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CLIMATE DIPLOMACY:
**TAIWAN'S EFFORTS
TO CLAIM INTERNATIONAL
SPACE IN CLIMATE
ACTION**

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Climate Diplomacy: Taiwan's Efforts to Claim International Space in Climate Action

Part 1 of a multi-part series on international efforts to meet green energy goals

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About this Report

At the invitation of the Republic of China (ROC) government, Margareta joined the International Press Group on Taiwan's Green Energy Goals in October 2017 to learn about the various initiatives of the Taiwanese government to pursue renewables and energy transition. This report is the first part in a multi-part series.

Climate Diplomacy: Taiwan's Efforts to Claim International Space in Climate Action

Introduction

In the past two decades, action against climate change has become a defining aspect of assessing nations' fulfillment of responsibilities to the global community. There is increasing pressure on economically developed countries to not only curtail increases in greenhouse gas (GHG) emissions, but to also participate in an international arena of climate action, manifested most prominently through the United Nations Framework Convention on Climate Change. Most countries have signed on, and a clear majority have ratified. In this respect, the Republic of China (Taiwan)¹ is unique. Its status with the United Nations was removed in 1971, when the People's Republic of China formally took its seat. Over the decades, under pressure from the PRC towards the international community, Taiwan has occupied an ambiguous position diplomatically. As a result, Taiwan only holds official diplomatic ties with 19 nations, and maintains relations unofficially with 57.

Its capacity to participate in multilateral organizations is severely constrained, and the implications of the cross-strait tension are felt in Taiwan's participation in global climate action initiatives too.

Taiwan's efforts to embrace international climate action commitments, demonstrated by implementing changes to energy and sustainability policy domestically show that Taiwan's climate action and its difficulties in diplomatic relations are fundamentally linked. Undertaking initiatives to demonstrate leadership on environmental issues is limited by difficulties in forming the necessary multilateral relationships, thus limiting the country's ability to have a voice internationally and to participate in full-fledged innovation exchange. These in turn drive the government to pursue an outward facing climate policy, characterized by climate diplomacy.

Amidst its geopolitical reality, Taiwan's plan to reduce carbon emissions includes a massive shift in energy sourcing, including by completely cutting nuclear power generation and ramping up imports of liquefied natural gas (LNG) to serve as a cleaner-burning transition fuel from coal to renewables. This decision is not unique among countries in Asia that seek to continue a healthy pace of economic growth while reducing carbon footprints.

Understanding the challenges faced by Taiwan, diplomatically, may enable international observers, such as Canadians, to put its climate action plans into context, as well as to better understand how Taiwan's actions, despite considerable obstacles due to complicated statehood, are emblematic of a shift occurring in approaches to energy. Without its own energy independence (the vast majority of fuels for domestic use are imported) a country like Taiwan must rely on a global supply chain to provide oil & gas. Though the focus of this report is to elucidate the interrelation of the diplomatic situation and climate action in Taiwan, the shift to natural gas in Asian markets have clear implications for Canadian natural gas producers. Later installments will more directly address this issue.

¹ For ease of reference, the ROC shall be referred to as Taiwan throughout this article.

Background

A growing public consensus against nuclear power featured prominently in the last presidential election in 2016. The current governing party, the Democratic Progress Party (DPP), and its opposition (KMT) both responded to the public's concern, which was fuelled by fears that the incident at Fukushima in 2011 could be repeated in Taiwan. The DPP won, enabling it to pursue its goal of rapidly phasing nuclear energy out by 2025. The goal is not small – it requires a complete transformation of Taiwan's energy sourcing. While Taiwan is not formally a party to any international climate action commitments, the government has become vocally committed towards carrying through on responsibilities it assumes as a prospective UN member-state. Thus, Taiwan is beginning denuclearization, massively reducing coal consumption (with substitution of liquefied natural gas, LNG – a transitional fuel), and building renewable energy infrastructure that aims to meet 20% of the island's energy demands by 2025.²

A series of such laudable goals is not without its strategic benefits. In addition to improving air quality, cutting GHG emissions, and creating opportunity for innovation in clean technology, the commitments bolster Taiwan's public diplomacy goals. Paul Rockower offers that Taiwan's public diplomacy serves as a means of overcoming diplomatic isolation imposed by strained cross-strait relations. Taiwan is a “unique case of a nation that must conduct public diplomacy not only as a means of promotion, but also as a means for ensuring its diplomatic survival and access to the international arena.”³ The “polylateral” strategy of engagement with NGOs and multilateral institutions that Rockower describes extends fittingly to Taiwan's UNFCCC goals. Since the mid-2000s government of President Ma Ying-jeou (of the KMT), Taiwan has been attempting to join various international bodies. Its bid for membership in 2007 was rejected, its Secretariat citing the 1971 UN General Assembly Resolution that gave the representative status in the UN.⁴ Taiwan seeks to create its own international space in its engagement with IGOs, both in terms of membership and functional participation.⁵ These efforts serve to reinforce Taiwan's usual two-fold approach to diplomacy: 1) building informal, bilateral relationships, and 2) asking countries that recognize Taiwan to advocate on its behalf. Thus, its “push for substantial participation in the global framework to combat the impact of climate change,”⁶ works to carry out its global responsibilities and to further Taiwan's agency in the international space.

Within difficult cross-strait relations, contrasting approaches to unification are represented. The PRC has maintained its claim to ownership of Taiwan – a claim that frequently extends to Taiwan's designation as a province of China in certain global assemblies, or as “Chinese Taipei” at the Olympics. While Taiwan enjoys de facto independence, the question of de jure statehood is much more complicated. Underlying it all is the fear of coercive action by the PRC, which is made no less concerning given the substantial reductions in Taiwan's military spending. As a democracy, Templeman finds, Taiwan's government must respond to popular demands for non-military spending.⁷ Concerns with domestic electability incentivize infrastructural and social spending, cutting into military capabilities. Taiwan's democratization, and its effects on military

² ROC Bureau of Energy, 5.

³ Rockower, 109.

⁴ Lindermann, 19.

⁵ Ibid., 22.

⁶ Gao, 2011.

⁷ Templeman, Uzonyi, and Flores, 2015.

strength, has thus made the use of soft power a necessity as well as advantageous tool amidst uncertain diplomatic status.

Diplomatic Efforts in the International Arena

A wholesale exclusion from global governance best describes Taiwan's current status. The pragmatic diplomacy of the 1990s, where sovereignty was scarcely addressed, eventually gave way to a considerable shift towards discourse favouring sovereignty by the 2000s. By 2007, requests for full status with various bodies were underway. Meanwhile, two referenda on the sovereignty question were carried out – yet both failed, demonstrating that it remains a conflicted issue even within Taiwan.⁸ The question continues to be further drawn out by political changeability, and so does Taiwan's limited recognition internationally. The inaccessibility of membership in the UN is reflected in Taiwan's other campaigns for participation in multilateral forums, such as engaging with the World Health Organization (WHO).

In the aftermath of the SARS outbreak, Taiwan sought to be included as a "health entity," and this non-governmental status has been a characteristic of its involvement since. At the World Health Assembly, Taiwan has participated several times as an observer. A secretive 2005 Memorandum of Understanding between the WHO Secretariat and Beijing further complicated Taiwan's capacity to be formally involved. Its global health diplomacy, therefore, has limited results. Functionally, its status, at best, in the WHO is that of an NGO. Accordingly, in more than one respect, Taiwan must resort to "diplomatic 'guerilla campaign[s]'" if it wants to be heard.⁹

Rockower, while concluding his study of Taiwan's public diplomacy, recommends that it pursue the 'niche diplomacy' of a middle power; by finding a niche topic and being its international advocate, it could establish leadership in a particular field. Since the article's publication, it appears that Taiwan has done just that, pursuing not only urban sustainability, as Rockower suggest, but climate action leadership overall. The application in 2010 to the UNFCCC signalled the ROC's decisive shift to climate action, which has been further pursued by the current DPP government.

Constraints on diplomatic activities levelled by China mean that informal proxies are the obvious choice for representation.¹⁰ Former government officials attend with Taiwanese NGOs, and this is equally the case for health diplomacy and climate diplomacy. This is one area where the Industrial Technology Research Institute (ITRI) fits in. Founded in 1973 by the central government to conduct basic research and to develop industrial technologies as Taiwan set out to rapidly industrialize, today ITRI's niche is in bridging technological research and innovation between academia, industry, and government. Its funding comes from a mix of all three, and it delivers solutions to a variety of fields, including energy. Given the strong connection to government, policy changes have a substantial impact on ITRI's research directions, as does industry due to its hybrid cost-recovery funding model. Under the 2011 New Energy Policy, which strove to accelerate innovation in alternative energy solutions, ITRI moved in tandem to

⁸ Winkler, 2016.

⁹ Herington and Lee, 8.

¹⁰ Ibid.

relevant research. And it would stand to reason, as industry faces emissions caps (as recently proposed), that companies funding ITRI's research would increasingly push for solutions to energy efficiency problems.¹¹

ITRI has also been Taiwan's means to the UNFCCC, serving as an NGO observer. Winkler notes that decades of martial law rendered the Taiwanese NGO space particularly weak, meaning that even for a country with a top-ranking GDP, the public sector is not massively developed outside of the central government.¹² It is this interdependence, I would add, that facilitates the mobilization of NGOs for Taiwan's proxy diplomacy.

New Energy Mix

As Taiwan is neither a Kyoto signatory nor a UNFCCC member, its commitment to GHG emission reduction are not binding on an international level, yet measures introduced in the last two years seek to solidify the set goals. By 2050, Taiwan hopes to bring its GHGs below 50% of the 2005 level. Propelling this promise is the *Greenhouse Gases Reduction and Management Act* (passed in 2015, which established an Intended Nationally Determined Contribution, INDC, to GHGs), the *Energy Transition Policy* (2016), and the *Amendment of Electricity Act* (2017 – liberalizing the domestic market for renewable energy). By 2025, to boot, Taiwan aims to be nuclear-free.¹³

All fossil fuels today are imported and energy security is a constant concern. With the removal of nuclear energy (currently constituting 12% of power generation) from the energy mix and the reduction in coal (from 45.4% of power generation to 30% by 2025), the demand for natural gas will massively increase. Today, natural gas supplies 32.4%, and by 2025, it will account for 50% of energy. The remaining 20% is projected to be met via renewable energy.¹⁴ Off-shore wind turbines were introduced just recently, but by 2025, the Bureau of Energy estimates that they will contribute 11 TWh, compared to 25 TWh from photovoltaic (solar). *Electricity Act* amendments also aim to open power market access within 2.5 years.¹⁵

From the Canadian perspective, given considerable natural gas reserves and active conversation in British Columbia about liquefying natural gas for export to Asia, this policy shifts serves as a crucial reminder that demand for different fuels in Asia is changing. LNG can, and will, play a massive role in the transition from fossil fuels to renewables. It is up to Canadians now to grant social license to initiatives to export LNG so that government (both provincial and federal) can continue setting up the investment environment to allow for clean-burning BC LNG to be shipped to meet growing Asian demand.

Conclusion

Without being a signatory to any international agreements to reduce GHGs and act against climate change, Taiwan has taken steps to discharge its responsibility as a developed economy. Its opportunities for collaboration in climate action are limited by its challenging geopolitical

¹¹ Industrial Technology Research Institute, 2016.

¹² Winkler, 2016.

¹³ Bureau of Energy, 1-5

¹⁴ Taiwan Institute for Renewable Energy.

¹⁵ ROC Taiwan Power Company.

status, yet Taiwan carries on with pursuing renewable energy and policy mechanisms such as carbon pricing (which is still in early development) in a bid to quell GHG emissions.¹⁶

Climate action plays a role in the broader question of Taiwan's status internationally. Its bid for UNFCCC membership, its work to communicate its climate leadership, and its efforts to share bilaterally on research and development constitute essential parts of Taiwan's burgeoning climate diplomacy.

The Taiwan case study also shows concretely that a demand for LNG in Asia exists and is only going to grow.

¹⁶ Bureau of Energy, 13.

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