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POLICY BRIEF

THE TAIWAN TEST: WHY EUROPE SHOULD HELP DETER CHINA

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SUMMARY

- China is building up its military and is projected to have the capability to launch major combat operations against Taiwan by 2027.
- Historically, America has provided the deterrent to Chinese aggression. But shifting geopolitics mean that it is in the EU's interest to help Taiwan defend itself and force China to reconsider the risks of military action.
- The Chinese government is becoming bolder: sending arms supplies to Russia, undermining security on European soil and engaging in protectionist policies that damage European trade and supply chains.
- European defence cooperation with Taiwan would bolster deterrence against Chinese aggression in the Taiwan Strait and beyond, helping secure stability for global trade and signalling that European leaders can stand firm rather than yield to pressure.
- The EU and its member states can start by encouraging industry-led initiatives and dual-use technology collaboration to strengthen Taiwan's deterrence and safeguard European interests.

Thinking the unthinkable

China is constructing a wartime command complex on the western outskirts of Beijing that will be roughly the size of 50 Pentagons. This "Beijing military city", featuring deep underground bunkers to shield top Communist Party and military leaders, signals that the country is preparing for high-stakes conflict. The Chinese military is also ramping up its capabilities: it is expanding missile infrastructure in eastern China, it has almost tripled its inventory of precision-attack ballistic and cruise missiles, and now operates 134 air bases that can sustain air operations near Taiwan. The Chinese military is projected to have the capability to invade Taiwan by 2027.

Historically, the United States has been the power deterring China from using force against Taiwan, not the EU. However, Russia's war in Ukraine has recalibrated China's calculations over how war may unfold. Beijing's war-planning scenarios include global sanctions, supply chain disruption and coalition dynamics between democratic and authoritarian actors. In this expanded context, Europe is no longer a marginal player.

For decades, the EU has shied away from involvement in the Taiwan issue. The bloc follows a "one-China policy", which recognises the People's Republic of China (PRC) led by Beijing as the sole legitimate government representing China. While the EU does not extend diplomatic recognition to Taiwan, it maintains strong economic and substantive ties with it. The policy seeks to preserve stability by maintaining the status quo in the Taiwan Strait.

As a result, European decision-makers have long dismissed the idea of engaging in defence transfers to Taiwan as both politically unfeasible and legally impermissible. The main obstacle has been Beijing, which vocally opposes any defence interaction with Taiwan, regarding it as interference in internal affairs and support for separatism. [1] The resulting legal uncertainty has compounded political and institutional hurdles, effectively blocking any serious Taiwan–Europe defence cooperation.

Yet European "appeasement" towards China has not produced the desired results. China leverages its vast market and critical role in global supply chains to exert influence in the EU, often using trade policies, investment strategies and control over strategic materials to advance its interests. Geopolitically, Beijing has also become increasingly assertive, going so far as to supply Russia with weapons for its war in Ukraine. As the global security environment deteriorates, Taiwan's strategic needs converge with those of Europe. Now, Europe helping Taiwan defend itself is a key way to stem China's assertiveness; what was once unthinkable is becoming not only conceivable but also necessary. European policymakers have been debating economic sanctions on China to respond to its new positioning, but they should also consider

transferring defensive equipment to Taiwan—a topic far from the top of the agenda.

Yet it is precisely with defence transfers that European countries could help Taiwan forestall a crisis with China that could disrupt global trade and push China closer to Russia. By transferring advanced technology and expanding Taiwan's defence capacity, the EU can force China to recalculate the risks and sustainability of an invasion scenario, thereby making a meaningful contribution to the credibility of deterrence. The firmer the EU's support for Taiwan, the clearer the red lines that Beijing must reckon with. Placing defence transfers higher on Europe's agenda with Taiwan would send China one of the most resolute signals of determination. This would show Beijing that the EU means business—not just in Taiwan, but also on economic issues within the EU itself.

This policy brief argues that European defence-related transfers to Taiwan are not only politically sound but also legal. Such cooperation is not charity—it serves Europe's own interests by shaping Beijing's calculations, deterring coercion and conflict, and bolstering the resilience of supply chains vital to European security and competitiveness.

The EU could begin by cooperating with Taiwan on subsystems, dual-use technologies and joint development, if major platforms remain politically sensitive. Where governmental caution sets limits, industry and research initiatives can lead, propelled by commercial opportunities and mutual supply chain incentives rather than political symbolism. This pragmatic, regulation-friendly approach would strengthen deterrence in the Taiwan Strait and bolster Europe's long-term capacity to act. For European leaders, supporting Taiwan should no longer be a side issue: it is a realistic investment in stability, economic security and the international order amid growing global uncertainty.

A Taiwan tale

The PRC has never ruled Taiwan. After Japan's surrender in 1945, the island nation came under the administration of the Republic of China (ROC)—what is now known as the Taiwanese government. The ROC had been established in 1912 after the overthrow of the Qing dynasty and ruled mainland China from 1912 until the PRC won the Chinese civil war in 1949 and forced the ROC to relocate to Taiwan. The ROC has governed Taiwan ever since.

Yet political leaders in Beijing have claimed the island as Chinese territory and maintain the option of using force to achieve unification. In recent years, the Chinese military has aggressively built up its offensive capabilities, focusing on being able to seize the initiative in the opening phase of a crisis by compressing warning and reaction windows, and integrating emerging weapons, grey-zone tactics and narrative operations to shape the battlefield. In a conflict, China could integrate land, sea, air, space, cyber, electronic and cognitive operations

to disable Taiwan's defences, execute a rapid assault, or impose a blockade to compel submission.

Yet Taiwan is not defenceless. It would be exceedingly difficult for China to launch an invasion. The island is rocky along its eastern coast, which prevents landings; it has shallow seas on the western side, meaning heavy navy vessels would struggle to approach.

Taiwan's geography and climate limit China's invasion options

Source: Oxford Analytica; National Centers for Environmental Information; Journal of Marine Systems; Global High Resolution Population Denominators Project.
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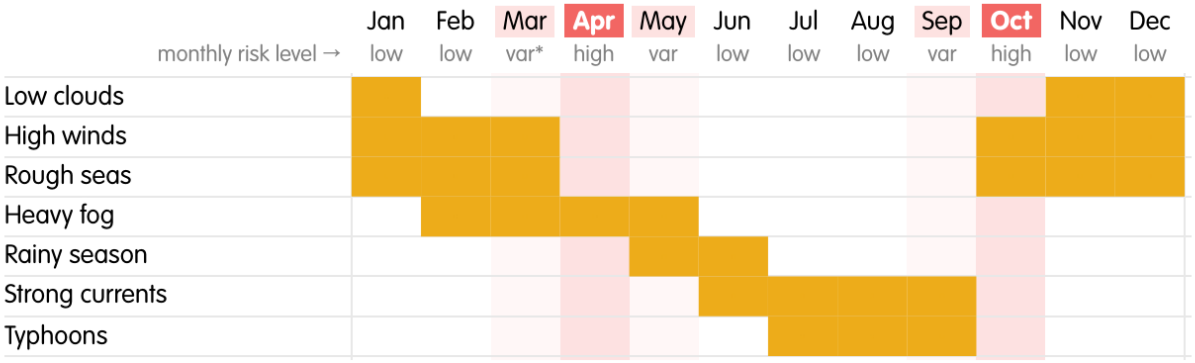
The seas of the Taiwan Strait are choppy and have two monsoon seasons, making a seaborne invasion viable only for a short part of the year. Even if China succeeded in crossing, Taiwan has few deep-water ports that would accommodate a landing force.

Seasonal suitability for invasion



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Source: Oxford Analytica
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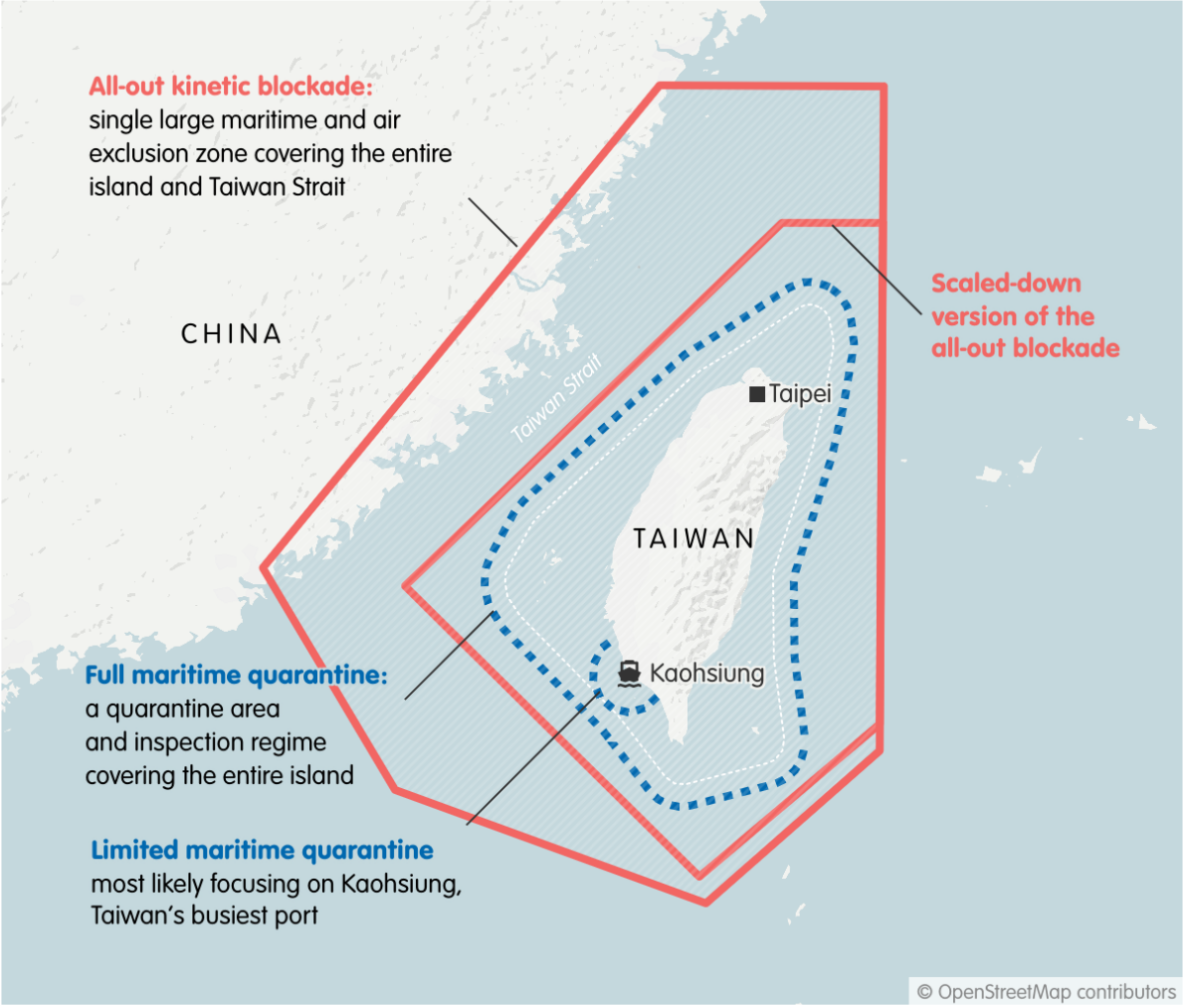
This is in addition to Taiwan's own military readiness. Taipei's approach focuses on asymmetric warfare and making any invasion costly. This strategy reflects Taiwan's recognition that it cannot compete in a traditional symmetrical war but can deter China by making the cost of aggression unbearably high for the Chinese military. To this end, Taiwan has focused on smaller, mobile and hard-to-target weapons like missile launchers, drone swarms and sea mines to complicate China's military planning. Its defences emphasise disrupting amphibious landings and controlling the Taiwan Strait, leveraging intelligence, guerrilla tactics and advanced technologies to make occupation prohibitively expensive.

As a result, China may be more likely to consider a blockade or quarantine of Taiwan as a coercive tool that avoids a full-scale invasion. Such a manoeuvre would aim to cut off critical imports like energy and food, isolating Taiwan and undermining its ability to resist. This approach would allow China to apply pressure on Taiwanese leaders to make concessions while avoiding the prospect of open conflict. Nonetheless, blockades carry risks of escalation, economic fallout and international backlash, making them a calculated but aggressive option.

Potential Chinese quarantine and blockade strategies



Source: CSIS; Flanders Marine Institute, Maritime Boundaries Geodatabase.
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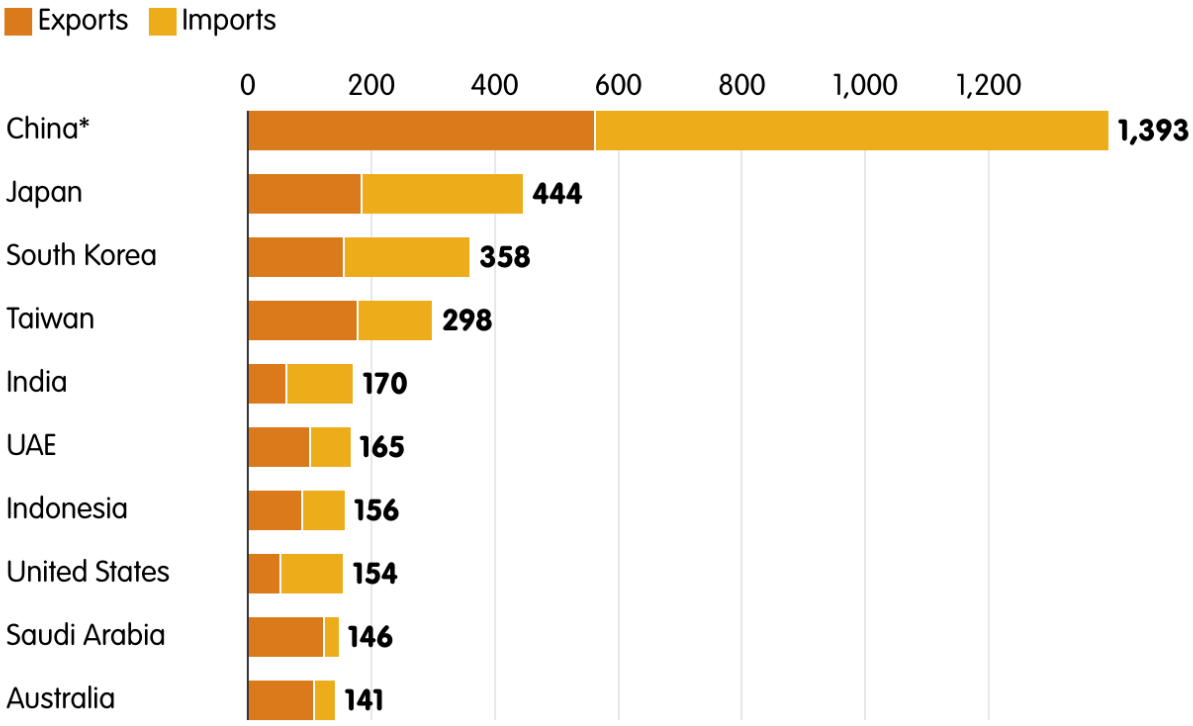
Impact on Europe

Any kind of conflict in the Taiwan Strait has direct consequences for global and European geopolitical and economic security. The strait is "one of the world's busiest waterways": one-fifth of global maritime trade went through it in 2022. China itself would suffer economically from instability here.

Trade disruption in the Taiwan Strait would shock China's economy.
Value of trade transiting the Taiwan Strait in 2022, in $bn



*Includes Hong Kong

Source: CSIS
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Taiwan produces around 60% of the world's semiconductors and more than 92% of the most advanced chips. Blocking the Taiwan Strait would sever the technological lifeline between Taiwan's leading producer, Taiwan Semiconductor Manufacturing Company (TSMC), and the Western world. Elbridge Colby, now serving as the US under-secretary of defence for policy, has long warned that if China were to invade Taiwan, TSMC must not fall intact into Chinese hands. He cautioned that this would give Beijing dangerous leverage against the global economy through near-term supply disruption and longer-term technology transfer risks.

Geopolitically, a war in Taiwan could compel the US to shift its focus to the Indo-Pacific, meaning that Europe will have to assume far greater responsibility for continental defence, especially in deterring Russia.

The US is the key driver of European strategic thinking on Taiwan and the Indo-Pacific. However, the Trump administration is not clear on what Europe's role in the Indo-Pacific region should be.[2] President Donald Trump himself has repeatedly asserted that Europe would have little to contribute in any arena outside Europe, including a Taiwan contingency.

Yet this view overlooks Europe's actual strategic and industrial capacities, and America's limits in defence industrial production and resupply capacity. [3] In Ukraine, for example, the US faced acute strain in 155mm artillery ammunition. Stockpiles were rapidly drawn down and domestic production could not expand fast enough, forcing Washington to tap into allied inventories and production capacity in Europe, Japan and South Korea to sustain Ukraine's frontline and preserve its own readiness.

If conflict erupts in the Taiwan Strait, the US would need to confront a military power far greater than Russia, and an even starker imbalance of forces than in Ukraine. Even more concerning, as NATO secretary-general Mark Rutte has warned, a dual front could emerge, with Russia and China opening simultaneous theatres of conflict in Europe and Asia. This would stretch the transatlantic alliance thin and test its capacity to respond effectively on both fronts.

These two states are already cooperating. Beijing has been supplying Moscow with lethal weaponry for the latter's war in Ukraine. If China were to conquer and control Taiwan, its capacity to sustain and expand such support to Russia would grow because it would absorb Taiwan's cutting-edge semiconductor and advanced manufacturing capabilities. This would provide Russia with access to high-end chips, sensors, communications components and precision-strike technologies that it currently lacks, directly compounding Europe's security challenges. In such a scenario, European technology, defence production and logistical capacity would become indispensable. [4]

The introduction and passage of the Porcupine Act in the US Senate Committee on Foreign Relations this year further attest to Washington's concern over a Taiwan Strait conflict. If adopted, these bills would elevate Taiwan's status to a "NATO-Plus" equivalent, which would simplify and accelerate arms transfer procedures, shorten congressional notification periods, raise approval thresholds and authorise the US secretary of state to establish expedited third-party transfer mechanisms. America appears to be getting ready for a conflict scenario.

Europe would need to be ready too. Defence transfers to Taiwan would reinforce deterrence, uphold international norms and safeguard Europe's stake in a stable Indo-Pacific order.

From reluctance to resolve

The EU has traditionally been reluctant to supply Taiwan with weapons. This is partly because the bloc has approached the cross-strait question through the one-China policy, which recognises the PRC as the sole legitimate government representing China but maintains practical cooperation with Taiwan.

Another part of the EU's reluctance is the bloc's inability to forge a coherent foreign and security policy; such decisions require consensus among all member states, which is hard to achieve.[5] Ultimately, the EU's cross-strait policy lies with member states. Individual governments maintain their own interpretations and levels of engagement with Taiwan, based on varying economic ties and political calculations.

All factors considered, what complicates decision-making the most is that economic interdependence with China is deepening. Member states need to weigh the potential risks of Beijing's backlash against their own interests. This results in fragmented approaches within the EU.

Defence transfers are particularly sensitive, given their symbolic and substantive implications for supporting Taiwan's right to self-defence. Under strong opposition from China, which argues that such transfers would send the wrong signal to pro-independence forces in Taiwan, the EU has largely refrained from defence transfers since the 1990s. After the Netherlands approved the sale of two conventional submarines to Taiwan in 1981, Beijing downgraded diplomatic ties and threatened retaliation. France faced a similar backlash following its 1991 sale of La Fayette-class frigates and 1992 delivery of Mirage 2000-5 fighter jets. Beijing responded with diplomatic and economic reprisals, including the closure of French consular and trade offices in Guangzhou.

Since then, European governments have erred on the side of caution.

Legacy of caution

The EU's export control framework consists of two components: the Council Common Position 2008/944/CFSP on arms exports and the Regulation (EU) 2021/821 which establishes a regime for dual-use items—exports that can be used for both civilian and military purposes.

Under the Common Position, member states assess military export licences against eight criteria, which include the behaviour of the recipient country, regional stability, and the security of member states and their allies. The Dual-Use Regulation and Control List harmonise controls across all member states for exports of dual-use items. In both regimes, exporters must seek approval from their national authorities, which examine and authorise exports in line with EU and national legislation.

European authorities tend to reject arms export licences to Taiwan under regional peace and stability (criterion 4) and the recipient's behaviour (criterion 6) of the EU Common Position on Arms Exports. However, they permit dual-use transfers. In practice, licensing decisions reflect administrative discretion shaped by political and security considerations, rather than a strict legal prohibition.

Despite the absence of a formal EU prohibition, European governments have treated defence cooperation with Taiwan as politically untouchable—a perception shaped more by the anticipation of Beijing's response. Over time, this political caution has hardened into institutional practice, discouraging even exploratory steps. In-depth dialogue has been scarce and, in the absence of policy guidance, industry has lacked natural entry points, with suppliers and receivers still largely unfamiliar with each other. [6]

Nonetheless, dual-use collaboration remains legally and procedurally viable, offering a window for engagement that does not cross the weapons threshold. This avenue has rarely been framed as a strategic option, leaving Europe with a usable but underdeveloped policy space.

A shifting stance

The war in Ukraine and China's increasingly assertive economic stance on trade have changed the context in which restraint toward Beijing on the Taiwan issue was seen as stabilising and cost-reducing for Europe. If anything, China's actions are increasingly affecting the EU negatively. The bloc's trade deficit with China has been widening—reaching €400bn—while European producers face severe restrictions on market access. China's industrial policies favour domestic suppliers that benefit from massive subsidies, preferential regulation and state contracts. For years, European calls for Beijing to address overcapacity and ~~unfair~~ competition have gone unanswered.

Apart from using market access as leverage to bind the relationship, the Chinese government has further tightened its export controls on rare-earth materials—turning supply-chain dependence into a tool of diplomatic coercion. Although China paused its weaponisation of rare earths after it reached a de-escalation understanding with America on October 31st, the episode revealed far-reaching repercussions for Europe. Effects ranged from disrupted supply chains and price volatility in car and electronics manufacturing to exposing vulnerabilities in the continent's rearmament drive.

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For Europe, China has transformed from a partner into a rival. Although the EU continues to adhere to the one-China policy, many of its member states, including Germany, increasingly stress the need for a more coherent approach and to act in their own interests instead of accommodating Chinese preferences. [7] Opposition to European defence transfers to Taiwan remain, but the overall trajectory is starting to lean towards cooperation. At the Berlin World

Forum this March, some members of the European Parliament warned that expanding arms sales to Taiwan could trigger Chinese trade retaliation and should be weighed within a broader Indo-Pacific strategy. Yet others argued that the EU's support for Taiwan should move beyond political statements to include tangible systems such as air defence and electronic warfare.

For many Europeans, the benefits and risks of engagement with Taiwan now outweigh the diplomatic costs of Beijing's displeasure.[8] This was apparent in an incident in September, when Poland temporarily closed key crossings in response to Russian-Belarusian Zapad military exercises near its borders. The move disrupted 90% of China–EU rail freight, forcing China's foreign minister Wang Yi to travel to Europe to defuse tensions. The Polish foreign ministry spokesperson said that now "the logic of trade [. . .] is being replaced by the logic of security".

Other European countries are starting to follow this reasoning. Since Russia launched its full-scale invasion of Ukraine in 2022, Britain, the EU, France and Germany have published policy papers that recommend upholding the status quo of the Taiwan Strait, oppose any attempts at unilateral change and pledge to deepen substantive cooperation with Taiwan. As a result, European relations with Taiwan are starting to warm up.

Germany has long been one of Europe's most cautious actors on defence technology transfers to Taiwan. Yet in August, Berlin approved the export of submarine main engines and periscopes destined for Taiwan's Hai Kun-class indigenous submarine programme, and a sonar radar system for a light frigate to Taiwan the previous year. This follows Britain's 2022 approval of submarine component exports, marking another instance of a European country providing tangible support to Taiwan's shipbuilding efforts.

The budding European support for Taiwan's defence buildup is not limited to one-way transfers of equipment or technology. In September, the Taiwan–Poland Chamber of Commerce and the Lviv Tech Cluster of Ukraine signed memoranda of understanding (MOU) on drone cooperation with Taiwan's defence industry delegation. The agreements reflect Poland and Ukraine's growing willingness to cooperate with Taiwan. These partnerships focus on unmanned aerial vehicle (UAV) technology exchange, joint research and development, as well as systems integration, testing and certification.

Private initiatives

Beyond the shift in government thinking, corporate momentum is becoming an equally important driver. Under the EU's "Rearm Europe" agenda, European defence firms are seeking new markets and partnerships abroad. Early this year, several German companies expressed interest in engaging with Taiwan's defence and aerospace sectors.[9] The German Trade Office participated in the Taipei Aerospace and Defence Technology Exhibition 2025 for the first time, establishing a German pavilion together with four leading German firms. The aim was to

showcase their innovation in aerospace and defence technologies, a visible signal of a growing openness to defence industrial cooperation with Taiwan.

Some European and Taiwanese firms are already collaborating. In August 2023, TSMC joined Bosch, Infineon and NXP to establish the European Semiconductor Manufacturing Company in Dresden, Germany, investing €10bn to produce 22/28 nanometre automotive and industrial chips by 2027. This marked TSMC's first manufacturing presence in Europe—a strategic bridge between Taiwan's advanced manufacturing capacity and Europe's drive for supply chain sovereignty. Media reports further suggest that the Czech Republic is being considered as TSMC's next potential site, forming a Germany–Czech Republic–Poland "chip triangle".

In May this year, Hon Hai Precision Industry announced a €250m joint venture with France's Thales Group and Radiall to establish a high-end semiconductor assembly and testing plant in France. Combining Taiwan's expertise in advanced packaging and testing with France's strength in aerospace and defence electronics, the venture embeds Taiwanese capabilities in Europe's high-value electronics ecosystem and bolsters European autonomy in secure, high-performance chip production.

Taiwanese president Lai Ching-te (William Lai) and Western foreign diplomats and industrial leaders at the Semicon Network Summit, in Taipei, Taiwan, on September 9th, 2025. picture alliance / Anadolu | Daniel Ceng

Areas of future cooperation

For years, some geopolitical experts argued that Ukraine's urgent wartime needs would crowd out Europe's capacity to engage with Taiwan. Yet the two theatres are industrially complementary. Ukrainian organisations have frontline expertise that Taiwan urgently needs. Their experience with drones under constant Russian jamming has driven rapid innovation in anti-jamming flight control, electronic resilience and quick field-level repair techniques. Such expertise can offer Taiwan valuable operational insights to enhance drone survivability and tactical performance, particularly in contested communication environments.

Other European countries could find alternative avenues for collaboration. Poland, for example, ranks among Europe's top defence spenders and has a robust defence-industrial base. It is home to WB Group and Flytronic, leading European developers of unmanned and loitering-munition systems, and is a lynchpin of the "drone wall" initiative—a NATO-backed effort to counter Russian drone threats along the alliance's eastern frontier. Poland, with its access to the EU's internal market, could serve as a gateway for Taiwan to access European production and certification.

Poland's expanding drone sector and precision-manufacturing ecosystem can offer a platform for Taiwanese systems and components—including quad-rotor motors, flight-control modules and composite frames—to align with European technical and regulatory standards from the design and testing phase onward. Poland is already Taiwan's largest UAV export destination, accounting for nearly 60% of Taiwan's drone exports in 2024-2025. Bilateral cooperation would strengthen both industrial complementarity and supply chain resilience within Europe's defence network.

Taiwan, for its part, would anchor the partnership with its core technologies and systems-integration expertise, combining strengths in communications links, AI-based recognition, sensor fusion, precision manufacturing and key UAV components, such as quad-rotor motors and propulsion systems. Through these capabilities, Taiwan can provide the technological depth and flexibility that European partners seek in building a "China-free" supply chain for critical defence technologies.

Taiwan's defence goals

At the Warsaw Security Forum 2025, adviser to Taiwan's National Security Council, Szu-chien Hsu, emphasised that Taiwan does not expect Europe to deploy troops. Rather, Taipei hopes for closer cooperation in providing defensive equipment, boosting asymmetric capabilities and jointly developing resilient supply chains.

Indeed, Taiwan needs missiles, rockets and specialised naval equipment to build credible asymmetric capabilities. But, beyond the realm of major weapons systems, what Taiwanese leaders seek from partners beyond the US are subsystems, critical components and dual-use technologies that underpin defence self-reliance and whole-of-society resilience. [10] These are precisely the areas where Europe's industrial and technological strengths lie.

Asymmetric warfare and societal resilience

Taiwan's defence strategy is laser-focused on building asymmetric capabilities and strengthening societal resilience. With a steadily growing defence budget, projected to surpass 3% of GDP in 2026 and 5% in 2030, the armed forces are rapidly modernising their systems, technologies and command structures. Their goal is to sustain deterrence and endurance against any swift, high-intensity attack. When it comes to defence acquisition, Taiwan needs everything that can sustain its fight.[11]

Building on this vision, Taiwan's defence priorities focus on acquiring and indigenising the capabilities for asymmetric and resilient warfare. According to Taiwan's Quadrennial Defence Review 2025 and the 2025 National Defence Report, these priorities include long-range precision-strike weapons to disrupt key enemy nodes and slow down an invasion; indigenous submarines to strengthen maritime denial and sustain undersea deterrence; and an integrated air-defence system to protect critical assets through multi-layered interception. The armed forces are also expanding fleets of surveillance and strike UAVs, alongside electronic-warfare and counter-drone technologies to offset adversary numerical and sensor-technology superiority.

Taiwan's five-year plan to build up its defence

Filter by: Land / Sea / Air / Command and control

Search in table

Weapon/System	Utility	Acquisition source
Land		
Ground-based Jian II field air-defence system (land-based S/A)	Enhances capability to counter aerial threats by upgrading field air-defence and radar coverage	Taiwan
Reserve forces weapons and equipment	Strengthens reserve forces to meet operational needs and ensure mission accomplishment	Taiwan
Next-generation weapons induction; expanded training ranges	Prepares for new platforms and accelerates unit stand-up; improves realism of training	Taiwan
HIMARS multi-launch rocket system	Enhances long-range strike capability	US
VLSAS defensive anti-landing mobile mine-laying system	Denies and delays amphibious enemy operations; buys time for defence	US
M1A2T main battle tanks	Builds mobile, precision-strike and fire-support capability for ground forces	US
Towed 2B anti-tank missile systems and Javelin anti-tank missiles	Strengthens mobile anti-tank strike capability	US
Man-portable 'Stinger'-type short-range air-defence missiles	Improves short-range air-defence for ground forces	US
Sea		
Jianlong-class combat systems upgrade and new-generation submarines	Enhances underwater stealth and surprise-attack capability	Taiwan
New generation light frigates	Responds to grey-zone harassment and strengthens maritime operational capability	Taiwan
Mobile Hsiung Feng II/Hsiung Feng III missile launchers	Undermines enemy maritime blockading	Taiwan
Surveillance and communication radar upgrades	Improves maritime domain awareness and response times	Taiwan
Ship-launched anti-submarine missile coastal defence systems	Extends surface strike capability and improves joint sea-control effectiveness	US
Upgraded/new maritime patrol and reconnaissance aircraft	Strengthens anti-submarine warfare and capability to engage fast-approaching air/surface targets; increases ship survivability	US
Long-endurance unmanned underwater vehicles	Enhances submarine tactical flexibility and integration with torpedo systems	US
Air		
Anti-radiation UAVs (eg, Jiang Xiang) and other long-range precision weapons	Improves ability to delay/disrupt enemy operations; precision strike capability	Taiwan
Tien Kung III land-based air-defence missile systems	Protects critical assets and improves area air-defence	Taiwan
Advanced jet trainers	Improves flight safety and training effectiveness; supports frontline fighter re-equipment	Taiwan
Air-launched precision missiles (various types)	Expands strike aircraft loadout for attacks on key targets	US
F-16V (Block 70) fighter jets and F-16A/B upgrades	Strengthens air-control capability through new fighter jet and fleet upgrades	US
Patriot (PAC-3) surface-to-air missile and related air-defence systems	Enhances protection of critical assets through advanced Surface-to-Air Missile (SAM) systems	US
National Advanced Surface-to-Air Missile System (NASAMS) advanced ground-based air-defence	Fills mid/short-range air-defence gaps to protect command nodes and key assets	US
Command and control (C4ISR / Network and info)		
Various unmanned aerial systems (UAS) for intelligence, surveillance, reconnaissance and target acquisition	Increases battlefield monitoring and enemy intelligence collection capabilities	Taiwan
Civilian-industry integrated UAS countermeasure systems	Effectively defends against small UAV incursions; protects garrisons	Taiwan
Second nationwide optical-fiber route (island-wide resilient backbone)	Creates a resilient communications backbone to support command and control info transmission for joint ops	Taiwan
Next-generation tactical regional communications systems (layered, dispersed, redundant)	Improves timeliness of command and control in mobile operations and supports combat missions	US
High-altitude long-endurance (HALE) UAVs	Strengthens intelligence collection and early-warning capability for full-spectrum defence	US
L-band (AN/TPS-77) and S-band (AN/TPS-78) radar upgrades/replacement	Improves detection and early-warning against low-Radar Cross-Section (RCS) targets and increases deployability	US

Source: Taiwan's National Defence Report 2025
ECFR · ecfr.eu

Taiwan also has a whole-of-society resilience strategy that addresses grey-zone provocations, communications disruption and blockade risks. The strategy aims to develop low-Earth-orbit satellites, back-up networks and cyber capabilities to ensure command continuity and information flow under attack. This multifaceted modernisation creates clear opportunities for European organisations to contribute. Taiwan's development of indigenous submarines and satellites, along with its emphasis on dual-use UAVs and cybersecurity, opens pathways for cooperation on dual-use components, technology transfers and integration of defence production chains.

Defence acquisition and Europe's emerging role

Taiwan's acquisition strategy aims to maintain defence self-reliance and pursue stable, secure and reliable channels for defence transfers. Taiwan is often ineligible to acquire the newest systems, even when it has the resources to do so. Yet its military faces problems when manufacturers phase out older platforms and their components, driving up both costs and uncertainty. To counter this, Taiwan is prioritising long-term, dependable partnerships for its defence supply chain.

The US has long been Taiwan's principal partner, and Taiwanese leaders are expected to stick with the Americans to keep costs in check and maintain operational readiness. Buying advanced equipment from multiple suppliers—or integrating entirely new systems—demands extra spending on new training, maintenance, spare parts and infrastructure, while creating new risks for supply chain delays.

However, US assistance alone cannot meet all of Taiwan's needs. Many US systems incorporate third-country technologies or components (including European ones), which means that export control rules kick in and the consent of the original technology holders is required. [12] The RAM air-defence system, which Taiwan once considered purchasing, for example, is a US–German co-production. The Naval Strike Missile, another system Taiwan once thought of buying, integrates Norwegian design into US manufacturing. This tangled web of allied supply chains behind modern defence transfers underscores the necessity of European support for any serious upgrade of Taiwan's arsenal.

Besides, Taiwan has faced problems with US manufacturers. Apart from $20.5bn in delayed deliveries, some systems are no longer in production or do not meet Taiwan's needs, pushing Taipei toward homegrown solutions or alternative foreign partners—a gap that presents opportunities for European firms.[13]

Submarines

Submarines, for instance, are crucial for preventing a hostile naval intrusion, but they are not available from America, as all active US submarines are nuclear-powered and not for export. Consequently, Taiwan is building domestically its first diesel-electric submarine, the Hai Kun (SS-711), which features torpedoes, sonar and missile combat systems from US contractors and several key technologies sourced from British firms. The Hai Kun has entered launch and sea-trial phases, with procurement already underway for systems to equip follow-on submarines. European expertise can help power Taiwan's naval deterrence. British and French firms lead in sonar arrays, electronic warfare suites and electro-optical sensors; German and Italian industries excel in pressure-resistant composite materials; and propulsion technologies from Germany and Sweden could critically enhance Taiwan's next-generation submarines.

Taiwan's first indigenous submarine, the "Hai Kun", setting out for sea trials from Kaohsiung Port, Taiwan, on June 17th, 2025. picture alliance / ZUMAPRESS.com | Cheng-Chia Huang

Satellites

Alongside its indigenous submarine push, Taiwan is also pursuing the "Indigenous Satellite" initiative in the space domain. Taiwan is betting big on locally built low-Earth orbit satellites to

keep command links and situational awareness alive—even if blockades or cyberattacks threaten terrestrial networks. In late November, the Taiwan Space Agency will launch FORMOSAT-8, Taiwan's first domestically built optical remote-sensing satellite constellation, followed by FORMOSAT-9 for AI-enhanced imaging. The Phase-III National Space Programme (2025–2035) will establish an independent Taiwanese Low-Earth-Orbit (LEO) Communication System—making space resilience a central pillar of national defence.

Europe is a natural partner for Taiwan in space technology. [14] In the US, satellite-related technologies generally fall under arms regulations, meaning they are reviewed under military export control frameworks and therefore subject to stringent restrictions. In contrast, Europe classifies most satellite technologies under its dual-use regulation system. European organisations excel in optical payloads and image-processing systems, LEO communication and ground-network integration, and application-system design, and could aid Taiwan's efforts to build LEO satellite capability. Europe's strengths in structural materials, assembly technologies and thermal-control solutions can further reinforce Taiwan's growing space industry.

Drones

Furthermore, unmanned systems have become the sharp edge of Taiwan's defence strategy—cheap, quick to upgrade and tailor-made for any mission. In a rapid tech sprint, Taiwan is pouring resources into next-gen drones and homegrown weaponry, locking in supply chains and boosting domestic production for staying power on the battlefield. Powerhouses like the National Chung-Shan Institute's aerospace cluster and the Asia UAV-AI Innovation Centre are integrating Taiwan into global, China-free, drone supply chains.

There are some tentative steps from European companies to plug into Taiwan's drone revolution, laying the groundwork towards capability transfer and joint development. A standout example is the Germany-based safety-certification and testing institute, DEKRA, which is working with Taiwan's Telecom Technology Center to transfer testing and compliance expertise to Taiwan—bringing drone cybersecurity and electromagnetic compatibility verification in-house. These first steps will let Taiwan slash validation times and shake off its dependence on foreign labs.

Beyond the in-lab technical transfers are other areas of cooperation. Taiwan's limited airspace and high population density limit live drone testing—conditions far removed from the battlefield realities that have driven innovation in Ukraine. Partnering with Europe's seasoned operators would let Taiwan test gear in real conditions, gather battlefield insights and sharpen its homegrown drones for frontline performance. This would bolster Taiwan's defence while sparking a cycle of joint innovation and resilience, with Taiwan's standout strengths—like advanced quadrotor motors—boosting Europe's UAV capabilities.

Cyber

European firms can also help in other sectors. In cybersecurity, Europe and Taiwan share China- and Russia-linked threats, so they can accelerate early warning and strengthen mutual defensive resilience by sharing anonymised malware samples and hacking signatures. [15] In the maritime domain, European technologies and components could put sharper teeth on Taiwan's coast guard, from surveillance and command systems to propulsion, and bolster civil maritime resilience.[16]

Europe can do more than supply hardware: it can partner with Taiwan to co-develop and boost core defence sectors, such as drone technologies, secure communication networks, satellite infrastructure and cyber-defence systems. In these areas, Taiwan's defence modernisation agenda aligns closely with European industrial strengths, creating concrete opportunities for collaboration. But Europe's contribution can go beyond just technology or equipment transfers—sharing expertise in testing, standard-setting, systems integration and resilience building, European capabilities can generate lasting value for Taiwan's defence.

What can be done

The geopolitical environment and mutual strategic needs suggest that making EU defence transfers to Taiwan may be less politically controversial than before. European policymakers now ought to shift their focus from what cannot be done to what can be done—and how they can achieve this.

Start small

A unified, overarching EU approach is fraught with difficulties. The EU has modest decision-making authority in foreign policy; initiatives in this area typically require unanimous approval from all member states. The Taiwan issue is both sensitive and not regarded as an urgent European interest, so Brussels has little room to manoeuvre. [17] Moreover, under the EU's export control framework, ultimate decision-making authority over both military and dual-use items rests with national governments. These issues suggest that progress driven at the national level offers the most practical route for Europe to strengthen its engagement with Taiwan.

To take the lead, European governments should adjust their mindset. Instead of viewing engagement with Taiwan as a politically risky or symbolic gesture, they should see it as a pragmatic investment in resilience and stability.

The key drivers of this approach would be individual states such as Germany, France and Poland, which possess the most advanced defence industries and technological capabilities in Europe. They also maintain some of the deepest economic interests with China, compared to other regional powers. By moving first, they can set precedents and create momentum for a broader European approach later on. Their political weight also gives them the leverage to proceed with defence transfers to Taiwan even in the face of Chinese pressure. Once this path is charted, smaller European states will find it easier to follow suit. [18]

Compared with traditional state-to-state arms sales, commercial transactions and technology partnerships offer more feasible and politically sustainable pathways. These could follow the examples of Germany's provision of radar and periscopes to Taiwan or the emerging Poland–Taiwan and Ukraine–Taiwan drone partnership.

Since direct negotiations between European and Taiwanese defence ministries on defence transfers are far too sensitive, a more realistic approach is to integrate the defence dimension into broader, package-style discussions. Europeans can pursue these through existing low-sensitivity mechanisms involving non-military authorities, for instance, economic ministries, innovation agencies and national research institutes, or through Track 1.5 and Track 2 dialogues, which primarily involve scholars and industry experts. [19] Officials could participate in an informal capacity to allow for policy experimentation and trust-building without any participating actors being legally or officially locked in. [20] What matters most is to knock on the right door—not the loudest one, but the one that quietly opens the way forward.

Facilitate cooperation

Industrial actors are positioning themselves to move ahead even in the face of potential political and regulatory uncertainties. A bottom-up model could therefore complement the limited momentum at the governmental level, allowing cooperation to advance through practical projects and business-driven initiatives. [21]

The US–Taiwan relationship provides a useful blueprint. Three standing forums—the Monterey Talks, the Defence Review Talks (DRT) and the Political–Military Dialogue (PMD)—regularly bring together senior government figures each year to set priorities, address bottlenecks and reaffirm commitment. These high-level meetings are complemented by the US–Taiwan Defence Industry Conference, a business-driven forum that connects senior defence officials, policymakers, leading defence contractors, technology firms and policy experts. It functions as a hub for strategic matchmaking and information exchange within the bilateral defence-industrial ecosystem, helping translate policy direction into concrete industrial partnerships and technological cooperation.

By contrast, Europe-Taiwan cooperation is still in its early exploratory phase. A practical next step for the EU would be to establish a platform with a function similar to the US-Taiwan model to facilitate information exchange, coordinate supply-chain needs and create tangible business opportunities. Such a platform would help European and Taiwanese firms identify mutually beneficial projects, and proceed with regulatory compliance and related adjustments on a case-by-case basis and at manageable political cost. This would gradually lay the groundwork for a more structured partnership, avoiding paralysis from perceived political or legal barriers from the outset.

Given Europe's different strategic position and pace of engagement in Taiwan's security cooperation compared to the US, establishing mechanisms like the Monterey Talks, Defence Review Talks or even the US–Taiwan Defence Industry Conference may still be premature. This makes commercial channels and industrial stakeholders all the more crucial. Hosting such dialogues on the margins of major defence exhibitions or technology fairs could be a pragmatic step to bring European and Taiwanese actors together, fostering matchmaking and collaboration driven by tangible business interests.

The way forward

Beyond one-way European transfers to Taiwan, there is strong potential for a genuinely two-way partnership. Taiwan is not merely a recipient of defence technologies; it can also be a stable and reliable part of Europe's defence-industrial ecosystem. Building a partnership would create the conditions for deeper defence cooperation, turning a one-way relationship into a reciprocal collaboration. This would foster mutual innovation and resilience, with Taiwan contributing its strengths—such as advanced drone systems and components like quadrotor motors—to Europe's UAV capabilities, for example.

Taiwan is a highly complementary partner for European industries. In addition to its recent partnerships with Poland and Ukraine on drones, Taiwan is a world leader in semiconductors and electronics, and boasts deep expertise in precision engineering, notably in metal materials, machine tools and advanced manufacturing.[22] Taiwanese firms have also built solid foundations in aerospace components, materials research, aircraft production and maintenance, and related systems. Many of them can meet European certification standards on a case-by-case basis. This industrial strength presents fertile ground for reciprocal and high-value defence-industrial collaboration between Taiwan and Europe.

Such two-way cooperation would align with the EU's strategy of de-risking from China. It would also strengthen European supply-chain resilience and cost efficiency in Asia, while allowing Taiwan to benefit from European institutional experience and regulatory frameworks to scale

up its industrial and technological base. By sharing industrial data, testing and certification results, and market insights, both sides can gradually build mutual trust—establishing confidence in each other's production capacity, quality control and supply chain security.

Over time, this mutual understanding and trust could also enhance European confidence in Taiwan's export-control and non-proliferation standards. This would reduce perceived political risks and pave the way for more regular and transparent defence cooperation—that would, in turn, strengthen European supply chains, boost industrial competitiveness and enhance the EU's credibility as a security actor in the Indo-Pacific.

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[1] Author's interview with a German official, Berlin, October 9th 2025.

[2] Author's conversation with German think-tank employees specialised in Indo-Pacific security affairs, Berlin, September 11th 2025.

[3] Author's interview with a European think-tank employee specialising in Chinese diplomacy, Berlin, October 16th 2025.

[4] Author's interview with a European think-tank employee specialising in Chinese diplomacy, Berlin, October 16th 2025.

[5] Author's online interview with an EU official, September 16th2025; and interview with a former EU politician, Berlin, November 5th 2025.

[6] Author's online interview with Jyun-yi Lee, associate research fellow, Jyh-Shyang Sheu, assistant research fellow, and Raymond H.J. Huang, commissioned research fellow, Taiwan's Institute for National Defense and Security Research (INDSR), September 10th 2025.

[7] Author's online interview with an EU official, September 16th; and an on-site interview with a German official, Berlin, October 9th 2025.

[8] Author's online interview with a Brussels-based EU-China relations scholar, October 1st 2025.

[9] Author's online interview with INDSR experts, September 10th 2025.

[10] Author's online interview with INDSR experts, September 10th 2025.

[11] Author's online interview with INDSR experts, September 10th 2025.

[12] Author's online interview with INDSR experts, September 10th 2025.

[13] Author's online interviews with experts of INDSR and Ying-Yu Lin, associate professor, Institute of International Affairs and Strategic Studies, Tamkang University, September 10th and 11th 2025.

[14] Author's interviews with experts at INDSR and Tamkang University, September 10th and 11th 2025.

[15] Author's online interview with a scholar of Tamkang University, September 11th 2025.

[16] Author's online interview with a scholar of Tamkang University, September 11th 2025.

[17] Author's online interview with an EU official, September 16th2025; and interview with a former EU politician, Berlin, November 5th 2025.

[18] Author's online interview with INDSR experts, September 10th 2025.

[19] Author's online interview with INDSR experts, September 10th 2025.

[20] Author's online interview with an Indo-Pacific defence industrial expert, October 9th 2025.

[21] Author's online interview with INDSR experts, September 10th 2025.

[22] Author's online interviews with a scholar of Tamkang University, September 11th 2025, and with an Indo-Pacific defence industrial expert, October 9th 2025.

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