Policy Brief



November 2026

From “Invisible Cooperation” to Concrete Prosperity

A Roadmap for US-Taiwan-EU Partnership in the Americas

By Leland Lazarus and Mikele Mancuso

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November 2026

About GMF

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Preface

The German Marshall Fund was founded to strengthen the partnership between North America and Europe. Today that work cannot stop at the Atlantic's edges. The questions that most shape transatlantic security and prosperity are increasingly decided in places far from Washington, Brussels, and Berlin. This report examines how Taiwan, the United States, and Europe, often without coordination, work to deliver tangible benefits to communities in Taiwan's diplomatic allies in Latin America and the Caribbean. Beijing is actively contesting that effort.

The report speaks directly to GMF's priority of strengthening transatlantic security. The Western Hemisphere is not a peripheral theater in the strategic competition with China. Diplomatic recognition, port and telecommunications access, cyber vulnerabilities, and political influence in the Americas all bear on the security of the United States and Europe, and on Taiwan's international space. Washington and European capitals have often treated Taiwan's diplomatic relationships as a bilateral matter for Taipei and Beijing. The report shows instead that they are part of a wider contest over whether democratic partners can offer a credible alternative.

The report also advances GMF's priority of economic and technological competitiveness. Its focus is practical: reliable electricity, digital connectivity, health systems, critical minerals, and cybersecurity capacity. These are the same areas where the United States and Europe are working to build trusted supply chains and secure infrastructure at home. The report's findings on pooled financing, project replication, and the EU's Global Gateway illustrate how transatlantic economic strategy can extend to third countries, and where it falls short.

Finally, the report reflects GMF's priority of adapting the transatlantic partnership to a shifting global landscape. Governments in Latin America and the Caribbean are pivotal actors who weigh offers from many partners and are not simply arenas for great-power rivalry. Engaging them requires listening, local knowledge, and visible results, rather than an exclusive focus on warnings about China. It also requires partnership grounded in transparency, accountable governance, and respect for the rules-based international system, principles that are central to GMF's mission.

GMF is well placed to bring together the actors this report addresses. Our position between American and European perspectives, and our Indo-Pacific expertise, allow us to convene policymakers, practitioners, and regional voices who rarely share a table. I hope this report invigorates the transatlantic conversation on how democratic partners can deliver together in the Americas.

I am grateful to the Taipei Economic and Cultural Representative Office in the United States for its generous support of this project. Its backing made possible the field research across Taiwan's diplomatic allies in the Americas and the discussions that informed the report's findings. I also thank Leland Lazarus and Mikele Mancuso for their rigorous work, and the many diplomats, officials, practitioners, and civil-society leaders in the region who shared their time and candid views, including the participants in GMF's September roundtable.

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November 2026

Executive Summary

Taiwan's Diplomatic Allies Prosperity Project (DAPP; 榮邦計畫) marks an important shift from traditional government-to-government assistance toward relationships built on trade, investment, technology, and shared economic growth. This report assesses DAPP's implementation in Taiwan's seven diplomatic allies in the Americas—Belize, Guatemala, Haiti, Paraguay, Saint Kitts and Nevis, Saint Lucia, and Saint Vincent and the Grenadines—and examines opportunities for closer cooperation with the United States and European allies. Its findings draw on field research conducted across every ally except Haiti, where security conditions prevented an in-country visit, and on interviews and consultations with development practitioners, civil-society leaders and officials from Taiwan, the United States, Europe, and Taiwan's diplomatic allies.

The report finds that Taiwan remains a valued and responsive development partner. Its agricultural missions, hospitals, scholarships, digital systems, technical training, and small-business programs often reach local communities more directly than comparable US or European initiatives. Taiwan has produced particularly promising assistance models, including those for Paraguay's Health Information System and Polytechnic University, Belize's women's entrepreneurship program, Guatemala's *Ruta de Chip* and Bamboo Center, and agricultural, renewable-energy, healthcare, and public-safety initiatives throughout the Caribbean. In return, these diplomatic allies continue to vigorously advocate for Taiwan's inclusion in the UN and other international forums.

Yet Taiwan's impact is not as widely known to the publics in some of the diplomatic allies (this is less of an issue in the eastern Caribbean countries). Local contacts expressed concern that citizens do not have enough awareness of Taiwan's contributions. Taipei's close relationships with incumbent governments can also blur the line between supporting a country and supporting a particular political party, especially if corruption or patronage is prevalent. Moreover, successful projects are inconsistently shared or replicated across Taiwan's diplomatic partners.

Cooperation among Taiwan, the United States, and the EU remains similarly fragmented. A form of "invisible cooperation" already exists through a natural division of labor. Taiwan generally concentrates on agriculture and technology, the United States on security and trade, and the EU on climate resilience, infrastructure, governance, and civil society programs. Taiwan and the United States cooperate most visibly through the Global Cooperation and Training Framework (GCTF),[1] particularly on cybersecurity. Direct Taiwan–EU cooperation, however, remains rare due to European political sensitivities and concerns that multilateral coordination will delay project implementation. Differing planning cycles, shifting political priorities, and occasional competition among development partners further inhibit sustained collaboration.

China is exploiting these shortcomings through a comprehensive influence strategy that includes diplomatic outreach from neighboring countries, cultivation of political and business elites, engagement with diaspora, reunification organizations, and, in some instances, alleged criminals, promises of trade and market access, expanded access to telecommunications networks and electric vehicles, and cyberattacks. Beijing's influence is most effective if citizens and political leaders believe their existing partners are not delivering visible economic

benefits. The strongest democratic response is not simply to warn governments about China but to demonstrate that partnership with Taiwan, the United States, and Europe produces tangible improvements in daily life and commercial benefits that lead to economic growth.

The report concludes with the following recommendations:

- **Make strategic communications a central pillar of DAPP.** Taiwan's embassies should commission local polling, develop country-specific messages, work with trusted journalists, influencers, business leaders, and civil-society organizations, and consider establishing dedicated public-diplomacy officer positions.
- **Develop a comprehensive, long-term cybersecurity plan.** Taiwan, the United States, and the EU should coordinate training, clearly divide responsibility among civilian and security institutions, reduce duplication, and establish sequenced, multiyear programs rather than isolated workshops.
- **Modify the GCTF to focus on technical implementation and scaling successful projects.** Representatives of Taiwan embassies and Taiwan's International Cooperation and Development Fund (TaiwanICDF) should meet regularly to exchange lessons, identify replicable initiatives, and transform the GCTF from a conference platform into a working mechanism with defined responsibilities, deliverables, and measurable outcomes. The EU should also strongly consider officially joining the GCTF.
- **Pool financing for high-quality infrastructure.** The partners should hold regular consultations to identify jointly financeable projects in energy, transportation, digital connectivity, health, critical minerals, and workforce development. Priority opportunities include Belize's electricity grid and regional transport links; Guatemala's proposed industrial railway; Haiti's CODEVI industrial region; Paraguay's health, data center, and critical-minerals sectors; and air, maritime, and digital connectivity across the eastern Caribbean.
- **Strengthen host-country coordination.** Partner governments should articulate long-term national development priorities, convene donors regularly, and maintain public dashboards tracking international projects. Better host-government coordination would reduce duplication and allow indirect cooperation if direct Taiwan–EU engagement remains politically difficult.
- **Clarify the EU's policy for cooperation with Taiwan in third countries.** The bloc should provide its overseas missions with clear guidance for coordinating with Taiwan, particularly through Global Gateway projects, host-country institutions, and multilateral development organizations.

Ultimately, successful collaboration must be measured by whether it delivers affordable electricity, reliable internet, functioning hospitals, resilient infrastructure, skilled employment, stronger local businesses, and opportunities for young people. The most credible answer to Beijing's influence is to turn today's invisible cooperation into concrete prosperity delivered by one democratic team.

Introduction

Flanked by business executives and Paraguayan government officials under a cloudless blue sky in July 2025, Taiwan Foreign Minister Lin Chia-lung toured the newly inaugurated Taiwan-Paraguay Smart Technology Park near Ciudad del Este, Paraguay's second-most populous city. The park, Lin declared, shows Taiwan moving from simply "consolidating" diplomatic allies (鞏固) to helping to make them prosper (榮邦).

Modeled after industrial parks such as Hsinchu in Taiwan, this one offers Taiwanese businesses land rental incentives like those they would receive at home. The goal is to eventually attract Taiwanese businesses from industries as diverse as semiconductors, AI, smart manufacturing and transportation, animal husbandry, cold chain logistics, and food processing.



Taiwan Foreign Minister Lin Chia-lung in Paraguay. Credit: Taiwan Ministry of Foreign Affairs

The park is part of Taiwan's Diplomatic Allies Prosperity Project (DAPP; 榮邦計畫), launched in 2024, which shifts Taiwan's foreign relations from a traditional, largely government-to-government assistance model toward partnerships centered on trade, investment, industrial cooperation, technology, and shared economic growth.

The project is particularly relevant to Taipei's seven diplomatic allies in the Americas: Belize, Guatemala, Haiti, Paraguay, Saint Kitts and Nevis, Saint Lucia, and Saint Vincent and the Grenadines. Paraguay and Guatemala are major agricultural exporters that aspire to learn from Taiwan's transformation into a global semiconductor powerhouse. The island's Caribbean allies confront severe constraints related to energy costs, climate vulnerability, digital connectivity, healthcare capacity, and access to affordable financing. Haiti faces an even more fundamental struggle for security, institutional continuity, and basic service delivery.

Two years after its launch, how much progress has DAPP made in the Americas? To what extent is Taiwan cooperating with the United States and Europe in these countries? And what is China's current playbook to try to pry these countries away from Taiwan?

This report seeks to address these three questions. Throughout much of 2026, the authors conducted field research across Taiwan's diplomatic allies in Latin America and the Caribbean, traveling to every ally except Haiti, where deteriorating security conditions made an in-country visit impractical. However, the Taiwan embassy and a Washington, DC-based Haitian diplomat provided detailed responses to the authors' research questions. Across the seven country studies, the authors consulted diplomats, government officials, development practitioners, and civil-society leaders from Taiwan, the United States, Europe, and Taiwan's diplomatic allies. Then, in September 2026, GMF hosted a closed-door roundtable for Washington, DC-based diplomats to provide additional feedback. These conversations helped the authors explore beyond official announcements and understand on-the-ground developments, how Taiwan is perceived locally, where Taiwan-US-EU cooperation exists or remains fragmented, and which ideas have a realistic prospect of implementation.

This report has four sections. The first summarizes the three partners' strategies in the Americas: Taiwan's DAPP, the US National Security Strategy, and the EU's Global Gateway. The second section explains each partner's priorities and key projects and identifies areas of existing collaboration. The authors intentionally decided to highlight key programs that best reflect the three aforementioned strategies rather than list every project each partner is doing with every diplomatic ally.[2] Then, the authors describe specific examples of China's regional influence playbook. Finally, the report offers recommendations for how Taiwan, the United States, and the EU can deepen cooperation in the region.

This report's findings confirm that Taiwan is still valued as a reliable and responsive partner, but its successes sometimes remain invisible to the average citizen in some of the diplomatic allies (this is less of a problem in the eastern Caribbean, where Taiwan's presence is evident in small island developing states). While Taipei's ambassadors and diplomats do engage the media, there remains a perceived lack of an innovative strategic communications plan that includes not just official Taiwan spokespeople and traditional media but also social media influencers, sleek videos, and personal testimonies by local beneficiaries. Taipei's embassies usually designate diplomats overseeing the public diplomacy or press officer portfolio to focus on sustained media and social media outreach but their other responsibilities limit their time to do so.

Some local contacts expressed frustration about Taiwan's close association with current ruling parties who are seen as corrupt. And while Taiwan's International Cooperation and Development Fund (TaiwanICDF) works

closely with local governments to develop projects that meet specific local needs, it struggles to share best practices and scale successful projects in its diplomatic allies.

Another problem is the lack of concrete, sustained Taiwan-US-EU coordination. There are, however, instances of "invisible cooperation"[3] in areas in which there is a natural division of labor. Taiwan tends to focus on agriculture and technology, the United States on security and trade, and the EU on climate resilience and civil society programs (although in the past there was often overlap in these areas).

Taiwan and the United States often cooperate via the GCTF, especially on cybersecurity. But there is little Taiwan-EU collaboration due to political sensitivities in Brussels. Taiwan also perceives working with the bloc's 27 member states to be messy, adding months or even years to project planning and implementation. The EU has occasionally funded projects on Taiwan-constructed facilities in the Caribbean and, despite not being a full member of the GCTF, has participated in its workshops. But such instances are few and far between.

Other challenges include each partner's shifting priorities (e.g., the Trump administration's focus on security and migration; the EU's continued support for climate, renewable energy, and civil society) and competition (e.g., EU representatives were disappointed by a perceived US attempt to monopolize Paraguay's nascent critical minerals sector).

This report identifies areas in which cooperation is most promising, especially cybersecurity training and high-quality infrastructure development. Recipient countries themselves can help channel development-partner coordination if they articulate clear strategic visions and have a consistent mechanism to track projects supported by international partners.

Taiwan's diplomatic relationships will be strongest when partner countries can clearly demonstrate that those ties improve the lives of their citizens. The same is true for US and European engagement in the hemisphere. Shared democratic values remain important, but values become more durable when they are reinforced by affordable electricity, reliable internet, functioning hospitals, skilled jobs, resilient infrastructure, and opportunities for local businesses and the young generation. This report offers a practical roadmap to provide that.

Section I: The Three Strategies

Taiwan: DAPP

Taiwan's Ministry of Foreign Affairs launched the DAPP in 2024. It moved the island's relationships beyond a traditional, largely government-to-government foreign aid model toward partnerships centered on trade, investment, industrial cooperation, technology, and shared economic growth. DAPP is anchored to four overarching values—digital development, health, green growth, and resilience—and eight flagship initiatives:

- semiconductor supply-chain resilience
- trusted networks and digital governance
- new energy and carbon-market cooperation
- overseas smart industrial parks
- smart medicine and healthcare
- smart agriculture
- sovereign artificial intelligence
- sustainable tourism

Another crucial component of the DAPP is the Diplomatic Allies Prosperity Economic and Trade Office. This agency elevates the preexisting Central American Trade Office by boosting commercial diplomacy with all of Taipei's 12 diplomatic partners, addressing a constant frustration among them about the lack of Taiwanese private-sector investment and market access for certain agricultural products.

United States: National Security Strategy

Unlike many of its previous iterations, the 2025 US National Security Strategy places the Western Hemisphere at the forefront of global priorities. The strategy describes the "Trump Corollary to the Monroe Doctrine," reasserting American preeminence in the region and denying non-hemispheric competitors such as China the ability to "position forces or other threatening capabilities, or to own or control strategically vital assets, in our Hemisphere." The strategy also stresses the need to "enlist and expand" a network of partners to tackle crime, secure borders, strengthen commercial diplomacy, develop strategic resources with regional allies, secure critical supply chains, support nearshoring, and become the hemisphere's economic and security partner of choice.

EU: Global Gateway

Launched in 2021, the Global Gateway is Brussels' principal external investment strategy. It is designed to mobilize public and private resources for high-quality projects in digital infrastructure, climate and energy, transportation, health, education, and research. It operates through a "Team Europe" approach that brings together the bloc, its member states, the European Investment Bank, national development-finance institutions, export-credit agencies, and private companies.

The EU-Latin America and Caribbean Global Gateway Investment Agenda seeks to mobilize €45 billion by 2027 and is organized around the green energy transition, inclusive digital transformation, human development, and stronger health systems.

Section II: Country Profiles

Belize

Tucked between Mexico to the north and Guatemala to the west and south, Belize is technically a Central American country. A former British colony with English as its official language, Belize is also a Caribbean nation and CARICOM member. It established diplomatic relations with Taiwan in 1989. Taipei's current priorities in the country are:

- **women entrepreneurship.** Taiwan diplomats are proud of the successes achieved in this area. The TaiwanICDF provides intensive courses to teach women about entrepreneurship. The classes attracted more than 2,700 participants between 2021 and 2025. One is now a leader in the Belize Chamber of Commerce and Industry. The courses are so successful that Taiwan plans to continue them for another cycle and focus on helping women start businesses in the indigenous/artisanal, beauty, tourism, agriculture, and information and communications technology (ICT) sectors. The TaiwanICDF hopes to achieve a 10% rise in income for women in 180 households within 10 years.
- **agro-processing.** Belize has an annual agricultural surplus, but its farmers lack agro-processing capacity, leading to food waste and loss of economic opportunity. The TaiwanICDF trains small farmers in processing agricultural and fish products, such as drying plantains and other fruits to make chips to sell to tourists or for export. Farmers take a multi-week intensive program and can subsequently rent manufacturing equipment. Farmers also receive marketing and small business management training. Taiwan is now exploring cooperation with the Japan International Cooperation Agency and the Caribbean Agricultural Research and Development Institute to renovate an agro-processing factory and establish an agro-incubation center.
- **disaster prevention.** Belize is often at risk for flooding and fires. To mitigate potential damage, Taiwan set up early-warning sensors in flood and fire-prone regions to bolster disaster resilience. These sensors collect data on water levels or smoke detection every five minutes and trigger an alarm to evacuate if a threat threshold is reached. Assistance also includes equipment for disaster shelters around the country.
- **chronic disease awareness.** Belize suffers from high rates of noncommunicable diseases such as Type 2 diabetes and hypertension. The TaiwanICDF teaches citizens about properly managing these conditions. It offers at-home testing for those who cannot easily go to the hospital. Recently, AI-powered equipment from Taiwanese company Acer has been used to diagnose people with diabetes by checking their eyes, a process called diabetic retinopathy. Belize also annually sends four doctors and four nurses to Taiwan to learn about the latest treatment methods. It is a train-the-trainers method by which medical professionals share their knowledge with local hospitals upon returning from Taiwan. The TaiwanICDF also funds or co-organizes public health events such as marathons, group exercise classes, or health fairs to promote healthy living.

- **Mandarin language and scholarships.** The TaiwanICDF has two Mandarin teachers at University of Belize and St. Johns College. In 2026, Taiwan gave 75 Belizean students scholarships to study on the island, up from 60 students the prior year. The program reflects Taiwan's commitment to train the next generation.



Taiwan's embassy in Belize. Credit: Leland Lazarus

US Priorities and Projects in Belize

Since the beginning of the second Trump administration, US priorities in Belize have shifted mainly to security and migration. According to American diplomats, this includes helping Belize modernize customs and border systems to better track arrivals in and departures from the country. In addition, the US Millennium Challenge Corporation has launched a five-year, $125 million project on energy (Belize's energy grid is old and energy is expensive, which deters private investment) and vocational education. One goal is to augment Belize's technical and vocational education systems to fit the needs of US and other foreign investors. The project was initially planned under the Biden administration and prioritized renewable energy, but the Trump administration reoriented it toward helping Belize find the most cost-effective energy sources.

Cybersecurity is another American priority. US and Taiwan diplomats hosted in May 2026 a GCTF workshop on the topic, and Washington plans to soon expand cybersecurity training in Belize. US embassy officials expressed a desire for Taiwan to engage in more security and migration-related projects that transcend cybersecurity, but they understood the sensitivity of the issue given an unresolved border dispute between Belize and Guatemala, both diplomatic allies of Taiwan.

EU Priorities and Projects in Belize

The EU Technical Office in Belize has initiatives for country-specific, regional, and new Global Gateway funding. For the first, some long-standing projects concern health services and renewable energy. The EU helped Belizean hospitals digitize records and modernize infrastructure. The bloc also established micro-photovoltaic grids, trained professionals on operating electrical grids, and conducted a pilot intercity electric-bus route. The EU and Taiwan are now discussing the possibility of the island's providing a loan to Belize to purchase electric buses to make the route permanent.

The current EU seven-year project planning cycle ends in 2027, and the bloc is working on a slate of new projects for the next cycle. Future projects include helping the southern Mayan community develop a regional economic plan, including for agro-processing; working with the International Organization of Migration to help Belize with border management; providing training to government and civil society representatives on the Free, Prior, and Informed Consent (FPIC) procedure stipulated by the UN Declaration of the Rights of Indigenous Peoples to improve government relations with indigenous communities; and collaborating with the Belize Network of NGOs to coordinate and build capacity.

The EU is also carrying out Central America and Caribbean regional programs in Belize. The Central America effort focuses on cybersecurity training and water conservation. The Caribbean initiative includes bolstering good governance and security (coordinating anti-drug initiatives through a cooperation program among Latin American countries, Caribbean countries, and the EU on law enforcement, and leveraging the EU satellite Copernicus to monitor natural disasters), combating climate change (through Euroclima's carbon credit market), and providing trade technical assistance such as phytosanitary rules for exports to the EU.

Lastly, there are new Global Gateway projects, which include European Investment Bank funding for a reliable water supply to northern Belize and connecting the country's electrical grid with Mexico's and Guatemala's. The EU is also looking into backing major infrastructure projects such as the expansion of the port in Belize City and the construction of a train link between Belize with its neighbors.

Obstacles to Collaboration with Belize

Instances of cooperation exist among the three partners. They include the US-Taiwan cybersecurity GCTF and nascent Taiwan-EU collaboration to introduce electric buses in Belize. However, the EU is downsizing its presence in Belize and the Caribbean region. A three-person team will be a one-man band by the end of 2026, limiting Brussels' capacity to sustain future projects.

Another barrier is a lack of a coordinating body for development partners. The Belizean government technically has one co-chaired by the ministries of foreign affairs and economy, but it meets just once a year. Former US Ambassador to Belize Michelle Kwan hosted a separate Development Partner Network, a platform for representatives of government and regional and international institutions to gather quarterly to share information and explore collaboration on topics of mutual interest. But since the ambassador's departure in early

2025, the network has largely dissolved. The UN still holds informal gatherings, but local diplomats expressed doubt about its effectiveness.

Political sensitivities in the EU also hinder cooperation with Taiwan. Taipei's diplomats doubt much cooperation with the EU is possible due to challenges associated with getting unanimous member-state support for projects, and Brussels' concern of provoking Chinese retaliation for working with Taiwan. Shifting US political priorities also now preclude cooperation on issues on which the three partners previously collaborated, such as women entrepreneurship, climate change and renewable energy, and civil society. More practically, it is easier for Taiwan to plan and implement projects bilaterally with Belize than coordinating with others, which could extend the planning process.

Guatemala

Guatemala is one of Taiwan's oldest diplomatic allies. Ties date back to 1933. Guatemala is also Taiwan's largest diplomatic ally in terms of population (18.7 million). Taiwan's priorities in Guatemala are:

- **semiconductor industry development.** In 2025, Guatemala launched the "Ruta del Chip" (Chips Route), a flagship program for Guatemala to work with Taiwan to develop a semiconductor packaging and testing workforce. To date, several dozen Guatemalan engineers have received training from the TaiwanICDF and visited TSMC, the world's largest producer of advanced semiconductors, and from Taiwan's Industrial Technology Research Institute. But a lack of investment in education, infrastructure, water, and energy hampers Guatemala's short-term aspirations to play a role in the global chips supply chain.

- **the Bamboo Center**. Founded in 2001, the center has trained over 10,000 locals to grow bamboo and use it for producing furniture, floors, and even houses. Since bamboo grows quickly and can easily be molded, cultivating it also supports reforestation. The TaiwanICDF is working with Verra, an international climate organization, to establish a carbon credit market for bamboo that will allow multinational corporations to buy bamboo carbon credits from Guatemala to offset their carbon emissions elsewhere.

- **trade promotion and agriculture.** Taiwan's Latin American and Caribbean Trade Office (LACTO) helps to boost Guatemalan exports of coffee, sugar, and other products to Taiwan, encourages Taiwanese tourists to visit Guatemala, and organizes trade expos. Through a free trade agreement, several Guatemalan products are subject to preferential tariffs when entering the Taiwanese market. The TaiwanICDF has assisted Guatemalan farmers with increasing crop yields for corn, rice, and tropical fruits.

- **public health.** Taiwan has been a key partner in building or expanding several medical facilities in Guatemala. TaiwanICDF funding has supported the neonatal facility and the ongoing expansion of the adult emergency department at Guatemala City's San Juan de Dios General Hospital. The facility is expected to add 41 beds, significantly enhancing its emergency-care capacity. The TaiwanICDF also

helped train several neonatal doctors and nurses. The Chimaltenango National Hospital, built with a $22 million donation from Taiwan, has a capacity of 340 patient beds. Taipei is also helping to build Guatemala's first public cancer hospital, providing in-kind assistance for its design and construction, and will donate a linear accelerator, a key piece of equipment for cancer radiation therapy. Once operational, the hospital's radiation oncology center is expected to be able to offer radiation therapy to at least 2,500 cancer patients and chemotherapy to approximately 2,000 cancer patients annually.

Despite these successes, at least one facility supported by Taiwan is involved in a scandal. The Chimaltenango hospital has been accused of having insufficient supplies of medication and medical equipment, and of fraud and corruption related to the procurement of such equipment. A former vice minister of health has even been implicated in the alleged graft. Taiwan's embassy in Guatemala maintains that the island oversaw only the hospital's construction and was not involved in the procurement of medicine or equipment.

- **infrastructure.** Taiwan's flagship project in Guatemala is the expansion of the Carretera al Atlántico (also known as the Atlantic Highway), which connects Guatemala City to the country's Caribbean coast. Another ongoing project is the renovation of the capital's La Aurora International Airport. Taiwan is funding new lighting, CCTV cameras, passport and document inspection counters, and an emergency operations center (the United States is also supporting this project). In the past, Taiwan has helped repair bridges and roads damaged by earthquakes and drought.

- **Mandarin language and scholarships**. Two Mandarin language teachers are in key Guatemalan universities to offer classes on business Mandarin to diplomats and businesspeople. Each year, Guatemala sends about 70 young people to study in Taiwan.

Despite these successes, local contacts noted the average Guatemalan remains unaware of the positive contributions Taiwan has made. One diplomat suggested that some Guatemalans cannot differentiate between Taiwan and China, an indication that strategic communication about Taipei's positive contributions is sorely needed.



Sign summarizing a Taiwan-funded disaster management program in Guatemala. Credit: Leland Lazarus



Author Leland Lazarus (right) visits Bamboo Center in Guatemala. Credit: Leland Lazarus

US Priorities and Projects in Guatemala

American priorities in Guatemala have shifted toward security, migration, counter-narcotics measures, rule of law and anti-corruption measures, and economic development. In January 2026, Guatemala committed $110 million to improve critical road infrastructure. The US Army Corps of Engineers is assisting with a comprehensive study and preparing conceptual designs for the integration of an industrial rail system connecting Puerto Quetzal, Guatemala's largest Pacific port, with a multimodal logistics station in the municipality of Escuintla about 25 miles (40 kilometers) inland. The corps has also donated two mobile medical clinics to Guatemala worth $2 million.

Also in early 2026, the United States and Guatemala signed a reciprocal trade agreement that lowered nontariff barriers for American exports to Guatemala. And a year earlier, US Secretary of State Marco Rubio secured an agreement for Guatemala to accept 40% more deportation flights with individuals allegedly in the United States illegally. Meanwhile, the US-Guatemala High-Level Economic Dialogue tied prosperity to tax and customs modernization, investment attraction, and legislative reform. And the US Commercial Law Development Program has been working with local Guatemalan officials to help them design, evaluate, and screen infrastructure projects to generate impact and attract investment, and to develop public-private partnerships.

As in Belize, the United States and Taiwan recently conducted a cybersecurity-focused GCTF in Guatemala. The exercise came after hackers linked to China conducted cyberattacks on some government systems.

EU Priorities and Projects in Guatemala

The EU's program for Guatemala for 2021–2027 rests on three pillars: the Green Deal, sustainable and inclusive growth, and good governance and human development. The priorities are:

- **green transition and environmental protection.** A flagship example is the "Petén más sostenible" initiative, for which Team Europe is investing €51 million to connect socioeconomic development in Petén, a department in Guatemala, with environmental sustainability, including waste and water infrastructure, tourism, agro-forestry, and protection of the Maya Forest. The restoration of the Motagua River basin, with a focus on solid waste management, biodiversity, water security, and sanitation services, is another effort in this area.
- **digital connectivity.** Under the EU–LAC Digital Alliance and Global Gateway, Brussels supports digital inclusion, innovation, public-sector modernization, and connectivity. One Global Gateway project involves a memorandum of understanding with Hispasat, signed in June 2025, to expand satellite broadband internet connectivity to remote areas.
- **energy and regional electricity integration.** The EU is preparing to support Guatemala's role in regional electricity integration through a European Investment Bank loan of up to €250 million. The goal is to strengthen the Central American electricity market and signal opportunities for European investors. This

is one of the more strategic infrastructure pieces in the portfolio because it moves beyond traditional development assistance to regional integration, energy security, and investment mobilization.

- **food and nutrition security.** The EU and UNICEF have worked to address chronic malnutrition, food security, primary healthcare, drought resilience, and nutrition information systems. UNICEF says its projects have reached more than half a million people in 22 municipalities.

Haiti

Haiti continues to suffer from gang violence and instability. Approximately 1.5 million Haitians have been internally displaced. Gangs control major portions of the capital, Port-au-Prince, and transportation corridors, ports, neighborhoods, and critical infrastructure. Haiti and Taiwan established diplomatic relations in 1956, making the Caribbean nation one of Taipei's oldest remaining diplomatic allies. Taiwan's approach in Haiti centers on:

- **trade promotion.** Taiwan has worked assiduously behind the scenes to advocate for the US Congress to extend the Haitian Hemispheric Opportunity through Partnership Encouragement Act and the Haiti Economic Lift Program Act, commonly known as HOPE/HELP. These two initiatives provide critical duty-free access for Haitian apparel and textile exports to the United States. According to a Haitian diplomat, Taiwan's support was critical, especially given the Trump administration's insistence on higher tariffs for most imports.
- **agricultural production and food security.** Taiwan's portfolio spans agriculture, nutrition, education, medical capacity, and women's entrepreneurship, mostly in Haiti's Artibonite Valley and in the country's southern and northeastern regions.
- **energy and infrastructure.** In 2018, Taiwan backed a power-grid modernization project with a $150 million loan. The project envisioned the construction or rehabilitation of substations, transmission lines, and related infrastructure in and around Port-au-Prince. The subsequent political collapse and deteriorating security situation in Haiti, the institutional weakness at Electricité d'Haïti, and an inability to secure project sites complicated implementation.
- **humanitarian assistance and medical capacity.** Taiwan has periodically supplied Haiti with food, medical supplies, emergency equipment, and disaster relief. Its technical cooperation portfolio includes nutrition assistance for households affected by the 2021 earthquake and medical capacity-building programs that bring health personnel from diplomatic allies to Taiwan for advanced training.
- **women's economic empowerment and small businesses.** Taiwan has extended its regional women's economic empowerment initiative to Haiti through the Kwasans project. The effort is designed to support the growth of women-owned micro, small, and medium-sized enterprises (MSMEs). It has provided business training, mentorship, and support for women entrepreneurs.

US Priorities and Projects in Haiti

The United States is Haiti's most influential external actor due to geography, migration, trade, the Haitian-American diaspora, security interests, and Washington's diplomatic weight in the UN and international financial institutions.

The second Trump administration's objective is to prevent Haiti from becoming an ungoverned criminal sanctuary that produces regional instability, mass migration, arms trafficking, and narcotics flows. Humanitarian and health programs continue, but the overall foreign-assistance environment changed significantly after a January 2025 review and subsequent reduction in US foreign aid.

The United States supported the Kenya-led Multinational Security Support mission and supplied equipment to the mission and the Haitian National Police. After the mission struggled with personnel, financing, equipment, and mandate limitations, the United States sponsored the September 2025 UN Security Council resolution establishing the Gang Suppression Force and a UN support structure. The new force received an expanded mandate, more personnel, and the authority to apprehend suspected gang members.

The United States also continues direct police assistance. Nearly 900 Haitian National Police cadets graduated in early 2026, with support from the US Bureau of International Narcotics and Law Enforcement Affairs.

The Trump administration, however, has terminated Temporary Protected Status for large numbers of Haitians, restricted entry of Haitian nationals, and emphasized deportations, voluntary departure, maritime interdiction, and deterrence.

EU Priorities and Projects in Haiti

The EU estimates that its financial contribution to Haiti for 2021–2027 will total approximately €261 million. Like Taiwan and the United States, the EU also supports the Haitian National Police, humanitarian operations, and disaster preparedness.

Another EU priority is education and workforce development. The "Education for Living Together" program supports school construction, access to education, teacher and staff capacity, curriculum reform, and the establishment of vocational-training infrastructure. The Global Gateway flagship effort is a proposed technical and vocational education training campus within the CODEVI industrial park. The public-private initiative is intended to develop workforce skills, especially among women and young people.

Paraguay

As Taiwan's sole remaining ally in South America, Paraguay occupies a unique position in the geopolitical competition related to Taiwan. The two established diplomatic relations in 1957, and their governments were strongly anti-communist during the Cold War. Paraguay's Colorado Party has traditionally viewed Taiwan as a loyal partner that provided support when Asunción was internationally isolated.

Santiago Peña, Paraguay's former president, recently ousted and jailed due to corruption charges, often described the relationship as one based on democratic principles, friendship, and mutual loyalty. In office, he resisted pressure to recognize Beijing, even as domestic political and business groups increasingly question whether relations with Taiwan sufficiently compensate Paraguay for its limited direct access to the Chinese market.

In many ways, Taiwan's projects in Paraguay are the most sophisticated among those in the region. This is perhaps due to the Asunción's clear strategic goals over the years. Taiwan's priority projects in Paraguay are:

- **engineering, data centers, and a technology park.** The Taiwan-Paraguay Polytechnic University (UPTP) has trained more than 300 civil, industrial, electrical, and ICT engineers now working in the private and public sectors. The university comprises only a few classrooms and labs inside a Paraguayan military academy, but its rector says there are plans to open a 20,000 square meter campus next year. Taiwan is contributing $30 million to the project. UPTP also plans to accept more students and expand course offerings.

  The university seeks to train a new cadre of Paraguayan engineers to build data centers. The effort supports Asunción's desire for digital sovereignty, in part through an ability to store and process data domestically. Paraguay has some of the cheapest electricity in South America due to its Itaipu hydroelectric dam, making it attractive to potential data center investors. The partners behind the initiative are trying to determine if any US interest in Paraguayan data centers exists and seek to have AI companies such as Anthropic store and process data in Paraguay. Meanwhile, as mentioned in the introduction, Taiwan established in 2025 in Ciudad del Este the Smart Technology Park, a $6 million, 40-hectare area that seeks to attract Taiwanese companies.



The Taiwan-Paraguay Polytechnic University. Credit: Leland Lazarus

- **public health.** Since 2016, The TaiwanICDF has helped Paraguay build its Health Information System (HIS), digitizing and centralizing much of the country's health-related data into a series of dashboards. HIS tracks chronic diseases, virus outbreaks, hospital bed capacity, and even the number of hours hospital doctors work. It can also detect abnormal activity in the healthcare system, such as a doctor overprescribing medications or a patient ordering high amounts of medications from various hospitals, which may indicate the illegal sale of the drugs.

- The TaiwanICDF is incorporating AI more holistically into the HIS system, building a large language model that can help doctors interpret patient conversations in Spanish, Guaraní, and Jopara (a mix of Spanish and Guaraní used by locals). According to HIS Director Tony Wu, the system's success has led Paraguay's Ministry of Technology, Information, and Communication to explore scaling the model to other government agencies. The Inter-American Development Bank is considering introducing the system into other countries in the region.

- **cybersecurity.** In 2024, Paraguay suffered one of the largest cyber intrusions in its history, attributed to China-linked threat actor Flax Typhoon. Since then, Taiwan and the United States have offered Paraguay cybersecurity training. Taiwan diplomats describe a division of labor whereby Taipei trains civilians and the United States trains members of the military. But at least one US-funded cybersecurity program is for all Paraguayan government agencies. In July 2026, the Paraguayan attorney general officially opened a criminal investigation into China-based hackers and recent cyberattacks against government agencies.

- **small business development and electric buses.** For years, Taiwan and the United States jointly funded three Small Business Development Centers (SBDC) in Paraguay. USAID, the TaiwanICDF, and Paraguay's Ministry of Industry and Commerce worked with the University of Texas-San Antonio's Center for

Global Development to implement the university's SBDC model. The Paraguayan government manages the centers, but local contacts lament that SBDC resources have shrunk since USAID's dismantlement in 2025. Relatedly, Paraguay, the United States, and Taiwan jointly hosted a GCTF workshop for representatives of small businesses, giving them practical skills for expanding while warning about Chinese overcapacity of cheap exports that undercut them. Regarding public transportation, Taipei has provided Paraguay with electric buses, and Taiwanese company Master Bus has provided a fleet of such buses in Asunción and other cities. In March 2026, Paraguay introduced all 30 electric buses into the public transportation system.

Despite Taiwan's many contributions, local researchers suggested to the authors that the average Paraguayan still lacks a good grasp of Taiwan's support in their country. There is also local frustration about the seeming lack of visible Taiwanese private-sector investment. Beef and soy exporters gripe about being unable to sell directly to China's large market. In response, Taiwan's ambassador to Paraguay, Ivan Lee, says his main priorities are to attract more Taiwan private investment, boost Paraguayan agricultural exports to Taiwan, and improve strategic communications to raise awareness about Taiwan's contributions. Taiwan Foreign Minister Lin Chia-lung recently noted efforts to import more Paraguayan soy.

Taiwan's close ties with Paraguay's Colorado Party have also caused some local Paraguayans to question why Taiwan deals with corrupt officials. Former Paraguayan President Horacio Cartes, who reportedly still has outsized influence in the country's domestic politics, was a fierce proponent of Taiwan when in power. Flagship projects such as UPTP and HIS were launched under his administration. But Cartes allegedly runs a vast, illicit black market for cigarettes and was sanctioned by the United States in 2023 for corruption. The Trump administration lifted those sanctions in 2025. One former US diplomat lamented the move, saying that the United States and Taiwan should have no business with Cartes. A former high-level Taiwan diplomat who served in Paraguay, however, insisted that Cartes was always a friend of Taipei and made his money honestly by building a media empire.

US Priorities and Projects in Paraguay

The US-Paraguay relationship is strong due to the close political alignment between the Trump administration and the Paraguayan government. Current US priorities comprise security cooperation to counter transnational criminal organizations (the two countries recently signed a Status of Forces Agreement to allow for more bilateral military cooperation), civil nuclear energy, repatriation of migrants, trade, and health-related issues.

Paraguay is not mentioned as often as its neighbors in discussions about critical minerals, but lithium deposits may be located in the northern region of Chaco and the country's south offers uranium and titanium. Gold is one of few metals in commercial production. US company Uranium Energy Corp. has spent $1 million to study the amount of commercially viable titanium and uranium, with a hope of eventually mining them, according to US Chargé d'Affaires Robert Alter. In February 2026, on the sidelines of the US-led Critical Minerals Ministerial, the United States and Paraguay signed a memorandum of understanding to boost cooperation in critical

minerals. The US Commerce Department's Commercial Law Development Program is also helping Paraguay update its mining legislation to establish a solid legal and regulatory framework for American private-sector investment and mining.

As noted above, the United States offers cybersecurity training for Paraguay. A US Department of Defense cybersecurity team conducted a comprehensive diagnostic analysis of Paraguayan government systems to ensure that hackers have been ejected from them. Washington also offers Paraguayan officials training to acquire the internationally recognized COMPTIA cybersecurity certification. Another US project through the Pan American Development Foundation (affiliated with the Organization of American States) is planning to work with UPTP to provide over 3,600 rural internet access points, train public workers on good digital hygiene, and develop a digital security awareness campaign aimed at the general public.

EU Priorities and Projects in Paraguay

Brussels' main priority in Paraguay is implementing the recently signed EU-Mercosur trade deal. But quarterly agricultural export quotas for each Mercosur country are still being finalized, as are product-origin protections and standards for traceability and fair labor practices. The EU is also aligning its foreign aid more closely to its strategic interests. But for Paraguay, as for Belize and Guatemala, political factors prevent Taiwan-EU and Taiwan-US-EU collaboration. However, the EU delegation in Asunción says it is exploring EU-US collaboration in security and counter-narcotics initiatives in Paraguay (Europe is the major destination of Paraguayan drugs). An EU diplomat expressed frustration that the United States appears to want to dominate Paraguay's nascent critical-minerals sector, suggesting that sharp elbows and competition exist even between friends.

Saint Kitts and Nevis, Saint Lucia, and Saint Vincent and the Grenadines

1. Saint Kitts and Nevis

St. Kitts and Nevis (SKN) established diplomatic relations with Taiwan soon after declaring independence in 1983. Taiwan has since become a close partner, providing scholarships for specialized training and helping SKN attain its goals regarding sustainable agriculture, the blue economy, and connectivity. Taiwan's programs in SKN are:

- **sustainable development** of the layer chicken industry. SKN is a significant producer of eggs, but it relies on layer chicken imports from Barbados or the United States. Taiwan has introduced to SKN advanced technology such as incubators that automatically flip eggs and techniques such as artificial insemination to expand layer chicken production and boost food security. The project should eventually produce 20,000 female layer chicks annually. Fully 14,000 were produced in 2025, and some were exported to neighboring islands.
- **solid waste management and recycling.** The TaiwanICDF established a recycling center equipped with two trucks that collect waste on St. Kitts and Nevis. Taiwan has also brought in a baler to compress

recyclable material so that it can be sent to companies that purchase and repurpose it into products such as bags and garments. For the effort to be self-sustainable, however, the population needs to recycle, and the collected material needs to be sold to repurposing companies. To accomplish this, the project aims to create a "culture of recycling" through recycling competitions at schools, social media promotion and media coverage, and dozens of educational outreach seminars, workshops, and other events.

- **green-energy transition demonstration.** SKN set a goal in 2021 to reduce carbon emissions by 61% and reach 100% reliance on renewable energies by 2030. With 97% of SKN's energy needs fulfilled in 2022 by diesel generators, phasing them out and replacing the grid with renewables is a tall task to complete by 2030. The TaiwanICDF supports SKN in this effort by modernizing the grid by using Internet of Things smart grid management and installing a solar-battery microgrid for the St. Kitts Electricity Company (SKELEC). The latter project will provide power system simulations for SKELEC and its Nevisian counterpart, NEVLEC. It will also provide green-energy marketing policy advisory services and workshops, and training for locals. The project plays an important role in one of SKN's long-term strategic initiatives and reflects Taiwan's status as a trusted partner, one that is integrated into SKN's vision for economic development.



Author Mikele Mancuso (second from left) visits the Layer Chicken Hatchery in St. Kitts and Nevis. Credit: Mikele Mancuso

2. Saint Lucia

Saint Lucia, a rocky and tropical island known for its two volcanic spires, the Pitons, established diplomatic relations with Taiwan in 1984. However, Saint Lucia, following a change in political control, split with Taipei in 1997 and recognized China. A decade later, after another political shift that brought the pro-Taiwan party back to power, Saint Lucia re-established relations with Taipei.
In addition to long-standing projects relating to public health capacity building, women's economic empowerment, community business revitalization, and Mandarin language teaching, Taiwan's projects include:

- **ICT for digital capacity building.** The TaiwanICDF funded the construction of three ICT centers in Saint Lucia. Operated by the government and local staff, the center offers classes in basic and advanced computer and technology skills, AI use, and 3D printing. The centers also digitize government services, offer driver's license renewals, issue birth and death certificates, register businesses, and provide vehicle-related services. However, while visiting an ICT center in the Dennery district, the authors learned that it was underutilized and hosted only a handful of workshops since opening in July 2025.
- **agricultural supply chain efficiency.** The TaiwanICDF is helping enhance the efficiency of fruit and vegetable production and distribution supply chains, with the goal of increasing production. On a demonstration farm constructed by Taiwan, local agriculture college students conduct research on integrating the Internet of Things into farming and plant grafting techniques, and testing the growing of non-indigenous fruits and vegetables such as dragon fruit, edamame, and wax apple.

  Another TaiwanICDF-funded agricultural technology is iFarm, a platform that helps connect fruit and vegetable farmers with commercial buyers, supermarkets, and local hotels. It also enables farmers to easily generate QR code product-tracing labels for their crops.

3. Saint Vincent and the Grenadines

Taiwan and Saint Vincent and the Grenadines (SVG) established diplomatic relations in 1981. Their cooperation spans agriculture, healthcare, education, and infrastructure, with Taiwan supporting projects such as the modernization of Kingstown port and the Arnos Vale Acute Care Hospital. SVG remains a strong advocate for Taiwan's participation in the UN and other international organizations.
TaiwanICDF projects in SVG include:

- **enhancing public safety with intelligent video analytics.** The TaiwanICDF is helping SVG modernize law enforcement through an AI-enabled public safety project launched in 2023. The initiative has installed more than 300 surveillance cameras, expanded the national command-and-control center, upgraded data storage and cybersecurity systems, and trained local personnel in image recognition, video analysis, equipment maintenance, and investigative techniques. Taiwan also donated an aerial work-platform truck to support safe camera maintenance. Similar projects have been completed in Saint Lucia and SKN.

- **agricultural productivity**. The TaiwanICDF-built Orange Hill Biotechnology Center uses technology and tacit knowledge from Taiwan to produce and sell plant seedlings. The massive facility is run by over 100 permanent local staff and contains facilities such as the Plant Tissue Culture Laboratory, a vegetable seedling nursery, a composting center, a banana ripening facility, a hydroponic "plant factory," and several greenhouses. The center also hosts dozens of high school students participating in the Taiwan-funded Young Farmers Training Project, which trains young people to use advanced agricultural technology and techniques. Following the 2021 volcanic eruption on Saint Vincent, the World Bank also donated greenhouses, which the Young Farmers use.

- **improving livestock rearing.** The TaiwanICDF constructed the Rabacca Livestock Station on Saint Vincent decades ago. It was being renovated during the authors' visit. One of its four buildings was being expanded, and a new, state-of-the-art artificial insemination laboratory was almost complete. The objective is to increase the supply of breeding pigs and goats to reduce imports of those animals. The project is not without obstacles. Staff speak of cases of purchased livestock being slaughtered rather than used for breeding. Staff also brought up difficulties with keeping goats well fed given the high cost of importing feed and difficulties with collecting grass and hay. Goats were visibly underfed during the authors' visit.

  The Rabacca Livestock Station does not just comprise TaiwanICDF-constructed barns. The site also contains two World Bank-constructed barns that are maintained by the TaiwanICDF and local staff. Staff noted that the barns came with a donation of pigs. World Bank officials have visited the site but reportedly purposefully avoided TaiwanICDF staff due to political sensitivities.

- **a national development bank**. Taiwan and SVG are planning to establish a national development bank and expand social and community empowerment programs. Following Prime Minister Godwin Friday's August 2026 visit to Taipei, his government announced that Taiwan could provide at least $2 million toward the bank and $1 million annually for social initiatives. Taiwan's Ministry of Foreign Affairs, however, emphasized that arrangements have yet to be finalized. If implemented, these projects would deepen the countries' 45-year diplomatic partnership and demonstrate Taiwan's ability to provide practical, locally driven development assistance.



The Orange Hill Vegetable Seedling Nursery. Credit: Mikele Mancuso

US Priorities and Projects in Saint Lucia, Saint Kitts and Nevis, and Saint Vincent and the Grenadines

Since the US embassy in Barbados oversees programming for seven eastern Caribbean countries, the American presence in the "Three Saints" is small compared to Taiwan's. Taipei has permanent embassies on each island. Still, the United States carries out regional programs such as the Lesser Antilles Medical Assistance Team (LAMAT), through which US military medical professionals provide short-term clinical care in the Caribbean. Taiwan contributes medical personnel to support LAMAT. Another American effort is the Caribbean Basin Security Initiative, a channel through which the United States helps the Three Saints with maritime drug interdiction. The United States and Taiwan hosted a GCTF workshop in Saint Lucia in 2024 on social security and crime prevention, but no further programming has occurred.

However, the United States has stepped up its diplomatic engagement in the Caribbean. Rubio visited SKN in February 2026 to attend CARICOM, Deputy Secretary of State Chris Landau visited two Caribbean countries in August 2026, and there has been a steady stream of other representatives from the State Department and the International Development Finance Corporation.

EU Priorities and Projects in Saint Lucia, Saint Kitts and Nevis, and Saint Vincent and the Grenadines

On paper, the EU has several initiatives in the Caribbean for renewable energy, health, transport, and climate. But on the ground, there is little tangible evidence of EU Global Gateway projects on any of the Three Saints. Brussels typically finances other multilateral institutions to carry out projects, such as the Greening The Islands Foundation to support SKN's energy transition strategic plan, or the European Investment Bank's $10 million loan to the Caribbean Development Bank to help Saint Lucia's healthcare system.

Some European countries have their own projects in the region. France and Ireland are funding an $800,000 project to expand resilient green affordable housing in Saint Lucia, SVG, and Grenada. The United Kingdom has contributed $43.3 million to highway and road reconstruction. And Germany provided 22 electric vehicles to Saint Lucian government agencies (some of them were, ironically, made by China-based BYD).

Section III: China's Influence Playbook

Beijing's influence is expanding across Latin America and the Caribbean, including in countries that are diplomatic allies of Taiwan, through a regional playbook that combines economic engagement with political influence, elite cultivation, information operations, and efforts to shape local perceptions. A better understanding of these activities is essential if Taiwan, the United States, and Europe are to identify their vulnerabilities, tailor assistance to local needs, strengthen democratic resilience, and offer credible alternatives that reinforce partner countries' sovereignty and long-term development.

Diplomatic Visits

China manages influence operations in Taiwan's diplomatic allies via neighboring countries that recognize Beijing. Taiwan diplomats confirmed that Chinese counterparts based in Jamaica often come to Belize, ostensibly to engage the growing Chinese diaspora there. China's ambassador to Costa Rica visits Guatemala almost monthly, ostensibly to attend Central American Parliament (Parlacen) meetings (China became an observer in 2023) and meet with local diaspora groups. The Chinese consulate in São Paulo, Brazil allegedly runs influence operations in Paraguay.

Beijing maintains a commercial office in Haiti, though a lack of security, weak commercial demand, political uncertainty, and the absence of formal diplomatic relations constrain engagement. Interestingly, in May 2025, representatives from Haiti and Saint Lucia attended a China-Community of Latin American and Caribbean States forum in Beijing, although both countries insisted this was routine.

Elite Capture

China often leverages local politicians, business leaders, academics and journalists in Taiwan's diplomatic allies to advocate on its behalf. A Belizean-American rapper turned opposition politician, Shyne Barrow, visited the Chinese embassy in Jamaica and has advocated for Belize to forge closer ties with Beijing. Senior Belizean journalist Marion Ali returned from a program funded by Renmin University's China International Press Communication Center and now writes positive articles about China. In Guatemala, Jorge Mondal Chew, a former Huawei and banking executive, was sanctioned by the United States for corruption. Other Guatemalan legislators, mayors, and journalists have visited China and returned singing its praises. They include Alfred Kaltschmitt, a columnist who used to write critically of Beijing but changed his tune during a multi-week visit there. In Paraguay, China has covered all-expenses-paid trips for opposition politicians, beef and soy exporters, academics, and journalists so that they may tour China's most advanced cities, tech companies, and healthcare facilities.

"White Glove" Representatives: The Diaspora and United Front

Belizean locals report a marked influx of Chinese migrants in recent years. They now dominate the supermarket, hardware store, and small hotel sectors. There are rumors of monopolies in the retail sector that allow Chinese businesspeople to import cheap Chinese products and receive opaque financing for their businesses, all of which undercuts local businesses.

In Guatemala, the Chinese diaspora tends to be pro-Taiwan, but Tongcuhui (统促会), a local association advocating for reunification, has a leader suspected of involvement in money laundering and human trafficking, and allegedly serves as a United Front proxy (the Chinese ambassador to Costa Rica often meets with Tongcuhui representatives on her visits to Guatemala). The United Front is the Chinese Communist Party's political strategy and network to co-opt, influence, and neutralize potential opposition inside and outside China.

In Paraguay, a prominent businesswoman, "Mama Lisa" Juying Jiang, established the Association of China-Paraguay Friendly Exchange. She and her sons have funded the presidential campaign of Ciudad del Este mayor Miguel Prieto, reflecting the extent of their local influence.

Taiwan's diplomats in Belize see two groups within the Chinese diaspora. The first is the old diaspora, which has lived in the region for generations and has minimal ties to mainland China. The second comprises newer immigrants with deeper ties. They advocate for closer political and economic relations with Beijing. The concern is that some in this latter group may serve as "white glove" representatives, advocating for closer economic ties with China. Indeed, there have been instances of this among Chinese migrants who received citizenship by investing significant sums in eastern Caribbean countries and then facilitated Chinese economic and political agendas there.

A growing Chinese diaspora offers Beijing an opportunity for more political and economic leverage. According to Taiwan diplomats, Beijing leverages the diaspora as an excuse for outreach in a country before establishing a trade office that is used for broadening ties with that country's government. The ultimate goal is the establishment of diplomatic relations.

Economic Coercion

Weaponized economics has been a tool that Beijing has wielded against countries worldwide, including Taiwan's diplomatic allies in the Americas. The clearest case occurred in 2024. Chinese authorities blocked imports of Guatemalan macadamia nuts —and reportedly threatened coffee exports—shortly after Guatemala sought expanded commercial ties with China while retaining relations with Taiwan. President Bernardo Arévalo publicly suggested that the restrictions were connected to his country's relationship with Taipei. Beijing has also exploited Paraguay's inability to export beef and soy directly to China. During the COVID-19 pandemic, intermediaries reportedly offered Chinese vaccines if Asunción abandoned Taiwan. In 2024, Chinese envoy Xu Wei explicitly told Paraguayan lawmakers that it was "either China or Taiwan" while promising expanded trade and "thousands" of economic benefits if their country switched recognition to Beijing.

Huawei as a De Facto Embassy

Telecommunications companies Huawei and ZTE already operate 3G and 4G networks in much of Latin America, and countries in the region find it prohibitively expensive to "rip and replace" the firms' technology. The Guatemalan Social Security Institute walked away from a contract with Huawei shortly after Rubio visited Guatemala City. The telecommunications company already provides 3G and 4G services throughout Guatemala and has established an academy at the country's INTECAP vocational school. Contacts suggest that the company serves as a de facto embassy, allegedly feting influential people. Moreover, Chinese companies use their local or regional subsidiaries to bid on projects.

Electric Vehicle Diplomacy

Affordable Chinese car brands are entering markets throughout Latin America, even those of Taiwan's diplomatic allies. Great Wall Motors vehicles are appearing on Belizean streets. In Guatemala and Paraguay, other Chinese car brands including BYD, GWM, Jetour, FAW, JAC, Jaecoo, and Changan, are seemingly ubiquitous, potentially burnishing China's image as a country that produces products that are *barato y bonito*—cheap and beautiful.

Chinese Criminality

There has been a rise in Chinese-linked criminal networks throughout Latin America and the Caribbean engaged in fentanyl precursors, money laundering, wildlife trafficking, and human smuggling. Chinese criminals reportedly sell contraband cigarettes in Belize's Corazal Free Trade Zone, where local authorities recently busted a Chinese human trafficking ring. Taiwan's diplomats note that some members of the Tongcuhui allegedly facilitate money laundering and human smuggling. In Paraguay, a recent Al Jazeera documentary showed that Dizi Shi, a Chinese businessman, has engaged in human smuggling, bribed local officials, and met frequently with Chinese officials in Brazil to report on his efforts to persuade local leaders to advocate on Beijing's behalf.

Section IV: Recommendations

Taiwan, the United States, and the EU each help regional partners prosper, but they do so in different ways. The trio should not replicate the good work of their counterparts, but they rarely coordinate. Collaboration should improve. Recommendations for doing so in the next 3-5 years are:

- **making strategic communication a DAPP pillar.** Each Taiwan embassy should hire local public opinion pollsters to develop a baseline knowledge of locals' view of Taiwan and China. They should then develop clear messages to convey to the public. These should be that Taiwan is a democratic, reliable partner that provides tangible economic benefits. Commercial diplomacy must be the core of public diplomacy.

  Taiwan embassies should next identify and work with local social media influencers, journalists, business leaders, civil society leaders, and diaspora communities to solicit their help in telling Taiwan's story. Such representatives can more compellingly advocate for Taiwan than its diplomats can. Taiwan should also consider creating a public-diplomacy career track within its foreign service. The United States and the EU could also amplify Taiwan's messaging in third countries through their own social media and press channels. The partners should invest more heavily in their own strategic communication to ensure that their projects get maximum visibility.

- **Taiwanese, US, and European joint development of a comprehensive cybersecurity training plan**. Taiwan and the United States already collaborate on cybersecurity training through the GCTF and in other, less public ways. But where an EU cybersecurity program exists, it is separate from American efforts. That should change.

  The claim by a Taiwan diplomat in Paraguay that there is a clear division of labor with the United States on cybersecurity training contrasts with a US embassy statement that suggests that American cybersecurity support encompassed *all* Paraguayan government ministries impacted by the Flax Typhoon cyberattack. To prevent such conflicting perspectives, Taiwan, the United States, and the EU should jointly develop a comprehensive cybersecurity training package for their partners. The cooperation could be organized in different ways:

  - Each partner funds training for a number of local government agencies or responsibility for civilians and military/security-related ministries is clearly divided.
  - Each partner decides to alternate funding for cybersecurity training for local government agencies in two- or three-year intervals. For example, Taiwan could fund training for 2027-2028, the United States for 2029-2030, and the EU for 2031-2032.
  - As the rise of cryptocurrencies for laundering money or evading sanctions is related to cybersecurity threats, trilateral cybersecurity training should encompass best practices for cryptocurrency-related investigations and tracking.

- **modifying the GCTF to focus on technical implementation and scaling of successful projects.** It is surprising that some of Taiwan's successful projects in one country were not replicated elsewhere. Paraguay's HIS and UPTP are two such examples. It appears that Taiwanese embassies and TaiwanICDF staff do not regularly share ideas and best practices. This stems from the development of Taiwan's projects with host governments, producing sui generis solutions for each country. The women's empowerment and public safety programs carried out across the Caribbean are exceptions.

  Taiwan's diplomats and TaiwanICDF representatives should meet at least quarterly to share best practices and determine which projects should be replicated. The TaiwanICDF's annual inspection of projects should identify successes that can be scaled regionally or even globally. Taiwan can also leverage the GCTF to be more than a platform for officials to gather and give speeches. GCTF should be a technical working group with quarterly deliverables, assigning tasks to stakeholders, and measuring outcomes.

  The EU should consider becoming a full GCTF member. During the COVID-19 outbreak, the European Economic and Trade Office in Taipei co-hosted a virtual GCTF workshop on supply chain restructuring and support for small and medium-sized businesses. There has already been increasing engagement between Taiwan and EU members, especially those in Central and Eastern Europe, in the past five years on issues such as establishing "non-red" supply chains to reduce dependency on China, semiconductors, cybersecurity, and drone technology. Becoming a full GCTF member would send another strong signal of increased Taiwan-Europe collaboration, allowing the EU to join the ranks of Australia, Canada, Japan, the United Kingdom, and the United States.

- **pooling resources to support critical infrastructure projects.** Taiwan, the United States, and the EU are doing meaningful work in this area, but projects tend to be relatively small and can be redundant. Exceptions include Taiwan and US support for modernizing Guatemala's La Aurora airport, or Taiwan's funding of the expansion of Guatemala's Atlantic highway. But all of Taiwan's diplomatic allies need more investment in roads, bridges, ports, critical-mineral mines, electricity grids, and other infrastructure. The three partners should meet more often, perhaps quarterly, to identify projects that they can jointly fund. They can also decide which country, agency, or private-sector company is the appropriate implementing partner. The trio should coordinate with their respective development institutions to provide political risk insurance to encourage private-sector involvement. Some potential projects follow.

  - **Belize:** Taiwan and the EU could help support the US Millennium Challenge Corporation (MCC) project to modernize the country's energy grid. While the MCC should remain the main project funder, each country could fund the work in different regions. The TaiwanICDF, the US International Development Finance Corporation, and the EU Global Gateway initiative should jointly expand the Belize City cruise terminal and the Maya train project. This would pay huge dividends in a country so dependent on tourism and agricultural exports.

  - **Guatemala:** The US Army Corps of Engineers is helping the country conduct a comprehensive study and prepare conceptual designs for integrating an industrial rail system connecting Puerto Quetzal with a multimodal logistics station in the municipality of Escuintla. Once that is complete, the three partners should meet with the Guatemalan government to identify the parts

of the project that each partner can fund. Helping Guatemala train more engineers as part of its Ruta del Chip initiative and the modernization of the La Aurora airport are other key projects.

- **Haiti**: The northeastern border region and CODEVI industrial park offer one of the best opportunities for cooperation. The EU's proposed TVET campus could become the center of technical education, energy, digital services, and light manufacturing. Taiwan and the United States could help regional development. The three partners should strategically engage the roughly 2 million-person Haitian diaspora worldwide, especially those in North America and Europe. Many diaspora leaders could serve as local advocates for Taiwan in their respective countries, and they could also help mobilize capital to support Haiti's development.
- **Paraguay:** Asunción should complete the updating of its mining laws before launching a major investment campaign. Reforms should establish clear licensing processes, environmental and community-consultation requirements, beneficial-ownership disclosure, competitive concessions, and predictable taxation. The United States and EU should support geological surveys and regulatory capacity. Competition is inevitable, but the two partners could support exploration in different regions to reduce friction. Meanwhile, Taiwan could assess opportunities in mineral processing, specialized equipment, and downstream technology. Early transparency will be essential to prevent speculative concessions, corruption, environmental damage, or opaque foreign control of strategic deposits.

  The HIS is one of Taiwan's successes in Paraguay. The two parties should document its impact and prepare a standardized model that can be adapted by other Latin American and Caribbean governments. Further development of the system should include multilingual AI tools in Spanish, Guaraní, and Jopara, subject to strong safeguards for privacy, clinical validation, cybersecurity, and human oversight. The Inter-American Development Bank, the United States, and the EU could finance regional replication. Paraguay should retain ownership, allowing it to export expertise rather than merely serving as the original recipient of Taiwanese assistance. Establishing academic exchanges at the new UPTP campus and assisting with the expansion of data centers are other future key projects.
- **The Three Saints:** Taiwan has already supported farmers to address food security and an overreliance on imports. Taiwan should continue these efforts and encourage the United States and the EU to augment existing projects. Another crucial area is fostering air, maritime, and digital connectivity in the Caribbean. Improvements here will reduce an overreliance on imports and boost intra-regional trade. The SVG public security program can be scaled, and the EU can also join the United States and Taiwan in LAMAT to support the healthcare sector.

- **local government development of more robust development partner coordination mechanisms.** Ultimately, Taiwan, US, or EU support in a country is only as good as that country's ability to coordinate its development partners to support coherent strategic objectives. Paraguay's Ministry of Economy and Finance maintains a "Map of Development Partners" that tracks the projects of its international partners, but it is unclear how often the dashboard is updated. Guatemala's G13 Grupo de Donantes in theory helps coordinate partners but in practice has been criticized for not meeting regularly.

Belize's ministries of foreign affairs and economy technically have a donor coordination arm, but it meets just once annually. Two years ago, then-US Ambassador Kwan organized a Development Partners Coordination Group to share project ideas and coordinate. This group has effectively dissolved since her departure but should be reconstituted.

Other Caribbean contacts argued that while each country has its own national development plan (most notably SKN's Sustainable Island State Agenda), none of the Three Saints meets with its development partners collectively. Rather, they send proposals to partners on an ad hoc basis, and some projects get abruptly canceled when new leaders come to power. Therefore, countries should have even more coordinated national development plans and harmonize all development projects to boost their strategic impact.

Countries should consider adopting Paraguay's model for a comprehensive dashboard showing all development partner support, clearly articulate their long-term vision, and channel each partner's strengths. A more coordinated strategy offers host countries the opportunity to identify and combine resources from development partners. This would also reduce EU political sensitivities about working with Taiwan since joint support is funneled through the host country.

- **public clarification by the EU on collaboration with Taiwan.** The bloc has been clear that, while it pursues a "One China Policy", it has also developed "solid relations and close cooperation in a wide range of areas" with Taiwan. Those areas include jointly tackling foreign information manipulation and interference and promoting human rights, trade and economic issues, connectivity, innovation, digital issues, green energy, a circular economy, labor issues, and disaster management. Indeed, some European scholars have declared a "rebirth" in Europe-Taiwan relations, especially in the semiconductor supply chain and assistance to Ukraine. The European Parliament passed a resolution in March 2026 urging the Global Gateway to be better coordinated with partners such as Taiwan. More EU-Taiwan projects already exist in Kosovo.

  However, the authors' conversations with EU diplomats gave the impression of confusion about how, or even if, work with Taiwan on projects in third countries exists. As mentioned, there are sporadic instances of invisible Taiwan-EU cooperation. In Saint Vincent, Brussels donated composting machines to the Taiwan-built Orange Hill Biotechnology Center; in Belize, discussions with the bloc about financing electric buses are underway. But a clearer policy directive from the European External Action Service specifying the limits of overseas collaboration with Taiwan in third countries may encourage more local engagement. Of course, EU members should be prepared to respond to Chinese pressure or retaliation if such a policy is declared.

Conclusion

Taiwan remains a valued, responsive, and effective democratic partner. Its agricultural missions, hospitals, scholarships, digital systems, technical training, and small-business programs often reach local communities more directly than US- or EU-supported projects do.

Yet, ironically, Taiwan's impact remains somewhat invisible in its seven diplomatic allies in the Americas. Its work is not frequently communicated to the public, successful projects are not consistently scaled, and close relationships with incumbent governments can blur the distinction between supporting a country and supporting a corrupt ruling party. Taiwan's challenge is to do more and to make its work more visible, replicable, transparent, and enduring.

The United States and the EU bring complementary strengths, but cooperation remains invisible, constrained by political sensitivities, incompatible planning cycles, shifting priorities, and a persistent preference for bilateral action. The three democratic partners need practical coordination: regular consultations, clearer divisions of labor, joint cybersecurity plans, pooled infrastructure financing, and mechanisms for scaling what works. Host governments must also take greater responsibility for articulating national priorities and coordinating their development partners.

China's influence campaign makes this work more urgent, but competition with Beijing should not become the sole reason for this. China's outreach—from elite cultivation and diaspora engagement to commercial pressure, digital infrastructure, and promises of market access—is most effective where citizens and political leaders believe their existing partners have failed to deliver.

The most credible response is not just highlighting Chinese malign influence. Taiwan, the United States, and the EU must turn invisible cooperation into concrete prosperity and do so as one democratic team.

Endnotes

[1] The Global Cooperation and Training Framework is a joint US-Taiwan platform whose purpose is to "to assist regional countries in capacity building, strengthen regional multilateral cooperation, help Taiwan establish partnerships with governments in the region, and further expand Taiwan's international space". Current members, besides Taiwan and the United States, are Australia, Canada, Japan, and the United Kingdom.

[2] For EU programs, the authors prioritized EU-funded programs rather than specific projects by EU member countries. However, some European country projects are occasionally highlighted, even those of the United Kingdom, a non-EU country.

[3] This concept of "invisible cooperation" was coined by Research Assistant Mikele Mancuso.