

## **Reinforce Protection for National Security Related Core Technologies: MAC Approves Draft Amendments to Article 9 and Article 91 of the Cross-Strait Act at the 27th Council Meeting**

News Reference Material

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The Mainland Affairs Council (MAC) deliberated and approved Draft Amendments to Article 9 and Article 91 of the Act Governing Relations between the People of the Taiwan Area and the Mainland Area (hereinafter the "Cross-Strait Act") at its 27th council meeting on September 29, 2021. The draft amendments will be sent to the Executive Yuan for approval in accordance with administrative procedures and then submitted to the Legislative Yuan.

The recent years have seen mainland China's relentless attempts at stealing core technologies from Taiwan's critical industries. To maintain Taiwan's overall economic and industrial advantages and prevent the illicit transfer of Taiwan's technology in critical industries from jeopardizing national security and interests, it is necessary to shore up protection in consideration of overall national security. The MAC therefore drafted amendments to the Cross-Strait Act to tighten restrictions on travel to mainland China by those who possess or have access to national security related core technologies if they or their affiliated entities are commissioned by or receive research grant from the government. The present amendments are aimed at ensuring the stable development of Taiwan's national security related core technologies.

The pertinent law amendments apply to the individuals or those affiliated with non-governmental organizations, legal persons, or institutions involved in affairs regarding national security related core technologies if they "are commissioned by or receive research grant from government agencies

(institutions) to certain standards.” That is to say, the restrictions on travel to mainland China do not affect other individuals in the same industry who are not commissioned by or receive no research grant from government agencies (institutions), and those who are commissioned or received research grant but not to certain standards. As far as the specifics defining “national security related core technologies” and “certain standards,” due to the technical nature of these matters, the draft amendments to Article 9 of the Cross-Strait Act then give authority to the Ministry of Science and Technology to establish details in consultation with relevant agencies. The government will make evaluation with caution and prudence and introduce proper regulation.

Specific persons who violate the law for traveling to mainland China without permission are subject to Article 91 of the Cross-Strait Act, which stipulates fines between NT\$2 million and NT\$10 million. Additionally, persons who violate the requirement to issue notification after returning to Taiwan risk fines between NT\$20,000 and NT\$100,000 by the (original) agency they served or the agency that commissioned or provided research grant for them. The competent authority will investigate related violations in accordance with the principle of administration by law and handle the matter with utmost caution and prudence.

Given that the high-tech industry is an important foundation for Taiwan’s economic development, any theft or illicit leakage could pose a national security threat. Therefore, from the standpoint of national legal interests, it is necessary for the government to treat related issues as a national security issue and ramp up legal protection for national security related core technologies. We believe that once the amendments are passed into law, relevant ministries will improve overall regulatory measures and jointly build comprehensive and pragmatic defense mechanisms.