Chandrawat & Partners



BILATERAL RELATIONS

INDIA - TAIWAN

INTRODUCTION

The bilateral relations between India and Taiwan have improved significantly since the 1990s, despite both nations not maintaining official diplomatic relations. India adheres to its "One China" policy, officially recognizing the People's Republic of China while interacting with Taiwan through unofficial channels, bypassing the historical sovereignty disputes originating from the Chinese Civil War (1945–49). However, India's economic, technological, and people-to-people ties with Taiwan have expanded rapidly in recent years.

Public opinion in Taiwan reflects this shift over the last two decades. While a 2010 Gallup poll noted that only 21% of Taiwanese people approved of Indian leadership (with 19% disapproving and 60% uncertain), a December 2019 survey by National Chengchi University's Election Study Center revealed that 53.8% of Taiwanese people overall supported "increasing ties with India". This includes strong cross-party support, with 73.1% of DPP voters and 44.6% of KMT voters favoring enhanced bilateral engagement.

Political and institutional ties have accelerated alongside public sentiment. In May 2020, two members of the Indian Parliament virtually attended the inauguration of Taiwan's President Tsai Ing-wen, signaling a strengthening of relations between the Tsai and Modi administrations. To anchor this growth, India deployed senior diplomat Gourangalal Das to head the India-Taipei Association from 2020 to 2023, laying the structural groundwork for subsequent milestones like the 2024 migration pact and the landmark trade expansions seen leading up to 2027.



BACKGROUND

Despite China proper and the Indian subcontinent—where two of the world's ancient civilizations emerged—sharing thousands of years of extensive trade and cultural exchanges through Buddhism, direct contact between Formosa (Taiwan) and South Asia was historically limited by geographic constraints. In traditional Buddhist cosmology, Tianzhu (India) was revered as the idealized "Western Heaven" where the faith originated, inspiring historical pilgrimages for scriptures romanticized in Journey to the West. Later ROC intellectuals engaged deeply with this legacy; Hu Shih, the ROC Ambassador to the United States from 1938 to 1942, famously analyzed how Indian Buddhism had profoundly transformed and integrated into historical Chinese society upon its introduction.

While never visiting India, Sun Yat-sen, founder of the Republic of China, frequently championed the country as a fellow Asian nation subjected to harsh Western exploitation. Advocating for a Pan-Asian united front against imperialism, Sun noted in a 1921 speech: "The Indians have long been oppressed by the British. They have now reacted with a change in their revolutionary thinking. There is progress in their revolutionary spirit, they will not be cowed down by Britain". Highlighting these deep historic linkages, a prominent thoroughfare named Sun Yat-sen Street continues to exist in the heart of Tiretta Bazaar, the old Chinatown of Calcutta, now known as Kolkata.

Geopolitical dynamics shifted rapidly when the Republic of India recognized the ROC from 1947 until it officially recognized the PRC on 1 April 1950. India backed the position that the PRC was the sole legitimate government of China, subsequently voting in favor of its entry into the United Nations Security Council, while neighboring Pakistan maintained its recognition of the ROC until 1951. Despite experiencing significantly strained relations with Beijing following the border war of 1962, New Delhi has continuously maintained its structural adherence to a "One China" diplomatic policy.

BORDER DISPUTE

Like the People's Republic of China, the Republic of China (ROC) claims Aksai Chin and Arunachal Pradesh—which is a fully fledged state of the Republic of India—as part of its sovereign territory. While the PRC and Pakistan managed to largely resolve their former territorial dispute in 1963 through the Sino-Pakistan Agreement, neither India nor the ROC officially recognizes this treaty. As a result, India claims PRC-occupied parts of Kashmir, while the ROC claims parts of Pakistan-administered Kashmir in addition to the disputed territories with India.

Cold War

Throughout the Cold War, the government in Taiwan generally held the same basic understanding on the China-India border dispute as the PRC. In 1962, around the time of the Sino-Indian War, Taiwan's Ministry of Foreign Affairs stated that they did not recognize the legality of the McMahon Line. The same year, Western countries increased pressure on Taiwan's leader, Chiang Kai-shek, to recognize the McMahon Line to isolate Beijing. However, Chiang dismissed the line as an imperialist imposition on China.

At the same time, as India began to gradually lose ground against the PRC during the border conflict, Jawaharlal Nehru reached out to various anti-Communist powers, including Chiang's ROC government, with whom he had maintained close contacts since World War II, seeking assistance. Some U.S. officials, including Navy Admiral Harry D. Felt, also encouraged Chiang to strike mainland China from the east while its military was occupied by the border war. The ROC Ministry of Foreign Affairs' reaction was mixed, driven by pragmatism and anti-communism. It declared the war a conflict between "Indian nationalism and international communism, not a war between the Indian people and the Chinese people." While repeating its refusal to recognize the McMahon Line, Taipei claimed the PRC's war was part of a broader Communist agenda to expand its ideology throughout Asia.

BORDER DISPUTE

The statement also noted that the ROC believed "a fair and reasonable solution" should be found were the mainland to be reclaimed, and insisted that the attack against India allegedly "violated the traditional peace- loving spirit of the Chinese people".

As for the so-called McMahon Line that the United Kingdom has unilaterally advocated for the border between China and India when it ruled India, our government has never accepted it and is firmly opposed to it." The Ministry also sent a telegram overseas to all its overseas embassies, instructing them to avoid criticizing Nehru while remaining resolute in its stance regarding the disputed territories, and remaining open to the hopes of re-establishing relations between the two governments given the collapse of PRC-India relations following the war.

In addition, covert Indian, American and Taiwanese support for the Tibetan rebels intensified in the aftermath, with the former two governments establishing the Joint Mission Center to counter the PRC in Tibet, and helping to train thousands of Tibetan rebels to prepare for the event of a second conflict. Furthermore, via the Tibetan exiles, specifically the Dalai Lama's second-eldest brother Gyalo Thondup, who shared close personal ties with Chiang Kai-shek after having grown up under his tutelage when the ROC still ruled Nanjing, a close relationship between the Indian and Taiwanese intelligence agencies was then established, one which apparently endures to the modern day.

In February 1987, India's move to elevate the status of 'Arunachal centrally administered region' to the state of Arunachal Pradesh was declared null and void by Taiwan's Ministry of Foreign Affairs. The Ministry, in a formal statement, stated that it did not recognize 'illegal occupation' of ROC territory south of McMahon Line and the establishment of 'Arunachal Pradesh state' was an illegal act. In 1995, Ambassador Pei-yin Teng (Taiwan's first representative to India) in response to Indian member of the parliament stated that Taiwan did not recognize McMahon Line. However, Pei-yin Teng was the last Taiwanese official who made a statement against the McMahon Line. Since, then Taiwan has not made any statement on China-India dispute and has adopted a neutral stance on the dispute.

VIEWS ON TIBET AND THE DALAI LAMA

At the 1947 Asian Relations Conference hosted in New Delhi, representatives of the Indian independence movement invited Tibetan delegates, and the Tibetans were allowed to display their flag at the conference. According to Tibetologist A. Tom Grunfeld, the conference was not government-sponsored, and so Tibet's and the Tibetan flag's presence had "no diplomatic significance". Nonetheless, the ROC, also present at the conference, protested Tibet's showing, and in response, the Tibetan flag was removed and conference organizers issued a statement that Nehru invited the Tibetan delegates "in a personal capacity".

Although his government also officially viewed Tibet as part of China, after the 1959 Tibetan Rebellion, Chiang Kai-shek announced in his Letter to Tibetan Friends that the ROC's policy would be to help the Tibetan diaspora overthrow the People's Republic of China's rule in Tibet. The ROC's Mongolian and Tibetan Affairs Commission sent secret agents to India to disseminate pro-Kuomintang (KMT) and anti-Communist propaganda among Tibetan exiles.

From 1971 to 1978, the MTAC also recruited ethnic Tibetan children from India and Nepal to study in Taiwan, with the expectation that they would work for a ROC government that returned to the mainland. In 1994, the veterans' association for the Tibetan guerrilla group Chushi Gangdruk met with the MTAC and agreed to the KMT's One China Principle. In response, the Dalai Lama's Central Tibetan Administration forbade all exiled Tibetans from contact with the MTAC. However, tensions between the two communities were eased considerably after the Dalai Lama's first official visit to Taiwan in 1997, under KMT President Lee Teng-hui.

Towards the end of the Second World War, Chiang had offered military supplies for the Tibetans, in his statement pledging that "if the Tibetans should at this time express the wish for self-government. China would, in conformity with our sincere traditions, accord it a very high degree of autonomy", and even stipulating that if the Tibetans eventually fulfilled the economic requirements for independence, China would "help them attain that status". Chiang also later told Gyalo Thondup that with if he later completed his education in America, and returned as an advisor to his brother the Dalai Lama, with the British's foreign influence removed from Tibet, he would feel China's "back door" would be secure enough for him to consider the Tibetan people's sovereign wishes, although such a promise was "easier for Chiang to make than to deliver".

VIEWS ON TIBET AND THE DALAI LAMA

However, his later statements and viewpoints after the Chinese Civil War and during the Cold War seem to be somewhat conflicting. After the Dalai Lama fled to India in 1959 amidst violence in Tibet, Chiang vowed to "assist the Tibetan people to realize their own aspirations with the principle of self-determination as soon as the puppet Communist regime on the mainland is overthrown and the people of Tibet are once again free to express their will." However, he and other Taiwanese officials at times also expressed opposition to the concept of Tibetan independence being discussed by American officials.

ROC Foreign Minister Huang Shao-ku told Everett F. Drumright, the U.S. Ambassador in Taiwan, that the ROC would support an autonomous government by the Dalai Lama (as then proposed by Nehru), but if he were to proclaim a separate independent government, then Taiwan could only offer him covert moral support. In essence, the ROC after the 1959 uprising opposed both the PRC's repression in Tibet and an immediate declaration of Tibetan independence; however, they would not necessarily be averse to discussing the possibility of eventual "self-determination" for Tibet, under the right circumstances, were the ROC to successfully reclaim the mainland.

Although the PRC rejects all official contact with the Central Tibetan Administration, the Dalai Lama, along with representatives from his government who are still based in India to this day, has since visited Taiwan several times, under both KMT and DPP administrations, first in 1997, then in 2001, and the last time in 2009 under KMT President Ma Ying-Jeou. According to Taiwan Foreign Ministry spokeswoman Joanne Ou under Tsai's administration, “We will, in accordance with the principle of mutual respect and at a time of convenience for both sides, welcome the Dalai Lama to come to Taiwan again to propagate Buddhist teachings." The Dalai Lama, in turn, has allegedly received an invitation to visit, and intends to do so in 2021.

DEVELOPMENT OF BILATERAL RELATIONS

Even as India's relations with the PRC have developed substantially, India has sought to gradually develop better commercial, cultural, and scientific cooperation with Taiwan, albeit while ruling out the possibility of establishing formal diplomatic relations. Taiwan has also viewed India's rising geopolitical standing as a crucial counterbalance to the PRC's dominance in the region. As part of its "Look East" foreign policy, India has cultivated extensive ties with Taiwan in trade and investment, alongside developing cooperation in science and technology, environmental issues, and people-to-people exchanges. Both sides have aimed to develop these ties, partly to counteract Chinese rivalry with both nations.

The institutional framework for these interactions was established in 1995 when the India-Taipei Association (ITA) was set up in Taipei to promote non-governmental interactions, facilitate business, tourism, scientific, cultural, and people-to-people exchanges, and provide consular and passport services. The Taipei Economic and Cultural Centre (TECC) in New Delhi serves as the ITA's counterpart organization in India. To expand this footprint, a Taipei Economic and Cultural Centre in Chennai was established in 2012, representing Taiwan government's interests in the southern states of India, as well as Sri Lanka and the Maldives.

Economic and structural frameworks have steadily matured over the years. In 2002, the two sides began discussing Double Taxation Avoidance agreements, and signed a Bilateral Investment Agreement (BIA) that came into effect in 2005. An updated BIA was signed in December 2018, alongside an AEO Mutual Recognition Agreement, a customs mutual assistance agreement, and an ATA Carnet. Political and humanitarian interactions have also grown; in 2007, Ma Ying-jeou, the leader of the Kuomintang, made an unofficial visit to India. Later, effective 15 August 2015, ROC passport holders were granted India's e-Tourist Visa facility. Relations saw notable growth under the Narendra Modi-led government, highlighted in April 2021 when Taiwan sent 150 custom-modified oxygen machines to India to help with a pandemic shortage.

COMMERCIAL TIES

Both governments have launched efforts to significantly expand bilateral trade and investment, especially in the fields of information technology (IT), energy, telecommunications and electronics. India's trade with Taiwan in the calendar year 2008 registered a total of US$5.34 billion, an increase of 9.5% as compared to 2007. In 2007, bilateral trade between the two sides had risen 80% to reach US$4.8 billion. In 2008, Indian exports to Taiwan declined year-on-year at a rate of -7.8%, to touch US$2.33 billion as compared to US$2.53 billion in 2007.

Taiwanese exports to India in 2008 grew at a rate of 28.41% to reach US$3 billion. In 2008, India recorded a trade deficit of US$669 million with Taiwan, as against a trade surplus of US$159 million in year 2007 Major Indian exports to Taiwan include waste oil, naptha, cereals, cotton, organic chemicals, copper, aluminum and food residues.

In 2019, India - Taiwan trade volume was US$7 billion, growing at a rate of 20% YoY.

Major Taiwanese exports to India include integrated circuits, machinery and other electronic products. India is also keen to attract Taiwanese investment particularly in hi-tech and labour-intensive industries. More than 80 Taiwanese companies and entities currently have a presence in India.

Some of the companies include Hon Hai Precision Industry Co (FoxConn), Sanyang Corporation, Gigabyte Technologies, Continental Engineering, CTCI, Apache and Feng Tay (shoes), Wintek Corporation, Delta Electronics, D-Link, Meita Industrials, Transcend, MediaTek, etc.

Bilateral trade has experienced significant growth in recent years.

CULTURAL EXCHANGES

While the ROC and India are two of Asia's leading democracies, both with fairly close ties to the United States and Europe, both sides continue to lack formal diplomatic relations. However, the two governments maintain unofficial ties with each other.

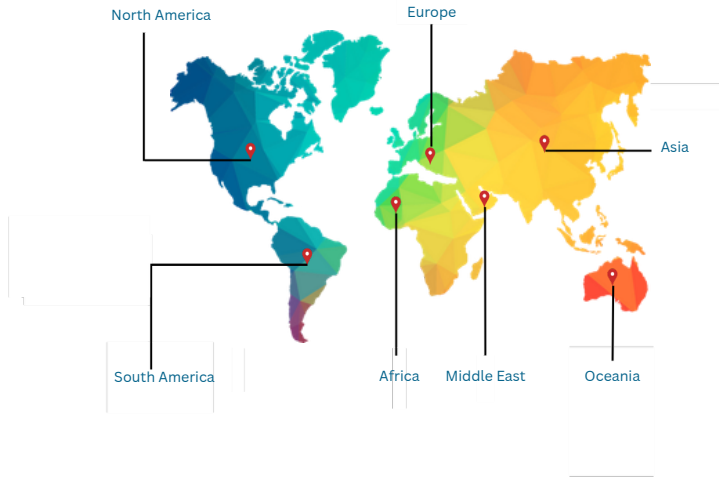
According to some sources, Buddhism is the most widely practiced religion in Taiwan, usually alongside elements of Daoism, and Bollywood films have in recent years gained a reasonably popular following, along with other aspects of Indian culture such as yoga, cuisine and Indian dance.

Cultural exchanges between the two countries have grown significantly.

TAIWAN EXPO



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