

**CROSS-STRAIT RELATIONS AFTER
ZHANG-WANG MEETING:
INSTITUTIONALIZING THE STATUS QUO**

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Executive Summary

1. A historic meeting was held in mid February 2014 in mainland China between Director of Taiwan Affairs Office Zhang Zhi-Jun (on behalf of the People's Republic of China) and Minister of Mainland Affairs Council Wang Yu-Chi (on behalf of the Republic of China, Taiwan). This is the first time that two top officials across the Strait met in their official positions.
2. The Zhang-Wang meeting has been hailed for advancing cross-strait cooperation on several operational issues, such as health insurance for Chinese students studying in Taiwan, advancement of post-ECFA agreements, Taiwan's participation in regional economic activities, and the establishment of official communication channels.
3. After the Zhang-Wang meeting, General Secretary of Chinese Communist Party Xi Jinping met the Honorary Chairman of the Kuomintang Lien Chan during Lien's visit to China in late February 2014.
4. Xi reaffirmed the grand direction and guiding principles of China's Taiwan policy under his first term. Xi is adopting a tougher position in advancing political talks, while soft measures to appeal to the sentiments of the Taiwanese public were also introduced.
5. Issues remain in future cross-strait exchanges. One is Taiwan's participation in regional economic integration.
6. The other is the kind of priority Taiwan should accord to economic activities with mainland China and other regional countries, and if a certain *modus operandi* should be prescribed for Taiwan to realize its participation in regional economic activities.
7. There is also the question of whether Taiwan's Straits Exchange Foundation (SEF) officials could pay a humanitarian visit to Taiwanese detained in mainland China.

The sensitivity lies in the political inference and perception that these SEF officials are acting like consulate when exercising visiting activities.

8. The siege of the Legislative Yuan (Taiwan's parliament) by students and protestors from 18 March to 10 April 2014 places the legislative review of the Service Trade Pact proposed by the Ma administration under further uncertainty.
9. It is still too early to say if these efforts would pave the way for a summit of China-Taiwan leaders at the APEC meeting in late 2014. These efforts show that the two sides are adopting a realistic attitude and are more willing to continue with the current rapprochement.