The China–Taiwan Weekly Update



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August 9, 2024 Data Cutoff: August 7, 2024 at 5pm ET

The China—Taiwan Weekly Update is a joint product from the Institute for the Study of War and the American Enterprise Institute. The update supports the ISW—AEI Coalition Defense of Taiwan project, which assesses Chinese campaigns against Taiwan, examines alternative strategies for the United States and its allies to deter the Chinese Communist Party's (CCP) aggression, and—if necessary—defeat the People's Liberation Army (PLA). The update focuses on the Chinese Communist Party's paths to controlling Taiwan and cross—Taiwan Strait developments.

<u>Key</u> Takeaways

- The PRC Taiwan Affairs Office (TAO) and Ministry of Public Security (MPS) listed the names of ten Taiwanese political figures in new website sections devoted to punishing "Taiwan independence diehards." The postings are part of a pressure campaign targeted at Taiwan's new administration of Lai Ching-te and the ruling DPP.
- PRC state-sponsored hacker group APT41 likely stole passwords and documents from a Taiwanese government-affiliated research center in July 2023.
- The PRC released a Taiwanese former soldier it held for nearly five months a week after Taiwan returned the bodies of two PRC fishermen who died in the February 14 capsizing incident in Kinmen's waters. This small breakthrough in tense cross-strait relations is unlikely to change the PRC's long-term coercion campaign against Taiwan.
- The People's Liberation Army Eastern Theater Command released a video on the PLA's 97th anniversary that depicts an assault on Taiwan.
- The United States imposed sanctions on five individuals and seven entities in Iran and the PRC for facilitating the procurement of components for Iran's ballistic missile and UAV programs.

• PRC Special Representative for Eurasian Affairs Li Hui traveled to Brazil, South Africa, and Indonesia to generate support for the PRC's efforts to mediate the war and promote peace talks.

Cross-Strait Relations

Taiwan

The PRC Taiwan Affairs Office (TAO) and Ministry of Public Security (MPS) listed the names of ten Taiwanese political figures in new website sections devoted to punishing "Taiwan independence diehards." The postings are part of a pressure campaign targeted at Taiwan's new administration of Lai Ching-te and the ruling DPP. The TAO and MPS posted the names on their websites with other information, such as the text of the 2005 Anti-Secession law, legal guidelines about the punishment of Taiwanese "separatists," relevant statements from PRC officials, and contact information for reporting separatist activities.[1] The names include the following Taiwanese political figures:

- Vice President Hsiao Bi-khim
- Minister of Defense Wellington Koo
- National Security Council Secretary-General Joseph Wu
- National Security Council Deputy Secretary-General Lin Fei-fan
- Senior Advisor to the President and Former Premier and DPP Chair Su Tseng-chang
- DPP Legislative Caucus Whip Ker Chien-ming
- Former Premier, Speaker of the Legislative Yuan (LY), and DPP Chair You Si-kun
- Legislator and former LY Deputy Speaker Tsai Chi-chang
- Legislator Wang Ting-yu
- Former Legislator and New Power Party (NPP) Chair Chen Jiau-hua

The TAO originally published a list of "Taiwan independence diehards" in 2021 and included Su, You, and Wu, who at the time were Taiwan's Premier, Speaker of the LY, and Foreign Minister. It added the other seven names in 2022. [2] Nine of the ten people are prominent members of the DPP, including Su and You who are considered founding members of the party. Chen Jiau-hua was a legislator and chairwoman of the pan-Green (DPP-aligned) New Power Party, a minor party that no longer holds any legislative seats. All members of the list held government offices at the time they were included, except Lin Fei-fan who was a founding member of the 2014 Sunflower Movement and held no political office. Taiwan President Lai Ching-te and former president Tsai Ing-wen are not on the list even though the PRC has repeatedly called them separatists.

The TAO and MPS prominently published this list weeks after the PRC Supreme People's Court and other institutions issued an authoritative legal opinion that threatened "diehard" advocates of Taiwanese independence with criminal penalties up to life imprisonment and death. The opinion is an authoritative legal interpretation of Article 103 of the PRC's criminal code, which delineates the crime of "splitting the State and undermining the unity of the country" but does not specifically reference Taiwan.[3] The opinion clarifies how Article 103 should be applied to issues of Taiwanese "separatism" and defines the types of actions that would be subject to criminal prosecution under the criminal code.[4] The PRC could use the policy to arrest pan-Green political figures and activists who travel to the PRC. It can also try and convict suspects in absentia, issue international arrest warrants, and pressure other countries to extradite wanted Taiwanese "separatists" who travel to those countries.

The PRC may add other prominent DPP officials that it considers to be major "separatist" figures in the coming months. It has strongly criticized new president Lai Ching-te as a separatist and intensified its coercion against Taiwan since he took office on May 20, including issuing the "legal opinion," launching a massive military exercise around Taiwan days after Lai's inauguration, and rapidly escalating incursions into Taiwan's Air Defense Identification Zone. TAO Spokesperson Zhu Fenglian clarified on June 28 that the new guidelines only target a "very small number of 'Taiwan independence' diehards" and do not target the "vast majority" of Taiwanese people, however.[5] Zhu likely intended to reassure Taiwanese nationals who wish to work, invest, and travel in the PRC that the "legal opinion" does not put them in danger. Zhu made the comment after Taiwan's Mainland Affairs Council raised the severity of its travel warning for Taiwanese people traveling to the PRC in response to the new legal opinion.[6] Publishing the names of ten "diehard separatists" likely serves the same purpose of reassuring Taiwanese people that the PRC's "anti-separatist" measures are targeted only at a very small number of specific people.

The PRC state-sponsored hacker group APT41 likely stole passwords and documents from a Taiwanese government-affiliated research center in July 2023. Cisco Systems' Talos Threat Intelligence Group released a report on August 1 that found a malicious hacking campaign compromised an unspecified Taiwanese government-affiliated research institute on computing. Talos said that the nature of the institute's work makes it a valuable target for threat actors wishing to obtain proprietary and sensitive technologies. The breach happened in July 2023 and lasted 11 days. Talos assessed with "moderate confidence" that the hackers were part of APT41, also known as Double Dragon, a PRC state-sponsored hacker group that US officials have linked to the PRC Ministry of State Security (MSS).[7] Talos researchers did not assess how much data the cyberattacks stole. APT41 is connected to PRC state-sponsored espionage and financially motivated hacking activities.[8] A spokesperson for the PRC embassy in Washington accused the United States of spreading disinformation and "groundless smears" against the PRC. The spokesperson claimed that the PRC "does attacks launched not encourage, support or condone by hackers."[9]

The US government and other authorities have designated other cyber threat actors besides APT41, including Volt Typhoon, APT31, and APT40, as affiliated with the MSS.[10] US and foreign partner cybersecurity and intelligence agencies stated on February 7 that Volt Typhoon infiltrated critical infrastructure organizations in the continental United States and US territories. They assessed with

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high confidence that Volt Typhoon's goal was to develop the capability to disrupt key operational technology functions in the event of a conflict with the United States.[11] The US Department of Justice accused APT31 of targeting Chinese dissidents in the United States at the behest of the MSS.[12]

The PRC released a Taiwanese former soldier it held for nearly five months a week after Taiwan returned the bodies of two PRC fishermen who died in the February 14 capsizing incident in Kinmen's waters. This small breakthrough in tense cross-strait relations is unlikely to change the PRC's long-term coercion campaign against Taiwan, however. The Chinese Coast Guard (CCG) rescued the soldier, surnamed Hu, and another man near Taiwan's Kinmen islands on March 18 after their boat ran out of fuel and drifted into PRC waters. Kinmen is located just 3 kilometers from the PRC city of Xiamen. The CCG promptly released the second man but continued to detain Hu after discovering he was a non-commissioned officer of the Kinmen Defense Command. PRC officials claimed Hu tried to conceal his identity as a soldier. [13] The ROC Army discharged Hu at his family's request while he was in custody. [14] The PRC allowed him to return home on August 7 following lengthy backchannel negotiations. [15]

Hu's release was precipitated by successful ROC-PRC negotiations on July 30 on Kinmen that largely resolved a standoff related to the February 14 capsizing incident in Kinmen's waters. The incident centered on a PRC speedboat that capsized following a collision with a Taiwan Coast Guard Administration (CGA) vessel, killing two PRC fishermen. The speedboat was fleeing a legal CGA pursuit within Taiwan's prohibited waters around Kinmen. The PRC demanded during many rounds of negotiation that Taiwan return the boat and bodies of the PRC fishermen, pay compensation to the families, provide a full explanation of the incident, and apologize for wrongdoing. Negotiations broke down in early March but resumed and concluded on July 30, when Taiwan handed over the boat, bodies, and monetary compensation as part of an undisclosed agreement with the PRC.[16] Taiwan did not admit wrongdoing and has not concluded its investigation into the incident. Taiwanese legislator Jessica Chen Yu-jen, who represents Kinmen County, said the deadlock over the February 14 incident had hampered negotiations to secure Hu's release. Chen was a key figure in Taiwan's efforts to free Hu.[17] PRC state media Xinhua claimed Hu was allowed to return after PRC authorities completed investigations. did reference negotiations.[18] their It not anv

The July 30 agreement and Hu's release from PRC custody may open the path for further negotiations on specific issues, such as securing the release of a Taiwanese fishing crew that the PRC detained on July 2 for illegal fishing in PRC waters. PRC and ROC government officials had a rare face-to-face meeting during the negotiations on Kinmen, apparently a quiet exception to a PRC policy since 2016 of not meeting with ROC officials while the Democratic Progressive Party (DPP) is in power. [19] The PRC considers the DPP a separatist party. The PRC did not announce the participation of any PRC officials in the talks, however. PRC state media described the head of the PRC delegation, Li Zhaohui, as a "senior consultant" with a local branch of the Red Cross Society of China. It did not mention his role as

the deputy director of the Taiwan Affairs Office of the city of Quanzhou.[20]

This breakthrough in negotiations likely will not change the trajectory of PRC coercion toward Taiwan and Kinmen, however. The PRC responded to the February 14 capsizing incident by beginning regular CCG patrols around Kinmen, including several incursions each month into Kinmen's restricted and prohibited waters to assert PRC authority there. The change in CCG activity around Kinmen represents a long-term PRC effort to assert sovereignty over the island and to erode Taiwan's control of the surrounding waters.

The Kuomintang (KMT) denied a Taiwanese media report it did not send representatives to the July Inter-Parliamentary Alliance on China (IPAC) conference in Taipei because of CCP lobbying efforts and threats. IPAC is an international group of legislators that lawmakers from the United States, Canada, UK, Japan, and other allied democracies established in 2020. The organization aims to coordinate an international response to what it perceives as the threats to global trade, security, and human rights posed by the PRC's rise.[21] The organization now has 250 members from 40 countries including Taiwan. Taiwan joined IPAC during the conference on July 30-31 with cochairs from the ruling DPP and the smaller Taiwan People's Party (TPP).[22] No representatives from the KMT attended the IPAC conference. The PRC opposes Taiwan's participation in most international considers "extreme organizations and **IPAC** to be an anti-China" group.[23]

Taiwan's Up Media reported on August 1 based on unspecified sources that the PRC pressured the KMT to skip the conference. It said the PRC's Taiwan Affairs Office (TAO) and United Front Work Department jointly lobbied individual KMT legislators and even threatened to suspend KMT-CCP exchanges at all levels if the KMT attended the IPAC conference. [24] Secretary-general of the KMT legislative caucus Hung Mong-kai denied the report as a malicious smear. [25] KMT officials cited a preexisting policy of not sending an official delegation to IPAC meetings but said the party would not prevent members from going if they wished. [26]

A report by Taiwan's National Audit Office (NAO) showed that foreign vessels including the PRC damaged submarine cables between Taiwan and its outlying islands 36 times from 2019 to 2023. 12 incidents occurred in 2023, the highest number ever in one year. In the most serious case, a PRC fishing boat and a PRC cargo ship damaged both of the submarine cables connecting Taiwan and the Matsu islands on February 2 and February 8, 2023. The damage caused an Internet outage that affected Matsu's 13,000 residents for 50 days, seriously disrupting communications as well as government services, financial transactions, medical services, and transportation.[27] Taiwan's government did not claim the cables were severed intentionally or at the direction of the PRC, though some local officials speculated that may be the case.[28] It is unclear which other countries' vessels have damaged Taiwan's submarine cables.

Submarine cables are a critical infrastructure that ensure Taiwan's communications with its outlying islands. Taiwan has ten submarine cables, including two that connect Taiwan to the archipelagos of Kinmen and Matsu. Damage to these submarine cables, whether intentional or accidental, can impair

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Taiwan's ability to effectively govern its outlying island territories by cutting off communications and government services. It could also seriously disrupt economic activity in the affected areas. Taiwan is exploring ways to safeguard its connectivity by protecting its cables, laying additional redundant cables, shortening repair times, and setting up satellite communications networks. [29]

China

The People's Liberation Army (PLA) Eastern Theater Command (ETC) released a video on the PLA's 97th anniversary that depicts an assault on Taiwan.[30] The video, set to rock and roll music, depicts a simulated sequence in which PLA ships and aircraft surround Taiwan as a barrage of missiles strike the island's major cities. The words that accompanied the video included themes that allude to unification with Taiwan, including "prosperity and unity are linked by the blood of compatriots" and "steadfastly protect national unity and territorial integrity."

The PLA's use of imagery of violence against Taiwan is an example of cognitive warfare designed to threaten and intimidate the ROC to deter it from practicing policies that support Taiwanese sovereignty. The ETC released footage in May from large-scale military exercises that encircled Taiwan after President Lai Ching-te's inauguration, which the PRC claimed was punishment for Lai's "independence provocations." [31] The ETC released similar content on the PLA's anniversary in 2023 that included footage from earlier military exercises around Taiwan that the PLA conducted after then-US House Speaker Nancy Pelosi visited Taiwan in 2022.

The PRC is presenting itself as a responsible nuclear power to deflect criticism for its expanding nuclear arsenal. The PRC submitted a working paper to the United Nations that calls on states with nuclear weapons to follow the PRC in adopting a "no first use" policy. [32] The document highlighted the PRC's commitment and consistent adherence to this policy and stated the PRC's willingness to engage in discussions with states on the issue.

The PRC's self-portrayal as a responsible nuclear state and framing of its no first use policy as an example for others to follow aims to counter criticism of unwillingness to meaningfully engage in nuclear arms control talks with the US while it forges ahead with building its nuclear weapons arsenal. The PRC submitted the document on July 12 before suspending arms control and non-proliferation talks with the United States on July 17, citing US arms sales to Taiwan. [33] PRC MFA spokesperson Lin Jian highlighted the PRC's no first use policy in response to a joint statement from the US and Japan that expressed concern over the PRC's lack of transparency and rapid expansion of its nuclear weapons arsenal. [34] Lin stated that the PRC maintains its nuclear arsenal at a minimum level for its own national security and does not engage in arms competition with other countries. [35]

US National Security Advisor Jake Sullivan commented on the PRC's disinterest in "substantive dialogue" on arms control and nuclear non-proliferation prior to the two countries holding rare, semi-official talks in June.[36] Sullivan stated that the PRC had little willingness to "compartmentalize strategic stability from broader issues in the relationship."[37] The United States and the PRC last held

official arms control negotiations in Washington in November 2023 after a five-year hiatus. [38] The meeting occurred a week before President Joe Biden and CCP General Secretary Xi Jinping held a summit in San Francisco to stabilize bilateral relations. An unnamed US official familiar with the talks described the PRC's level of engagement during that meeting as not substantive. [39] The US Under Secretary for Arms Control Bonnie Jenkins stated in Congressional testimony in May that the PRC declined a follow-on meeting and did not provide a substantive response to the risk reduction suggestions that the US side put forth during that meeting. [40] The PRC MFA rejected the notion that the PRC was dragging its feet and stated that the PRC is willing to uphold communication with the US on arms control on the condition that the US respects its "core interests." [41]

The PRC imposed export controls on a range of unmanned aerial vehicle (UAV) technologies that will take effect on September 1.[42] The restrictions apply to radio communication equipment to control drones, infrared imaging equipment for target indication, civilian anti-drone jamming equipment greater than 5 kilometers, high-powered anti-drone lasers, and more. The announcement added that exporters of drone technology shall not export any items that are not included in the list if they know that the technology will be used for the proliferation of weapons, terrorism, or military purposes. Some commercial drones are also subject to the export controls.[43] The PRC also canceled a temporary ban on the exports of consumer drones that it imposed last year.[44] The Ministry of Commerce (MOFCOM), the General Administration of Customs (GAC), and the Equipment Development Department of the Central Military Commission jointly issued the new controls.

MOFCOM stated in a press release that the controls reflect the PRC's principle of coordinating economic development with national security, which is conducive to better safeguarding the PRC's safety and interests. [45] This suggests that the PRC aims to tighten oversight over the sales of its domestically developed drone technology.

The PRC is simultaneously taking steps to promote sales of its military drones. A PRC aviation and aerospace exhibition scheduled for November in Guangdong province will feature a dedicated area for unmanned systems for the first time, including a demonstration area for UAVs and unmanned surface vessels, according to the state-owned tabloid Global Times. [46] The PRC's spotlight on its drone technology signals its interest in promoting its domestic drone industry to foreign consumers, who will attend the expo.

Voice of America reported that the PRC lifted sanctions on US telecommunications company Viasat because the company's services are irreplaceable for distant-water communications. The PRC imposed sanctions on Viasat in January 2024 in response to the United States announcing a \$300 million sale of equipment to Taiwan to help maintain Taiwan's tactical information systems. [47] The PRC lifted the sanctions on Viasat on July 22, claiming that "the circumstances based on which the countermeasures were issued have changed." [48] This is the first time the PRC publicly announced the lifting of sanctions on a firm that has sold military equipment to Taiwan. [49] Voice of America cited Taiwanese and US experts who said that PRC vessels operating far from the PRC, including fishing boats and research vessels, rely on services from the Viasat subsidiary

Inmarsat. The PRC has communications satellites that cover the entirety of PRC territory and offshore areas, but it cannot replace Inmarsat's services in the short term for distant-water communications. [50] There is no evidence that the PRC sanctions on Viasat forced the company to change its behavior, such as canceling contracts with Taiwan.

The PRC criticized Canada on July 31 for "undermining peace and stability" in the Taiwan Strait after a Canadian warship transited the strait. [51] Canadian Defense Minister Bill Blair stated that Canada was increasing the presence of the Royal Canadian Navy in the Indo-Pacific region, in line with its Info-Pacific Strategy, which it released in 2022. [52] PRC Ministry of Defense spokesperson Zhang Xiaogang accused Canada of sending "wrong signals to 'Taiwan independence' separatist forces" and making excuses to justify its wrongful presence in the strait. [53] The People's Liberation Army (PLA) Eastern Theater Command (ETC) spokesperson Li Xi stated that the ETC organized naval and air forces to monitor Canada's HCMS Montreal during its transit. [54]

The PRC has used confrontational intimidation tactics to deter foreign military presence in waters it deems to be its neighborhood, which has resulted in several tense encounters with the Canadian military. The Canadian Ministry of Defense claimed that a PRC fighter jet launched flares in front of one of its military helicopters near the Paracel Islands in the South China Sea on October 29, forcing the helicopter to take evasive maneuvers. [55] The PLA Navy destroyer *Luyang III* came within 150 yards of the USS *Chung-Hoon* destroyer and Canadian HMCS *Montreal* frigate as they transited through the Taiwan Strait in June 2023. [56] The PRC's aggression towards foreign militaries in the region has also instigated dangerous encounters with US and Australian military craft in recent months. [57]

The United States imposed sanctions on five individuals and seven entities in Iran and the PRC for facilitating the procurement of components for Iran's ballistic missile and UAV programs.[58] The PRC-based entities included Hong Kong resident Thomas Ho Ming Tong and his four companies, which procure components for a subsidiary of Iran's Ministry of Defense and Armed Forces Logistics (MODAFL) that produces Shahed-series UAVs for Russian use against Ukraine. The sanctions also include a Shenzhen-based supplier for a MODAFL front company in Beijing.

Hong Kong has emerged as a hub for PRC companies to circumvent sanctions on Iran, Russia, and North Korea. Hong Kong's lenient regulatory environment facilitates relatively easy concealment of corporate ownership and the rapid creation and dissolution of shell companies. Iran relies on Hong Kong companies as transshipment intermediaries to obtain Western parts for its UAVs.[59]

Hong Kong Chief Executive John Lee stated in October 2022 that the territory would not implement unilateral sanctions on Russia after the US warned that Hong Kong's status as a financial center could be affected if it acted as a haven for sanctions evasion. [60] Ukrainian Foreign Minister Dmytro Kuleba appealed to the Hong Kong government in July not to allow Russian companies to use Hong Kong

companies to evade sanctions.[61] The US sanctioned approximately 20 PRC and Hong Kong entities on May 1 for supporting Russia's military-industrial base.[62]

<u>Southeast</u> <u>Asia</u>

Vietnam

The PRC flew two UAVs near the Vietnamese coast after Vietnam and the Philippines announced joint coast guard exercises in Manila Bay. The South China Sea Chronicle Initiative (SCSCI), a Vietnamese research group, tracked a WZ-10 UAV that flew from the PRC's Hainan island to roughly 100 km (62 miles) from Vietnam's coastline to the city of Nha Trang before returning to Hainan on August 2.[63] The UAV's tracker was on throughout the course of the journey. Aircraft tracking data showed that a second WZ-10 flight along a similar path occurred on August 7.[64] The SCSCI and other South China Sea researchers confirmed that this was the first time that the PRC had made such a voyage visible to the Vietnamese. Neither Vietnam's nor the PRC's foreign and defense ministries have released comments on the flights.

The flights occurred after Vietnam and the Philippines announced joint Coast Guard exercises, which are scheduled to begin on August 9 in Manila Bay. [65] Vietnam and the Philippines signed two agreements in January that expanded cooperation between their coast guards to prevent incidents in the South China Sea. [66] Vietnamese Coast Guard ships arrived in Manila on August 5 and are scheduled to remain there until August 10. The Philippine Coast Guard (PCG) reported that these exercises will focus on search and rescue and fire and explosion prevention operations.

The flights also took place after Vietnam filed a claim at the United Nations to extend its continental shelf in the South China Sea in July. [67] While the Philippines and Vietnam still hold competing territorial claims in the South China Sea, these types of joint efforts are likely to be interpreted by the PRC as a cooperative effort to challenge the PRC within what it sees as its sovereign territory.

Philippines

The Philippines and Germany committed to sign a defense agreement this year. On August 4 the Philippines and Germany committed to sign a defense cooperation agreement this year during a meeting between German Defense Minister Boris Pistorius and Philippine Defense Minister Gilberto Teodoro. [68] The two Ministers agreed to expand training, bilateral exchanges, bilateral armaments cooperation, and other joint projects. Both sides agreed to uphold the international rules-based order. Pistorius specifically reaffirmed the validity of the 2016 Permanent Court of Arbitration decision denying the legal basis of China's claims in the South China Sea and stressed the importance of strengthening these maritime borders. [69]

This meeting marks the first visit of a German Defense Minister to the Philippines, marking 70 years of diplomatic relations between the two states and following several violent clashes between Philippine and Chinese coast guard vessels in Philippine territory in the South China Sea. Pistorius stated that Germany's commitments were not directed at any particular country but rather to protect trading routes and ensure freedom of navigation. Teodoro stated that its agreements with Germany were not intended to provoke the PRC and blamed the PRC for increasing tensions. PRC Ministry of Foreign Affairs (MFA) spokesperson Mao Ning denied that the PRC was responsible for recent disputes, stating that PRC behavior was all in accordance with international law. [70] The MFA did not comment on Germany's actions, but did accuse the Philippines of "stirring up trouble" in the South China Sea.

The United States, Australia, Canada, and the Philippines conducted joint maritime activity within the Philippines' EEZ while the PRC held a joint combat patrol near Scarborough Shoal on August 7.[71] US Indo-Pacific Command stated that the joint activities focused on enhancing interoperability among the four armed forces. It also reiterated the US and allied commitment to upholding international law regarding freedom of navigation and the 2016 South China Sea Arbitral Tribunal Award that rejected PRC territorial claims in the South China Sea. The PRC's People's Liberation Army (PLA) simultaneously conducted combat patrols over the sea and airspace near the Scarborough Shoal.[72] The Scarborough Shoal is a disputed territory within the South China Sea, located about 120 nautical miles from the Philippine Island of Luzon.[73] Information released by the PRC Ministry of National Defense stated that the joint patrol was carried out by the PLA's Southern Theater Command and focused on training early warning, rapid mobility, and joint strike capabilities.[74] The Philippine government released a statement in response, accusing the PLA of sending three of its ships to tail their joint exercises instead of conducting Shoal.[75]



Oceania

The PRC MFA criticized the United States and Australia for cooperating to upgrade the latter's military facilities on the Cocos Islands in the Indian Ocean. PRC MFA spokesperson Mao Ning stated the PRC's conviction that defense cooperation should be conducive to regional stability and not be targeted at or harm the interests of "third parties," which references PRC interests. [76] Mao urged the "relevant countries," meaning the United States and US allies, to do more to maintain peace in the Indo-Pacific.

The planned upgrades are funded under the US Pacific Deterrence Initiative, which directs investments to enhance US military infrastructure, presence, and readiness, as well as that of regional allies, to counter the PRC's expanding military presence in the Indo-Pacific.[77] Former Australian Assistant Secretary for Force Development Ross Babbage stated that the upgrades would allow reconnaissance planes, early warning aircraft, and aerial refuelers to operate from the islands, which would extend the operability Australian and of US and aircraft in the Indo-Pacific.[78] range

<u>Europe</u>

Germany accused PRC state-sponsored cyber threat actors of infiltrating the Federal Agency for Cartography and Geodesy to conduct espionage in 2021.[79] Germany accused the PRC actors of exploiting individuals and companies to obfuscate its own presence in federal networks. The PRC embassy in Germany dismissed the accusation and accused the German government of misusing cybersecurity issues to defame the PRC, which undermines the international community's efforts to jointly combat such challenges.[80] The embassy urged Germany to stop "political smearing" and highlighted the PRC's responsible approach to preventing malign cyber activities.

The PRC has consistently denied accusations of state-sponsored hacking amid Western countries' vocal condemnation and coordination to expose the PRC's malign cyber activities. The United States, United Kingdom, and New Zealand accused PRC-state-sponsored cyber threat actors of conducting malicious cyber operations against democratic institutions in March.[81] Palau, one of Taiwan's twelve remaining diplomatic allies, announced in March that the PRC was the culprit behind a major cyber incident in which threat actors stole over 20,000 government documents.[82] The PRC conducted the operation as Palau finalized a deal with the US to renew the latter's military access to the archipelago in exchange for financial aid.

The extensive accusations against the PRC's violation of other countries' cyber sovereignty highlight that the PRC exploits cyber tools to advance national interests that it cannot achieve through legitimate and transparent statecraft.

Russia

PRC Special Representative for Eurasian Affairs Li Hui traveled to Brazil, South Africa, and Indonesia to generate support for the PRC's efforts to mediate the war and promote peace talks. PRC MFA spokesperson Mao Ning announced the new round of shuttle diplomacy last week and stated that Li would confer with "important members of the Global South." Li's trip comes after a June 21 announcement from the Ukrainian Deputy Head of the Office of the President that a "Global South" country would likely host a second peace summit, which Ukraine aimed to hold before the end of the year. [83] The PRC did not participate in the first peace summit in Switzerland on June 15–16 because the summit excluded Russia. [84] Mao Ning stated that the summit did not meet the PRC's three conditions for a peace conference, which include "recognition by both Russia and Ukraine, equal participation by all parties, and fair discussion of all peace plans." [85] 90 countries and organizations attended the summit.

The PRC MFA readout of Li's meeting with Brazilian diplomats stated that the PRC-Brazil joint statement on reaching a political solution to the crisis received a positive response from more than 110 countries. [86] The PRC and Brazil released a joint statement outlining a series of vague steps to deescalate the war in May. The joint statement does not meet Ukraine's base condition of Russia's

withdrawal from occupied territory. [87] Readouts from Li's meetings in all three countries stated that the host country appreciated the PRC's role in mediating the crisis. [88] PRC readouts made similar claims from high-level meetings with other countries' officials, including Hungary and Ukraine. [89]

The PRC's efforts to ingratiate itself with leading Global South countries aim to curry early support for its peace efforts before the next peace summit, which European countries and other stakeholders will likely attend. Ukrainian President Volodymyr Zelenskyy stated on July 15 that Russian representatives should be present at the next peace summit.[90] The PRC's previous peace plans, including its joint statement with Brazil and a 12-point plan from February 2023, failed to gain traction with Ukraine, the US, and most European countries.[91] An EU readout from a July 26 meeting between EU High Representative for Foreign Affairs and Security Policy Josep Borrell and PRC Foreign Minister Wang Yi stated that Borrell asked the PRC to use its influence with Russia to contribute to ending the war, but that "the joint statement with Brazil of May 2024 does not go in that direction."[92] This statement contradicted the PRC readout from the meeting, which claimed that Borrell stated that the EU "attaches importance to the PRC-Brazil peace initiative."[93]



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