

The Implications of International Trends in New Regional Economic Cooperation for Taiwan: The Example of the EU Cooperation Mechanism

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In recent years, the world has faced numerous risks, including the geopolitical shifts caused by the US-China confrontation, the Russia-Ukraine war, and supply chain disruptions due to the COVID-19 pandemic. The digital transformation and green transition, crucial for industrial development, have further complicated this situation. To address these risks, major countries have introduced various strategies, including economic revitalization, establishing autonomous supply chains, and strengthening cooperation with allies. Particularly, following the US-China trade war and the pandemic, governments have recognized that relying solely on a single country's power is insufficient to ensure the security of supply chains in critical areas and to effectively reduce dependence on China. Therefore, enhancing transnational supply chain cooperation with trusted partners has become a key strategy for countries to strengthen supply chain resilience.

In this context, the European Union (EU) and the United States (US) established the "EU-US Trade and Technology Council" in June 2021, forming ten working groups to collaborate on various levels. These groups focus on technical standards, climate and clean tech, secure supply chains, ICTs security and competitiveness, data governance and technology platforms, misuse of technology threatening security & human rights, export controls, investment screening, promoting SME access to and use of digital technologies, and global trade challenges. Their aim is to coordinate and resolve global critical technology, economic, and trade issues while deepening transatlantic trade and economic relations. Additionally, in March 2022, both sides established the "EU-US Task Force on Energy Security", which primarily monitoring the energy security situation of the EU and neighboring countries, tracking the EU's progress in reducing dependence on fossil fuels, analyzing the global liquefied natural gas (LNG) market and forecasts, assessing the regulatory environment in the US and EU, and enhancing EU LNG infrastructure, the EU Energy Platform, and joint procurement. This initiative aims to reduce the EU's reliance on Russian energy, address energy security

emergencies, and accelerate the global transition to clean energy.

Regarding the EU and Japan, both sides signed the "Digital Partnership" in May 2022, focusing on fifteen areas of cooperation, including semiconductor supply chain resilience, 5G and B5G, high-performance computing and quantum technology, cybersecurity, AI, and digital connectivity. They conduct annual bilateral digital policy dialogues, industrial dialogues, EU-Japan Business Round Tables, cybersecurity dialogues, the EU-Japan Economic Partnership Agreement Committee, and expert seminars to facilitate stakeholder engagement and collaboration on the digital partnership. Moreover, in May 2021, both sides established the "Green Alliance," focusing on hydrogen energy, offshore wind energy, and electricity market reform to promote cooperation in energy transition, environmental protection, regulation, research and development, sustainable finance, third-country transition, as well as enhancing integration and investment in renewable energy. This initiative aims to accelerate climate and environmental action, with the shared goal of achieving net-zero greenhouse gas emissions by 2050.

Furthermore, to enhance the competitiveness and cooperation of bilateral enterprises, the EU and Japan established the "EU-Japan Centre for Industrial Cooperation", managed by Japan's Ministry of Economy, Trade, and Industry and the European Commission. The center aims to promote various forms of industrial, trade, and investment cooperation between the EU and Japan, fostering the exchange of experiences and technologies between both sides.

Given the increasingly close economic and trade relations between Taiwan and European countries in the post-pandemic era, and the complementarity of the industrial development directions of Taiwan and the EU, there are enhanced opportunities for Taiwan to engage in exchanges and cooperation with the EU. To promote interaction and cooperation with key economic and trade partners such as the EU, Taiwan can learn from the example of the "EU-Japan Centre for Industrial Cooperation" which facilitates international cooperation among government, industry, academia, and research sectors.