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Rupert J. Hammond-Chambers
President

PRESS RELEASE

FOR IMMEDIATE RELEASE

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The Trump Administration Announces U.S. Arms Sales to Taiwan

The US-Taiwan Business Council today welcomed the decision by the U.S. Department of State to announce its approval of seven possible Foreign Military Sales to Taiwan, with a total value of US\$1.363 billion. The Defense Security Cooperation Agency (DSCA) delivered the required certifications notifying Congress of the proposed Taiwan arms sales on June 29, 2017. A direct commercial sale was also notified, bringing the total to approximately US\$1.4 billion.

The published FMS Congressional Notifications (transmittal numbers 16-67, 16-68, 16-69, 16-70, 16-73, 16-74, and 16-75) were for SM-2 Block IIIA All-Up Rounds, associated equipment and technical support (US\$125 million); MK 54 Lightweight Torpedo Conversion Kits, spare parts and other support and assistance (US\$175 million); MK 48 Mod 6AT Heavyweight Torpedoes, other support, spare parts, training, and assistance (US\$250 million); Hardware, software, and other upgrades to the AN/SLQ-32(V)3 Electronic Warfare Systems supporting Taiwan's KEELUNG Class destroyers (US\$80 million); AGM-154C JSOW Air-to-Ground Missiles, spare/repair parts and other support and assistance (US\$185.5 million); AGM-88B HARMs and Training HARMs, spare/repair parts, testing, and other support and assistance (US\$147.5 million); SRP Operations and Maintenance follow-on sustainment (US\$400 million).[†]

The US-Taiwan Business Council welcomes these Congressional notifications in adherence to the Taiwan Relations Act, which obligates the U.S. to help enable Taiwan's self-defense. However, it has been 562 days since the last arms sale to Taiwan in late 2015. The Council questions the impact that delays in consideration and execution of Taiwan arms requests are having on the island's ability to maintain its self-defense capabilities.

Council President Rupert Hammond-Chambers noted that *"support for Taiwan remains an essential aspect of the U.S. national security posture in Asia, particularly as increased cross-Strait tensions would fundamentally threaten stability in the region. The U.S. is legally and historically committed to providing Taiwan with arms of sufficient quantity and quality to provide for its own self-defense. Arms sales have long been a mainstay of U.S. security relations with the island, supporting U.S. efforts to deter coercion from the PRC and help provide for Taiwan's self-determination."*

Hammond-Chambers added *"The Council supports the return to a normal and regular process for assessing all Taiwan arms sales requests and sales. Packaging several years' worth of items drives up the overall dollar value of each tranche of notifications. Each Taiwan arms sale also becomes a rare and compelling event, drawing significantly more attention than it might otherwise garner. This creates a more substantial opportunity for Chinese protests and posturing in response to each sale, protests that have had a deterrent effect on U.S. willingness to release needed but advanced systems to Taiwan - such as new-build fighters and submarines. It would be in the U.S. interest to provide less of an impetus for Chinese protests in response to Taiwan arms sales, and moving away from packaging would be a substantial step in the right direction."*



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About the US-Taiwan Business Council:

The US-Taiwan Business Council (www.us-taiwan.org) is a membership-based non-profit association, founded in 1976 to foster trade and business relations between the United States and Taiwan. The Council provides its members with business intelligence, offers access to an extensive network of relationships, and serves as a vital and effective representative in dealing with business, trade, and investment matters.

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ⁱ As of 6:00 pm on June 29, 2017. For details, see the DSCA website at <http://www.dsca.mil/major-arms-sales>