The Executive Yuan approved the "Draft Statute Governing the Establishment of Branches in the Taiwan Area by Mainland Area Institutions Handling Affairs Related to Contact between People across the Taiwan Strait" on April 11th of 2013 and submitted it to the Legislative Yuan for review. However, a few media sources and the opposition party have recently raised doubts about the bill. The Mainland Affairs Council (MAC) therefore makes the following clarification:

1. During the eighth round of Chiang-Chen Talks last year, the Straits Exchange Foundation (SEF) and Association for Relations Across the Taiwan Straits (ARATS) agreed to communicate views on the "reciprocal establishment of institutions" by the two organizations and to carry out respective planning, evaluation and research. With the public opinion surveys showing 70% of the public in support of establishing SEF and ARATS branches, the government has carefully and comprehensively assessed this issue and has hence designated it as a priority in the promotion of its Mainland policy. It is hoped that the institutions will respond accordingly to the overall trend of increasing cross-strait interactions and closer people’s exchanges between the two sides, and also, better serve and assist the people on both sides.

2. The reciprocal establishment of the SEF and ARATS institutions is aimed at serving the people on both sides. They will be positioned as branches of the SEF and ARATS and the establishment will be seen as an important milestone in the building of a stable and institutionalized cross-strait interaction model and the facilitation of positive cross-strait developments. Political preconditions will not be included in the establishment of the institutions, neither will political issues be discussed.

3. Some media sources and outside parties have questioned the general
authorization of contents in the bill, suspecting it to constitute a blank authorization. However, the general authorization, on one hand, is the same as that in the legislation of the Act Governing Relations between the People of the Taiwan Area and the Mainland Area, while on the other hand, has taken into consideration the fact that the two sides are currently still engaged in communication and negotiations on the issue, and that specific contents of the establishments are related to cross-strait interactions which have yet to be confirmed through negotiations by the two sides. Therefore, in order to accord to the principle of legal reservation and to ensure Taiwan more negotiation latitude, relevant measures and authorization will be submitted to the Executive Yuan for approval after confirmation through negotiations, and thus undergo congressional oversight as stipulated under the Central Regulation Standard Act and the Exercise of Legislative Powers Law.

4. Provisions in the bill on "guarantees and facilitation measures" are embedded to facilitate the execution of duties and are based on the principle of reciprocity. The specific scopes and contents of the provisions still need to be confirmed through negotiations between the two sides and thus submitted to the Executive Yuan for approval, conditional on the Mainland granting the same guarantees and facilitation treatments to the Taiwan branch. In other words, without reciprocal dignity, there will be no guarantees and facilitation measures.

5. As to affairs related to legislation of the "Draft Statute Governing the Establishment of Branches in the Taiwan Area by Mainland Area Institutions Handling Affairs Related to Contact between People across the Taiwan Strait," the government will make ample preparations and sound complementary measures in both legal and implementation aspects, as well as adhere to the principles of reciprocity and dignity during negotiations. The government will also communicate and explain the progress and consensus reached in negotiations to the Congress and society, based on the principle of openness and transparency, so as to lessen public doubts. The MAC welcomes advice from outside parties concerning the draft, but also hopes allegations
inconsistent with facts and deliberate distortions may be reduced.