



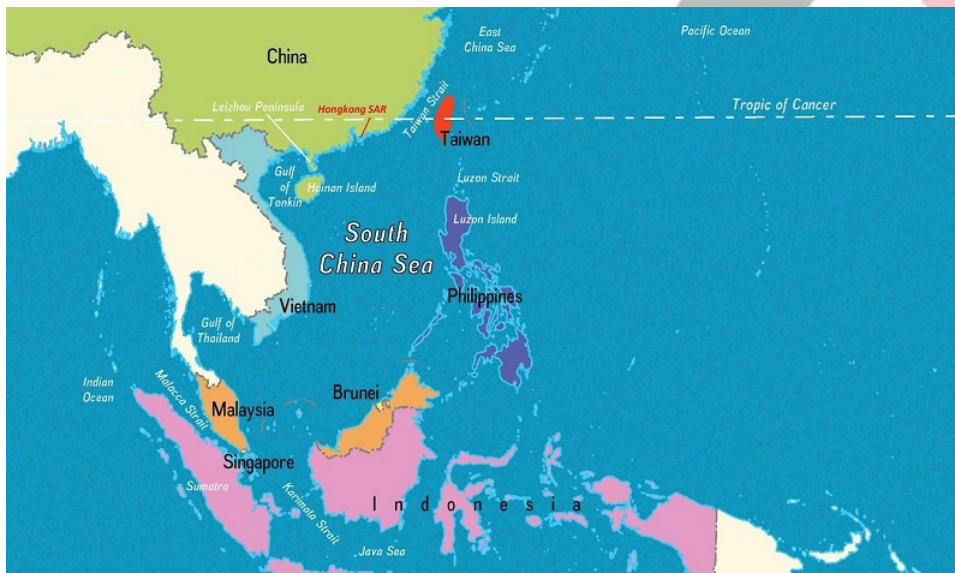
India Receives Taiwan's Assistance

Why in News

Recently, India received [Covid-19](#) assistance from Taiwan including oxygen concentrators and cylinders.

- The aid **reflects the growing engagement between India and Taiwan**, especially **against the backdrop of the [standoff with China](#)** on the Line of Actual Control (LAC) and China's aggressive actions across the region, including **[repeated violations of Taiwan's airspace](#)**.
- India, meanwhile, **has not yet accepted China's offers of aid and assistance** and has preferred to source medical supplies from China on a commercial basis.

Taiwan



- **Taiwan - the Republic of China (ROC)**, home to twenty-three million people, is **an island off the southern coast of China** that has been governed independently from mainland China since 1949.
- Its **neighbours** include **China** (officially the People's Republic of China, PRC) to the west, **Japan** to the northeast, and the **Philippines** to the south.
- Taiwan is the **most populous state that is not a member of the [United Nations \(UN\)](#)** and the largest economy outside the UN.
- Taiwan is **Asia's 5th largest economy**.
- It is a **global leader** in chip manufacture and the **second-largest manufacturer of IT hardware, etc.**
- **Relationship between China and Taiwan:**
 - The **People's Republic of China (PRC)** views the island as a **province**, while in **Taiwan—a territory with its own democratically elected government**—leading political voices **have differing views on the island's status** and relations with the mainland.

- China and Taiwan maintain a fragile relationship, which has improved during the past seven years but is periodically tested.
- **'One China Policy'** is the diplomatic acknowledgement of China's position that there is only one Chinese government.
 - This means that countries seeking diplomatic relations with the People's Republic of China (PRC, Mainland China) must break official relations with the Republic of China (ROC, Taiwan) and vice versa.

Key Points

▪ India-Taiwan Relations:

◦ Diplomatic Relations:

- India and Taiwan **do not have formal diplomatic relations** but since 1995, both sides have maintained representative offices in each other's capitals that function as de facto embassies. India has **backed the "one-China policy"**.

◦ Economic Relations:

- **Trade ties** amounted to **USD 7.5 billion in 2019**, up from USD 1 billion in 2000.
- India and Taiwan **in 2018 signed a bilateral investment agreement.**

- There are **around 200 Taiwanese companies** in the field of electronics, construction, petrochemicals, machine, Information and Communications Technology and auto parts operating in India.

- In the **field of science and technology**, there are more than thirty ongoing government-funded joint research projects.

◦ Cultural Relations:

- Both sides have also expanded **educational exchanges** after a mutual degree recognition agreement in higher education was signed in 2010.

▪ Challenge in the Relations:

- **One China policy:** India finds it difficult to realise the full potential of its bilateral relationship with Taiwan. At present, about 15 countries worldwide continue to recognise Taiwan as an independent state. India is not among the sixteen countries.
- **Hurdles in Economic Cooperation:** Taiwan's increased investments have occurred in the face of **cultural challenges, bureaucratic hurdles, and pressure on India from domestic producers.**

▪ Scope of Increasing Ties with Taiwan:

- **Taiwan is an important geographical entity in the Indo-Pacific region.** India's vision of the Indo-Pacific is inclusive and it must encourage the participation of Taiwan and other like-minded countries.
- **India is already a major focus country in Taiwan's New Southbound Policy,** launched in 2016. Under this, Taiwan aims to increase its international profile by expanding political, economic, and people-to-people linkages.
 - Taiwan's reputation as the world leader in **semiconductor and electronics** complements India's leadership in **ITES (Information Technology-Enabled Services).**
 - This can contribute much to the "**Make in India**", "**Digital India**" and "**Smart Cities**" campaigns.
 - Taiwan's **agro-technology and food processing technology** can also be very beneficial for India's agriculture sector.
- **Taiwan is an integral part of the regional supply chain mechanism,** and a **trade**

agreement with Taiwan will help India remain connected to the regional economic dynamism, amidst its attempts to **de-couple from China**.

Way Forward

- The **two countries are vibrant democracies**, and **parliamentary interactions and visits** can **strengthen** their commitment towards the **rule of law and good governance**.
- The objective of this deepening engagement is **not to field ties with Taiwan as a countermeasure to growing animosity with China**, but to de-hyphenate India-Taiwan ties from India-China relations. Taiwan is reaching out to India; India too should reciprocate.

[Source:TH](#)

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