

Background Material for Regular Press Conference Presided by Minister Chang

May 18, 2017

Friends in the Media, Ladies and Gentlemen: Good afternoon.

The past year has presented a number of challenges for the Asia-Pacific situation and cross-Strait relations. President Tsai Ing-wen has indicated in interviews that both sides need to jointly face a changing "new situation," jointly answer a "new cross-Strait questionnaire," and jointly consider a "new model" conducive to cross-Strait peace and stability. Today, I would like to take this opportunity to brief you on the major work promoted by the Mainland Affairs Council (MAC) over the past year, as well as the direction of the council's work going forward.

I. Major Work

1. The government shows determination to maintain the status quo across the Taiwan Strait and maintain peaceful and stable development: Over the past year, mainland China has hindered the healthy development of cross-Strait relations by insisting on imposing political preconditions on Taiwan and tightening official cross-Strait interaction and exchanges. Against this negative behavior by the Mainland, we have adhered to a policy of maintaining the status quo, avoided provocation and surprises, and continued to show goodwill in hopes that cross-Strait relations can smoothly advance on the existing foundation and track. This has had positive significance for peace in the Taiwan Strait and regional stability. The United States, Japan, Europe, and other major countries and regions have expressed their support and affirmed Taiwan's policy position. U.S. Secretary of State Rex W. Tillerson, senior director for Asian affairs in the U.S. National Security Council Matt Pottinger, and Acting Assistant Secretary of State for East Asian and Pacific Affairs Susan Thornton have all stated compliance with the Taiwan Relations Act and voiced support for the peaceful resolution of cross-Strait issues in a manner acceptable to both sides. Grace Choi, spokesperson for the U.S. State's Department East Asian and Pacific Affairs Bureau, said that the U.S. encourages Beijing and Taipei to engage in constructive dialogue based on dignity and respect. The European Union (EU) has also expressed

support for efforts at cross-Strait rapprochement and asserted that a relaxed cross-Strait relationship is conducive to maintaining stability and security in East Asia.

2. The government insists on maintaining existing cross-Strait mechanisms and putting the rights and well-being of the people at the core of governance: We firmly pledge to maintain the status quo; to actively maintain cross-Strait official interactions and the institutionalized negotiation mechanisms between the Straits Exchange Foundation (SEF) and the Association for Relations Across the Taiwan Straits (ARATS); and to continue to proactively liaise with the Mainland on important and urgent matters (including the forced deportation of Taiwan nationals involved in fraud to mainland China, Hsiung Feng III missile misfire, cross-Strait travel accidents, the case of Li Ming-che, and Taiwan's participation in the ICAO and WHA) to prevent the risk of misjudgment and misunderstanding between the two sides. In response to mainland China's passivity in implementing the 21 cross-Strait agreements already signed and effected, the government regularly reviews the impact of this situation in conjunction with the relevant agencies. The government is deliberating measures to increase the number of Mainland tourist visits to Taiwan and to increase the quota for independently traveling Mainland tourists (on December 15, 2016, the quota for such travel was raised from 5,000 visitors to 6,000 visitors). It has also expanded personnel exchanges via the Mini Three Links and reduced fees for visas on-arrival (from NT\$600 to NT\$400). The MAC and related agencies have formed an inter-agency platform on the Mainland's forced deportation to mainland China of Taiwan suspects in transnational telecommunications fraud cases. Five meetings have been held to formulate concrete actions to take matters into our own hands and protect the rights and interests of the people of Taiwan

3. Maintaining the order of cross-Strait exchanges and caring for the rights and interests of Mainland students and spouses: The MAC held five inter-ministerial meetings to protect the rights and interests of Mainland students studying in Taiwan. It has promoted the inclusion of Mainland students in the National Health Insurance system, comparable to the treatment of foreign students. It has also held seven forums to communicate and explain these measures to the public. The Minister of the MAC met five times with groups representing Mainland spouses to discuss a letter of interpretation allowing mainland spouses to be employed as temporary staff at government agencies and schools without the requirement of maintaining a household in Taiwan for 10 years. The MAC also arranged 20 events to provide guidance and explanation, to care for the living conditions of Mainland spouses in Taiwan, and to demonstrate goodwill in cross-Strait interactions. In response to widespread expectations on legislation of the draft Cross-Strait Agreement Supervisory Act, the Executive Yuan

designated the bill for priority consideration in the current session. The Legislative Yuan's Internal Administration Committee completed its second review in March. The executive branch respects the Legislative Yuan's official procedures and exercise of functions and powers.

4. Strengthening communication with various parties on the government's cross-Strait policy and implementing cooperation between the central and local governments:

The MAC has proactively elaborated the government's policy position, enhanced interaction, and sounded out views on cross-Strait policy by holding regular press conferences (50 in total), interpellation at the Legislative Yuan, regional symposiums with scholars and experts, meetings with visiting international dignitaries (a total of 220 groups), and discussions with major industrial and commercial organizations and Taiwan businesspeople. We also visited 14 county and city governments (Tainan City, Taoyuan City, Nantou County, Taitung County, Penghu County, New Taipei City, Kinmen County, Pingtung County, Miaoli County, Hsinchu County, Hualien County, Keelung City, Chiayi City, and Taichung City), to explain policy, assist with coordination and consultations, and strengthen cooperation between the central and local governments. We will continue to promote such activities in the future.

5. Maintaining official interaction with Hong Kong and Macao, relaxing rules to promote exchanges between Taiwan and Hong Kong and Macao:

The MAC continues to maintain officials exchanges and interaction with Hong Kong and Macao. It is promoting measures to streamline and facilitate travel by Hong Kong and Macao residents to Taiwan, as well as relaxing rules to attract students and top talents from Hong Kong and Macao to Taiwan. Additionally, the first reviews of the draft Article 29-1 of the Act Governing Relations with Hong Kong and Macao and Taiwan-Macao Double Taxation Avoidance Agreement on Aviation Businesses have been completed. Follow-up reviews will be promoted to enhance the external competitiveness of Taiwan's industries.

6. Mainstream public opinion affirms the government's policy of maintaining the status quo of cross-Strait peace and hopes that mainland China will show goodwill and cooperate with Taiwan:

The MAC's latest public opinion survey showed that more than 80% (83.9%) of the public think that maintaining benign cross-Strait interaction is a mutual responsibility of the two sides and feel that officials on the two sides should negotiate and implement agreements to safeguard the rights and interests of the people (83.8%). Additionally, 83% of the public think that, facing the new cross-Strait situation, mainland China should adopt new thinking, show goodwill and flexibility, and cooperate with Taiwan to jointly maintain peaceful and stable cross-Strait relations through communication and

dialogue. Over 75% (75.5%) of the public support the government's policy position of actively maintaining existing cross-Strait communication and liaison mechanisms, as well as the government's handling of the future development of cross-Strait relations according to democratic institutions and public opinion. Polls conducted by other domestic institutions further show a related trend of support for the aforementioned government approaches (surveys conducted by the Cross-Strait Policy Association and Taiwan Style Foundation found 63.2% and 56.2% support, respectively, for the government's cross-Strait policy of maintaining the status quo). Moreover, the government's recent efforts to secure space for Taiwan's international participation are also affirmed by public opinion. More than 80% (81.7%) of the public think that mainland China's obstruction of Taiwan's participation in the World Health Assembly (WHA) is unhelpful to cross-Strait relations; and 82.2% of the public approve the government's continued efforts, amidst pressure from mainland China, to seek international support for Taiwan participation in international organizations and activities (according to a Cross-Strait Policy Association public opinion survey, more than 70% (71.7%) of the public think that Taiwan should not recognize the "1992 Consensus" embodying the "one China" principle in order to participate in the WHA. The government will follow the mainstream public opinion, maintain national dignity and the right to participate in the international community, and create favorable conditions for sustainable development and betterment of the people's well-being.

II. Direction of Future Work

1. Responding to developments in the Asia-Pacific region and building a healthy cooperative relationship through communication and dialogue: Facing the potential impacts of Taiwan-U.S.-China relations, the 19th National Congress of the Communist Party of China (CPC), and developments in Northeast Asia, the South China Sea, and other regions on cross-Strait relations, the government will closely follow possible Taiwan-related actions by the Mainland and prepare response measures. Looking ahead, we will stick to a consistent policy position, hoping that mainland China will show goodwill and jointly face and consider the situation and cooperate with Taiwan to create relaxed and positive cross-Strait atmosphere. The two sides should seek healthy cooperation through communication and dialogue to maintain the steady operation of existing cross-Strait mechanisms and develop peaceful and prosperous cross-Strait ties.

2. The cross-Strait relationship is a process of building goodwill. We call on the Mainland to properly handle the case of Li Ming-che and face up to Taiwan's right of international

participation: The MAC has always actively assisted with coordination and contacted the other side numerous times. We hope that the Mainland will promptly explain to the public the truth in the case of Taiwan national Li Ming-che, promptly announce the place of Mr. Li's detention and notify Taiwan as stipulated in the cross-Strait agreement, and promptly consent to family visits. The MAC has held international press conferences and established a special page on its website devoted to "Concern for Personal Safety: The case of Li Ming-che" to bring together resources to help family members resolve difficulties. We believe that mainland China should promptly and properly handle this matter based on legal and humanitarian considerations. The government has repeatedly protested and expressed dissatisfaction over mainland China's pressuring of the World Health Organization (WHO), based on unilateral political views, to block Taiwan from participating in this year's World Health Assembly (WHA). The CPC's rigid thinking and negative behavior towards Taiwan has repeatedly sparked backlashes in public opinion in Taiwan. It has only intensified the confrontational mood of public opinion on both sides and introduced new variables in the development of cross-Strait relations. We call on the other side to face up to the adverse effects of related affairs on the subsequent development of cross-Strait relations, to respond proactively to the insistence of the people of Taiwan on their basic security and rights, and to seriously reflect on its next step.

3. Promoting cross-Strait youth exchanges and strengthening the order of cross-Strait exchanges and management mechanisms: We will steadily promote study in Taiwan by Mainland students and cross-Strait youth interaction and exchanges so mainland Chinese youth may truly appreciate the development of a pluralistic and democratic society in Taiwan. We will also promote the reciprocal flow of information across the Strait and spread the value of Taiwan's free press and cultural soft power. Furthermore, the government encourages cross-Strait exchanges and contact to increase mutual understanding. This year marks the 30th anniversary of the start of cross-Strait exchanges. At this time, the MAC is both reviewing past achievements and looking to the future. With consideration to dynamic developments, it will enhance safety management mechanism and relevant laws and regulations for cross-Strait personnel contacts, as well strengthen actions to maintain national security and social stability.

4. Promoting the completion of legislation related to cross-Strait affairs and safeguarding the interests and well-being of the people: The MAC will actively coordinate with the Legislative Yuan

in promoting legislative work to promptly complete review of the draft Cross-Strait Agreement Supervisory Act. Once legislation is completed, the MAC will promote implementation of cross-Strait agreements in view of circumstances, as well as deliberate issues for subsequent negotiations. We will also continue to coordinate with promotion of amendments to the National Health Insurance Act so that Mainland students can be covered under the National Health Insurance system comparable to the treatment of foreign and overseas Chinese students. The MAC is also concerned about the living conditions of Mainland spouses in Taiwan and will duly review related laws to protect the rights and interests of Mainland spouses.

5. Dynamically adjusting government measures in response to the cross-Strait economic and trade exchange situation: Facing new cross-Strait developments, we will continue to work with the competent authorities to maintain the steady development of cross-Strait economic and trade relations. We have asked the Tourism Bureau of the Ministry of Transportation and Communications (MOTC) to understand, through its Beijing office, actions by the Mainland side to control Mainland tourists. We have also asked the bureau to continue implementing related response measures and assist with the transformation of the domestic tourism industry to reduce the negative impact on this sector. Additionally, we are formulating guidance and sales promotion plans for marketing agricultural products to mainland China and other countries. We are also encouraging county and city governments and private organizations to participate in overseas exhibitions to tap business opportunities. Furthermore, the Taiwan External Trade Development Council (TAITRA) continues to hold exhibitions of well-known products from Taiwan in conjunction with local governments in mainland China. It also plans and holds professional exhibitions to expand marketing channels and boost Taiwan's economic competitiveness.