



Sparking Innovation to Spur Progress and Launch a New Era



The year 2011 saw great change and upheaval.

Climate change continued to intensify, provoking more and more floods, droughts, hurricanes, and other natural disasters throughout the world. For instance, four countries in the Horn of Africa experienced their worst droughts in 60 years. Likewise, hurricanes and floods pummeled the United States, Australia, and Southeast Asian nations, while a major earthquake and subsequent tsunami devastated northeastern Japan. Meanwhile, the world's political and economic foundation has been unpredictable, as witnessed from the spread of the Jasmine Revolution to other parts of North Africa and the Middle East. In addition, the economies of the United States and Japan have contracted, and the European sovereign debt crisis has festered, all exacerbating the global economic slowdown. Escalating food prices and other elements of inflation have exerted additional pressure, forming a vicious cycle that has further endangered the livelihood of hundreds of millions of people.

In this increasingly globalized world, poor and rich countries share the same fate, with the former suffering the direct effects of the lackluster economic recovery of the latter, causing the regional development gap to widen. This presents a more formidable set of challenges for those promoting international aid. Consequently, the world must strive to devise feasible measures to foster international cooperation and development, and enhance the effectiveness of relief programs. As a responsible stakeholder in the international community, Taiwan seeks to play an active role in this process so as to further enhance the economic development and social well-being of countries in need.

Implementing International Aid Models

Looking back at global trends in foreign aid over the past decade, in September 2000 the United Nations General Assembly adopted eight objectives for development via its Millennium Declaration. This has provided developed nations with a solid framework for conducting international cooperation and development affairs, and has created an important set of indicators for evaluating the outcomes and benefits of development assistance.

Furthermore, in March 2005, members of the Organisation for Economic Co-operation and Development (OECD) signed the Paris Declaration on Aid Effectiveness, advocating five aid-related operational guidelines, as well as 12 indicators for appraising aid effectiveness. In the end, these measures constructed, on behalf of both donors and partner countries, aid models and a framework for examining whether aid conforms to the countries' commitments.

Donor countries and international organizations, therefore, have been striving together to raise aid effectiveness through a wide range of aid projects and models, so that the aid operations conform to the five commitments espoused in the Paris Declaration, namely, "ownership," "alignment," "harmonization," "managing for results" and "mutual accountability." To this end, partner countries have agreed to exercise leadership over their development strategies and allocation of associated aid resources, and donors have agreed to support the partner countries' "national development

strategies, institutions and procedures." In the meantime, donors' actions have become more harmonized, transparent and collectively effective; resources have been managed and decisions made with a focus on desired results; and donors and partner countries have been held accountable for development results.

Taiwan has engaged in international development and cooperation for over 50 years. In 1996, the government established the TaiwanICDF as the nation's dedicated agency for the formulation and implementation of foreign aid initiatives so as to better integrate Taiwan's limited foreign aid resources. Over the past 15 years, the better integration of funding sources, human resources, and new technologies has enabled the organization to carry out a range of projects through four facets of implementation: lending and investment, technical cooperation, education and training, and humanitarian assistance. Subsequently, Taiwan has constructed a comprehensive framework with which to push forward its international development and cooperation work, share its experiences, and assist developing countries in raising their living standards, thereby enlarging Taiwan's diplomatic space in the world.

In order to further keep abreast of foreign aid trends, in 2009 Taiwan published its first White Paper on Foreign Aid Policy, expounding on the core of its foreign aid policy. In June 2010, the government promulgated the International Cooperation and Development Act so as to clearly define the content, objectives, and management principles of these endeavors. Over the past two years, the TaiwanICDF has been actively reforming its operations in order to echo international trends and adopt more professional, results-oriented approaches to cooperation and development.

Generating Synergy through Humanitarian Aid and Diplomatic Endeavors

Through its diplomatic work, a government aims to facilitate national development by fostering conditions abroad favorable to its country. As the TaiwanICDF Chairman, I uphold our core policy of "partnerships for progress and sustainable development" in hopes of strengthening partnerships with our allies and other friendly countries through even more effective foreign aid. In light of the growing number of natural disasters, food shortages, and global economic challenges, this stance allows us to provide humanitarian aid and services in a timely fashion. At the same time, medium- and long-term cooperation projects help improve livelihoods, reduce poverty, and raise living standards in these allies and development partners.

We also have been reaching out to other friendly developing nations through our enhanced cooperation with international organizations. In response to the severe drought in northeast Africa, for example, the TaiwanICDF cooperated with Mercy Corps on drought relief programs in Kenya and on a food security project in Libya. Moreover, we have been working with the European Bank for Reconstruction and Development to promote green energy projects in Central and Eastern Europe and in Central Asia. Elsewhere, the TaiwanICDF has assisted in the reconstruction efforts in Haiti following the earthquake of 2010, and has also signed agreements with the government of Nicaragua on a new project, Application of Geographic Information Systems to Improve Environmental Sustainability in Nicaragua. In light of this crucial juncture for global sustainable development, these projects help us fulfill our responsibilities to the world and utilize our soft power, thereby solidifying Taiwan's role in the international community.

The TaiwanICDF will continue to maintain its philosophy of professionalization, institutionalization, and transparency, while serving as Taiwan's "platform for international cooperation and development." It has helped unite the resources and strengths of Taiwan's public and private sectors and improve the effectiveness of our efforts in the hope that this organization can play a leading role in Taiwan's participation in the international community and forge partnerships throughout the world. Together, all of us can launch a mutually beneficial era through even more advanced and innovative forms of cooperation and development.

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