Testimony of Daniel J. Kritenbrink Assistant Secretary of State for East Asian and Pacific Affairs Senate Foreign Relations Committee, Subcommittee on East Asia, the Pacific, and International Cybersecurity Policy "U.S. Policy on Taiwan" April 30, 2024

Chairman Van Hollen, Ranking Member Romney, distinguished Members of the Subcommittee:

Thank you for the opportunity to speak with you today about the Administration's continuing commitment to the United States' longstanding one China policy, which is guided by the Taiwan Relations Act (TRA), the Three Joint Communiques, and the Six Assurances, and which has promoted peace and prosperity in the region for 45 years across multiple administrations from both parties.

I would also like to thank Congress for its bipartisan support for the Administration's national security supplemental, which will provide critical security assistance for the Indo-Pacific region, including Taiwan.

The United States' unofficial relationship with Taiwan is stronger than ever. With credit to Congress for passing the TRA in 1979 — which President Biden himself voted for as a Senator — my aim today is to illustrate how the TRA has given us the tools we need to pursue our overall objective of maintaining peace and stability across the Taiwan Strait. Far from being outdated or obsolete, the TRA provides an enduring framework under which we continue to adapt to face the challenges of today.

Defense and Security Ties

The TRA is a remarkably prescient document. Nearly a half century ago, it laid down a marker that the United States would "consider any effort to determine the future of Taiwan by other than peaceful means" as a matter of "grave concern to the United States."

The TRA laid the foundation for the United States to continue providing Taiwan with the defense articles and services necessary for Taiwan to "maintain a sufficient self-defense capability," as well as to maintain our own capacity to "resist any resort to force or other forms of coercion" against Taiwan.

The TRA also astutely anticipated that the People's Republic of China's (PRC) threat to Taiwan and to cross-Strait peace and stability would continue, and provided us the ability to strengthen our support for Taiwan commensurate with the threat it faces.

Indeed, in the 45 years since the passage of the TRA, the PRC threat to Taiwan has not only continued, but increased. The PRC has become the only country with both the intent to reshape the international order and, increasingly, the economic, diplomatic, military, and technological power to do it.

The PRC has never renounced the use of force to unify with Taiwan, and has increased its campaign of diplomatic, informational, military, and economic pressure designed to isolate and intimidate Taiwan. Beijing's increasingly provocative actions are deeply destabilizing, risk miscalculation, and threaten peace and stability across the Taiwan Strait.

In response to this threat, and consistent with our one China policy, this Administration is intensely focused on bolstering cross-Strait deterrence using the range of tools at our disposal. On top of the TRA, we are grateful to Congress for providing additional authorities and resources through the Taiwan Enhanced Resilience Act and subsequent appropriations. To date, we have:

- Directed the drawdown of defense articles and services from DoD stocks and resources for Taiwan, valued at \$345 million;
- Notified Congress of the first-ever provision of Foreign Military Financing grant assistance to Taiwan;
- Notified Congress that Taiwan is eligible for Excess Defense Articles (EDA) grant assistance in Fiscal Year (FY) 2024;
- Provided Taiwan with International Military Education and Training (IMET) funding, which will unlock millions of dollars in savings for

Taiwan to participate in courses across the DoD educational enterprise;

• More than doubled DoD's Building Partner Capacity assistance for Taiwan from FY 2022 to 2023.

This Administration has also notified Congress of more than \$6.2 billion in Foreign Military Sales to Taiwan, including 20 sales between 2022 and 2023, the largest number of notifications over a two-year period in at least 30 years.

Allies and Partners and Taiwan's International Space

The defense aspect of deterrence, while crucial, is only one element of our approach. As the TRA declared, "peace and stability in the area are in the political, security, and economic interests of the United States, and are matters of international concern."

We are working daily toward our goal of increasing the diplomatic costs of precipitous action against Taiwan by strengthening the international coalition of allies and partners who recognize the importance of peace and stability across the Taiwan Strait and are willing to contribute to its maintenance.

In the wake of Russia's full-scale invasion of Ukraine and increasing PRC pressure on Taiwan, this Administration has driven unprecedented alignment among allies and partners on cross-Strait issues, which has manifested in numerous high-level public statements —including by the G7, EU, and Indo-Pacific partners—as well as private discussions with friends across the globe.

Amid increasing PRC pressure on Taiwan's diplomatic partners, we have concluded Memoranda of Understanding through the American Institute in Taiwan (AIT) under which USAID and the U.S. International Development Finance Corporation (DFC) are working with Taiwan's International Cooperation and Development Fund (ICDF) to leverage our collective resources toward development projects and trainings in the Pacific Islands and Western Hemisphere, where most of Taiwan's remaining diplomatic partners are located. We also continue to advocate for maintaining and increasing Taiwan's "international space," including Taiwan's meaningful participation in international organizations and multilateral fora such as the International Civil Aviation Organization, the World Health Assembly, and at the Organization for Economic Cooperation for Development (OECD).

We are pushing back against the PRC's efforts to mischaracterize UN General Assembly resolution 2758, which did not constitute a UN institutional position on the ultimate political status of Taiwan, has no bearing on countries' sovereign decisions regarding their relationships with Taiwan, and does not preclude Taiwan's meaningful participation in the UN system or in any other multilateral forum. Moreover, resolution 2758 did not endorse, is not equivalent to, and does not reflect a consensus for the PRC's "One China Principle," a concept that refers to the PRC's own position with respect to Taiwan and that is distinct from the U.S. one China policy.

Thanks to Congress' generosity, the United States, Taiwan, Japan, and Australia have jointly organized dozens of workshops through the Global Cooperation and Training Framework (GCTF) to share Taiwan's expertise with the world on topics ranging from public health to humanitarian assistance and disaster relief.

Economic and People-to-People Ties

Finally, despite the challenges we face, I want to emphasize that our partnership with Taiwan stands on its own. Enabled by the tools and authorities provided in the TRA, the U.S.-Taiwan relationship has grown by leaps and bounds since 1979.

The TRA explicitly called for the preservation and promotion of "extensive, close, and friendly commercial, cultural, and other relations" between the United States and Taiwan. In 1979, U.S.-Taiwan trade was approximately \$9 billion, not adjusted for inflation. Today, Taiwan is the United States' eighth-largest trading partner, with bilateral trade in goods totaling nearly \$128 billion in 2023.

In addition, in the last 45 years, through great effort, Taiwan has become a vibrant and flourishing democracy, a technological powerhouse, and a global

force for good. It is a critical U.S. partner in semiconductors and other critical supply chains, public health, and education. As one example, the Taiwan Semiconductor Manufacturing Company's historic \$65 billion investment in Arizona is the largest greenfield Foreign Direct Investment project in U.S. history, supported with up to \$6.6 billion in proposed direct funding through the CHIPS Act. The TSMC facilities in Arizona will create approximately 6,000 direct manufacturing jobs, and tens of thousands more in construction and indirect jobs, as well as bring the most advanced semiconductor manufacturing back to American soil.

In recognition of the significance of our economic and people-to-people relationship with Taiwan, we have expanded our engagements on these topics in a manner consistent with our one China policy and the Taiwan Relations Act. Under the auspices of AIT, this Administration:

- Launched the U.S.-Taiwan Initiative on 21st Century Trade in 2022;
- Initiated the Department of Commerce-led Technology, Trade, and Investment Collaboration in December 2021;
- Institutionalized the Economic Prosperity Partnership Dialogue to discuss cooperation in areas such as supply chains, energy security, and responding to economic coercion;
- Helped Taiwan embark on a collaboration with NASA through the ASIA-AQ regional air quality monitoring project;
- Solidified partnerships between the U.S. DFC, USAID, and Taiwan's ICDF to assist Taiwan's international development assistance strategies;
- Commemorated the 30th anniversary of the relationship between the U.S. Environmental Protection Agency and Taiwan's Ministry of Environment (formerly the Taiwan EPA) in 2023;
- Convened the inaugural Science and Technology Cooperation Dialogue in 2023;
- Welcomed over 150 Taiwan delegates to participate in the U.S. hosting of the Asia-Pacific Economic Cooperation (APEC) Summit in 2023; and

• Facilitated a record number of American students studying Mandarin in Taiwan through Department of State language exchange programs and the U.S.-Taiwan Education Initiative.

Conclusion

With the TRA as a foundational element of our one China policy, we have deepened and expanded our ties with Taiwan over decades to reflect not only the threat Taiwan faces from the PRC, but the vibrant and dynamic partnership between the United States and Taiwan.

We have been able to engage in multiple initiatives and extensive cooperation with Taiwan *because* the TRA provides the authorities to carry out our unofficial relationship.

We have the framework we need. We do not need to change it. What we need is to respond to the present moment, using all the tools at our disposal. I hope today I have demonstrated how this Administration is doing just that, in close partnership with Congress.

Looking ahead, the dynamism that has defined our unofficial relationship with Taiwan—even as our foundational policy has not changed—will continue. The TRA endures as a critical element of maintaining peace and stability across the Taiwan Strait, which not only benefits the United States, but is also in the global interest.

Thank you. I look forward to your questions.