shaped by this gap. According to the experts I interviewed, this situation underscores the urgency to enhance the Union's competence

⁸⁰ Centre of Taiwan Studies, SOAS, London. <https://www.soas.ac.uk/research/research-centres/centre-taiwan-studies> . Other examples can be the European Research Center on Contemporary Taiwan, University of Tübingen, <https://uni-tuebingen.de/en/fakultaeten/philosophische-fakultaet/fachbereiche/asien-orient-wissenschaften/sinologie/abteilung-fuer-sinologie/ercct/> .

regarding Taiwan, as the inadequate knowledge within its institutions has made it more exposed to China's influence.

In fact, China is no stranger to exert pressure on foreign governments' approach to Taiwan, framed as an extremely sensitive domestic issue. The PRC has long done the same with European countries, often shaping the practical application of the EU's "One China" policy in ways that blur its original intent⁸¹. While the "One China" policy is deliberately flexible, allowing the EU to maintain unofficial relations with Taiwan while recognizing Beijing as the government of China, the PRC has persistently attempted to conflate this with its "One China" principle⁸². The principle, which demands exclusive recognition of Beijing's sovereignty over Taiwan and denies Taiwan any form of international legitimacy, fundamentally differs from the EU's stance. However, China's pressure, combined with the EU's failure to firmly resist such interference, has often resulted in compromises that undermine the EU's autonomy in foreign policymaking⁸³.

Examples of Beijing frequently protesting and applying pressure whenever EU member states or institutions engage with Taiwan in ways seen by Beijing's perspective as a violation of its "One China" principle, are numerous. Even if such actions fall under the umbrella of the EU's "One China" policy⁸⁴. Beijing disproportionately responds to high-level visits, support for Taiwan's participation in international organizations, or even non-political exchanges in an effort to intimidate and dissuade further

⁸¹ Brown, 2022

⁸² Tseng, 2018

⁸³ "Spokesperson of the Chinese Mission to the EU Speaks on a Question Concerning the Planned Visit of MEPs to Taiwan" China Mission to the European Union, October 27, 2021. http://eu.china-mission.gov.cn/eng/fyrjh/202110/t20211027_10170681.htm.

A prime example of China's efforts to obscure the distinction between the "One China" principle and the "One China" policy is the statement made by the PRC's spokesperson to the EU Mission in 2021. In this statement, the spokesperson deliberately interchanges the two terms, creating confusion. This tactic highlights the potential risks of misinterpretation and undermines European attempts to establish a clear framework for engaging with Taiwan.

⁸⁴ "Spokesperson of the Chinese Mission to the EU Speaks on a Question Concerning the European Parliament's Taiwan-related Resolution," n.d. http://eu.china-mission.gov.cn/eng/mh/202410/t20241025_11516321.htm

engagement. Conversely, the EU often fails to push back such tactics, showing hesitancy and inconsistency, rather than unequivocally affirming its “One China” policy as distinct from China’s principle. This pattern was evident in the initially uncoordinated responses to China's backlash against Lithuania’s decision to deepen ties with Taiwan, including the opening of a Taiwanese Representative Office in Vilnius. While the EU did eventually activate measures to counter Beijing’s economic coercion, the delay in its reaction highlighted a lack of resolve to assert its own policy parameters from the outset⁸⁵. The result of this dynamic is a gradual erosion of the EU’s ability to define and implement an independent policy towards Taiwan⁸⁶. By allowing China to effectively dictate the boundaries of the EU’s “One China” policy, the Union risks losing credibility not only in its dealings with Taiwan but also as a global actor capable of standing by its principles.

⁸⁵ Lau, 2023

⁸⁶ Luszczkiewicz A., 2024

Areas of expected cooperation

To demonstrate its strategic autonomy and to ensure its engagement with Taiwan reflects its own interests, the EU needs to reclaim its “One China” policy, thus sending signals that such matter is not subordinated to a China-centric policy framework. Member States must assert their sovereignty in engaging with Taiwan, not letting any foreign government intruding and dictating the policy to follow. Eventually, they should move beyond a mere countering of China’s false claims over the island. To sustain the positive momentum in EU-Taiwan relations, the focus has to shift from celebrating shared values to fostering more practical, more actionable partnerships. This requires clarity in discourse, coherence in engagement, and creativity in action, all achievable without breaching the existing framework of the EU’s “One China” policy, as China erroneously argues. Indeed, the EU’s “One China” policy acknowledges the PRC as China’s sole government while maintaining *de facto* ties with Taiwan, without recognizing Beijing’s sovereignty over it. Conversely, the PRC’s “One China” principle asserts that Taiwan is an inalienable part of China, rejecting any form of international recognition or engagement with Taiwan as a separate entity.

Given decades of growing trade with China, the EU has historically shown little resistance to Beijing’s pressure to treat Taiwan as an internal matter. This has effectively excluded, among others like human rights or arms proliferation, the Taiwan Strait issue from EU-China discussions and, more importantly, compromised Europe’s own trade and strategic interests. In the current geopolitical landscape, such passivity is indefensible. China’s assertion that the EU violates its “One China” policy when engaging Taiwan distorts the EU’s policy framework and undermines its sovereignty. In reality, it is Beijing that interferes with the EU’s autonomous decision-making, limiting its ability to act in accordance with its own interests and principles. However, European states remain deeply divided over the EU’s Taiwan Policy, still grappling how to navigate the ambiguities of their respective China’s policies, in a manner that

allows them to improve their relations with Taipei, while being mindful of pre-existing dependencies and interests vis-à-vis China⁸⁷.

To secure clarity in Europe's approach to China and Taiwan, EU institutions and member states must demonstrate coherence in their actions and statements. Moreover, innovative approaches are essential to expand EU-Taiwan cooperation within the existing policy boundaries, rather than circumventing them. Both Europe and Taiwan must play an active role in this process.

The EU should give priority to cement Taiwan's place in the EU's official discourse by ensuring consistent and principled engagement with China. Indeed, from the examination of the evolution of EU-Taiwan relations, it appears as if increased cooperation with Taipei has followed evolution in EU-China dynamics. As a result, the EU's engagement with Taiwan has been reactive rather than guided by a distinct and independent strategy. The level of trust between the EU and Taiwan has historically mirrored growing distrust and apprehension towards China, highlighting the absence of a well-defined European approach to the island⁸⁸.

Today, trust between Brussels and Taipei is at "all-time high," as noted by President Lai⁸⁹. Both sides are actively pursuing de-risking strategies, which could serve as a foundation for renewing and strengthening their economic partnership⁹⁰. However, a dependency on developments in EU-China relations risks undermining trust between the EU and Taiwan. By tying the progress of EU-Taiwan relations to relations with the other side of the Strait, the EU jeopardizes long-term collaboration and also weakens the stability and prospects for their relationship.

⁸⁷ Wang, 2022

⁸⁸ Silver L. 2023

⁸⁹ Office of the President, 2024

⁹⁰ S. Kennedy, 2024, pp.20-24

As the Lithuanian case underscores, stakes are high and so is the necessity for pragmatism⁹¹. Neither Brussels, Taipei, nor Beijing can afford strategic miscalculations. This juncture calls for a reality check to align expectations on the forms that enhanced EU-Taiwan cooperation might take. It must do so in a more solid and clear manner: Taiwan has often found difficulties in understanding this balancing act.

Apart from clarity in discourse, the EU should prioritize coherence in action as well. In this context, it needs to foster its resilience and preparedness, addressing a potential crisis in the Taiwan Strait. Building consensus and unity within member states, scenario planning at European levels, and mitigating vulnerabilities across different scenarios are all examples of a wide-spread coherent European approach. These initiatives can integrate seamlessly into the EU's broader de-risking strategy concerning China, acknowledging the trade-offs and costs inherent in such an approach.

Another critical step involves enhancing Taiwan competence within EU institutions and society. A robust knowledge of Taiwan's complexities and cross-strait dynamics is essential for informed policymaking and for garnering public support. Fostering this awareness through media outreach, academic collaborations, and people-to-people exchanges should be a priority. Without increased public understanding of Taiwan, the EU risks domestic dissatisfaction with its approach and reduced leverage in international discussions regarding Taiwan Strait security. By bridging knowledge gaps, the EU can better position itself as a credible actor in addressing cross-strait tensions.

Pragmatically, the EU can also bolster deterrence in two key ways. First, by developing a solid bilateral agenda focusing on economic security and supply chain resilience, moving away from the contentious topic of a formal trade agreement. Second, through enhanced cooperation on Foreign Information Manipulation and Interference (FIMI). Strengthening the EU Task Force on FIMI and collaborating with Taiwanese

⁹¹ Stec G., Ferenczy Z. A., 2024

organizations, such as Doublethink Lab and Taiwan Factcheck Center, can deepen understanding of cross-Strait interference dynamics. Establishing a dedicated hub in Taipei to guide these efforts would further solidify this initiative, leveraging Taiwan's expertise in countering disinformation.

In the long term, maritime security offers another potential area for collaboration⁹². While the EU aims to establish itself as a global maritime security provider, this ambition remains premature given the limited power projection capabilities⁹³. Meanwhile, it can and should continue to contribute to Freedom of Navigation Operations (FONOPS). Other initiatives are on the table: joining the Global Cooperation and Training Framework (GCTF), a platform established by Taiwan and the United States in 2015, which Japan and Australia later joined, might be suitable. The EU would be able to address global security challenges and, at the same time, capitalize on Taiwan's strengths in maritime governance. However, it is not foreseeable or likely to happen in the short to medium period.

Concluding, the EU can ensure clarity in discourse, coherence in engagement and creativity in action. It has both the weight and the expertise to do so. What is uncertain is its political will to implement these policies, advancing a mutually beneficial partnership with Taiwan while navigating the boundaries of its "One China" policy.

⁹² Z. Ferenczy, 2024, *op. cit.*

⁹³ Machi, 2023

Taiwanese Institutions' Perceptions Towards the EU

Areas of strong cooperation

The relationship between Taiwan and the EU has reached unprecedented levels of cooperation, marking a turning point in how the two sides engage politically, economically, and strategically.

This transformation is evident in the remarks of President Lai Ching-te at the EU Investment Forum in November 2024, where he highlighted Europe's standing as Taiwan's third-largest trading partner and its largest source of foreign investment⁹⁴. While separated by vast geographical distances, Taiwan and Europe are united by shared values and mutual determination to promote democracy, peace, prosperity, and sustainability⁹⁵. President Lai asserted that Taiwan and Europe should leverage their capacities and similarities to build a closer and more robust partnership, given the high level of potential that lies within this early stage of the relationship. The two, in his view, might work together to enhance resilience and durability of the cooperation.

A notable shift has occurred in the EU's approach to Taiwan. This phenomenon, referred to by Alysa Wen-li Chiu, a DPP representative who I talked to, as the "European hype about Taiwan"⁹⁶, underscores a growing recognition of Taiwan's importance within the EU⁹⁷. While the European Parliament has played a crucial role in this transformation through its resolutions, which reflect the collective voice of the EU's 27 member states, the impact extends beyond institutional endorsements. For many Taiwanese citizens, these resolutions foster a sense of international solidarity and resilience. Dr. Chiu notes that developments such as the Netherlands, Czech Republic, and the European Parliament adopting pro-Taiwan measures have resonated with the

⁹⁴ Office of the President, 2024

⁹⁵ Hsiao, 2024

⁹⁶ Dr. Alysa-Wen Chiu and dr. Michael Chen, Democratic Progressive Party, Taiwan, Interview by the author, 2024

⁹⁷ Szczudlik, 2024

Taiwanese people, instilling confidence in their international partnerships and reducing the isolation they once felt. A decade ago, silence defined much of Europe's stance on Taiwan. Today, the EU is increasingly outspoken, not only because of China's growing assertiveness but also due to Taiwan's proactive role as a responsible global actor. This has altered international perceptions, portraying Taiwan as a nation committed to helping the world while fostering a belief among its people that their country plays a vital global role.

Similarly, then, Taiwan's own hype towards Europe has become evident. In its ongoing quest to diversify international relations, Taiwan has strategically turned to Europe, particularly Central and Eastern European nations. Prof. Marc Cheng⁹⁸ has placed the emphasis on the alignment between Taiwan, the Baltic states and CEE countries, noting similarities in their geographic size, economic development, and shared historical experiences of managing relationships with threatening neighbors. The timing of this alignment is not random: growing disenchantment over China's 17+1 initiative in the region and the effects of the COVID-19 pandemic have provided fertile ground for deepened ties. This mutual enthusiasm is profoundly positive.

As dr. Michael Chen remarked, Taiwanese officials and the public alike view the EU as a trustworthy and indispensable ally. This transformation in international perception has been mirrored by an evolution in Taiwanese self-perception. Many Taiwanese now recognize their global responsibilities and are striving to engage more actively with the world. This growing confidence aligns seamlessly with a broader understanding of the EU's importance to Taiwan's security. Taiwanese administrations, past and present, have consistently highlighted the strategic significance of Europe. Outgoing President Tsai Ing-wen has frequently referred to Europe as a like-minded partner committed to freedom and democracy⁹⁹. The former president also highlighted how

⁹⁸ Prof. Marc Cheng, EUTW, Interview by the author, 2024

⁹⁹ Office of the President, 2022

Europe's interest in deterring a potential Chinese invasion of Taiwan stems not only from shared values but also from significant economic and security considerations. Recognizing these factors, President Lai is likely to continue pursuing trade diversification strategies with both the EU and the United States, aiming to mitigate the risks associated with overreliance on China¹⁰⁰.

Strengthening Taiwan-Europe relations at this juncture is critical¹⁰¹. Experts have long argued that economic partnerships founded on shared values tend to be safer, more predictable, and ultimately more successful¹⁰². Such relationships are vital in preventing conflict, and Europe's growing role as an advocate for international order and security underscores its support for Taiwan in this endeavor. The EU's contributions are particularly valuable in countering gray-zone tactics employed by authoritarian regimes, further reinforcing the need for collaboration. Moreover, the presence of European scholars, professionals, and students in Taiwan serves as a bridge, enhancing Taiwan's visibility within European societies. It also increases the political costs for policymakers in the EU institutions who may otherwise favor Beijing's stance. Thereby, such increased exposure expands Taiwan's political latitude within Europe.

Three pivotal moments served as key developments in building up reliability within their bilateral relations, which set the bases for this flourishing partnership. Along with Taiwan's proactive diplomatic efforts, these episodes have solidified the EU's role as an ally in Taiwan's pursuit of security, democracy, and prosperity on the global stage.

First, the European Parliament's resolution on EU-Taiwan Political Relations and Cooperation was an initial step to strengthen ties between the two¹⁰³. Strongly supported by figures such as Josep Borrell and Commission Executive Vice President Margrethe

¹⁰⁰ Shin, 2024

¹⁰¹ Buzna, 2022

¹⁰² Szél, 2024

¹⁰³ European Parliament, 2021

Vestager, this initiative highlighted a growing recognition of Taiwan as a critical partner in both political and strategic terms¹⁰⁴. Taiwan's Ministry of Foreign Affairs expressed deep appreciation for the European Parliament's Committee on Foreign Affairs, who overwhelmingly endorsed the resolution and its related amendments, and demonstrated a commitment to fostering closer relations¹⁰⁵. MOFA's optimism reflects a belief that, with the collaborative efforts of both sides and the robust backing of the European Parliament, future milestones in Taiwan-EU relations are not only achievable but inevitable. First of all, the resolution directly addressed escalating concerns over China's military threats in the Taiwan Strait, calling for an immediate cessation of destabilizing activities and insisting that any changes to cross-strait relations respect the will of Taiwan's people. It then called for the adoption of a more proactive role in Taiwan-related matters. The European Chips Act, aiming at enhancing European positioning in the global semiconductor value chain, clearly evidenced the effort in this direction. The alignment of priorities has already been reflected in the evolving policies of several CEE member states, which have taken more assertive positions in their support for Taiwan. The resolution urged larger EU member states to follow suit, demonstrating that political support for Taiwan is no longer confined to the margins of Europe. This historic initiative, passed by an overwhelming majority of 580 to 26 votes, set a new precedent for how the EU engages with Taiwan. By framing Taiwan as a valuable partner in its own right, rather than a secondary issue within EU-China relations, the resolution sent a clear message to Beijing about the political costs of coercive actions against Taiwan. Simultaneously, it signaled to Taiwan that Europe is increasingly prepared to recognize its significance on the global stage. Conversely, the resolution brought to light ongoing challenges, of which inconsistencies across EU member states in their approach to Taiwan¹⁰⁶. In response, Taiwan's MOFA

¹⁰⁴ EEAS, 2021

¹⁰⁵ Ministry of Foreign Affairs, Republic of China, 2021

¹⁰⁶ Martin, 2024

reiterated the country's commitment to collaborating with the EU and its member states in areas like democracy, human rights, and the rule of law. Other areas in which Taiwan sought to enhance bilateral cooperation seem to be the digital economy, green energy, post-pandemic recovery, and supply chain restructuring. All of which aligns closely with Europe's strategic priorities.

Another major turning point in EU-Taiwan relations has been the EU's Indo-Pacific Strategy. Articulated under the first Von der Leyen's term, the strategy has effectively contributed to a growing perception of the EU as a potential actor in regional security. This represents a shift from Europe's typical economic focus in the region. Taiwan has acknowledged for the first time the EU's willingness to engage more strategically in the Indo-Pacific, despite its limited role due to the lack of direct military capabilities. Taiwan's broader efforts to diversify its partnerships beyond its traditional dependence on the United States make this new perception of EU's involvement extremely important. The attractiveness of the EU in Taiwan's eyes comes mainly from its multilateral nature and normative power. Still, the European approach might be seen by Beijing as less confrontational if compared to the U.S. approach. The Strategy widened Taiwan's view of the Union from solely an economic actor to a potential external guarantor of regional stability. Recent statements by Taiwanese government representatives reveal a growing appreciation for the EU's intentions in the Indo-Pacific, even if its capabilities in the security domain remain limited. This evolution underscores the potential for a more comprehensive Taiwan-EU partnership.

Finally, the COVID-19 pandemic further solidified the relationship between Taiwan and the EU through mutual acts of solidarity and support¹⁰⁷ that continued also during the Ukraine-Russia war¹⁰⁸. During the crisis, Taiwan donated masks to European countries. In turn, the EU's came to assist the country through selling vaccines. The

¹⁰⁷ European Commission, 2020

¹⁰⁸ Kironka, 2024

so-called vaccine diplomacy underscored the importance of their partnership in addressing global challenges. These exchanges reinforced mutual trust as well as highlighted their mutual indispensability. Thus, the pandemic served as a witness of their ability to collaborate effectively, even during tough times, and furthered the foundations for future cooperation.

Together, these advancements illustrate the transformational character of EU-Taiwan relations. Taiwan and the EU have moved toward a partnership defined by shared values and mutual trust. Now, it is up to working on strategic alignment. While challenges remain, these episodes best stress the potential for a more robust and resilient relationship. This evolution reflects Taiwan's growing confidence as a responsible international actor. It demonstrates too Europe's awakening in recognizing Taiwan's strategic importance in the geopolitical landscape, with the ultimate goal of addressing both regional and global challenges.

Limitations and concerns

As noted in the interviews I gathered in Taipei, Taiwanese perceptions abound of pessimism regarding the EU's engagement with the island. A sense of disapproval and disillusionment is linked to as numerous episodes as the positive ones in the previous section.

Recurring themes are the stalled negotiations over a Bilateral Investment Agreement (BIA), statements made by French President Emmanuel Macron, and the 2023 visit to Beijing by both Macron and European Commission President Ursula von der Leyen. These events remain vivid in the Taiwanese memory, symbolizing what is perceived as the EU's inconsistent stance, often described as lip service.

The reluctance of the EU to pursue a BIA with Taiwan stands in contrast to the efforts of other major democracies, such as the United States and Canada, which have engaged in economic and trade agreement negotiations with Taiwan while maintaining their respective "One China" policies¹⁰⁹. Taiwanese officials have made clear their interest in deepening trade relations with the EU, including through frameworks that strengthen the resilience of clean energy technology and digital trade, aligning with initiatives like the U.S.-Taiwan Initiative on 21-Century Trade¹¹⁰ and the U.K.-Taiwan Enhanced Trade Partnership¹¹¹. Despite this, in April 2023, top EU diplomats dismissed the idea of a Taiwan-EU BIA. Gunnar Wiegand, Managing Director for Asia Pacific at the European External Action Service (EEAS), who I met after roundtable discussions held at INDSR last November, stated what he previously argued. He claimed that such an agreement was unnecessary, given Taiwan's stable rule of law, which already provides sufficient protection for EU investors¹¹². Similarly, Adeline Hinderer, the European Commission's Unit Head for trade with China and Taiwan,

¹⁰⁹ Lau, 2024

¹¹⁰ United States-Taiwan Initiative on 21st-Century Trade First Agreement Implementation Act, 2023

¹¹¹ UK and Taiwan Enhanced Trade Partnership arrangement, 2023

¹¹² Wiegand, 2023

cited changes in EU investment policy as a reason for not pursuing the agreement¹¹³. These dismissive positions were met with swift criticism from both Taiwanese officials and media. Taiwan's state-owned news agency accused the EU of "demanding yet refusing to offer"¹¹⁴, suggesting that the EU's arguments were overly focused on business interests while neglecting the impact of geopolitical tensions on economic policymaking and warning that a narrow focus on EU-China relations could limit the strategic scope of its Taiwan policy. Taiwan's Representative to the EU, Remus Li-Kuo Chen, echoed these criticisms, acknowledging Taiwan's respect for the EU's "One China" policy but questioning whether the EU had become excessively *self-censored* in its interpretation of the policy¹¹⁵. He urged the EU to adopt a more flexible approach, emphasizing that deeper exchanges with Taiwan could still be pursued without crossing Beijing's red lines¹¹⁶. By focusing solely on preserving the *status quo* with China, Chen warned, the EU risked missing significant opportunities for cooperation with Taiwan in areas that do not infringe upon its policy framework.

This ambiguity in the EU's stance has fueled skepticism within Taiwanese society regarding the EU's reliability as a strategic partner. For instance, a recent *Deutsche Welle* street interview revealed that some Taiwanese respondents harbor doubts about the sincerity of Western European countries like France and Germany in maintaining stability in the Taiwan Strait¹¹⁷. This has led some to think of the EU's commitment to Taiwan as primarily rhetorical. This perceived inconsistency between verbal support and tangible actions might undermine Brussels' credibility. Additionally, Taiwanese media and public discourse often reflect a similar skepticism towards key EU actors. Regardless of the strong opinions these debates often feature, they do not always account for the complexities of domestic and strategic considerations. The

¹¹³ F. Bermingham, 2023

¹¹⁴ Central News Agency, 2023

¹¹⁵ Central News Agency, 2024a

¹¹⁶ Central News Agency, 2024b

¹¹⁷ Yang, 2023

disillusionment towards some member states frequently echoes concerns about EU's coherence, specifically to its strategic ambiguity. It is perceived in Taiwan more as a sign of excessive prudency, however it is intended to maintain a delicate balance between the two sides of the Strait.

The EU's hesitancy to take decisive actions further deepens such perception, as exemplified by high-profile visits and conflicting statements from European leaders, eventually leading to confusion among Taiwanese stakeholders. Indeed, when in April 2023, French President Emmanuel Macron and European Commission President Ursula von der Leyen visited Beijing together, their messaging revealed stark inconsistencies¹¹⁸. Macron expressed concern about Europeans following the US agenda and a Chinese overreaction toward Taiwan, suggesting a cautious approach that distanced Europe from direct involvement. In contrast, von der Leyen emphasized to Chinese President Xi Jinping that stability in the Taiwan Strait is of paramount importance¹¹⁹. Shortly thereafter, German Foreign Minister Annalena Baerbock described a potential military escalation in the Taiwan Strait as a "worst-case scenario globally," a comment *Politico* interpreted as a subtle critique of Macron's earlier remarks¹²⁰.

These discordant messages from key European leaders reinforced skepticism in Taiwan regarding the EU's institutional and member-state-level coherence on Taiwan-related issues. While some European countries have demonstrated symbolic and economic support for Taiwan, others remain cautious, wary of provoking China¹²¹. The absence of a unified EU strategy on Taiwan not only spreads confusion among Taiwanese stakeholders but also undermines mutual trust and awareness, affecting the outcome of potential collaborations. This inconsistency extends beyond institutional

¹¹⁸ Caulcutt, 2023

¹¹⁹ F. Bermingham, 2023

¹²⁰ Deutsche Welle, 2023

¹²¹ For instance, Taiwan does not figure prominently on the political agendas of certain member states, such as Bulgaria, Croatia, and Romania. Bulgaria's government explicitly adheres to the "One China" principle, maintaining friendly ties with Beijing and demonstrating little political interest in Taiwan.

rhetoric. For example, divergent stances between the European Parliament and the then European Council President Michel exacerbated Taiwanese perception of the EU's Lack of coherence. While the former has been critical of the Comprehensive Agreement on Investment (CAI) with China, questioning its legitimacy, the latter has expressed support for the deal¹²².

The EU's *Strategic Compass* provides another equally significant example. In illustrating the bloc's cautious positioning, the document explicitly criticizes Russia's opportunistic behavior in areas like the Mediterranean and Africa. However, its language on China remains softer, describing Beijing as simultaneously a "partner," a "competitor," and a "systemic rival." This ambiguous framing dangerously downplays key issues such as democratic backsliding in Hong Kong, China's intimidation of Taiwan, and its increasing assertiveness in the South China Sea.

The *Strategic Compass* also reflects the divisions among EU member states in their China policies¹²³. Countries like Lithuania have adopted assertive stances toward Beijing, while others prefer a more restrained approach to protect economic ties. France, on the other side, cautioned the framing China as an ultimate threat to the EU and proposed to opt for a more permissive approach. These divergences hinder the EU's ability to deal with the strategic challenges posed by the PRC and tangibly affect the EU's posture vis-à-vis Taiwan. Significantly, it weakens the EU's ability to discourage Beijing from escalating tensions in the Strait. A more unified European approach is of extreme urgency in order to preserve peace. Though, achieving this requires addressing internal divisions.

While the EU is unlikely to adopt the European Parliament's more public and assertive engagement with Taiwan, it can still contribute to stability through non-military

¹²² European Parliament, 2021

¹²³ Jerzewski, 2022

means. Issuing warnings against unilateral changes to the status quo, engaging economically, and facilitating high-level dialogues and visits are all viable strategies.

However, the absence of a coherent EU position risks undermining these efforts. It may harm Europe's economic prospects. Furthermore, a fragmented approach leaves space for pro-Taiwan member states to act independently in ways that could accidentally escalate tensions or cause trade disputes with China. Counterintuitively, the Union would still be brought into play to protect its members from Chinese coercion, as with the Lithuanian case. Such dynamics underscore the broader conundrum the EU is facing: whether to find the political will to reconcile economic interests with geopolitical and security considerations or jeopardize its relations with both Taiwan and China, two EU's indispensable economic partners.

Recent events proved the failure of the EU at presenting a united front in Beijing, highlighting its internal struggles¹²⁴. For Taipei, these inconsistencies serve as a reminder of the complexities of engaging with a fragmented EU. On Brussels' side, they point out the need to overcome the interconnectedness of its interests. The EU must navigate the ambiguities of its "One China" policy more adeptly if it hopes to play a more constructive role in the Indo-Pacific.

¹²⁴ Sorgi, 2023

Areas of expected collaboration

On the Taiwan side the current administration is actively prioritizing deeper collaboration with the European Union across various sectors, as evidenced in the 2022 Diplomacy Yearbook published by the MOFA in December 2023¹²⁵ and other official statements¹²⁶.

A significant focus lies in fostering general relations through initiatives like legislative diplomacy and cultural exchange. For instance, exchanges between legislative members from Taiwan and representatives from the *Erasmus Mundus Program* in August 2022 highlighted the importance of educational partnerships, facilitating discussions on advancing and sponsoring education policies. Another delegation from the EU visited Taiwan in the same year. The visit of the International Trade Committee gave the signal of commitments to strengthening trade collaboration and bolstering economic and democratic resilience.

Economic cooperation forms a cornerstone of Taiwan's engagement with the EU. As President Lai remarked at the 2024 EU Investment Forum, initiatives like the Taiwan-Europe Connectivity Initiative¹²⁷ and the Central and Eastern Europe Credit Fund, which have led investments in the EU to unprecedented levels, are all examples of successful cooperation. Indeed, Taiwanese enterprises initiated over \$4.9 billion in EU projects in 2022 only, resulting in an outstanding growth of 750% from the previous year. Taiwan is positioning itself as a critical partner in semiconductors production, artificial intelligence, green energy, and digital technology, aligning these efforts with the EU's economic security strategies to strengthen its global supply chains.

¹²⁵ Ministry of Foreign Affairs, 2023

¹²⁶ Office of the President, 2024

¹²⁷ It applies to the field of university-level exchanges mainly in the engineering and industrial fields as well as provides for scholarships to study Mandarin. (<https://en.mofa.gov.tw/cp.aspx?n=6847>)

Other than this cooperation, Taiwan aims to align more seamlessly with the EU on shared values that make the two like-minded partners, such as democracy and human rights. The fifth Human Rights Consultation Meeting held in October 2022¹²⁸ highlighted mutual commitments to the protection of the rule of law, while think tank collaborations have fostered intellectual exchanges on key strategies, such as the EU's Global Gateway Plan and the New Southbound policy.

Altogether, these efforts demonstrate Taiwan's strategic vision for its partnership with the EU, stemming from democratic resilience and economic security to multilateral cooperation. In turn, it aims to ensure stability and prosperity in a rapidly evolving global landscape.

However, Taiwan has one top priority: recent administrations have all worked to keep the country far from being isolated. Dr. Kevin Lin, Director-general of the Department of International Affairs of the Legislative Yuan – the Taiwanese Parliament – revealed parliamentary diplomacy to be the major canal, if not the only one, to foster ties with foreign countries, especially in the EU. In a discussion I had the honor to have with dr. Lin, he showed me the evolution of the recurrence to such tool by different governments, starting from the years he was Taiwan's representative in Brussels¹²⁹.

Parliamentary diplomacy has increasingly become an essential pillar of Taiwan's international engagement. Given Taiwan's international status, recognized by a dozen of small countries, this is the sole approach possible. In response to such limitations, Taiwanese parliamentarians have increasingly served as the driving force of public diplomacy, offsetting Chinese efforts to isolate the country globally. This proactive role of branches of the Legislative Yuan has been essential in enhancing its international visibility.

¹²⁸ National Development Council, 2022

¹²⁹ Director General Department of International Affairs, Legislative Yuan, dr. Kevin Lin, Interview by the author, Taiwan, 2024

It follows a brief history of the foundation and expansion of the office as dr. Lin explained during the interview. This department, actually, has no long tradition, but is instead of recent foundation. In 2020, after the establishment by Former Legislative Yuan Speaker You Si-kun of the International Public Opinion Working Group, the group was subsequently upgraded to the International Affairs Working Group. It was in September 2023 that You established the Department of International Affairs – the first institutionalized unit in the Legislative Yuan dedicated to managing parliamentary diplomacy¹³⁰. The department finally signaled a significant improvement of Taiwan’s international outreach. Particular emphasis was put on strengthening ties with Europe. The department, currently led by Dr. Kevin Lin, although recently founded, has proved to be of great success. Dr. Lin, given its past experience as representative to the EU, is trying to foster deeper ties with European countries, cementing what has been achieved so far.

His extensive knowledge of the intricacies of EU-Taiwan relations has been precious. He noted that while Taiwanese scholars have a solid understanding of the EU, institutional awareness and public engagement within Taiwan still meet challenges. Explicitly, Dr. Lin emphasized the significance of the 2011 EU visa waiver, which he supervised during his tenure in Brussels¹³¹. Other than allowing for a surge in travel and interactions, this policy reform improved mutual comprehension between Taiwanese and European societies. However, some adjustments are needed in Taipei’s approach to maintain and grow this relationship. Specifically, he argued in favor of a more cohesive and transparent strategy in the economic domain. As a practical way to improve bilateral relations, Dr. Lin also emphasized the significance of giving sectoral cooperation agreements top priority.

¹³⁰ Deaeth, 2023

¹³¹ Taipei Representative Office in the EU and Belgium, 2010

Another point of discussion with dr. Lin were the current political dynamics within Taiwan's legislature. Recently, the current Legislative Speaker, the Kuomintang (KMT) nominee, Han Kuo-yu's international credentials have drawn some criticism¹³².

As mayor of Kaohsiung, his previous role, Han held private meetings with officials in Hong Kong and Macau, bypassing Taiwan's Mainland Affairs Council. Coupled with his criticisms of President Tsai Ing-wen's foreign policy tenure, this has raised concerns about his contribution to Taiwan's international outreach. Conversely, dr. Johnny Chiang, the DPP's nominee for Deputy Speaker, offers a more internationally focused perspective. Chiang has extensive experience and ability to build bipartisan consensus. This may help preserve and perhaps strengthen Taiwan's parliamentary diplomacy. But the relegation of these responsibilities to the Deputy Speaker risks lowering their strategic importance, which could jeopardize the gains made during previous governments.

However, Dr. Lin noted that parliamentary diplomacy has continued to thrive in spite of these worries. Taiwanese officials, especially former President Tsai Ing-wen, have actively engaged in Europe, and vice-versa numerous delegations from CEE countries have traveled to Taiwan¹³³. Drawing on this rising focus on developing bilateral ties especially with western countries, this continuous momentum demonstrates a dedication to solidifying Taiwan's position in Europe.

Collaborating with non-governmental organizations (NGOs) and civil organizations has been an essential part of Taiwan's democratic governance. The administration knows that the country's voice is amplified on the worldwide scene thanks to these organizations, which bridge the foreign community, civil society and politicians. Dr.

¹³² Jakub Janda, 2024

¹³³ Office of the President, 2024

Lin underlined that Taiwan's international agenda has been greatly advanced by Taiwanese NGOs, especially in strengthening ties with Europe. The involvement of NGOs, together with governmental players, has permitted to more comprehensively expand the island's international space. Taiwan tirelessly dedicate itself to becoming a responsible member of the international community. It is easily demonstrable by looking at its active participation in world affairs, which goes beyond its governmental institutions encompassing a thriving civil society. MOFA supports this vision, making it easier for Taiwanese non-governmental organizations to participate in overseas events. Significant contact with overseas partners and involvement in global concerns serve as the foundation for NGOs' exceptional level of internationalism. These groups are crucial parts of Taiwan's public diplomacy strategy in addition to acting as conduits for social advocacy and humanitarian help. Strong adherence to universal ideals and principles is the foundation of Taiwan's NGOs' high degree of involvement. According to dr. Ketty Chen¹³⁴, the National Democratic Institute's (NDI) national representative, these principles serve as the cornerstone of strong collaboration in the social and humanitarian spheres. Taiwan's role as a responsible and proactive global actor is demonstrated by its adherence to UN treaties, even though it is not a member to the UN system. Dr. Chen also underlines how the country's democratic transformation included a thriving civil society in addition to economic accomplishments. This development has made it easier for NGOs that support social peace, democracy, and international collaboration to flourish. Consequently,. Taiwan has not only improved its standing throughout the world but also proved that it needs the world and the world needs Taiwan.

Taiwan's significance in tackling transnational issues, ranging from humanitarian disasters to cultural diplomacy, is best described by this dual narrative of interdependence. The phrase "the world needs Taiwan" has emerged as a major motif in a number

¹³⁴ K. Chen, Interview by the author, 2024

of MOFA-sponsored projects. The main objectives and goals of the current administration were emphasized in a conversation with dr. Hung Lin-Chiu, Deputy Counselor of the Public Diplomacy Coordination Council at MOFA¹³⁵.

The increase of scholarships for international students, particularly in semiconductor research, under the Taiwan-Europe connectivity framework is one important area of attention¹³⁶. Through the facilitation of university-level memoranda of understanding, this project aims to increase Taiwanese students' exchange with European universities. Enhancing understanding and awareness of the European Union within Taiwan's academic and policymaking sectors is the purpose.

The European Business & Regulatory Cooperation (EBRC) project is another important endeavor that aims to provide Taiwanese companies a better grasp of EU laws so they can more easily access European markets¹³⁷. Dr. Hung claims that this endeavor fills a knowledge gap in Taiwan, where knowledge of the EU is frequently restricted to its cultural and historical aspects, leaving its institutional roles and strategic significance undervalued.

In addition to being an economic partner, MOFA views the EU as a vital ally in advancing regional security and democratic resilience. Furthermore, Taiwan wants to promote discussion on new topics like AI legislation and sees the EU as a global leader in environmental and green transition policy. But difficulties still exist. The limitations imposed by the EU's "One China" policy, which occasionally comes across as too cautious and self-censoring, make it difficult for Taiwan to interact with the EU¹³⁸.

As it has been noted by several scholars, Taiwan strives for a better understanding of the EU's multi-layered governance system. This effort is even more notable since

¹³⁵ Lin-Chiu Hung, Interview by the author, 2024

¹³⁶ Ministry of Foreign Affairs, 2024

¹³⁷ European Economic and Trade Office, 2024

¹³⁸ Central News Agency, 2024b, *op. cit.*

fragmentation across institutions and divergent positions among member states on China-related policies increase the difficulty in navigating the European system. Notwithstanding these complications, Taiwan's strategy does not involve pressuring European states to revise their China policies or more visibly adopt pro-Taiwan stances. Instead, MOFA's priority, as emphasized by Dr. Hung, is to position Taiwan as a reliable and attractive partner. The current administration aims to display its strengths in areas such as economy, ICT sector, and cybersecurity to build momentum for a more meaningful strategic cooperation. Thus, it follows a more pragmatic and under-cover approach, underscoring its commitment to global challenges¹³⁹.

This is evident in Taiwan's recent initiatives, such as humanitarian aid to Ukraine and medical assistance during the COVID-19 pandemic. Likewise, the promotion of university exchanges and the EBRC program go in the same direction. More importantly, they reflect MOFA's efforts to strengthen EU-Taiwan relations by addressing the limited mutual understanding that hinders progress in the partnership. This dual approach, consisting both of both demonstrating Taiwan's value as an autonomous and capable partner, and building international support, serves different outcomes: it illustrates a balanced synergy; it is aimed at fostering long-term resilience; and it works toward making the collaboration more strategically relevant. This strategy extends beyond economic and educational initiatives.

Two additional focus areas underscore this synergy: the Inter-Parliamentary Alliance on China (IPAC) and collaboration in cybersecurity and democratic resilience-building with NGOs.

IPAC takes place at the parliamentary level on a voluntary basis: every member of European parliaments or a European stakeholder in general might sign the association's manifesto and become part of it. By engaging within this platform, scholars,

¹³⁹ Jao, 2020

judges, parliamentarians issue statements regarding violations of international and humanitarian law made by China in Xinjiang, Tibet, Hong Kong, the Mainland or in the South China Sea and the Taiwan Strait. Through this, Taiwan has a network of advocates in its favor. Some might come from European institutions, thus helping to refine and clarify the understanding of the EU's "One China" policy while advocating for a rules-based international order.

Moreover, Taiwan has several civil organizations working for the country's security in the cyber domain and for the promotion of democratic resilience in the face of external threats. As emphasized during discussions with Dr. Chen of the DPP¹⁴⁰, two notable organizations, *Kuma Academy* and *Forward Alliance*, demonstrate Taiwan's commitment to societal resilience. Enhancing public knowledge and preparedness against disinformation campaigns and cyberthreats, tools commonly used by authoritarian governments to undermine democracies, is the main goal of *Kuma*. Instead, in order to handle potential emergencies, *Forward Alliance* places a strong emphasis on building social cohesiveness and community resilience. These groups serve as examples of how Taiwan's thriving civil society is essential to countering new challenges from around the world and bolstering democratic institutions.

A thorough and diverse approach to Taiwan's foreign engagement is shown in the interaction between these two initiatives, parliamentary diplomacy and NGO-led projects. NGOs operationalize these efforts by tackling concrete issues like cyberattacks or democratic backsliding, while its legislature forges political ties and promotes Taiwan's story internationally. Taiwan's position as a responsible global partner is strengthened by this dual-pronged approach, which also raises Taiwan's visibility internationally.

¹⁴⁰ Alys Chen and Michael Chen, Interview by the author, 2024

Pushing for stronger trade, investment, and data protection partnerships are all examples of how Taiwan seeks to cement its relationship with the EU and enhance its strategic aspect.

This is part of an innovative and hopefully successful strategy: rather than deciding whether to engage with the European Commission or individual member states, Taiwan uses pre-existing channels and organizations to increase its visibility and significance. By reaffirming its position as a major actor in cybersecurity, international trade, and democratic resilience, Taiwan creates the foundation for a more accommodating posture inside the EU. Taiwan's long-term goal of fortifying its connections with European allies while advancing its democratic values is furthered by this policy, which also protects Taiwan's international space.

Conclusions

The chapter has provided an analysis of the perspectives gathered from interviews with academics and policymakers. This has shed light on the dynamics of EU-Taiwan relations, specifically the divergent points of view hindering progress.

Academics gave emphasis to the transformative potential of a EU more vocal in its support of Taiwan and assertive in its condemnation of the PRC's international law violations, within the framework of its "One China" policy. On the other hand, Taiwanese institutions and organizations expressed cautious optimism about the EU's evolving posture.

Before moving to the next chapter, it is important to underline the main points that have emerged from the analysis of the findings collected during the period spent at the *Institute for National Defense and Security Research*.

Firstly, the European Union needs clarity in discourse.

If articulated with greater clearness, the EU's "One China" policy could become a strategic asset, despite often being perceived as a constraint by some Taiwanese stakeholders. It would help the EU define explicit red lines for China and claim its righteous claim to engage with Taiwan. Therefore, the policy might serve as a powerful tool for deterrence, safeguarding stability in the Strait without jeopardizing the Union's interests, if linked to a proactive diplomatic approach.

Secondly, the EU should be creative in action.

Future cooperation could be deepened through initiatives such as European Business and Regulatory Cooperation (EBRC), the Inter-Parliamentary Alliance on China (IPAC), and joint projects in countering Foreign Interference and Manipulation of Information (FIMI) and building supply chain resilience. This strategic approach is significantly advantageous for both parties: it prioritizes pragmatic, institutionalized dialogue and, above all, it avoids a so-called polarizing megaphone diplomacy.

Furthermore, the EU and Taiwan may develop a deeper understanding of each other's strengths, priorities, and vulnerabilities. There is the need to institutionalize pre-existing channels of communication and collaboration to regularly schedule high-level meetings that foster trust, encourage mutual comprehension and lay the foundations for further cooperation. Initiatives like FIMI and supply chain resilience present great opportunities for this, helping to overcome one of the primary barriers to stronger relations: insufficient mutual awareness.

Thirdly, the EU must be coherent in engagement.

Importantly, this approach overcomes the waiting for unity in the EU's foreign policy or a common posture vis-à-vis China, an expectation that remains highly political and challenging in the short term. Instead, the solutions that emerge from this research focus on practical actions that can be implemented immediately without necessarily long debates.

In conclusion, these measures could be highly pragmatic, realistically achievable, and effective. They would advance shared goals and address pressing challenges: Taiwan would gain vital support by 27 states in countering external pressures while diversifying its economic partnership; the EU, instead, would learn from Taiwan how to reinforce democratic resilience against authoritarian influence, especially in the information operations domain as well as it would advance its strategic autonomy goals. Such initiatives would support greater regional stability while also being in line with their respective interests and priorities. This strategy, which emphasizes pragmatic cooperation and similar principles, has the dual benefit of boosting resilience in the partnership.

How to unlock this potential will be the main topic of the following chapter. As it will be seen, the two sides would need to push for stronger cooperation in the two most promising areas: achieving economic security and cooperation in countering hybrid threats.

Unlocking Potential: Lessons To Tell, Lessons To Learn

Introduction

The CCP's strategy to win without fighting is not new. Ancient strategists emphasized the importance of undermining enemy morale and cohesion¹⁴¹. Even more worryingly, modern globalization has created extensive economic connections that China can exploit to achieve coercive aims. Technological innovation has further expanded these digital connections, increasing the possibilities for coercion. According to a study conducted by the CSIS¹⁴², Chinese political warfare encompasses several broad areas, among which lie information and disinformation campaigns, and economic coercion, ultimately leveraging its political power globally. Taiwan, in many respects, serves as a testing ground for China's coercive strategies, particularly in the economic and information domains. The PRC reinforces its leverage by fostering economic dependencies and narratives that, in turn, amplify its political influence. This approach has not only been observed in Taiwan but has also affected European countries, as demonstrated by China's coercive measures against Lithuania. Given these challenges, a closer EU-Taiwan cooperation is essential to counter and deter China's coercive measures, particularly those aimed at undermining their international standing.

This chapter explores how the partnership between the EU and Taiwan can be enhanced to address these threats. We identify two key areas where collaboration can be strengthened to make the relationship more strategic: economic security and countering FIMI. These domains hold the greatest potential for deepening cooperation and reinforcing both sides' resilience against external pressure.

¹⁴¹ Craig Singleton, RADM (Ret.) Mark Montgomery, and Dr. Benjamin Jensen, 4 October 2024

¹⁴² Seth Jones, August 2023

Cooperating In Economic Security

In the current international landscape, international economy and security have become overlapping concepts. At present, economic security is a pressing concern of both middle and great powers in world politics; it is one of the most cited concerns in implementing policies or assessing trade relationships between different nations¹⁴³. Before delving into the security dynamics affecting the EU's and Taiwan's economies, it is appropriate to start from the definition of economic security. As identified by Cable¹⁴⁴, it entails three sub-concepts. It primarily refers to a country's ability to defend itself, including freedom to acquire necessary defense equipment and technology, the guarantee of purchasing essential defense-related goods, and the prevention of adversarial technological dominance. Secondly, it can be understood as protecting from economic aggression, which involves the use of economic policy instruments as tools of coercion. Among them: trade and investment boycotts to exert political or strategic pressure; leverage of essential resources for political influence through energy supply restrictions; and economic sanctions, used to weaken another country's economy. Lastly, a critical aspect of economic security regards the security of supply, addressing the risks associated with excessive reliance on foreign suppliers for critical goods or in strategic sectors. Political instability, wars, and foreign sanctions are all key concerns that may result in supply chain disruptions which could suddenly expose a nation's economic and defense vulnerabilities. In an era where national security is private sector security¹⁴⁵, given the intertwined nature of the relationship between critical companies and States' interests, taking up on this issue is unavoidable. This discussion will focus on two of the key dimensions of economic security presented above: security against coercive measures from a foreign entity and security of supply chains.

¹⁴³ Matthew P. Goodman, 2024

¹⁴⁴ Cable, 1995

¹⁴⁵ Calder Walton & Kevin Quinlan, 2024

Against Coercive Measures

Both Taiwan and the European Union face economic coercion from foreign powers, especially China. A clarification about what is regarded as coercion is provided. Then the analysis moves to the ways in which the two actors deal with and counter such measures.

According to RAND¹⁴⁶, coercion refers to the efforts to exert economic pressure on a target government or to harass a legal private entity through deliberate disruption – or the threat of disruption – of trade and financial relations. The main purposes of the initiating government typically encompass deterring the victim from engaging in a behavior offensive to its interests as well as forcing the targeted entity to comply with the coercer desired actions that it would not otherwise have taken; additionally, it aims at generating popular pressure or unrest to compel policy shifts, or it can be used to signal resolve to the broader international arena. Not surprisingly, Chinese economic coercion serves these multiple strategic objectives, as it is evident in some of the most recent cases¹⁴⁷. Over the past twenty years, Beijing has relied on economic measures to achieve its political objectives in an arbitrary and opaque manner. It targeted several countries, including Japan, Norway, the Philippines, South Korea, Mongolia, Australia, and Canada. Immunity to Chinese coercion is unrealistic given the PRC embeddedness in global supply chains. Europe seems to have started to finally acknowledge this after the Lithuania’s case¹⁴⁸.

When in 2021, Vilnius decided to allow Taiwan to open a representative office in the capital, as part of its broader strategy to further support with Taiwan, China extensively retaliated. China’s sharp reaction resulted from the inclusion of the term “Taiwanese” in the official name of the office. Arguing that it violated the “One China”

¹⁴⁶ Murray Scot Tanner, 2007

¹⁴⁷ Hsiao R. , January 2025, pp. 43-44

¹⁴⁸ Wendy Cutler and Shay Wester, April 2024

principle, Beijing requested Lithuania to back up its decision. Subsequently, China escalated its retaliation and employed secondary sanctions targeted at major European firms using Lithuanian-made components threatening to exclude their goods from the Chinese market. This maneuver especially presented a unique feature in that it exposed Beijing's strategy of using secondary sanctions¹⁴⁹. Nonetheless, mainly thanks to international support that loosened the Chinese grip, Lithuania did not eventually reverse its decision regarding the Taiwanese Representative Office. The then High Representative Josep Borrell defended Lithuania's position and reaffirmed the EU's interest in expanding relations with Taiwan within the framework of the "One China" policy¹⁵⁰.

Lithuania's experience serves as a significant example of the evolving nature of Beijing's approach, providing important lessons for states that may be targeted in the future as well. When compared to other cases, it seems the strategy provides China with a degree of plausible deniability: state media might deny coercion has taken place and the government might refrain from making official statements regarding its actions. Moreover, it demonstrates the preference for a multi-layered approach, simultaneously made of economic and diplomatic coercion. Such deniability and diplomatic pressure make it increasingly difficult for targeted countries to respond effectively. However, unlike previous episodes, the nation's economic vulnerability to China was limited. Trade exposure was minimal, significantly reducing the PRC's leverage. This highlights the importance of de-risking strategies to prevent grave economic fallout due to economic coercion, thus offering a valuable insight for Taiwan. Therefore, in assessing vulnerability to a nation, states must reduce their exposure to foreign economic leverage. A limited trade dependence, consequently, makes coercion less effective¹⁵¹. Another factor limiting the efficacy of those measures is the international

¹⁴⁹ W. Cutler, 2024, *ibidem*

¹⁵⁰ European Union External Action Service, 2021

¹⁵¹ Grzegorz Stec, Helena Legarda, 31st October 2024

community's backing. As it is evident from the case, Lithuania benefited from strong multilateral support, particularly from the EU and the United States. Taiwan as well came in assistance to support Lithuania's economic resilience. As a result, by securing the support of major economic players, Lithuania has been able to bear the costs of Beijing's coercion.

Looking at Lithuania's experience, Taiwan might learn and adapt its policies. Further diversification efforts effectively mitigate the risks of Chinese coercion. Conversely, given Taiwan's extensive experience in dealing with day-to-day economic pressure, the EU could benefit from exchanging opinions and strategy to improve its countermeasures. These recent developments emphasize a widespread perception in Europe regarding potential vulnerabilities deriving from economic interdependence. Together with the deployment of coercive tools – against European lawmakers too – China has proved to be an enabler of Russia's war of aggression during the invasion of Ukraine, further reinforcing these concerns¹⁵². While closer engagement may heighten exposure to such risks, the response should be focused on resilience-building practices.

To manage those risks necessitates a more targeted, fact-based approach. Three key elements at both the EU and national levels are critical: first, an informed understanding of the nature, probability, and likely impact of different risks; second, the development of appropriate instruments and capabilities to mitigate these risks effectively; and third, the political leadership and coherence necessary to implement a credible risk management strategy, even though this may entail difficult trade-offs¹⁵³. Here lies the reason for the strengthening of EU-Taiwan cooperation in economic security and resilience-building, making it a strategic necessity.

¹⁵² Bonini, 2025

¹⁵³ Grzegorz Stec, Helena Legarda, 31st October 2024

As noted in the previous chapters of this work, European countries have historically taken a reactive, cost-averse stance on resilience-building, often acting only in front of materialization of risks¹⁵⁴. This has limited preventive resilience measures. Things have started to change, and the EU is adopting several acts to protect its economy and security. Concerns about Beijing’s export controls on critical raw materials – such as graphite, gallium, and germanium – have reinforced the EU’s decision to include diversification thresholds in its Critical Raw Materials Act. The EU Chips Act is another step in that direction, as it will be seen in the next section. As noted, the Lithuania incident sparked serious concerns, marking a turning point in Europe’s approach to economic coercion. Following that, the EU introduced a new tool to be integrated with its 1996 Blocking Statute: the Anti-Coercion Instrument (ACI)¹⁵⁵.

In line with the definition provided above, according to Article 2 of the ACI’s draft regulation¹⁵⁶, coercion occurs when a third country applies or threatens to apply restrictive trade or investment measures to interfere with the sovereign decision-making of the EU or its member states. The definition centres around the use of economic pressure as a means to interfere in sovereign decision-making. Three categories of policy tools to respond to coercion are provided for by the ACI: non-interventionist measures – negotiation and mediation – interventionist measures, and financial compensation for affected businesses. Interventionist measures may include the suspension of tariff concessions, restrictions on services and foreign direct investment, and limitations on access to EU capital markets. The regulation presents an innovative approach in that it takes accountable both the foreign government and any private entities linked to that state¹⁵⁷.

¹⁵⁴ The reluctance to act decisively on 5G security guidelines exemplifies this broader challenge: governments tend to favour inaction when risks appear unlikely to materialize, when they have not yet experienced their tangible effects, or when they fear economic retaliation from China (G. Stec and H. Legarda, 31st October 2024).

¹⁵⁵ Official Journal of the European Union, 2023

¹⁵⁶ *ibidem*

¹⁵⁷ Luigi Lonardo and Viktor Szép, 2023

However, the effectiveness of such an instrument depends on strong political leadership and institutional coherence, factors whose presence in the EU institutional landscape remain uncertain. Institutional design plays a crucial role here: while the ACI delegates enforcement powers to the European Commission to minimize political deadlock, its effectiveness still depends on member-state consensus. Nevertheless, the EU's common commercial policy falls under the exclusive competence of the Union – thus subject to qualified majority voting – it may still be possible for China, through the 14 + 1 format, to weaken the Union's resolve and hinder the credibility of its deterrence efforts. As suggested by *Academia Sinica*¹⁵⁸, the ACI could serve as a model for Taiwan. Given the limitations of the WTO's Dispute Settlement Mechanism, Taiwan may benefit from adopting a similar regulatory framework. Currently, Taiwan has implemented investment incentive programs to counter Chinese economic coercion, but it lacks a clear deterrence and remedy framework¹⁵⁹. Given these challenges, additional steps might be necessary. The *European Council on Foreign Relations* has proposed the establishment of an EU Resilience Office¹⁶⁰. Such an office would systematically assess coercive practices, identify trends, and develop strategic responses to economic pressure. The office's primary goal would be to assist member states in minimizing political and economic costs while strengthening Europe's overall resilience. Among its proposed functions are cost assessments of coercion, documentation of third-country coercive behaviour, and evaluations of EU policy responses. By enhancing its internal capacity, the EU can take a more proactive stance in managing external economic threats.

¹⁵⁸ Wu, 2023

¹⁵⁹ Tsai, 2024

¹⁶⁰ Jonathan Hackenbroich, With Janka Oertel, Philipp Sandner, and Pawel Zerka, October 2020

Building Supply Chain Resilience

The other key aspect to work on to enhance economic security is building resilience in supply chains. This area presents significant opportunities for both sides, as indicated by recent developments. Both the EU and Taiwan have incorporated supply chain resilience into their strategic economic priorities, as reflected in Mario Draghi's report on EU Competitiveness¹⁶¹ and Taiwan's Six Core Strategic Industries¹⁶². On the European side, diversification of supply chains, economic resilience, and the digital and green transitions are among the top priorities. The EU Chips Act and the Critical Raw Material Acts clearly point out those priority in the strategic agenda of the Union, aiming at acquiring leverage in industrial sectors critical for supply chains and digital transitions. Instead, in the Six Core Strategic Industries, Taiwan has identified digital and information technology, cybersecurity, medical technology, national defence, green and renewable energy, and strategic stockpile industries as key economic sectors for development.

Resilience of supply chains can be built thanks to diversification efforts and reshoring practices. As regards diversification, European countries are seeking to reduce their overreliance on China through investments in other countries as well as through the attraction of new partners by utilizing initiatives such as the Global Gateway Plan¹⁶³. Launched in 2021 with the aim to strengthen Europe's competitiveness and global supply chain security, this investment strategy, allocating €300 billion, has been designed to build sustainable and secure connections in digital, energy, and transport sectors. The Global Gateway is not only a development initiative, but it also offers an alternative to China's growing influence, acting as a counterbalance to the Belt and Road Initiative. Taiwan is also pursuing diversification to reduce dependence on China. Research by *CSIS* indicates that Taiwanese companies are increasingly

¹⁶¹ Draghi, 2024

¹⁶² Taiwan Department of Information Services, 2022

¹⁶³ Kjeld van Wieringen, July 2024

implementing de-risking strategies, moving progressively away from China their operations in response to worries about excessive reliance on the Chinese market¹⁶⁴. However, Taiwan still remains heavily dependent on China for trade and manufacturing. Companies are relocating due to various factors: from high labour costs in China and potential supply chain disruptions, up to a lack of policy transparency. Nonetheless, Taiwan continues to allocate to China a quarter of its exports. In its diversification efforts, the island has got closer to the EU, deepening its engagement with several member states, specifically central and eastern European ones¹⁶⁵.

In the context of this strategy, reshoring seems to be taking the lead. One of the most significant ongoing projects is the construction of a new semiconductor manufacturing facility in Europe. The European Commission has recently approved a €5 billion investment for a joint venture with TSMC¹⁶⁶. The project, known as European Semiconductor Manufacturing Company (ESMC) has the objective to build a foundry in Dresden (Germany)¹⁶⁷. Its aim is to reinforce Europe's supply security, resilience, and digital sovereignty in line with the European Chips Act. The facility, expected to operate at full capacity by 2029, will produce high-performance chips using field-effect transistor (FinFET) technology, thus augmenting performance while reducing power consumption¹⁶⁸. The project foresees to manufacture circa 480,000 silicon wafers annually. TSMC's investment in an EU member state, is a major step toward furthering European semiconductor manufacturing capabilities. It is anticipated that total investments may exceed €10 billion, involving equity injections, debt financing, and substantial support from the EU, as evidenced earlier, and the German government.

¹⁶⁴ Scott Kennedy A. L., September 2024

¹⁶⁵ The Economist explains, 2021

¹⁶⁶ The project also involves other companies such as Bosch, Infineon and NXP.

¹⁶⁷ TSMC, 2024

¹⁶⁸ European Commission, 2024

Furthermore, this initiative exemplifies TSMC's collaborative approach, nurturing innovation in the European industry.

However, one should bear in mind sundry considerations. In fostering deeper economic ties, European policies must cater for Taiwan's interests while addressing external supply chain disruptions¹⁶⁹. Contrary to what some recent developments suggest, Taiwan views Europe primarily as a market for its products and a technology supplier, instead of a key investment destination. To avoid this imbalance, Europe may invest in Taiwan's digital and green transitions. Similarly to the EU¹⁷⁰, Taiwan relies on imported energy, leading its industrial sector to remain vulnerable to geopolitical disruptions. The EU could leverage its expertise in renewable energy, as demonstrated by Sweden's advancements¹⁷¹, thus facilitating technology transfers, joint ventures, and research and development (R&D) collaborations. Under the European Investment Bank, European nations might support Taiwan's green transition through the European Fund for Sustainable Development. Another avenue for collaboration is diversifying Taiwan's semiconductor manufacturing capacity into Southeast Asia, assisting Taipei in its strategy outlined in the President Tsai's New Southbound Policy (NSP)¹⁷². Indeed, Southeast Asia presents opportunities for both in strengthening their supply chain resilience and diversification efforts. Through the EU's Global Gateway and Taiwan's NSP, the two parties could capitalize on countries such as Malaysia, Vietnam, and the Philippines¹⁷³. This approach would be doubly positive: it would enhance Taiwan's production capabilities while expanding alternative manufacturing bases beyond China and Europe.

¹⁶⁹ Niklas Swanström and Kurt Abalos, 19 June 2024

¹⁷⁰ More specifically, things are slightly different given that Taiwan imports 98% of the energy it needs.

¹⁷¹ There are current joint projects, the Swedish Wind Power Alliance, between the two for the Offshore Wind Energy production. Swedish companies (Atlas Cotso) are planning to install around 1,000 turbines along the island's west coast. Source: *Business Sweden*, <https://marketing.business-sweden.se/acton/media/28818/the-swedish-wind-power-alliance-in-taiwan>

¹⁷² Biedermann R. , 2018, p. 325

¹⁷³ Enrico D'Ambrogio, April 2021

In conclusion, as it has been seen, there is a lot of potential to unlock and that may help build more strategic ties, eventually upgrading the relationship between the EU and Taiwan. There are many other initiatives and mechanisms to be tapped. The EU and Taiwan could improve their relations through the EU-Taiwan Industrial Policy Dialogue Mechanism and the Dialogue on the Digital Economy, among others. Apart from pursuing their respective economic security's interests, a deepened cooperation could help reassure other global players of the EU's intentions and potentially reduce the risk of military threats and blockades against Taiwan by raising the costs of hostile actions.

Countering Foreign Information Manipulation and Interference

Disinformation campaigns and interference in the political processes of a foreign country has regrettably become common practice in today's world. It is commonly used to undermine political leaders and dissuade segments of the population. In this work's case, China employs disinformation operations in a manner that influences Taiwanese society as well as other countries that may interfere with what the PRC erroneously frames as a domestic issue¹⁷⁴. As the information domain continues to expand its strategic importance as a means to shape narratives and expand influence, the frequency of such operations is expected to increase¹⁷⁵. Throughout history, states have utilized information operations to advance their national interests. Such efforts encompass a broad spectrum of activities: from the overt and legitimate use of strategic communication channels to covert campaigns designed to anonymously control and manipulate public perceptions. As societies become progressively digitized, the latter category has enabled actors to more effectively target audiences in the online sphere.

In the context of China's strategic approach, the "Three Warfares" concept encapsulates a core aspect of Chinese military strategy in this domain¹⁷⁶. Its purpose is to advance the Party's interests in both peacetime and conflict through public opinion warfare, psychological warfare, and legal warfare. While the first type of warfare seeks to weaponize public discourse, to weaken adversaries' will to fight and to reinforce unity and resolve within China's society, psychological warfare aims to worsen opponents' combat capacity, determination, and strategic decision-making, exacerbating internal divisions to spread friction among adversarial factions. Legal warfare,

¹⁷⁴ See p. 10 of this work

¹⁷⁵ Voo, 29th May 2024

¹⁷⁶ Pomerantsev, 2015, p. 2

instead, leverages national and international legal frameworks to assert superiority while delegitimizing opposing actors.

This section will focus on public opinion warfare and psychological warfare, as an in-depth discussion of legal warfare would extend beyond the scope of the present analysis. The discussion proceeds as follows: first, it identifies their defining characteristics within the wider context of narrative warfare. Doing so requires highlighting the growing alignment, cooperation, and exchange of strategies between China and Russia in the domain of foreign information manipulation and interference. Subsequently, the analysis turns to China's specific practices of covert interference in others' domestic affairs. In light of the observed Sino-Russian collaboration¹⁷⁷, the study proposes an assessment of the EU's approach to addressing these challenges, evaluating the FIMI Toolbox developed by the European External Action Service. Focusing on the potential applicability to and relevance of EU strategies, an examination of Taiwan's countermeasures is offered. Finally, it is contended that such a potential avenue for EU-Taiwan collaboration might be drawn on the report produced after the European Parliament's INGE Committee's visit to Taipei in 2021.

¹⁷⁷ Gabuev, 2024

Sino-Russian Cooperation and Its Consequences

HRVP Josep Borrell has already warned of the threats posed by the ongoing battle of narratives in contemporary international politics. He urged the need to “work with democratic partners around the world to fight information manipulation by authoritarian regimes more actively. It is time to roll up our sleeves and defend democracy, both at home and around the world.”¹⁷⁸ In the ongoing battle of narratives and strive for influence, multiple actors, be them state and non-state, engage in covert efforts to shape public discourse and manipulate foreign political environments. The EEAS has categorized this range of activities under the term Foreign Information Manipulation and Interference (FIMI). The official definition provided for by the EEAS states that FIMI is a behaviour designed to undermine democratic values, disrupt and influence political processes or decision-making. Its intentional and coordinated nature, often carried out through direct state-led initiatives as well as proxy networks, aims at deepening societal polarization, weakening the EU's global standing, and obstructing its policy objectives¹⁷⁹. The EEAS holds accountability for closely monitoring and addressing FIMI efforts, with particular attention to Russia and China. In the paper *EU-China: A Strategic Outlook*¹⁸⁰, China's engagement in information manipulation is, finally, addressed as a pressing challenge to the Union. For that reason, the EEAS has been working to enhance situational awareness of China's FIMI methods through exchanges with civil society, EU Member States, and like-minded international partners. Apart from their intentional and manipulative nature, FIMI operations are done in such a manner that help maintain plausible deniability, thus minimizing international backlash. The strategic alignment between Russia and China in deploying these narratives has become increasingly evident, as demonstrated by their shared tactics¹⁸¹.

¹⁷⁸ European Union External Action Service, February 2023

¹⁷⁹ *ibidem*

¹⁸⁰ European Commission, 2019

¹⁸¹ Natalie Sabanadze, Abigael Vasselier, Gunnar Wiegand, 11th October 2024

One frequent feature of FIMI actors is their-self portrayal as victims while depicting adversaries – such as Ukraine or Taiwan – as aggressors or sources of instability, enabling to shift attention from their own actions. A prime example of this approach is Russian narrative which serves to deflect attention from Moscow’s aggression¹⁸². Discrediting the adversary may take the form of denial the other nation’s sovereignty based on historically false claims as well. In the case of Ukraine, pro-Kremlin figures have long sought to deny the country’s sovereignty, falsely portraying it as lacking historical legitimacy¹⁸³. This tactic has proven to be instrumental especially in justifying Russia’s illegal annexation of Crimea in 2014. Similarly, China has been distorting Taiwan’s sovereignty by conflating the EU’s “One China” policy with Beijing’s “One China” principle¹⁸⁴. After this initial assessment, one could question whether the EU is doing enough: given China’s increasingly assertive disinformation efforts, it should reinforce its communication strategy by clarifying its policy as distinct from the principle, thereby countering China’s false depictions of the EU stance on Taiwan¹⁸⁵. The EU’s response to these challenges has often been reactive rather than proactive, leading to inconsistencies between member states’ official statements. Remarks by Czech politician Miloš Vystrčil in 2020, maintaining a country’s right to interpret “One China” principle in its own way, clearly illustrate the persistent confusion between “principle” and “policy”, further weakening the EU’s position vis-à-vis China’s attempts to distance European countries from Taiwan.¹⁸⁶ Two last common features of FIMI actions, showing growing alignment between Russia and the PRC, appear to be the distortion of international perception by invoking the principle of non-interference despite violations of international law and the UN Charter, and the use of AI. In particular, such latter information battlefield is expanding, with FIMI

¹⁸² Rosin, 2025

¹⁸³ EUvsDisinfo, 2023

¹⁸⁴ Ferenczy Z. A., April 2023, p. 22

¹⁸⁵ Jacques deLisle and Bonnie S. Glaser, April 2024, p. 8-11

¹⁸⁶ Brown S. A., December 2022, p.1

actors seeking to manipulate digital ecosystems. *Pravda*, a Moscow-based disinformation network, has been documented infiltrating AI-generated content, deliberately altering algorithms with manipulated data to affect the way in which large language models process and present news. According to investigations by NewsGuard¹⁸⁷, the network has published over 3.6 million pro-Kremlin articles in 2024 alone.

As noted, cooperation between Russia and China in information warfare has increased, amplifying the threat posed to European security. Such combined efforts could have spillover effects in the EU: employment of disinformation campaigns, intrusion in political processes, and election interference might thwart European democratic institutions. Chinese alignment with Russian information operations' strategies urges the need for the EU to invest in proactive strategies to safeguard democratic values and political processes.

¹⁸⁷ McKenzie Sadeghi and Isis Blachez, 2025

The PRC's practices

Kenton Thibault¹⁸⁸ emphasises the significance of discourse power for the CCP in its effort to push forward an alternative view of the international order and to reinforce the party-state's projection of power. Under President Xi Jinping's leadership, the CCP has mobilized assets to impose costs on critics with due concerns over sensitive topics such as human rights violations in Xinjiang or Tibet. In response to growing international scrutiny on its actions in Xinjiang¹⁸⁹, it has growingly contested the information space, expanding the reach of state media, diplomatic channels, and covert information operations. With the outbreak of COVID-19, another opportunity to manipulate global perceptions arose. Particularly during that crisis, and in election times, Taiwan has served as a critical testing ground for China's information warfare. Ahead of the 2024 Taiwanese presidential elections, foreign minister Joseph Wu noted China's "efforts to meddle in Taiwan's democratic process."¹⁹⁰ Even though it is premature to fully assess the scope of China's cyber and information operations in this context, there is evidence of China aiming at shaping the electoral outcome through disinformation campaigns, diplomatic bullying - in Wu's words - and political pressure. This proliferation of campaigns urges the necessity for governments to increase efforts and collaboration to curb disinformation, debunk false narratives, and improve digital literacy among their populations. Looking at the situation in the European continent, major changes have taken place. Since 2019, China has shifted from a defensive information strategy – characterized by investments in traditional media to control narratives – to a more assertive and covert approach¹⁹¹. Increased activity from previously established online channels, direct dissemination of disinformation, and financial support for pro-China voices on social media, has been registered¹⁹². From a

¹⁸⁸ Thibaut, 2022

¹⁸⁹ Dr Jacob Wallis and Albert Zhang, 2022

¹⁹⁰ Ministry of Foreign Affairs Republic of China (Taiwan), 2024

¹⁹¹ Lora Saalman, Fei Su and Larisa S. Dovgal, 2022

¹⁹² A notable example of this strategy was the *Forza Italia* campaign during COVID-19, which sought to portray China as a key benefactor of Italy's pandemic response. Chinese state media and political figures worked

military-strategic perspective, Chinese theorists view Russia as the premier case study for hybrid warfare, given its extensive use of such tactics. During the Ukraine war, the depth of Russia-China cooperation, has reached unprecedented levels: not only has China been an enabler of this war of aggression, both economically and logistically, but Beijing has led joint influence operations and cyber-attacks targeting Europe as well. Both countries have actively sought to erode global solidarity with Ukraine's sovereignty and territorial integrity, expanding their intelligence collaboration. Chinese espionage activities frequently intersect with Russian-backed efforts to infiltrate extremist political movements within the EU, both on the far-right and far-left. Ultimately, the shared objective of these intelligence operations is to undermine democratic governance, sow divisions within European societies, and expand geopolitical influence at the expense of the transatlantic alliance.

extensively to present China as Italy's saviour, with widespread messaging on Twitter. Analysis revealed that tweets using the hashtag #forzaCinaeItalia originated from automated bot accounts. Engagement metrics related to the Chinese embassy's Twitter activity further suggest a well-orchestrated influence operation. Source: Bechis F. and Carrer G., *How China unleashed Twitter bots to spread COVID-19 propaganda in Italy*, Formiche.net, 31/03/2020, <https://formiche.net/2020/03/china-unleashed-twitter-bots-covid19-propaganda-italy/#content>

The EU's Way To Countering FIMI Threats

The second report by the EEAS outlines a structured approach to countering FIMI threats, delivering more effective and coordinated responses to safeguard European democracy and citizens, as well as supporting international partners. The report, based on the analysis of 750 FIMI incidents from December 2022 to November 2023, introduces a *FIMI Response Framework*¹⁹³. It identifies three key requirements for an effective EU response. Firstly, it adopts a common terminology to address the comprehension of the manipulative behaviour and to facilitate whole-of-society collaboration. In second place, it adopts a common framework, setting criteria to optimize knowledge generation and exchange through open-source and cooperative standards. Then, it establishes the FIMI Toolbox for the development of joint EU responses. Such Toolbox covers four key dimensions: from situational awareness, ensuring a thorough understanding of threats, necessary to determine appropriate responses, and resilience building, made of strategic communications, such as the Rapid Alert System, and public awareness campaigns; to regulation, like the Digital Services Act, enhancing transparency in the information space thanks to *ad hoc* policies, and up to external action and CFSP measures, leveraging foreign security policy tools, such as the G7 Rapid Response Mechanism. The *FIMI Response Framework* is built upon a cyclical structure to strengthen collective resilience. It focuses on preventive and deterrent measures in pre-incident times – monitoring – management mid-incident – prioritisation and triage – and protection, knowledge pooling post-incident. Furthermore, such response model underscores the need for cross-sector collaboration, incorporating different stakeholders, strengthening cooperative networks and information sharing through this systematic organization between member states.

¹⁹³ European Union External Action Service, January 2024

Taiwan's Way To Countering FIMI Threats

Taiwan is widely recognized as the primary global target of foreign disinformation campaigns, particularly from China. Consequently, it needs to be looked at to improve the sophistication of countermeasures to tackle the impact of such operations. This effort is troubling since, as in other democracies, Taiwan faces the challenge of balancing national security concerns with the protection of free speech.

In response to FIMI campaigns undermining public trust in government institutions and democratic functioning, both the Taiwanese government and civil society have mobilized extensively. Some examples follow¹⁹⁴. Taiwan Supreme Prosecutors Office has established investigation centres in six municipalities addressing the growing threat of AI-generated disinformation and deepfakes. Additionally, the Ministry of Justice Investigation Bureau actively traces foreign funding of social media influencers suspected of election interference. In a long-term effort to build resilience, Taiwan has prioritized media literacy education and enacted legal amendments to strengthen regulatory frameworks. Another significant step was the institution of the Ministry for Digital Affairs (MODA) in 2022, in charge of Taiwan's digital development strategy. In an effort to seek international partnerships, Taiwan has also engaged in workshops on disinformation with democratic allies, showcasing its role as a leading partner in countering information threats.

A defining as well as inspiring feature of Taiwan's approach is its robust public-private collaboration, involving NGOs, civil society organizations, and academic institutions. Notable organizations include *Doublethink Lab*, monitoring Chinese digital influence operations and disinformation campaigns in Taiwan; *Taiwan Information Environment Research Center (IORG)* collects and shares open-source data to improve transparency. *Cofacts*, instead, is an AI-driven fact-checking platform that detects and

¹⁹⁴ Agust Börjesson and Yi-Chieh Chen, 23 February 2024

analyses disinformation while promoting public awareness. Lastly, *Taiwan FactCheck Center (TFC)* engages in verifying claims and providing fact-based resources to counter misleading narratives.

During an event at the European Parliament¹⁹⁵, experts from these NGOs intervened to emphasize the extension of Chinese influence operations beyond cyber and military provocations to include direct incentives for local actors to spread fake news, fostering scepticism within Taiwanese society. Misinformation about domestic affairs, alleged financial scandals involving Taiwanese politicians or claims of electoral fraud are all among the dominant disinformation narratives aiming at discrediting the ruling government. As noted above and similarly to Russian techniques vis-à-vis Ukraine, another core theme in Chinese propaganda is portraying Taiwan's government as a source of instability in cross-strait relations. It is anticipated that the Chinese government has made use of social media as part of this strategy, especially *TikTok*. These platforms have been instrumental in amplifying these narratives, leveraging local proxies and media influencers to spread disinformation among the youngest sectors of the Taiwanese society.

Taiwan's experience offers valuable insights for the EU as it might strengthen its FIMI response strategy. In an era where foreign disinformation campaigns are increasingly sophisticated, Taiwan emerges as a leading partner in innovative defence strategies: from agile legal frameworks and cross-sector cooperation to international collaboration in safeguarding democratic integrity. With due attention to what has become known as the Taiwan model, the EU might get inspiration from its whole-of-society approach¹⁹⁶.

¹⁹⁵ Breveglieri, 2024

¹⁹⁶ Special Committee on Foreign Interference in all Democratic Processes in the European Union, including Disinformation (INGE), 2021.

Given that it is part of its strategic goals, the EU could benefit from deeper collaboration between governments, civil society, and private sector actors to fight back disinformation effectively. Other areas of success in the Taiwanese way to counter such threats are both the legal and institutional adaptability of laws and regulatory frameworks, and the integration of AI-driven fact-checking tools to enhance real-time detection and verification of disinformation, an underdeveloped policy aspect in the Union, as the EEAS itself notes in the second report on FIMI.

Potential Collaboration

As it emerges from the report made by INGE Committee after a 3-days institutional visit to Taipei, many are the areas of potential and fruitful collaboration. In November 2021, the European Parliament's *Special Committee on Foreign Interference in all Democratic Processes in the European Union, including Disinformation (INGE)*, marked the first official visit of the European Parliament to Taiwan¹⁹⁷.

The Taiwan model, distinguished by its whole-of-society approach, has proved to be effective. The results of INDSR survey presented in the Introduction of this work shows a discrete knowledge of threats among the majority of the population¹⁹⁸. The EU could draw valuable lessons from it. Adopting a whole-of-society approach is essential for the EU to effectively counter disinformation campaigns and prevent foreign interference from shaping public opinion.

President Tsai Ing-wen introduced innovative measures to safeguard Taiwan's democracy without compromising freedom of expression or media independence. As noted in the *INGE* report, one key component of this model is the establishment of an anti-disinformation mechanism by Premier Su Tseng-chang, designed to foster cooperation across various levels of government and civil society. The task force includes representatives from multiple government sectors, including education, cybersecurity, digital affairs, the Central Election Commission, aiming to ensure coordinated action across all departments. This comprehensive approach operates to identify, debunk and curb the spread of disinformation. Through enhanced media literacy programs, which are integrated into school and university curricula and include targeted training for teachers and civil servants, it strengthens public-private sector coordination, employing legal and technological tools. As stated in the INGE report of the visit, the effectiveness of this method is derived specifically from civil society organizations which

¹⁹⁷ European Parliament, 2021

¹⁹⁸ Page 5 of this work.

have expertise in fact-checking. Inspired by Taiwan's model, Taiwanese NGOs and European think tanks have proposed establishing an EU Strategic Communications Hub in Taipei, with the goal of consolidating expertise on disinformation issues and enriching information-sharing as well as coordination between Taiwan and the EU. As of 2025, the hub is still to be established. However, experts from both sides have since started to work closely, learn from each other, and normalize bilateral exchanges.

As noted above, both the EU and Taiwan face significant security and economic threats from the PRC. However, each possesses strengths that can be leveraged to enhance economic and societal resilience. The EU, with its strong regulatory power and potentially effective tools against coercive measures, could support Taiwan in this regard. Through knowledge exchange and joint manufacturing ventures, Taiwan is reinforcing the EU's supply chain resilience, demonstrating its commitment to a mutually beneficial partnership. As well, the EU and Taiwan could develop a highly significant and strategic partnership in the FIMI domain since they have much to teach and learn from each other. The EU can benefit from Taiwan's experience in countering Chinese disinformation campaigns and its whole-of-society approach. Strengthening collaboration between European institutions, NGOs, and civil society will be crucial in countering Russian – and, consequently, Chinese – efforts to undermine democratic systems.

Conclusions

The EU's relationship with Taiwan is at a crossroads, strained between geopolitical pressures and unexploited strategic potential. Yet, despite having long advocated for Taiwan's like-mindedness and democratic values, it seems to be hesitating from fully embracing Taiwan as a strategic partner. Political caution, fear of economic retaliation from China, and internal division undermine Taiwan's position within the European discourse. Such ambiguity is unbearable. A Taiwan Strait crisis is not a distant issue: it would not only destabilize global supply chains but would also expose Europe's economic and security vulnerabilities. Whereas progress has been made, persistent obstacles hinder a more comprehensive and proactive engagement. Taiwan's stability cannot be seen as a distant concern; rather, the EU should move beyond rhetoric and into meaningful action.

In the first chapter, the thesis addressed the global and European implications of a Taiwan contingency, indicative of the extent to which European security, economic, and strategic interests are intertwined with the island's fate. Its relevance in global supply chains, predominantly in semiconductor manufacture, renders Taiwan Strait's destabilization a critical concern for the Union. A crisis would endanger vital trade routes and cause so far unheard-of disruptions to European industries reliant on advanced technologies. As well, a conflict in East Asia would have drastic security implications extending far beyond the region. Consequently, NATO's strategic posture would be affected and U.S. attention and military assets diverted from European defence priorities. The EU must thus account for any potential ramifications of a crisis for its own stability and interests.

Building on this framework, the chapter *Democracy In Dialogue: Aligning Interests For Strategic Engagement* investigated how the EU is perceived within Taiwan's political, institutional, and academic circles. Interviews with policymakers, government officials, and scholars provided valuable insights into the strengths and limitations of

EU-Taiwan relations. The EU's increasing rhetorical support for Taiwan, particularly through parliamentary resolutions and strategic documents, has positively resonated in Taipei. Nonetheless, when it comes to determining its approach toward the island, Taiwan believes the EU is reactive rather than proactive. Ambiguity in European approach has been brought about by the uneven implementation of its "One China" policy and the reluctance of key member states to raise the stakes have created ambiguity. As noted, this cautious and fragmented approach has been exacerbated by China's persistent pressure on European governments to adhere strictly to its "One China" principle, blurring the distinction and conflating it with the EU's policy. Overcoming this challenge requires asserting the EU's policy autonomy. This would guarantee a meaningful engagement guided by its own interests rather than dictated by false claims made by a foreign country¹⁹⁹. The thesis has thus emphasized the need for greater Taiwan competence within EU institutions, advocating for dedicated Taiwan-focused research initiatives, think tank collaborations, and academic exchanges. Addressing this knowledge gap would enable the EU to craft more informed policies and reduce susceptibility to Chinese influence.

Practical areas for the stepping-up of EU-Taiwan relations have been the focus of the third chapter, *Unlocking Potential: Lessons To Tell, Lessons To Learn*. The most promising area for strengthening bilateral ties proved to be in the economic security field. The thesis highlighted the importance of simultaneously building supply chain resilience, implementing diversification strategies, and countering economic coercive measures. Taiwan's semiconductor industry emerged to be indispensable to Europe's technological needs. Initiatives such as joint ventures like the ESMC project in Dresden and the European Chips Act demonstrate a willingness to further economic collaboration.

¹⁹⁹ For a nuanced explanation of the difference between the Policy and the Principle and why is it significant see Jacques deLisle and Bonnie S. Glaser, April 2024.

Countering FIMI has showed great promises for effective, enhanced collaboration. Facing a common issue stemming from Sino-Russian disinformation strategies provides opportunities to learn from each other, assuring a deeper mutual comprehension. Taiwan's expertise, and the efficacy of its whole-of-society approach, serves as a valuable example. By exchanging in a structured manner information between European institutions and Taiwanese counterparts and thanks to integrating parts of the Taiwan model into the FIMI Toolbox, the EU could bolster its resilience against hybrid threats. Taiwan, on the other side, would get to institutionalize such pre-existing channels of collaboration.

In conclusion, achieving a truly strategic partnership remains challenging. It requires clarity in discourse, coherence in engagement, and creativity in action. The EU must ensure its "One China" policy provides a consistent framework for engagement, engaging with as a strategic partner in its own right. The policy areas identified as effective for further cooperation present the most viable paths for strengthening ties. They would avoid megaphone diplomacy and work behind the scenes, facilitating practical collaboration without crossing the political red lines set by the EU's current policy framework. Ultimately, unlocking the potential in EU-Taiwan relations would be mutually beneficial. The EU and Taiwan could increase their strategic resilience while, at the same time, raise the stakes for actors trying to alter the *status quo* in the Strait.

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