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PRESS RELEASE

FOR IMMEDIATE RELEASE

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THE US-TAIWAN BUSINESS COUNCIL COMMENTS ON THE PROPOSED FOREIGN MILITARY SALES OF LOGISTICS SUPPLY SUPPORT AND 30 MM AMMUNITION TO TAIWAN

The US-Taiwan Business Council today welcomed the announcement of two possible Foreign Military Sales to Taiwan, supplying a Cooperative Logistics Supply Support Arrangement (CLSSA) Foreign Military Sales Order II (FMSO II) as well as 30 mm ammunition and related equipment at an estimated total cost of US\$440.2 million. The Defense Security Cooperation Agency (DSCA) delivered the required certifications notifying Congress of the proposed Taiwan arms sales on June 29, 2023.

The published Congressional Notifications (transmittal numbers <u>23-38</u> and <u>23-44</u>) are for a CLSSA FMSO II to support purchasing spare and repair parts for wheeled vehicles, weapons, and other related elements. Also included are various unclassified 30 mm ammunition, including 30 mm High Explosive Incendiary-Tracer rounds, 30 mm multi-purpose rounds, and 30 mm training rounds, as well as related elements of engineering, technical, logistical, testing, and other program support.

The US-Taiwan Business Council appreciates further sustainment and munitions support for Taiwan. Maintenance of legacy equipment and stockpiling munitions should all be priorities in a broad approach to ensuring that Taiwan retains sufficient self-defense. We have consistently noted that we expect the Biden Administration to continue to focus nearly exclusively on these two areas.

However, the Biden Administration's narrow perspective on the threat from China - which does not appear to include planning for responding to grey zone incursions or to blockade and quarantine scenarios - is inhibiting the island's effort to maintain its ongoing force modernization.

Council President Rupert Hammond-Chambers commented on this sale, "America's policy of strategic ambiguity leaves Taiwan unable to rely on U.S. forces to fill any gaps in Taiwan's defense, gaps that current U.S. policy prohibits filling. Denying access to needed platforms, as seen during the Bush and Obama Taiwan arms freeze eras (2007-2008 and 2011-2015, respectively), ultimately results in new vulnerabilities that the People's Liberation Army (PLA) can attack.

The Tiger Team at the Department of Defense should counsel its leadership to drop its narrow approach to security assistance. They need to instead embrace a broader interpretation of the threat from China and provide needed material arms sales support from the U.S. as required under the Taiwan Relations Act."

Hammond-Chambers further added, "It remains disappointing that successive U.S. Administrations continue to announce arms sales at the end of the week prior to holidays. Attempting to bury the announcements in a holiday period sends the message that the U.S. is defensive and overly concerned about China's reaction to U.S. arms sales. China opposes all arms sales to Taiwan without preference for one system over another. It is the sovereignty that a Foreign Military Sale (FMS) - which is a government-to-government transaction - confers that they most object to."

Source: See the DSCA website at https://www.dsca.mil/press-media/major-arms-sales



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Additional Data:

For more details on Taiwan arms sales, please visit our dedicated defense website at www.ustaiwandefense.com. The post "Taiwan Arms Sales Notified to Congress 1990-2023" contains charts showing a summary of arms sales data by year, along with a link to the raw data compiled by the Council from DSCA and other sources.

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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