

TAIWAN

Note: *Canada has no diplomatic relations with Taiwan and, therefore, does not normally use the following terms to describe the country and its officials.*

Official Name:	Republic of China (Canada refers to it as Taiwan)
Capital:	Taipei
Head of State:	Li Deng Hui
Head of Government:	Lien Chan
Foreign Minister:	Frederick Chien
Trade Minister:	Vincent Siew

DOMESTIC SITUATION

Taiwan's political life has been dominated by its problematic relationship to China, although developments in both countries over the last few years have helped defuse an often tense situation. Nevertheless, China still places strict constraints on how the outside world deals with Taiwan, though various creative ways around the strictures have been developed with the understanding of both countries.

Taiwan's economy has grown at an astounding rate, and has resulted, among other things, in Taiwan having one of the largest reserves of foreign currency in the world. It is often criticised for being an "unfair" trader, and is under pressure to open up its economy more to foreign goods and services.

CANADIAN INTERESTS

i) Trade and Economic

In recognition of Taiwan's strength as an economic entity, Canada supported Taiwan's participation in APEC and the Asian Development Bank (AsDB). Canada also supports Taiwan's request for membership in the GATT.

Two-way trade is over \$3 billion, though the balance is heavily in Taiwan's favour. Canada is encouraging Canadian companies to penetrate the Taiwanese market, and Canadian firms are actively involved in bids for Taiwan's major Six-Year Plan infrastructure projects.

Direct air service between Canada and Taiwan began in 1990.