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Home Affairs Committee  
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**Report on the Operations of the  
Mainland Affairs Council  
(Oral Report)**

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**Honorable Chairman, Members of the Committee, Ladies and Gentlemen:**

I'm honored to be invited by this committee to report the progress of the operations of the Mainland Affairs Council (MAC). In addition to this oral report, we have prepared a detailed written report. Your guidance and feedback are greatly appreciated.

**I. Recent Work Focus**

**1. Preventing hybrid pressures and provocations from the Chinese Communist Party (CCP) and preserving peace in the Taiwan Strait**

Due to regional developments, long-term rivalry between the United States (US) and mainland China, and the CCP's so-called historical mission, mainland China continues to accelerate its Taiwan-related work. In August this year, the CCP employed a combination of harsh rhetoric and military intimidation against Taiwan, including launching countermeasures such as military exercises and trade bans, issuing the so-called legal sanctions, and cutting off international attention. These actions are all aimed at pressuring and coercing Taiwan so as to reshape the situation in the Taiwan Strait. In addition, the Beijing authorities have been threatening that they would fully implement the so-called "Overall Strategy for Resolving the Taiwan Issue" and recently published a white paper on Taiwan to intensify its united front propaganda and related efforts. The MAC and relevant government agencies continue to carefully assess these developments and respond to potential risks. We have sternly condemned all non-peaceful actions by mainland China that infringe upon our national sovereignty and security and violate international law. We have also appealed to the international community to heed the trend of mainland China's expanding authoritarianism and the threat it poses to the regional security order.

## **2. Responding to the CCP's economic coercion and interference, carefully evaluating the risks and impact**

The CCP has recently stepped up economic and trade pressure and intensified its united front efforts against Taiwan. In early August, it set up multiple no-fly zones in a series of military exercises, which affected maritime and air traffic around Taiwan. The CCP also suspended imports of various agricultural, fishery, and food products from Taiwan and restricted export of natural sand to Taiwan. Furthermore, the CCP disrupted customs clearance with the products' country of origin issue and threatened more boycott of Taiwanese products. These actions have impacted regional transportation, cross-Strait economic and trade relations, and the rights and interests of all businesses involved. In addition, since the beginning of this year, mainland China has faced economic pressures on a number of fronts, including "demand contraction, supply shocks, and lower expectation." These pressures, in combination with the COVID-19 pandemic control measures, natural disasters, global inflation, emerging internal systemic financial risks, and other factors, have further exacerbated the mainland Chinese economy.

Facing the potential development of economic coercion by the CCP, the MAC and relevant agencies have strengthened assessments and responses to all challenges and risks and also urged mainland China to promptly resume importation of relevant Taiwanese products in accordance with international rules. Relevant agencies are deliberating adjustments and measures such as establishing platforms for exporting agricultural products and arranging overseas marketing campaigns. Successes in these regards will help diversify risks, build long-term and stable target markets, and ensure Taiwan's economic security and sustainable development. The government also continues to raise awareness of the risks associated with investing in mainland China, enhance understanding of the difficulties faced by Taiwanese businesses based in mainland China, provide assistance in market diversification, and supporting them to return to Taiwan for investment. These measures are all aimed at reducing reliance on a single market.

### **3. Safeguarding Taiwanese people's rights and interests, exposing the CCP's cognitive warfare, and shoring up the defense mechanism for security**

The CCP has been using many tactics against Taiwan, including the so-called "list of Taiwan independence diehards"; that is, by deliberately labeling Taiwanese businesses, organizations, institutions, and individuals, the CCP aims to cow the public into self-censorship, impede the functioning of Taiwan's democratic system, and disrupt normal cross-Strait exchanges. The MAC opposes these actions. The MAC is also assessing the potential impact of mainland China's use of cross-Strait exchanges and other political means to interfere in the operations of Taiwanese companies and undermine the rights of Taiwanese people. We are weighing the implementation of necessary measures in due course to ensure national security and protect people's interests. In addition, regarding cases where Taiwanese individuals were arbitrarily incriminated by mainland China, their personal freedom restricted, or their returning to Taiwan prevented, the MAC has been maintaining close contact with their families and continuing to demand that the mainland Chinese authorities release these individuals immediately and unconditionally, ensure their personal safety and judicial rights, and arrange for family visits for them as soon as possible. We also urge Taiwanese people to be vigilant about the security risks that may arise from their activities in mainland China.

Furthermore, the CCP has recently been using emerging online media and various other channels to promote cross-Strait cultural and educational exchanges, intensify its united front campaign to attract young Taiwanese students, and spread misinformation as part of its cognitive warfare. In consultation with relevant agencies, the MAC continues to formulate appropriate responses; we are also reviewing and implementing all aspects of security management for cross-Strait exchanges to further shore up the defense mechanism of our democracy. Moreover, we promptly clarify and provide accurate information in response to misinformation and disinformation to increase public understanding of and support for the government's cross-Strait policies.

## **II. Future Work Direction**

### **1. Assessing the CCP's policy directions after the 20<sup>th</sup> National Congress of the CCP (hereinafter the "20<sup>th</sup> Party Congress") to safeguard Taiwan's best interests**

Following Xi Jinping's tenure extension at the 20<sup>th</sup> Party Congress, the party's politics and system in the so-called "new era" will be further established and consolidated. The CCP is likely to adjust its governing principles in response to the internal and external developments, which in turn will influence the direction of its Taiwan policy. Given the CCP's growing power and its development strategy's persistent emphasis on promoting unification, we believe the Beijing authorities' Taiwan work is in the phase of strengthening the so-called "opposition to independence and promotion of unification." They are also advancing their agenda towards Taiwan through unilateral design, coercion, intimidation, united front infiltration, gray zone operations, the use of international law, and obstruction of Taiwan's interactions and cooperation with the international community. The MAC will continue to assess and keep apprised of the CCP's strategy and actions towards Taiwan in order to anticipate potential developments, formulate appropriate responses, and prevent the CCP's interference with the normal functioning of Taiwan's democratic mechanisms.

### **2. Completing relevant supporting laws to safeguard national security and industrial advantages**

To protect our national key technologies, prevent infiltration of mainland Chinese capital, and countering mainland China's poaching of our high-tech talent, the Legislative Yuan passed the third reading of amendments to Articles 9, 40-1, 91, 93-1, and 93-2 of the Act Governing Relations between the People of the Taiwan Area and the Mainland Area. The MAC has since taken action to coordinate

competent authorities including the Ministry of the Interior, Ministry of Economic Affairs (MOEA), National Science Council, etc., to promptly formulate supporting laws, strengthen advocacy, and accelerate their effective implementation. Furthermore, the MOEA had promulgated the amended provisions of the "Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China." The MAC and relevant agencies will continue to review the legal framework for cross-Strait investment based on actual needs. We will also rigorously review and strengthen management in accordance with the law to safeguard national economic interests and the competitive advantages of our high-tech industries.

### **3. Assessing promotion of the gradual resumption of cross-Strait exchanges and strengthening security management**

In view of humanitarian, family reunion, and business travel needs, the government is gradually opening applications for mainland Chinese, Hong Kong, and Macao residents to come to Taiwan for related activities. On September 22 this year, the government announced further border reopening for mainland Chinese, Hong Kong, and Macao residents to visit Taiwan for family reunion and humanitarian purposes effective from September 29. Employees of airlines, shipping companies, and other institutions stationed in Taiwan can also apply to come to Taiwan. Moreover, mainland Chinese enterprises with approved investments can apply to operate and manage ventures in Taiwan. In the future, the MAC will conduct rolling reviews of and gradually adjust entry controls for mainland Chinese, Hong Kong, and Macao residents based on the domestic and international status of the COVID-19 pandemic and developments in cross-Strait interactions. We will also enhance security management for cross-Strait personnel contacts and review of applications by mainland Chinese individuals to come to Taiwan. Additionally, the Mini-three-links serve as an important channel to facilitate cross-Strait exchanges, so we value input from all sectors and the residents of

Kinmen and Matsu. We will restore these links in due course after completing due preparations, conducting an overall assessment of the COVID-19 pandemic prevention measures on both sides of the Taiwan Strait, and evaluating relevant conditions. We are also planning to and will gradually promote the expansion of air routes for cross-Strait passenger service.

#### **4. Closely monitoring developments in Hong Kong and Macao and enhancing humanitarian assistance and to protect people's rights and interests**

In response to the upheaval in Hong Kong, the MAC continues to monitor developments in Hong Kong and Macao and deliberate issuing relevant responses under the premise of safeguarding national security. The MAC remains concerned about and committed to caring for Hong Kong and Macao residents in Taiwan and is handling humanitarian assistance matters pragmatically. In conjunction with relevant agencies, the MAC continues to research and inventory related laws and supporting measures. We have opened channels for Hong Kong and Macao students to enroll in high schools and five-year junior colleges in Taiwan. We allow such students to deduct the time seeking employment or pursuing master's or doctoral degrees in Taiwan from their residency period limit. We have also strengthened the recruitment of professional talent. Additionally, we have strengthened cooperation with local governments to improve care services for Hong Kong residents who have recently immigrated to Taiwan to help them adapt quickly to life in our society.

### **III. Conclusion**

The government is committed to maintaining peaceful and stable cross-Strait relations, a policy stance that is in line with the interests and expectations of all regional parties. Facing future developments, the government's cross-Strait policy will remain consistent: stay calm and not act rashly, be rational and non-

provocative, stand firm and never back down. Our government will defend our national sovereignty, democracy, and freedom while partnering with the international community to preserve regional peace. The MAC will continue to respond steadily to cross-Strait developments and safeguard the best interests of the Taiwanese people. We urge the CCP to stop imposing political frameworks and military threats, face up to the reality that the two sides across the Taiwan Strait are not subordinate to each other, and resolve cross-Strait issues in a peaceful and pragmatic manner.

This concludes my report. I welcome any feedback from the committee members.