

# Organizational Framework

## The Joint Board of Directors and Supervisors

Secretary General

Deputy Secretary General

Assistant Secretary General

## The Consultative Committee

### Auditing Office

**Director: Clifford Li**

- Acts upon key resolutions adopted by the Board of Directors or matters entrusted to it by the Secretary General
- Conducts special inquiries into the organization's key activities and follows their progress, as well as the progress of project implementation procedures
- Investigates and analyzes the causes of problematic cases, and proposes solutions

**Joint Board of Directors and Supervisors Chairman: James C.F. Huang**  
**Secretary General: Yang Tzu-pao** (appointed by the Board, serving concurrently as Deputy Minister of Foreign Affairs)  
**Deputy Secretary General: Andrea S.Y. Lee** (appointed by the Board, serving concurrently as Assistant Director-General of the Department of Economic and Trade Affairs, Ministry of Foreign Affairs)  
**Assistant Secretary General: Lee Pai-po**

### Policy and Planning Department

• The first division • The second division

**Director: Chou Yen-shin**

- Formulates, and coordinates strategies and operations for the TaiwanICDF's international development and cooperation projects
- Plans and implements humanitarian assistance
- Communicates with international organizations and NGOs
- Maintains public relations and publicity for the TaiwanICDF
- Produces promotional materials, and printed and electronic publications
- Manages the TaiwanICDF Web site

### Banking and Finance Department

• The first division

**Director: Gong Chyi-hway**

- Provides financing and investment for economic development projects
- Overseas credit guarantee operations
- Manages the financial affairs of the TaiwanICDF
- Cooperates with international organizations

### Technical Cooperation Department

• The first division • The second division • The third division

**Director: Alex Shyy**

- Formulates planning, studies, assessment, negotiation, implementation, supervision, and evaluation for technical cooperation projects
- Plans and manages overseas technical mission projects
- Provides partner countries with industrial consultation, institutional capacity building, and specialized research
- Implements the Taiwan Overseas Volunteers program
- Manages the Taiwan Youth Overseas Service

### International Human Resource Development Department

• The first division

**Director: Chang Nan-chang**

- Conducts training projects in economics, trade, industry, technology, and agriculture
- Provides scholarship programs for international students from friendly nations
- Implements human resource training with international organizations in developing countries
- Helps overseas participants establish TaiwanICDF Alumni Societies on completion of training courses in Taiwan, in order to maintain long-term, friendly relations

### Administration and Management Department

• The first division • The second division

**Director: Chen Ai-chen**

- Conducts training and management of TaiwanICDF human resources
- Overseas personnel, administration regulations, and manuals
- Plans and monitors procurement
- Manages general and administrative matters

### Accounting Office

• The first division

**Director: Jonathan S.H. Liu**

- Compiles and is responsible for annual budgets and year-end financial statement
- Supervises the execution of the budget
- Manages monthly financial reports and accounting affairs
- Allocates and executes expenditures, disburses funds, handles bookkeeping and statistical data

### Information Technology Office

**Director: Chen Ai-chen**

- Plans and implements information system
- Manages and maintains hardware and software system
- Formulates and implements information security policy
- Conducts training for hardware and software

### Legal Affairs Office

**Director: Lee Pai-po**

- Screens, interprets, and compiles regulations
- Consults, reviews, and amends contracts
- Provides consultations on legal affairs and disputes
- Offers assistance in legal cases that are outsourced

### Overseas Staff

- Overseas Mission members
- TaiwanICDF Overseas Volunteers
- Taiwan Youth Overseas Servicemen

Annotation: This list was accurate as of December 31, 2007

## ● Joint Board of Directors and Supervisors

The statutes of the TaiwanICDF provide for a Board of Directors of 11-15 people and a Board of Supervisors of 3-5 members. The Executive Yuan appoints these board members. The Board consists of senior government ministers, heads of other government agencies, distinguished scholars, and leading industrialists. One third of the Board must come from the latter two categories. The duties of the Board include shaping policy, approving specific projects and lending operations, overseeing annual budget allocations, appointing and dismissing senior management, and attending to all other important affairs.

### Chairman

James C.F. Huang                      Minister of Foreign Affairs

### Directors

Steve R.L. Chen                      Minister of Economic Affairs  
Perng Fai-nan                      Governor, Central Bank of the Republic of China (Taiwan)  
Su Jia-chyuan                      Minister, Council of Agriculture  
Hsu Chih-hsiung                      Chairman, Mongolian and Tibetan Affairs Commission  
Tsai Duei                      Minister of Transportation and Communications  
Hou Sheng-mou                      Minister, Department of Health  
Tien Hunh-mao                      Chairman, Institute for National Policy Research  
Lo Chih-cheng                      Chairman, Political Science Department, Soochow University  
Mai Chao-cheng                      Member, Academia Sinica  
Theodore M.H. Huang                      Chairman, Chinese National Association of Industry and Commerce  
Kao Chih-shang                      Vice Chairman, I-Mei Foods, Co., Ltd.  
Michael C.S. Chang                      Chairman of the Board, First Bank  
Paiff Huang                      Lawyer, Formosa Transnational Attorneys at Law

### Supervisors

Lee Yuh-lin                      Deputy Minister, Directorate General of Budget, Accounting and Statistic, Executive Yuan  
Wu Chi-an                      Director General, Department of Personnel, Ministry of Foreign Affairs  
Yang Te-chuan                      Comptroller, Department of Accounting, Ministry of Foreign Affairs  
Steve Hsu                      Managing Director, Alert CPAs Firm  
Lin Wuu-long                      Professor of Economics

## ● Consultative Committee

Article Twelve of the Statute of the Establishment of the TaiwanICDF provides for the formation of the Consultative Committee. The Committee provides consultation and information services related to the Fund's operations. Committee members include government officials, experts, scholars, and people with specialized knowledge from various sectors. The Board approves and appoints new Consultative Committee members.

### Consultative Committee Members

Yang Wen-lung                      Auditor, Taxation Agency, Ministry of Finance  
Shiao Hsing-ming                      Vice-Chief, Youth Vocational Training Center, National Youth Commission  
Chen Wen-teh                      Director, Department of International Affairs, Council of Agriculture  
Wu Kao-i                      Director, Industry Relation Department, Great Wall Enterprise Co., Ltd

Annotation: This list was accurate as of December 31, 2007.

# 2007 Events

## 1 January

- The sixth group of Taiwan Youth Overseas Servicemen is dispatched to various Taiwan technical and medical missions abroad.
- An appraisal mission is sent to St. Kitts and Nevis, St. Vincent and the Grenadines, and Belize to assess the e-government development programs there.
- The first management and operation training seminar for TaiwanICDF Seed Scholarship students is held.
- Assistant Secretary General Lee Pai-po attends the Policymakers Seminar on ICT Education for Central America-Phase III (Presentation and Evaluation), and supervises the operations of the Technical Mission in Honduras.

## 2 February

- Assistant Secretary General Lee Pai-po and staff members visit New Zealand.
- The 41st Meeting of the Board of Directors and Supervisors is held.
- Two volunteers are dispatched to The Gambia Agricultural Research Institute, and The Gambia Telecommunications and Multimedia Institute to engage in computer instruction and maintenance.
- An appraisal mission is sent to Nicaragua to assess a potential MMM project.
- Experts are dispatched to The Gambia to appraise the feasibility of oyster cultivation.

## 3 March

- Staff members are sent to the Philippines to evaluate the Small and Medium Enterprises Re-lending Project.
- Former Secretary General Chen Cheng-chung and staff members attend the 48th Board Meeting of the IDB in Guatemala, and the 47th Board Meeting of CABEI in Honduras.
- The 42nd Meeting of the Board of Directors and Supervisors is held.
- The Workshop on Agricultural Policy Development and Management is conducted with 21 participants from 21 countries.
- An appraisal mission is dispatched to Honduras to identify and appraise the Information Technology School Project.
- In cooperation with Chi Mei Medical Center, an MMM is dispatched to Nicaragua to provide medical services to locals.
- In cooperation with China Medical University Hospital, an MMM is dispatched to St. Kitts and Nevis to provide medical services to locals.
- The first Supervisors Conference in 2007 is held.
- Staff members are sent to supervise technical mission operations in Bahrain and Saudi Arabia.
- An appraisal mission is sent to the Solomon Islands and Nauru to assess ICT assistance programs there.
- Staff members are sent to Swaziland, Malawi, and The Gambia to conduct information sessions for the promotion of the TaiwanICDF Higher Education Scholarship Programs.

## 4 April

- The chief executive officer of FFP, Angel Aloma, is invited to visit Taiwan and cosign a memorandum of understanding for a food aid program with the TaiwanICDF.
- A staff member is dispatched to India to attend the third Advisory Committee of the BTS Private Equity Fund.
- In cooperation with Mackay Memorial Hospital, an MMM is dispatched to Kiribati to provide medical services to locals.
- In cooperation with Taipei Medical University Municipal Wan Fang Hospital, an MMM is dispatched to the Marshall Islands to provide medical services to locals.
- The TaiwanICDF conducts training of overseas servicemen commissioned by the OCAC.
- The Workshop on Writing and Reporting for Press and Media Industries is held with 27 participants from 25 countries.
- A mission is sent to The Gambia to conduct a feasibility study on enhancing the food self-sufficiency rate there.
- An MMM is dispatched to the Dominican Republic to provide medical services to locals, in cooperation with Li Shin Hospital.

## 5 May

- An MMM is dispatched to Tuvalu to provide medical services to locals, in cooperation with Chung-Shan Medical University Hospital.

- An international conference composed of two forums, entitled “Poverty Reduction and International Assistance through ICT,” and “ICT Business Opportunities in Developing Nations,” is held.
- The Workshop on Women’s Development is held with 15 participants from 15 countries.
- Assistant Secretary General Lee Pai-po leads a mission to attend the 15th Board Meeting of the ROC-CAEDF in Belize.
- An MMM is dispatched to El Salvador to provide medical services to locals, in cooperation with Cheng Hsin General Hospital.
- Secretary General Chen Cheng-chung is invited by MOFA to attend the 16th Annual Meeting of the EBRD in Kazan, the Republic of Tatarstan.
- The Workshop on Small and Medium Enterprise Development Experience is conducted with 23 participants from 20 countries.
- An MMM is dispatched to Honduras to provide medical services to locals, in cooperation with Cardinal Tien Hospital.
- Deputy Secretary General Andrea S.Y. Lee attends the ADB’s 40th Annual Meeting in Kyoto, Japan.
- The TaiwanICDF launches the TICTA to integrate the ICT efforts of nearly 50 organizations from Taiwan’s public, private, and academic sectors.
- The Workshop on Bridging the Digital Divide is held with 25 participants from 25 countries.
- An appraisal mission led by Assistant Secretary General Lee Pai-po is sent to assess the technical cooperation projects in St. Lucia.

## 6 June

- An MMM is dispatched to Medan, Indonesia to provide medical services to locals, in cooperation with Kaohsiung Veterans General Hospital.
- A mission is sent to attend the 32nd Annual Meeting of the Board of Governors of the Islamic Development Bank Group in Dakar, Senegal.
- A staff member is sent to Guatemala and El Salvador to appraise the environmental protection projects with an EPA team, and to supervise the technical mission in Nicaragua.
- The Workshop on Environmental Monitoring and Natural Disaster Management is held with 27 participants from 24 countries.
- The Workshop on Food Processing is conducted with 22 participants from 18 countries.

## 7 July

- The TaiwanICDF begins cooperation with the EBRD’s FIISF on two agreements for MSE projects, which the EBRD has signed with banks in Azerbaijan: The FIISF—SBA—Bank Respublika Project and the FIISF—SBA—Bank of Baku Project.
- Two volunteers are dispatched to Paraguay to engage in trade-investment promotion and Chinese translation.
- A volunteer is sent to St. Kitts and Nevis to assist in ICT instruction.
- An expert is sent to São Tomé and Príncipe to appraise the tropical fruit tree development component of the Horticulture Extension Project.
- Experts are dispatched to El Salvador to establish an incubation center.
- Two volunteers are dispatched to Paraguay to engage in environmental protection instruction and Spanish translation.
- In cooperation with Kaohsiung Medical University’s Chung-Ho Memorial Hospital, an MMM is dispatched to the Solomon Islands to provide medical service to locals.
- The 43rd Meeting of the Board of Directors and Supervisors is held.
- Secretary General Chen Cheng-chung accompanies Vice President Anette Lu on a visit to the Dominican Republic, Paraguay, and Guatemala.
- Deputy Secretary General Andrea S.Y. Lee accompanies Minister of Foreign Affairs James C.F. Huang on a visit to allied countries in Africa.
- Assistant Secretary General Lee Pai-po leads a mission to São Tomé and Príncipe to supervise the Malaria Eradication Project and the operations of the medical mission and the technical mission.
- Experts are dispatched to Guatemala to instruct locals in furniture-designing techniques.
- An MMM is dispatched to Nauru to provide medical services to locals, in cooperation with Show Chwan Memorial Hospital.
- The 2007 Leadership Training Program for Overseas Missions’ leaders is conducted.
- A staff member is sent to Palau and Indonesia to supervise the technical mission operations.

## 8 August

- An agribusiness production and management training course is held with 28 technical mission members participating.
- Experts are dispatched to St. Lucia to plan the establishment of an abattoir.
- The first students from the Scholarship Programs for Future Overseas Personnel are sent to the Technical Mission in Indonesia to complete their on-site training.
- The Workshop on Healthcare Management is held with 22 participants from 21 countries.
- The Workshop on Human Resource and Economic Development is conducted with 25 participants from 20 countries.
- A mission is sent to St. Kitts and Nevis to conduct the Renewable Energy Technical Assistance Project, and to supervise the technical mission operations in Guatemala.
- An MMM is dispatched to Paraguay to provide medical services to locals, in cooperation with Cathay General Hospital.
- The TaiwanICDF conducts a blog competition on international development cooperation for local university students.
- The orientation for the 2007 TaiwanICDF Higher Education Scholarship Programs is conducted with 96 participants from 20 countries.
- Deputy Secretary General Andrea S.Y. Lee leads a mission to Paraguay to supervise the technical mission operations.
- The TaiwanICDF signs a “Loan Agreement Relating to the Information Technology School Project” with the government of Honduras.
- The Workshop on WTO Trade Facilitation is held with 27 participants from 26 countries.

## 9 September

- A “Saluting the Teacher: Passing on the Tradition” event is held as the closing ceremony of the 2007 TaiwanICDF Higher Education Scholarship Program Orientation.
- The opening ceremony of the 2007 International Healthcare Personnel Training Program is held.
- The second group of returned overseas servicemen, chosen to become future specialists in foreign technical cooperation, are sent to the technical missions in Nicaragua, Haiti, and Bahrain to complete their on-site training.
- A press conference is held for six Taiwanese university students, who were winners of the TaiwanICDF’s blog competition, prior to their departure for Guatemala to observe the operations of the overseas missions there, and engage in on-site learning.
- The six blog-competition winners are accompanied by a staff member to Guatemala to observe and participate in the TaiwanICDF’s international development cooperation projects there.
- In cooperation with Wan Fang Hospital, an MMM is dispatched to the Marshall Islands to provide services to locals.
- An MMM is dispatched to Belize to provide medical services to locals, in cooperation with Mennonite Christian Hospital.
- The Specialized Intermediary Development Fund, established by the IDB and the TaiwanICDF, signs an agreement “Supporting the Provision of Transnational Mortgage Loans for Ecuadorian Migrants” with Mutualista Pichincha, a local financing institution in Quito, Ecuador.
- An agribusiness production and marketing training course is held with 28 technical mission members and four future specialists in technical cooperation participating.
- Deputy Secretary General Andrea S. Y. Lee delivers a speech on “Taiwan’s Agricultural Technology Development and International Cooperation” at the 2007 Taiwan-African Progressive Partnership Forum.
- An MMM is dispatched to Kiribati to provide medical services to locals, in cooperation with Mackay Memorial Hospital.
- Assistant Secretary General Lee Pai-po leads a mission to participate in the 17th Economic Forum in Krynica, Poland and conduct the First Regional Meeting of the TaiwanICDF Alumni Societies of Central and Eastern European Countries and the CIS.
- Secretary General Chen Cheng-chung is a guest speaker on the “Medical Assistance of TaiwanICDF” at the 2nd Congress of the International Society of Reconstructive Neurosurgery and the 5th Scientific Meeting of the WFNS Neurorehabilitation Committee.

## 10 October

- Secretary General Chen Cheng-chung leads a mission to Indonesia to attend the opening ceremony of the technical mission’s agribusiness development center located in Bogor Agricultural University, and to supervise the technical mission operations there.
- Staff members are dispatched to audit the annual accounting operations of the Technical Mission and the Medical Mission in Burkina Faso.

- Assistant Secretary General Lee Pai-po leads a mission to Burkina Faso to evaluate the technical mission
- Training of the 7th Taiwan Youth Overseas Servicemen is held.
- The 2007 TaiwanICDF long-term overseas volunteers' pre-dispatch training program completion ceremony is conducted.
- A mission is dispatched to Panama, Nicaragua, and Honduras to identify a potential GIS cooperation project between Taiwan and allied countries in Central America.
- Premier Chang Chun-hsiung receives the 2007 long-term TaiwanICDF Overseas Volunteers.
- Deputy Secretary General Andrea S.Y. Lee attends the 15th Taiwan/ROC- Pacific Islands Forum in Tonga.
- The 44th Meeting of the Board of Directors and Supervisors is held.
- An MMM is dispatched to Tuvalu to provide medical services to locals, in cooperation with Chung Shan Medical University Hospital.
- Staff members are sent to supervise the operations of the technical missions in El Salvador, Guatemala, and the Dominican Republic.

## 11 November

- The Workshop on Malaria Surveillance is held for disease control personnel from São Tomé and Príncipe.
- President Chen Shui-bian receives the 7th Taiwan Youth Overseas Servicemen.
- The 7th Taiwan Youth Overseas Servicemen training program completion ceremony is held.
- Assistant Secretary General Lee Pai-po attends the OECD Global Forum on Agriculture in Rome.
- An MMM is dispatched to Nauru to provide medical services to locals, in cooperation with Show Chwan Memorial Hospital.
- An expert is dispatched to Guatemala to participate in the ICT and E-government Seminar and deliver a speech on the progress of Taiwan's ICT industry and its e-government experience.
- An expert is sent to conduct a consultation for a papaya production and marketing project in Peten, Guatemala.
- Staff members are dispatched to supervise and examine the annual accounting operations of the Medical Mission and the Technical Mission in São Tomé and Príncipe, and also to assist in the implementation of the Malaria Control Project there.
- The second group of students for the Scholarship Programs for Future Overseas Personnel is selected.
- "2007 ICT for a Better Education-The Ministerial Seminar on ICT in Education with Taiwan Experiences" is conducted.
- A press conference is held to mark the return of the six students who observed the TaiwanICDF's international development cooperation projects in Guatemala; meanwhile a book – "Discovering Guatemala: A Blogger's Adventure with the TaiwanICDF," which details their experiences, is released.

## 12 December

- A staff member is dispatched to Japan to participate in the 2nd Taiwan-Japan Joint Conference on Environment.
- An MMM is dispatched to The Gambia to provide medical services to locals, in cooperation with Far Eastern Memorial Hospital, Cheng Ching Hospital, and Kuo General Hospital.
- Staff members are dispatched to Georgia to attend the EBRD's Trade and Structured Finance Training Programme, and to Azerbaijan to visit cooperating banks there.
- The 2007 International Healthcare Personnel Training Program completion ceremony is held
- An expert is dispatched to Palau to assist with landscape designing on the Nekken Farm.
- The 2007 TICA Cup soccer competition is held in Tainan.
- Chairman James C. F. Hung visits TaiwanICDF headquarters to inspect operations.

# The TaiwanICDF 2007 Board of Directors and Supervisors Conferences

## **1. The 41<sup>st</sup> Joint Board Conference (February 15, 2007) approved the following:**

- (1) Appointment of Andrea S.Y. Lee as Deputy Secretary General of the TaiwanICDF
- (2) Sale of the TaiwanICDF's share holding in the Micro Credit National S.A. to UNIBANK in Haiti.

## **2. The 42<sup>nd</sup> Joint Board Conference (March 15, 2007) approved the following:**

- (1) A US\$5million loan for the Information Technology School Project in Honduras
- (2) The 2006 operational results and settlement of the budget
- (3) Reappointment of Mr. Shih Hsing-ming as a consultant to the TaiwanICDF
- (4) Reappointment of Mr. Yang Wen-jung as a consultant to the TaiwanICDF

## **3. The 43<sup>rd</sup> Joint Board Conference (July 19, 2007) approved the following:**

- (1) A US\$4 million loan for the Technical Vocational Education and Training Project in The Gambia, and a US\$200,000 grant for the TaiwanICDF Technical Assistance Special Fund.
- (2) Writing-off bad loans under the Smallholders' Financing Scheme in Grenada
- (3) Appointment of Mr. Chen Wen-teh as a consultant to the TaiwanICDF
- (4) Appointment of Mr. Wu Kao-yi as a consultant to the TaiwanICDF

## **4. The 44<sup>th</sup> Joint Board Conference (October 18, 2007) approved the following:**

- (1) Medium-term international cooperation strategies and core projects for 2008-2010, as well as the 2008 budget
- (2) Amendments to articles of the TaiwanICDF's internal auditing regulations
- (3) A US\$10 million loan to CABEI to carry out the Technological and Vocational Education and Training Student Loan Fund, and a US\$200,000 grant to establish the TaiwanICDF Central America Vocational Education Fund

## **5. An Extraordinary Board of Directors Meeting (December 5, 2007) approved the following:**

- (1) Resignation of Secretary General Chen Cheng-chung
- (2) Appointment of Deputy Minister of Foreign Affairs Dr. Yang Tzu-pao as TaiwanICDF Secretary General

PwCR07000422

To the International Cooperation and Development Fund (TaiwanICDF)

We have audited the balance sheets of the International Cooperation and Development Fund (TaiwanICDF) as of December 31, 2007 and 2006, and the related statements of revenue and expenses, of changes in fund balances and of cash flows for the years then ended. These financial statements are the responsibility of the TaiwanICDF's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the "Rules Governing the Examination of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the TaiwanICDF as of December 31, 2007 and 2006, and the results of its operations and its cash flows for the years then ended, in conformity with the accounting policies described in Note 2.

As described in Note 22-1 to the financial statements, certain assets were placed under the custodianship of the TaiwanICDF at the request of the owners and these assets are not reflected in the financial statements. The details of these assets are disclosed for reference purposes only.

*PricewaterhouseCoopers*

March 27, 2008

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The accompanying financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than Taiwan. The standards, procedures and practices in Taiwan governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than Taiwan. Accordingly, the accompanying non-consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in Taiwan, and their applications in practice.

## International Cooperation and Development Fund Balance Sheets

December 31, 2007 and 2006

(Expressed in NT\$)

ASSETS	NOTES	2007		2006	
		Amount	%	Amount	%
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	4	\$ 5,638,301,286	36	\$ 4,568,088,504	30
Financial assets at fair value through profit or loss	3,5	243,929,918	1	512,424,422	3
Held-to-maturity financial assets - current	6	255,464,151	2	370,460,570	2
Other receivables	7,16	149,012,959	1	391,541,483	3
Prepayments		113,175,865	1	38,722,214	—
Other current assets		8,074,302	—	579,686	—
		6,407,958,481	41	5,881,816,879	38
<b>LONG-TERM LOANS AND INVESTMENTS</b>					
Long-term loans receivables	8,21	4,173,941,902	27	4,545,266,172	30
Held-to-maturity financial assets - noncurrent	9	2,756,293,616	18	2,965,781,125	19
Financial assets carried at cost - noncurrent	10,21	1,289,564,300	8	1,031,540,218	7
		8,219,799,818	53	8,542,587,515	56
<b>FIXED ASSETS</b>					
Cost	11	24,373,026	—	23,329,637	—
Less: Accumulated depreciation		(15,314,834)	—	(13,820,175)	—
Prepayment for Equipment		—	—	708,000	—
		9,058,192	—	10,217,462	—
<b>OTHER ASSETS</b>					
Non-performing loans receivables	12	866,477,712	6	866,287,526	6
Deposits-out		1,330,522	—	15,075,154	—
Deferred expenses		317,995	—	362,796	—
		868,126,229	6	881,725,476	6
<b>TOTAL ASSETS</b>		<b>\$ 15,504,942,720</b>	<b>100</b>	<b>\$ 15,316,347,332</b>	<b>100</b>

LIABILITIES AND FUND BALANCES	NOTES	2007		2006	
		Amount	%	Amount	%
<b>CURRENT LIABILITIES</b>					
Payables	13	\$ 209,620,966	1	\$ 294,157,484	2
Advance receipts		879,512	—	332,923	—
Collections payables		11,088,293	—	436,184	—
Other current liabilities		104,794	—	610	—
		221,693,565	1	294,927,201	2
<b>OTHER LIABILITIES</b>					
Deposits-in		3,935,000	—	4,106,500	—
Reserve for contingent liabilities	21	1,620,057	—	3,054,256	—
Others		253,972	—	288,280	—
		5,809,029	—	7,449,036	—
<b>TOTAL LIABILITIES</b>		<b>227,502,594</b>	<b>1</b>	<b>302,376,237</b>	<b>2</b>
<b>FUND BALANCES</b>					
Funds	16	12,468,838,072	81	12,468,838,072	81
Accumulated earnings	17	2,808,602,054	18	2,545,133,023	17
<b>TOTAL FUND BALANCES</b>		<b>15,277,440,126</b>	<b>99</b>	<b>15,013,971,095</b>	<b>98</b>
<b>Commitments and contingencies</b>	21				
<b>TOTAL LIABILITIES AND FUND BALANCES</b>		<b>\$ 15,504,942,720</b>	<b>100</b>	<b>\$ 15,316,347,332</b>	<b>100</b>

The accompanying notes are an integral part of these financial statements.  
See report of independent accountants dated March 27, 2008.

## International Cooperation and Development Fund Statements of Revenue and Expenses

For the Years Ended December 31, 2007 and 2006

(Expressed in NT\$)

DESCRIPTION	NOTES	2007		2006	
		Amount	%	Amount	%
<b>OPERATING REVENUES</b>					
Revenues from MOFA-contracted projects		\$ 1,430,709,166	89	\$ 1,532,070,158	85
Revenues from banking and finance operations		167,918,829	11	186,033,861	10
Revenues from other contracted projects		6,445,377	—	92,034,081	5
		1,605,073,372	100	1,810,138,100	100
<b>OPERATING EXPENSES</b>					
MOFA-contracted project expenses	14	(1,430,709,166)	(89)	(1,532,070,158)	(85)
Banking and finance operations expenses		(19,125,144)	(1)	(176,366,194)	(10)
International human resources development expenses		(76,796,308)	(5)	(60,933,492)	(3)
Technical cooperation expenses		(64,702,542)	(4)	(65,110,972)	(4)
Policy and planning expenses		(36,946,114)	(2)	(42,010,249)	(2)
General and administrative expenses	20	(91,837,442)	(6)	(92,094,918)	(5)
Other contracted project expenses	14	(6,385,377)	—	(90,844,374)	(5)
		(1,726,502,093)	(107)	(2,059,430,357)	(114)
<b>NET OPERATING LOSSES</b>		(121,428,721)	(7)	(249,292,257)	(14)
<b>NON-OPERATING INCOME AND GAINS</b>					
Interest on fund investments		224,851,412	14	189,339,909	10
Dividend income		23,665,647	1	8,861,527	1
Gain on sale of investments		95,635,233	6	25,253,831	1
Foreign exchange gain		76,974,817	5	84,958,024	5
Gain on valuation of financial assets	5	—	—	42,514,859	2
Other revenues	18	33,680,285	2	27,398,118	2
		454,807,394	28	378,326,268	21
<b>NON-OPERATING EXPENSES AND LOSSES</b>					
Interest expenses		(32,104)	—	(352,213)	—
Loss on disposal of fixed assets		(213,076)	—	(312,032)	—
Loss on valuation of financial assets		(47,668,053)	(3)	—	—
Other expenses		(21,996,409)	(2)	(3,699,807)	—
		(69,909,642)	(5)	(4,364,052)	—
<b>EXCESS OF REVENUE OVER EXPENSES BEFORE CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES</b>		263,469,031	16	124,669,959	7
<b>CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES</b>	3	—	—	6,947,630	—
<b>EXCESS OF REVENUE OVER EXPENSES</b>		<b>\$ 263,469,031</b>	<b>16</b>	<b>\$ 131,617,589</b>	<b>7</b>

## International Cooperation and Development Fund Statements of Changes in Fund Balances

For the Years Ended December 31, 2007 and 2006

(Expressed in NT\$)

	FUNDS	EARNINGS	TOTAL
Balance, January 1, 2006	\$ 12,468,838,072	\$ 2,413,515,434	\$ 14,882,353,506
Excess of revenue over expenses for 2006	—	131,617,589	131,617,589
Balance, December 31, 2006	\$ 12,468,838,072	\$ 2,545,133,023	\$ 15,013,971,095
Balance, January 1, 2007	\$ 12,468,838,072	\$ 2,545,133,023	\$ 15,013,971,095
Excess of revenue over expenses for 2007	—	263,469,031	263,469,031
Balance, December 31, 2007	\$ 12,468,838,072	\$ 2,808,602,054	\$ 15,277,440,126

The accompanying notes are an integral part of these financial statements.  
See report of independent accountants dated March 27, 2008.

**International Cooperation and Development Fund**  
**Statements of Cash Flows**

For the Years Ended December 31, 2007 and 2006

(Expressed in NT\$)

DESCRIPTION	2007	2006
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 263,469,031	\$ 131,617,589
Adjustments to reconcile excess of revenue over expenses to net cash (used in) provided by operating activities:		
Depreciation expenses	2,621,053	2,202,214
Amortization expenses	276,516	286,396
Loss (gain) on valuation of financial assets	47,668,053	(49,462,489)
Reversal of allowance for bad debts	(32,761,068)	(11,393,841)
Reserve for loss on contingent liabilities	—	3,054,256
Impairment loss on financial assets carried at cost	—	6,000,000
Held-to-maturity financial assets - Interest amortization	30,839,884	45,515,587
Loss on disposal of investments - Held-to-maturity financial assets	723,594	—
Loss on disposal of fixed assets	213,076	312,032
Write-off of reserve for contingent liabilities	—	(19,308,982)
Changes in assets and liabilities:		
Receivables	107,538,109	(59,049,011)
Prepayments	(33,199,820)	32,558,490
Other current assets	(7,494,616)	(579,686)
Accrued expenses	1,707,597	(44,588,369)
Retentions on completed projects	30,000,000	(34,243,068)
Other payables	(7,866,399)	(73,874,241)
Advance receipts	546,589	(1,656,777)
Collections payables	10,652,109	(22,172,253)
Other current liabilities	104,184	(524,542)
Net Cash provided by (used in) operating activities	415,037,892	(95,306,695)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease (increase) in financial assets at fair value through profit or loss	220,826,451	(250,697,135)
Increase in long-term lending	(283,794,308)	(756,686,514)
Proceeds from long-term loans receivables	681,701,538	640,618,322
Acquisition of held-to-maturity financial assets	(675,814,103)	(155,928,787)
Proceeds from held-to-maturity financial assets	953,067,180	278,900,000
Increase in financial assets carried at cost	(260,920,000)	(348,547,500)
Proceeds from financial assets carried at cost	2,895,918	—
Acquisition of fixed assets	(1,685,859)	(2,697,820)
Proceeds from disposal of fixed assets	11,000	600
Proceeds from recovery of non-performing accounts receivable	5,579,964	158,817,809
Decrease in deposits-out	13,710,324	228,126
Increase in deferred expenses	(231,715)	(366,450)
Net cash provided by (used in) investing activities	655,346,390	(436,359,349)
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
Decrease in deposits-in	(171,500)	(441,248)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,070,212,782	(532,107,292)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	4,568,088,504	5,100,195,796
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	\$ 5,638,301,286	\$ 4,568,088,504
<b>Non-cash Investing and Financing Activities</b>		
Long-term loans reclassified to non-performing loans receivable	\$ —	\$ 123,822,216
Non-performing loans receivable reclassified to long-term loans	\$ 4,117,192	\$ 81,990,341

The accompanying notes are an integral part of these financial statements.  
See report of independent accountants dated March 27, 2008.

## International Cooperation and Development Fund Notes to Financial Statements

December 31, 2007 and 2006

(Expressed in NT\$, except as indicated)

### 1. ORGANIZATION AND HISTORY

- (1) In accordance with the statute for the Establishment of the International Cooperation and Development Fund, promulgated by the President of the Republic of China, the International Cooperation and Development Fund (TaiwanICDF) was formed and approved by the Ministry of Foreign Affairs (MOFA) on June 29, 1996. The TaiwanICDF was formed to succeed the International Economic Cooperation Development Fund (IECDF) on June 30, 1996.

The mission of the TaiwanICDF is to provide assistance to developing countries to promote economic growth, strengthening international cooperation, developing foreign relations with allies and friendly countries, and advancing social progress.

- (2) As of December 31, 2007, the TaiwanICDF had 83 employees.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the TaiwanICDF are prepared in accordance with the TaiwanICDF's accounting policies and accounting principles generally accepted in the Republic of China. The significant accounting policies are summarized below:

- (1) Accounting Basis

The financial statements are prepared on accrual basis.

- (2) Foreign Currency Transactions

The TaiwanICDF maintains its accounts in NT dollars. Transactions denominated in foreign currencies are converted into NT dollars at the spot exchange rates prevailing on the transaction dates. Deposits denominated in foreign currencies are translated at the spot exchange rates prevailing on the balance sheet date. Exchange gains or losses are recognized in profit or loss. The other assets denominated in foreign currencies are measured at the historical exchange rate at the date of the transaction.

- (3) Cash Equivalents

Cash and cash equivalents include cash on hand and in banks, and other short-term highly liquid investments, which are readily convertible to a fixed amount of cash and which are subject to insignificant risk of changes in value resulting from fluctuations in interest rates.

- (4) Allowance for Uncollectible Accounts

The provision of reserve for bad debts is made based on their risk levels in accordance with the Regulation for the TaiwanICDF Dealings with Past-Due/Non-Performing Loans and Bad Debts.

- (5) Financial assets and financial liabilities at fair value through profit or loss

A. Investments in equity instruments are accounted for using trade date accounting. Investments in debt instruments are accounted for using settlement date accounting, and are measured initially at the fair value of the debt instruments.

B. Listed stocks and Exchange traded funds are measured at their fair value, and the changes in the fair value are included in profit or loss. The fair value of the listed stocks and Exchange traded funds is their closing price at the balance sheet date.

- (6) Held-to-maturity financial assets

A. Financial assets carried at cost is recorded using settlement date accounting and is stated initially at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset

B. Financial assets carried at cost are recorded at amortized cost.

C. If there is any objective evidence that the financial asset is impaired, the impairment loss is recognized in profit or loss. If the fair value of the financial asset subsequently increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss shall be reversed to the extent of the loss previously recognized in profit or loss.

- (7) Financial assets carried at cost

Financial assets carried at cost are recorded at cost. If there is any objective evidence that the financial asset is

impaired, the impairment loss is recognized in profit or loss and is no longer recoverable.

(8) Long-term Loans Receivable

Foreign currency loans are stated at historical exchange rates.

(9) Fixed Assets

A. Fixed assets are stated at cost. Depreciation is provided under the straight-line method based on the assets' estimated economic service lives. When assets are disposed of, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is credited or charged to income.

B. Major improvements and renewals are capitalized and depreciated accordingly. Maintenance and repairs are expensed as incurred.

(10) Impairment of Non-financial Assets

The TaiwanICDF recognizes impairment loss when there is indication that the recoverable amount of an asset is less than its book value. The recoverable amount is the higher of the fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of the asset in an arm's length transaction after deducting any direct incremental disposal costs. The value in use is the present value of estimated future cash flows to be derived from continuing use of the asset and from its disposal at the end of its useful life. When the impairment no longer exists, the impairment loss recognized in prior years may be recovered.

(11) Retirement Plan

The TaiwanICDF has a non-contributory retirement plan covering all regular employees, which is defined by the Fund. The TaiwanICDF contributes monthly an amount based on seven percent of the employees' remuneration and deposits it with a financial institution. This fund balance is not reflected in the financial statements.

(12) Income Tax

Income tax is accounted in accordance with the Standard for Non-profit Organizations Exempt from Income Tax promulgated by the Executive Yuan, and ROC Statements of Financial Accounting Standards No. 22 ("Accounting for Income Taxes"). Under- or over-provision of income tax in the previous year is accounted as an adjustment of income tax expense in the current year.

(13) Reserve for Contingencies of Guarantee Loss

The TaiwanICDF issues guarantees for private enterprises to secure loans in compliance with the Regulation for the TaiwanICDF in Providing Guarantee for Credit Facilities Extended to Private Enterprises Which Invest in Countries with Formal Diplomatic Relationships promulgated by the MOFA. The reserve is accrued in accordance with the Regulation for the TaiwanICDF Dealings with Past-Due/Non-Performing Loans and Bad Debts.

(14) Revenues and Expenses

Revenues (including government donations) are recognized when the earning process is substantially completed and is realized or realizable. Costs and expenses are recognized as incurred.

(15) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses during the reporting period. Actual results could differ from those assumptions and estimates.

(16) Settlement Date Accounting

The TaiwanICDF adopted settlement date accounting for the financial assets. For financial asset or financial liability classified as at fair value through profit or loss, the change in fair value is recognized in profit or loss.

### 3. CHANGES IN ACCOUNTING PRINCIPLES

On January 1, 2006, the TaiwanICDF adopted the ROC Statements of Financial Accounting Standards No. 34 ("Accounting for Financial Instruments") and No. 36 ("Disclosure and Presentation of Financial Instruments"). The adoption of such standards had the following effects on the TaiwanICDF's excess of revenue over expenses for the year ended December 31, 2006:

	Amount
Excess of revenue over expenses before effect of changes in accounting principles	\$ 42,514,859
Cumulative effect of changes in accounting principles	6,947,630
Excess of revenue over expenses	\$ 49,462,489

#### 4. CASH AND CASH EQUIVALENTS

	December 31, 2007	December 31, 2006
Petty cash	\$ 110,000	\$ 110,000
Demand deposits	860,860,398	463,407,955
Checking deposits	105,312	1,506,623
Time deposits	4,657,210,296	3,920,146,539
Cash equivalents		
- Short-term notes	—	45,024,468
- Bonds purchased under resale agreements	120,015,280	137,892,919
<b>Total</b>	<b>\$ 5,638,301,286</b>	<b>\$ 4,568,088,504</b>

#### 5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31, 2007	December 31, 2006
Listed (TSE and OTC) stocks	\$ 242,621,783	\$ 457,888,053
Convertible corporate bonds	—	10,000,000
Exchange traded funds	4,439,819	—
<b>Total</b>	<b>247,061,602</b>	<b>467,888,053</b>
Adjustment of designated as at fair value through profit or loss	(3,131,684)	44,536,369
<b>Net</b>	<b>\$ 243,929,918</b>	<b>\$ 512,424,422</b>

#### 6. HELD-TO-MATURITY FINANCIAL ASSETS-CURRENT

	December 31, 2007	December 31, 2006
Corporate bonds (due within a year)	\$ 255,464,151	\$ 370,460,570

#### 7. OTHER RECEIVABLES

	December 31, 2007	December 31, 2006
Interest receivable	\$ 105,673,616	\$ 113,490,118
Retained money receivable on completed projects	17,595,477	98,214,269
Receivable due to sale of stocks	10,609,709	20,194,913
Other receivables	16,118,323	160,010,335
<b>Total</b>	<b>149,997,125</b>	<b>391,909,635</b>
Less: Allowance for doubtful accounts	(984,166)	(368,152)
<b>Net</b>	<b>\$ 149,012,959</b>	<b>\$ 391,541,483</b>

- (1) As of December 31, 2007 and 2006, interest receivable from the overdue loans which were reclassified from long-term loans in accordance with the Regulation for the TaiwanICDF Dealings with Past-Due/Non-Performing Loans and Bad Debts amounted to US\$9,183,767.47 and US\$8,047,410.45, respectively, and is recorded as memorandum entries.
- (2) As of December 31, 2007 and 2006, other receivables amounting to NT\$16,092,646 and NT\$85,515,628 represents the MOFA investment through the TaiwanICDF in the Skopje Development Management Co., Ltd. in the Republic of Macedonia. However, after Taiwan and the Republic of Macedonia cut diplomatic ties, the MOFA terminated the development project. Pursuant to the MOFA instructions, the TaiwanICDF transferred the funds from “long-term loan and long-term investment” to “other receivables”. As of December 31, 2007, according to (96) Department of Economic and Trade Affairs No. 09601137000, the TaiwanICDF made an agreement with the Government of the Republic of Macedonia that the total receivables NT\$85,515,628 will be offset by US\$510,000 from the Skopje Development Management Co., Ltd. Efforts have been made to find a buyer for this investment project. In addition, the relevant authority issued a letter, (93) Department of Economic and Trade Affairs No. 09301014920, to authorize the TaiwanICDF to make future payments for funds required for this project. When the project is liquidated, any deficiency in proceeds collected will be reimbursed by the relevant authority.

## 8. LONG-TERM LOANS RECEIVABLES

	December 31, 2007	December 31, 2006
Long-term loans receivables	\$ 4,315,995,702	\$ 4,709,785,740
Less: Allowance for doubtful accounts	(142,053,800)	(164,519,568)
<b>Net</b>	<b>\$ 4,173,941,902</b>	<b>\$ 4,545,266,172</b>

- (1) The TaiwanICDF provides long-term loans in accordance with the Regulations Governing the TaiwanICDF in Loans, approved by the Executive Yuan. As of December 31, 2007 and 2006, the total outstanding loans amounted to US\$134,847,422.06 and US\$147,565,508.93, respectively.
- (2) Allowances for doubtful accounts were based on the Regulation for the TaiwanICDF Dealings with Past-Due/ Non-Performing Loans and Bad Debts.
- (3) There was no significant past-due loan as of December 31, 2007 and 2006.
- (4) See Appendix 1 for the statement of changes in long-term loans for the year ended December 31, 2007.

## 9. HELD-TO-MATURITY FINANCIAL ASSETS-NON CURRENT

	December 31, 2007	December 31, 2006
Corporate bonds	\$ 2,069,507,837	\$ 2,257,534,290
Government bonds	686,785,779	708,246,835
<b>Total</b>	<b>\$ 2,756,293,616</b>	<b>\$ 2,965,781,125</b>

## 10. FINANCIAL ASSETS CARRIED AT COST

DESCRIPTION	December 31, 2007		December 31, 2006	
	Carrying Amount (NT\$)	Ownership	Carrying Amount (NT\$)	Ownership
Cost method:				
Overseas Investment & Development Corporation	\$ 130,000,000	14.44%	\$ 130,000,000	14.44%
Less: Accumulated Impairment	(6,000,000)		(6,000,000)	
	124,000,000		124,000,000	
Micro-Credit National S.A.	—	—	2,895,918	5.00%
	—		(=US\$91,368)	
BTS India Private Equity Fund Limited	24,697,500	6.55%	24,697,500	11.89%
	(=US\$ 750,000)		(=US\$750,000)	
Cost method:	148,697,500		151,593,418	
International institution investment fund:				
EBRD-Financial Intermediary Investment Special Fund (FIISF)	426,816,800		426,816,800	
	(=US\$ 12,500,000)		(=US\$ 12,500,000)	
FIISF-Small Business Account	228,100,000		129,280,000	
	(=US\$ 7,000,000)		(=US\$ 4,000,000)	
FIISF-Trade facilitation programme	161,750,000		161,750,000	
	(=US\$ 5,000,000)		(=US\$ 5,000,000)	
MIF-Specialized Financial Intermediary Development Fund	324,200,000		162,100,000	
	(=US\$10,000,000)		(=US\$ 5,000,000)	
	1,140,866,800		879,946,800	
<b>Total</b>	<b>\$ 1,289,564,300</b>		<b>\$ 1,031,540,218</b>	

- (1) The TaiwanICDF engaged the European Bank for Reconstruction and Development (EBRD) to manage the Financial Intermediary Investment Special Fund (FIISF), to jointly provide funds for investments and loan projects with private or state-owned companies in Central and Eastern Europe. Under the agreement, the contracted amount of US\$12,500,000 as of December 31, 2007 and 2006, was contributed by the TaiwanICDF in full.
- (2) The TaiwanICDF engaged the EBRD to manage the FIISF-Small Business Account and to jointly provide funds for investments and loans in small businesses. Under the agreement, the TaiwanICDF invested US\$7,000,000 and

US\$4,000,000 as of December 31, 2007 and 2006, respectively.

- (3) The TaiwanICDF engaged the EBRD to manage the FIISF-Trade Facilitation Programme to provide trade finance guarantees and loan facilities for local banks. Under the contract, the TaiwanICDF invested US\$5,000,000 as of December 31, 2007 and 2006.
- (4) The TaiwanICDF engaged the Inter-American Development Bank (IDB) Group to manage the Specialized Financial Intermediary Development Fund in accordance with its internal procedures and the procedures applicable to Multilateral Investment Fund (MIF) operations, to strengthen the equity base of micro finance institutions and improve local private companies' access to credit financing alternatives. Under the contract, the TaiwanICDF invested US\$10,000,000 and US\$5,000,000 as of December 31, 2007 and 2006, respectively.
- (5) The above listed foreign currency investments projects are stated using the historical exchange rate.
- (6) See Appendix 2 for the statement of changes in financial assets carried at cost for the year ended December 31, 2007.

## 11. FIXED ASSETS

	December 31, 2007		
	Cost	Accumulated Depreciation	Net Book Value
Mechanical equipment	\$ 19,547,024	\$ 12,456,520	\$ 7,090,504
Communication & transportation equipment	886,900	376,656	510,244
Miscellaneous equipment	3,939,102	2,481,658	1,457,444
	<b>\$ 24,373,026</b>	<b>\$ 15,314,834</b>	<b>\$ 9,058,192</b>
	December 31, 2006		
	Cost	Accumulated Depreciation	Net Book Value
Mechanical equipment	\$ 17,673,165	\$ 10,510,217	\$ 7,162,948
Communication & transportation equipment	1,863,370	974,918	888,452
Miscellaneous equipment	3,793,102	2,335,040	1,458,062
Lease improvement	708,000	—	708,000
	<b>\$ 24,037,637</b>	<b>\$ 13,820,175</b>	<b>\$ 10,217,462</b>

See Appendix 3 for the statement of changes in fixed assets for the year ended December 31, 2007.

## 12. NON-PERFORMING LOANS RECEIVABLES

	December 31, 2007		December 31, 2006	
	Loans (US\$)	Loans (NT\$)	Loans (US\$)	Loans (NT\$)
Industrial Park Development Project in Paraguay	\$ 10,503,488.32	\$ 339,519,692	\$ 10,503,488.32	\$ 339,519,692
Subic Bay Industrial Park Development Project-Phase I	21,561,678.55	601,960,282	21,561,678.55	601,960,282
Micro-Credit Project in Grenada	—	—	126,165.10	4,317,127
SME Re-lending project in Senegal	—	—	165,896.68	5,380,029
Total		941,479,974		951,177,130
Less: Allowance for doubtful accounts		(75,002,262)		(84,889,604)
<b>Net</b>		<b>\$ 866,477,712</b>		<b>\$ 866,287,526</b>

- (1) In accordance with the Regulation for the TaiwanICDF Dealings with Past-Due/Non-Performing Loans and Bad Debts, the non-performing accounts listed shall be evaluated by security provided. The allowance for bad debts of the Micro Credit Project in Grenada and SME Re-lending Project in Senegal is fully reserved. In addition, the relevant authority will fulfill its obligation to repay the non-performing account for the Industrial Park Development Project in Paraguay year by year, as stated in letter (94) Department of Economic and Trade Affairs No.0943200189. The Development Bank of the Philippines (DBP) has issued a promissory note as guarantee for the non-performing accounts. According to the resolution made by the 34th Joint Board Meeting, the allowance for bad debts was reserved with 20% of the non-performing account for the Industrial Park Development Project in Paraguay and 1% of the non-performing account for the Subic Bay Industrial Park Development Project, respectively.

(2) Loan projects under debt restructuring procedures are listed as follows:

(Unit: US\$)

Loan project	Amendment to loan term	Loan balance as of Dec. 31, 2007	Loan balance as of Dec. 31, 2006
Subic Bay Industrial Park Development Project-Phase I	Loan will be reimbursed up to 2011, interest rate was reduced to 2%. (The repayment terms on the loan have been renegotiated. Accordingly, this amount will be reclassified from "non-performing loans receivables" to "long-term loans" since restriction is effective)	\$ 21,561,678.55	\$ 21,561,678.55

(3) As Parque Industrial Oriente S.A. defaulted on the loan extended for the Industrial Park Development Project in Paraguay, the TaiwanICDF filed a legal claim against them. The court in Ciudad del Este ruled in favor of the TaiwanICDF in the preliminary hearing. Parque Industrial Oriente S.A. filed an appeal, which was rejected. Accordingly, it was proposed that the Industrial Park be auctioned off. In order to acquire the right to operate the Industrial Park, the MOFA has engaged a private Paraguay Synthetic Corporation, which is registered US\$10,000 shares capital in Panama, to participate in the auction with a maximum bid of US\$11,315,000. The MOFA has set aside a budget for the management of the Industrial Park and the implementation of the food-processing plan. The TaiwanICDF assisted Paraguay Synthetic Corporation in winning the bid and acquired the title to the land of the Industrial Park of US\$ 7,100,000.

### 13. PAYABLES

	December 31, 2007	December 31, 2006
Accrual expenses	\$ 63,930,928	\$ 62,223,331
Retained money payable on completed projects	126,134,765	133,949,919
Payable due to purchase of shares	—	14,066,399
Other payables	19,555,273	83,917,835
	<b>\$ 209,620,966</b>	<b>\$ 294,157,484</b>

See Note 16-2-C for the details of the NT\$13,407,449 and NT\$82,778,255 included in other payables of December 31, 2007 and 2006, respectively.

### 14. CONTRACTED PROJECTS EXPENSES

	2007	2006
Contracted projects expenses - MOFA		
Personnel expense	\$ 671,599,584	\$ 696,877,149
Operating expense	583,960,564	650,868,453
Travel and transportation expense	85,213,432	86,942,570
Equipment investment expense	89,935,586	97,381,986
	1,430,709,166	1,532,070,158
Others	6,385,377	90,844,374
<b>Total</b>	<b>\$ 1,437,094,543</b>	<b>\$ 1,622,914,532</b>

### 15. INCOME TAX

Activities and related expenses of the TaiwanICDF are in compliance with "Standard for Non-profit Organizations Exempt from Income Tax". Accordingly, the TaiwanICDF is exempt from income tax.

### 16. FUNDS

	December 31, 2007	December 31, 2006
Founding fund	\$ 11,614,338,576	\$ 11,614,338,576
Donated fund	854,499,496	854,499,496
<b>Total</b>	<b>\$ 12,468,838,072</b>	<b>\$ 12,468,838,072</b>

- (1) The founding fund balance (NT\$11,614,338,576) was derived from the closure of the IECDF on June 30 1996. In the official registration with the court, the total property value filed was based on the closing balance of assets of the IECDF.
- (2) The donated fund (NT\$854,499,496) of the TaiwanICDF consisted of the following items:

- A. The amount of NT\$4,423,541 from MOFA's Committee of International Technical Cooperation (CITC) was consolidated in the TaiwanICDF on July 1, 1997.
- B. The amount of NT\$600,000,000 was donated by the MOFA on January 16, 2000.
- C. The MOFA provided the amount of US\$6,000,000 (NT\$197,820,000) on April 3, 2001 for investment in the Skopje Development & Management Co., Ltd. in the Republic of Macedonia. However, the subsequent severance of diplomatic ties between Taiwan and the Republic of Macedonia led to the MOFA's termination of this development plan. Hence, the TaiwanICDF returned the remaining unused funds (US\$3,489,285.55) for this investment to the MOFA in April 2003. The used fund, amounting to US\$2,510,714.45, was declared a "long-term loan and investment" and pursuant to the MOFA instructions, the amount was reclassified from "donated fund" to "other payables" and the related "long-term loan and investment" was reclassified to "receivables-other receivables". See Note 7 for further details.
- D. The MOFA provided the amount of NT\$250,075,955 on December 31, 2001 under the Regulation for the TaiwanICDF in Providing Guarantee for Credit Facilities Extended to Private Enterprises Which Invest in Countries with Formal Diplomatic Relationships. The guarantee has been lost of NT\$ 152,665,834 of December 31, 2007.

## 17. ACCUMULATED EARNINGS

The TaiwanICDF is registered as a consortium juridical person with the aim of strengthening international cooperation and enhancing foreign relations by promoting economic development, social progress and the welfare of the people in partner nations around the world. As the TaiwanICDF is a non-profit organization, distribution of income is not permitted in accordance with its Articles of Association.

## 18. OTHER REVENUES

	2007	2006
Reversal of allowance for doubtful accounts	\$ 32,761,068	\$ 11,393,841
Income converted from delinquent debts (Nauru Parkview Hotel Building Loan Project)	—	8,758,009
Other	919,217	7,246,268
<b>Total</b>	<b>\$ 33,680,285</b>	<b>\$ 27,398,118</b>

## 19. RETIREMENT FUNDS (UNAUDITED)

- (1) The TaiwanICDF contributes monthly an amount based on seven percent of the employees' remuneration and deposits it with a financial institution. The retirement costs under non-contributory retirement plan for the years ended December 31, 2007 and 2006 were NT\$4,514,185 and NT\$4,477,243 respectively. The fund balance with financial institution was NT\$78,922,551 and NT\$74,904,129 as of December 31, 2007 and 2006, respectively.
- (2) The account for employees' retirement funds allocated by the TaiwanICDF was detailed as follows:

	2007	2006
Balance at the beginning of the year	\$ 74,904,129	\$ 16,141,447
Contributions during the year	4,514,185	59,065,129
Interest income	1,548,846	353,633
Payments during the year	(2,044,609)	(656,080)
<b>Balance at the end of the year</b>	<b>\$ 78,922,551</b>	<b>\$ 74,904,129</b>

## 20. PERSONNEL, DEPRECIATION AND AMORTIZATION EXPENSES

	2007	2006
Personnel expenses		
Salaries	\$ 91,970,554	\$ 90,316,072
Labor and health insurance	6,027,926	5,990,707
Pension	4,775,693	4,721,482
Others	2,409,797	2,512,500
	<b>\$ 105,183,970</b>	<b>\$ 103,540,761</b>
Depreciation	\$ 2,621,053	\$ 2,202,214
Amortization	\$ 276,516	\$ 286,396

## 21. COMMITMENTS AND CONTINGENCIES

- (1) Pursuant to the Regulations Governing TaiwanICDF in Loans, the TaiwanICDF had signed agreements with foreign governments amounting to US\$461,039,846.78 and US\$445,989,846.78 as of December 31, 2007 and 2006, respectively. The loans having been granted as of the said dates amounted to US\$414,590,837.63 and US\$405,931,606, and undisbursed committed balance of US\$46,449,009.15 and US\$40,058,240.78, respectively.
- (2) Pursuant to the Regulations Governing TaiwanICDF in Investment, the U.S. dollar denominated investments required under the contracts entered into by the TaiwanICDF amounted to US\$47,500,000 and US\$47,591,368, of which US\$32,250,000 and US\$27,341,368 had been invested as of December 31, 2007 and 2006, respectively. The balance of the commitment was US\$12,250,000 and US\$20,250,000 as of December 31, 2007 and 2006, respectively. Furthermore, the NT dollar denominated investments required under the contracts entered into by the TaiwanICDF amounted to NT\$130,000,000 and NT\$580,000,000 as of December 31, 2007 and 2006, respectively. The amount of investment that had been made was NT\$130,000,000 for both December 31, 2007 and 2006 with the remaining balance of NT\$0 and NT\$450,000,000, respectively.
- (3) As of December 31, 2007 and 2006, pursuant to the Regulation for the TaiwanICDF in Providing Guarantee for Credit Facilities Extended to Private Enterprises Which Invest in Countries with Formal Diplomatic Relationships, the TaiwanICDF had provided guarantees for credit facilities extended to private enterprises amounting to US\$341,672.19 and US\$623,756.43; NT\$6,788,945 and NT\$12,278,074, respectively.
- (4) The TaiwanICDF had entered into a lease agreement with the MOFA to lease state-owned real estate properties. As per the lease agreement, the lease period is from October 1, 2005 to September 30, 2010 with the rents charged on a monthly basis. The rents are calculated as follows:
  - A. Land: 3% of the most recent official land price per square meter multiplied by the rental area and divided by 12.
  - B. Building: 10% of the current taxable building value divided by 12.

## 22. PROPERTIES UNDER CUSTODIANSHIP

- (1) The government has placed certain assets under the TaiwanICDF's custodianship and management. These properties are entered into memo accounts: "Properties under Custodianship" and "Custodianship Property Payable".  
The properties under custodianship were accounted at cost. Expenditures for major procurement, renewals and improvements were debited to "Properties under Custodianship" and credited to "Custodianship Property Payable", moreover, the repair and maintenance expenditures shall count as revenues and expenditures of these projects. Upon disposal, the cost was deducted out of the book amount. As of December 31, 2007 and 2006, the book value of "Properties under Custodianship" was NT\$844,137,890 and NT\$829,011,066, respectively.
- (2) The MOFA has engaged the TaiwanICDF to manage the Central American Economic Development Fund (ROC-CAEDF). As of December 31, 2007 and 2006, details of the financial assets of the ROC-CAEDF are as follows:

	December 31, 2007		December 31, 2006	
	US\$	NT\$	US\$	NT\$
Cash in bank	\$ 1,773,592.16	\$ 57,450,066	\$ 637,444.45	\$ 20,746,972
Time deposits	171,982,344.50	5,568,788,314	148,848,015.79	4,844,258,675
Interest receivable	4,016,961.85	130,069,225	3,467,026.88	112,834,390
Prepaid expenses	244,885.38	8,138,165	276,819.97	9,201,915
<b>Total</b>	<b>\$ 178,017,783.89</b>	<b>\$ 5,764,445,770</b>	<b>\$ 153,229,307.09</b>	<b>\$ 4,987,041,952</b>

## 23. FINANCIAL STATEMENT PRESENTATION

Certain accounts of the financial statements in 2006 have been reclassified to conform to the financial statement in 2007.

## International Cooperation and Development Fund Statement of Changes in Long-term Loans

For the Year Ended December 31, 2007

Item	Beginning Balance	Increase in long-term loans	Collection of long-term loans	Reclassified from non-performing loans receivable	Reclassified to non-performing loans receivable	Ending Balance	Collection Term
Subic Bay Industrial Park Development Project -- Phase II	\$ 44,705,956	—	\$ 44,705,956	—	\$ —	\$ —	May 2002 ~ May 2007
Program for Environmental Pollution Control in Critical Areas in El Salvador	60,312,362	57,075,250	5,997,570	—	—	111,390,042	Nov 2006 ~ Nov 2021
Housing Solidarity Reconstruction Program in El Salvador	114,977,542	—	6,264,000	—	—	108,713,542	Nov 2006 ~ Nov 2026
Airport and Road Maintenance Project in St. Vincent and the Grenadines	63,202,749	—	13,848,549	—	—	49,354,200	Jun 1996 ~ Jun 2011
Rehabilitation & Upgrading of Highway No. 5 Project in Vietnam	314,791,024	—	52,458,026	—	—	262,332,998	May 1998 ~ May 2013
Small and Medium Enterprises Re-lending project in the Philippines	10,491,018	—	10,491,018	—	—	—	Jun 1998 ~ Jun 2007
Microcredit project in St. Kitts & Nevis	4,153,802	—	1,180,393	—	—	2,973,409	Nov 2004 ~ Nov 2010
Microcredit project in St. Vincent and the Grenadines	3,008,552	—	1,504,263	—	—	1,504,289	Jan 2005 ~ Jan 2009
Village Loan Project in the Solomon Islands	15,479,620	—	2,134,700	—	—	13,344,920	Feb 2002 ~ Feb 2014
Drinking Water Distribution Project in Petion-Ville-Lot I in Haiti	35,365,597	—	1,914,617	—	—	33,450,980	Mar 2007 ~ Mar 2025
The expansion of Terminal Moin Port in Costa Rica	238,518,776	—	29,929,500	—	—	208,589,276	Dec 2002 ~ Dec 2014
Guava Pulp Processing Manufacturing Plant in Costa Rica	1,662,432	—	360,665	—	—	1,301,767	Dec 2002 ~ Jan 2008
Highway Construction Loan Project in Costa Rica	1,121,877,269	—	96,175,106	—	—	1,025,702,163	Mar 1999 ~ Nov 2018
Credit Project for Small Farms in South Africa	139,221,092	—	16,986,118	—	—	122,234,974	Nov 1999 ~ Nov 2014
SME Re-lending Loan to Poland	67,704,889	—	67,704,889	—	—	—	Jul 2002 ~ Jul 2009 (Note 3)
Belize Tourism Development Project / Caracol road	84,706,754	—	4,525,674	—	—	80,181,080	Sep 2005 ~ Sep 2026
Public Housing Project in Belize	37,027,173	—	10,579,192	—	—	26,447,981	May 1997 ~ May 2010
Belize Southern Highway Rehabilitation Project	264,008,226	—	19,475,854	—	—	244,532,372	Sep 2001 ~ Sep 2017
Small Farmholders' Financing Scheme in Belize-BMB	3,597,952	—	3,400,232	—	—	197,720	May 2005 (Note 1)
Housing Solidarity Reconstruction Program in Honduras	157,702,020	—	9,328,860	—	—	148,373,160	Mar 2004 ~ Mar 2024
Quimistan Valley Irrigation Project in Honduras	285,848,880	—	20,305,724	—	—	265,543,156	Mar 2004 ~ Mar 2022
Intensive Road Maintenance and Improvement Project in Honduras	169,900,340	—	33,979,966	—	—	135,920,374	Oct 1996 ~ Oct 2011
Small Farmholders' Financing Scheme - Tilapia Raising Program in Honduras	4,027,050	—	—	—	—	4,027,050	Loan will be reimbursed with interest up to Jun 2008
Program for Modernizing the National Congress and the Office of the Comptroller General in Dominican Republic	130,456,225	—	7,024,120	—	—	123,432,105	Jun 2004 ~ Jun 2026

(continued on next page)

Item	Beginning Balance	Increase in long-term loans	Collection of long-term loans	Reclassified from non-performing loans receivable	Reclassified to non-performing loans receivable	Ending Balance	Collection Term
Cooperative Rural Saving and Credit System (CRSCS) in Indonesia	145,526,951	—	9,945,860	—	—	135,581,091	Oct. 2002 ~ Oct. 2020
Belarus Small and Medium Enterprises Re-lending project	146,477,397	—	22,610,112	—	—	123,867,285	Jul. 2002 ~ Jan. 2013
Microfinancing and Capacity Building Project in The Gambia	16,015,000	—	—	—	—	16,015,000	Aug. 2009 ~ Aug. 2024
Guatemala Rio Polochic Region Recovery Program	118,289,849	—	6,434,560	—	—	111,855,289	Jun. 2004 ~ Jun. 2024
Technical Education Project in Guatemala	108,002,000	157,062,657	6,591,777	—	—	258,472,880	Aug. 2007 ~ Aug. 2022
Rural Credit Project in Burkina Faso	79,036,966	—	4,779,416	—	—	74,257,550	Aug. 2005 ~ Aug. 2023
Small Farmer's Financing Scheme in Nicaragua Second Phase	—	1,651,000	—	—	—	1,651,000	Jun. 2007 ~ Dec. 2008
Agricultural Production Reactivation Phase II in Nicaragua	32,020,000	51,785,401	—	—	—	83,805,401	Feb. 2011 ~ Feb. 2029
Phase II Housing Solidarity Reconstruction Program in Nicaragua	154,574,024	—	8,142,320	—	—	146,431,704	Feb. 2006 ~ Feb. 2026
Phase I Housing Solidarity Reconstruction Program in Nicaragua	173,244,525	—	9,920,790	—	—	163,323,735	Dec. 2003 ~ Dec. 2023
Two International Roads Project	84,436,227	—	7,342,280	—	—	77,093,947	Jun. 2003 ~ Jun. 2018
Lower Usuthu Smallholder Irrigation Project in Swaziland	—	16,220,000	—	—	—	16,220,000	Nov. 2006 ~ Nov. 2023
Third Urban Water-Supply Project in Papua New Guinea	138,242,608	—	5,993,546	—	—	132,249,062	Aug. 2000 ~ Feb. 2019
Small Farmers' Financing Scheme-Fishing Boat Loans in Panama	3,351,075	—	—	—	—	3,351,075	Dec. 2007 (Note 2)
CABEL Infrastructure Project	35,519,548	—	35,519,548	—	—	—	Oct. 1997 ~ Oct. 2007
Micro-Credit Project in Grenada	—	—	1,844,067	4,117,192	—	2,273,125	Mar. 2005 ~ Nov. 2008
Lending project to Micro-credit National S.A. in Haiti (Phase II)	38,913,900	—	38,913,900	—	—	—	May. 2005 ~ May. 2010 (Note 3)
Micro-credit National S.A. Investment Project in Haiti	63,388,370	—	63,388,370	—	—	—	Nov. 2007 ~ Nov. 2025 (Note 3)
	4,709,785,740	\$283,794,308	\$ 681,701,538	\$ 4,117,192	—	4,315,995,702	
Less: Allowance for doubtful accounts	(164,519,568)	—	—	—	—	(142,053,800)	
	\$4,545,266,172	—	—	—	—	\$4,173,941,902	

Note 1: In accordance with the conditions and terms of the loan agreement, the authorization faculty has been informed to cease approvals of new loans, when the agreement is terminated or expires.

Simultaneously, the borrowing party initiates the collection for loan in light of expiration dates for individual loans outstanding. The collection process will persist until all the remaining loans are fully compensated.

Note 2: In accordance with the conditions and terms of the loan agreement, the authorization faculty will be informed to cease approvals of new loans, when the agreement is terminated or expires.

Simultaneously, the borrowing party initiates the collection for loan in light of expiration dates for individual loans outstanding. The collection process will persist until all the remaining loans are fully compensated.

Note 3: All loans were collected ahead of schedule in 2007.

Appendix 2

### International Cooperation and Development Fund Statement of Changes in Financial Assets Carried at Cost

For the Year Ended December 31, 2007

	Beginning Balance		Acquisition of Long-term Investments		Decrease in Long-term Investments		Ending Balance		Note
	Ownership	Carrying Amount	Ownership	Carrying Amount	Ownership	Carrying Amount	Ownership	Carrying Amount	
Cost method:									
Overseas Investment & Development Corporation	14.44%	\$ 130,000,000	—	\$ —	—	\$ —	14.44%	\$ 130,000,000	None
Less: Accumulated impairment		(6,000,000)						(6,000,000)	
		124,000,000						124,000,000	
Mico-Credit National S.A.	5.00%	2,895,918	—	—	(5.00%)	(2,895,918)	—	—	None
BTS Private Equity Fund in India	11.89%	24,697,500	—	—	—	—	6.55%	24,697,500	None
		151,593,418				(2,895,918)		148,697,500	
International Institution Investment Fund:									
EBRD-Financial Intermediary Investment Special Fund (FIISF)		426,816,800		—		—		426,816,800	None
FIISF-Small Business Account		129,280,000		98,820,000		—		228,100,000	None
FIISF-Trade Facilitation Program		161,750,000		—		—		161,750,000	None
MIF-Specialized Financial Intermediary Development Fund		162,100,000		162,100,000		—		324,200,000	None
		879,946,800		260,920,000		—		1,140,866,800	
<b>Total</b>		\$ 1,031,540,218		\$260,920,000		\$ (2,895,918)		\$ 1,289,564,300	

### International Cooperation and Development Fund Statement of Changes in Fixed Assets

For the Year Ended December 31, 2007

	Beginning Balance		Acquisition		Disposal		Transfer		Ending Balance	
	Ownership	Carrying Amount	Ownership	Carrying Amount	Ownership	Carrying Amount	Ownership	Carrying Amount	Ownership	Carrying Amount
Cost										
Mechanical equipment		\$ 17,673,165		\$ 1,165,859		\$ —		\$ 708,000		\$ 19,547,024
Communication & transportation equipment		1,863,370		99,500		(1,075,970)		—		886,900
Miscellaneous equipment		3,793,102		420,500		(274,500)		—		3,939,102
Prepayment for equipment		708,000		—		—		(708,000)		—
		\$ 24,037,637		\$ 1,685,859		\$ (1,350,470)		\$ —		\$ 24,373,026
Accumulated depreciation										
Mechanical equipment		10,510,217		1,946,303		—		—		12,456,520
Communication & transportation equipment		974,918		298,380		(896,642)		—		376,656
Miscellaneous equipment		2,335,040		376,370		(229,752)		—		2,481,658
		13,820,175		2,621,053		(1,126,394)		—		15,314,834
<b>Net book value</b>		\$ 10,217,462		\$ —		\$ —		\$ —		\$ 9,058,192

Appendix 3

## Table of Regional Cooperation Projects

Cooperation Projects in Africa	
Burkina Faso	
Bagré Left and Right Bank Farmland Reclamation and Hydraulic Engineering and Maintenance Project	This project is devoted to developing 1,800 hectares of farmland and engaging in the draining and dredging of nearby areas. The technical mission trains production and marketing teams, has established a revolving fund to ensure sustainable operations, and carries out cultivation technology extension work.
Upland Rice Cultivation Extension Project	For this project, 1,460 hectares of farmland in Dionkélé is being developed. In cooperation with Burkina Faso's Ministry of Agriculture, upland rice cultivation is now being extended nationwide.
Fisheries Development Project	A fresh water fish breeding research center has been established in the Bagré Right Bank farmland reclamation area and includes breeding ponds, an office, a laboratory and a training center. Local crops and by-products are being used to develop the most suitable feed.
Medical Assistance Project	The medical mission is providing clinical teaching at CHR de Koudougou's L'Hopital de l'Amitie. Meanwhile, technology transfers are raising the quality of medical care at the hospital. The mission also assists residents in remote areas through outreach medical services.
Technical Assistance Project to Reduce Digital Divide	The TaiwanICDF has sent IT experts to Burkina Faso to assess the state of the country's IT sector and collect related information. This data will be used to create a Voice over Internet Protocol (VoIP) and e-mail system between November 2006 and December 2008.
Rural Credit Project	Through Banque Agricole et Commerciale du Burkina, a channel was set up to provide small loans to farmers and women in order to improve agricultural production and business activities.
Mandarin Instruction Project	The TaiwanICDF dispatched one Mandarin instructor to Burkina Faso's foreign affairs institute, to assist in the language training of that nation's diplomatic personnel.
Taiwan Youth Overseas Service	Nineteen servicemen were dispatched.
The Gambia	
Doubling Rice Yield Within Five Years Project	The technical mission is cooperating with the local government on the extension of paddy and upland rice, and farmers are receiving instruction in growing rice seed. A grinding factory has been expanded and assistance is provided in operational management. Improvements to the grading, packaging and marketing system are being carried out.
Vegetable and Grain Crops Production Improvement and Extension Project	Composite farms have been established to allow cultivation of vegetables and staple crops to be practiced in tandem. Meanwhile, vegetable production and marketing teams have been created. The mission has provided production materials and technical consultations, and has helped address problems faced by farms.
Tilapia Raising Project	The mission is providing extension of tilapia and salt-water shrimp cultivation, and fish aquaculture technology to boost the sources of protein for the people of The Gambia, and promote development of the aquaculture industry there. It is also helping to establish technology to upgrade the industry and create export markets.
Microfinancing and Capacity Building Project	This project reinforces the structure of Gambian microcredit institutions, including the Microfinance Promotion Center, helping it to become the microcredit training center for the nation. In addition, funding is being provided to The Gambia's Social Development Fund to be re-lent as microcredit.
Mobile Medical Mission	Far Eastern Memorial Hospital, Cheng Ching Hospital and Kuo General Hospital jointly formed an MMM in cooperation with the TaiwanICDF that provided medical services in The Gambia.
TaiwanICDF Overseas Volunteers	Three short-term volunteers and one long-term volunteer are engaged in computer repair and maintenance.
Taiwan Youth Overseas Service	Ten servicemen were dispatched.

<b>Malawi</b>	
Composite Community Development Project	The extension of maize and rice has been overseen and the technical mission is training farmers in growing techniques, as well as in the operational management of farmers' organizations to boost yields.
Horticulture Development and Extension Project	Courses were held to train 310 local officials and extension personnel in vegetable and fruit orchard planting techniques. Various trial cultivations were carried out, and vegetable and fruit production marketing teams were also established to help farmers reduce costs and spur product sales.
Vocational Training Cooperation Project	The technical mission is cooperating with Lilongwe Technical College to design courses and instructional materials. Instructional demonstrations are also being provided on the maintenance of equipment and facilities.
Project to Provide Technical Assistance to Computer Certification Center	This project was designed to assist Malawi's Ministry of Labour in creating computer certification examinations, and has helped establish the country's first national computer certification center. The project is being carried out in conjunction with the nation's vocational training and skills certification agencies.
Medical Assistance Project	The medical mission has set up a clinic at Mzuzu Central Hospital, providing internal, surgical, and pathology services, along with an HIV/AIDS clinic and outreach services. In addition to training traditional village midwives, the mission offers clinical guidance and training to doctors and medical personal at the hospital. Outreach medical services are also offered around the country to serve more people.
Rice Assistance Project	The TaiwanICDF cooperates with MOFA and Feed the Children (FTC) for this project. It transports rice from Taiwan to Malawi, while FTC distributes the rice to those in need.
Taiwan Youth Overseas Service	Twenty-one servicemen were dispatched.
<b>São Tomé and Príncipe</b>	
Horticulture Extension Project	Tropical fruit trees from Taiwan have been introduced to the country. The technical mission also instructs farmers in the cultivation of corn and vegetable seeds, and sprouts suited to the local environment, as well as helping them establish vegetable production teams and set up gardens.
Livestock Development Project	This project is improving facilities in demonstration chicken farms' cooperatives, and creating a comprehensive egg-laying model. A basic feed mixture factory has been erected to reduce production costs.
Medical Assistance Project	Medical services are being provided at Centro Policlínico de Agua Grande. Management systems at the clinic are also being improved to raise the quality of the country's medical services.
Malaria Control Project	The medical mission is assisting with the establishment of a control and therapy mechanism to help reduce the spread of malaria and the number of deaths caused by the disease. Nationwide spraying has been completed for the third time. Immunization personnel from the country have come to Taiwan for training.
Technical Assistance Project to Reduce Digital Divide	The Taiwan-São Tomé and Príncipe Digital Opportunities Center holds computer training classes to pave the way for the computerization of tourism and quarantine agencies in the future. Plans are being made for the establishment of a government portal Web site that will provide related advisory services and extension work.
Taiwan Youth Overseas Service	Twenty servicemen were dispatched.
<b>Swaziland</b>	
Royal Project	Superior varieties of rice, vegetables, and sweet potatoes are being introduced and propagated to increase per unit output. Assistance in personnel training and management procedures is provided to the Royal Family Tisuka Organization Farm and farmers in the Ngwempisi reclamation area. Mission members also provide instruction in post-harvesting and packaging to enhance product quality.

Rural Community Comprehensive Development Project	In conjunction with Swaziland's policy of increasing staple food output, the mission is assisting communities in the cultivation of corn, sweet potatoes, cassava, sorghum and beans, and also is helping to organize production and marketing teams. It provides instruction in raising chickens and growing fruit trees, and is gradually developing other crops, as well as livestock feeds.
Handicrafts Training Project	By training technicians and seed instructors, the technical mission has established courses in handicrafts, sewing, machinery, plumbing, and computers. It has also established a handicrafts display and sales center. The project works to create educational and business opportunities for local residents.
Agricultural Science Information System Assistance Project	The TaiwanICDF is assisting Swaziland's Ministry of Agriculture in creating an agricultural information and analysis system. This will function as an early warning system to help the ministry in planning the types and amount of agricultural production throughout the country, as well as making necessary adjustments in production and sales strategies.
Lower Usuthu Smallholder Irrigation Project	This project aims to develop irrigation systems in the Lower Usuthu Basin. Dams and other infrastructure are also constructed to create a beneficial production environment to help smallholders grow high value crops, and increase direct and indirect employment opportunities.
Taiwan Youth Overseas Service	Nine servicemen were dispatched.

### Regional Cooperation Projects in Africa

International Higher Education Scholarship Programs	A total of 32 students from seven African nations are studying for their master's and Ph.D. degrees in 11 programs.
International Workshops	A total of 38 participants from seven African nations came to Taiwan to attend 11 workshops on subjects such as SME development, human resources development, the application of GIS and natural disaster response management, community development and the tourism industry, women's development, and reducing the digital divide.
Information Education International Cooperation Seminar	Seventeen Decision-makers in the field of education from African nations learned about Taiwan's experiences, as well as the international community's efforts, in reducing the digital divide. The participants traveled to academic and research institutions in Taiwan to discuss how cooperative efforts should proceed in the future.

## Latin America and the Caribbean

### Belize

Seed Rice Supply Project	This project assists Belize in producing and supplying superior rice varieties and offers instruction to farmers on growing rice, helping to resolve the problems of fluctuating quality and output. In addition, farmers and local agricultural officials are instructed in modern farming techniques and management technology.
Tropical Fruit Processing Project	In cooperation with the Belize Ministry of Agriculture and Fisheries, tropical fruit-processing plans are drawn up and courses are held to train processing engineers. Processed products with export potential such as fruit and vegetable chips, and dried fruit, are developed and commercialized. A food products exhibition center has been established to complement the tourism sector.
Horticulture Crop Extension Project	This project is being carried out in accordance with Belize's policy to diversify its farming products. Fruits and vegetables with market potential are introduced, and extension farming is carried out, helping to reduce reliance on imports. Students at a local agricultural institute are provided with training in order to boost their skills in agriculture and management.
Vocational Training Project	This project is being implemented to fit Belize's industrial development policies and needs. Students are provided with training in cooking, tourism, and machinery maintenance.

Public Service Management System Improvement Project	Hardware and software developed by Taiwanese companies are employed to assist the Belize government in creating an information database for the public sector. In 2007, the development of salary and attendance systems for the education and defense ministries was completed and these systems were put online. In addition, seminars have been held to share Taiwan's experiences in promoting e-commerce and digital education.
Small Farmholders' Financing Scheme	This scheme is being carried out in conjunction with the technical mission's extension projects, creating a revolving fund to assist on-farm activities. Small loans are made to qualified farmers to purchase equipment, fertilizer, and seed.
Post-disaster Papaya Plantation Reconstruction Project	In the wake of heavy damage inflicted by Hurricane Dean in September 2007, the ROC (Taiwan) Embassy in Belize and the technical mission are providing papaya farmers with saplings and technical assistance to reconstruct their orchards.
Mobile Medical Mission	The TaiwanICDF and Hualien Mennonite Christian Hospital cooperated to send an MMM to Belize to provide medical services.
TaiwanICDF Overseas Volunteers	One long-term volunteer and two short-term volunteers were dispatched.
Taiwan Youth Overseas Service	Eight servicemen were dispatched.
<b>Ecuador</b>	
Vegetable Project	New types of vegetables are being introduced to broaden the variety in Ecuador, while various trials and technical extension are carried out. Assistance is provided to help production and marketing teams cut production costs, increase output and boost sales value.
Rice Project	The technical mission is introducing superior varieties of rice, and assisting in producing seed to raise the quality and yield in Ecuador. Production and marketing teams are formed to engage in extension work. Education and training is provided for farmers and agricultural officials to transfer cultivation techniques.
Bamboo Handicraft Development and Cultivation Project	Cooperating with the local agriculture and livestock authority, the technical mission aims to improve bamboo cultivation and management techniques, and produce bamboo samplings that can be used for extension work. Assistance is provided to help those who have participated in courses to establish bamboo craft factories.
Specialized Financial Intermediary Development Fund—Housing Finance Project for Transnational Families Between the United States and Ecuador	In conjunction with the MIF of the IDB Group, the TaiwanICDF has set up a Specialized Financial Intermediary Development Fund. This assists overseas Ecuadorian workers in channeling remittances to relatives in their native country, helping them to acquire homes, and sparking development of the local housing market.
TaiwanICDF Overseas Volunteers	One long-term volunteer was dispatched.
Taiwan Youth Overseas Service	Two servicemen are dispatched.
<b>El Salvador</b>	
Horticulture Project	This project involves the cultivation of vegetables, such as potatoes; flowers, such as orchids and ornamentals; and fruit orchards. Varieties suited to the local environment are selected and seedlings are propagated. The mission instructs farmers on cultivation and management techniques. Local coffee farmers are also assisted in rotating crops.
Fish Breeding and Aquaculture Extension Project	The technical mission promotes farming techniques for tilapia, freshwater and saltwater shrimp, and the production of tilapia and shrimp fry. The project reclaims areas to be used for aquaculture, and develops commercialized farming methods. Trials are conducted to establish new possibilities in polyculture systems for saltwater ornamental fish, oysters, and white shrimp.

Vocational Training Project	Focusing on the industrial development policies and needs of El Salvador, three experts in the processing of agricultural, aquatic, and food products were dispatched in 2007 for short periods to provide technical training and factory advisory services.
Program for Environmental Pollution Control in Critical Areas	The TaiwanICDF is cooperating with the IDB to assist El Salvador in establishing a national hazard prevention strategic platform, which includes air and water pollution prevention measures and waste-processing regulations. Assistance is being provided to local governments in waste processing. In addition, efforts are being made to establish water and air quality standards.
Specialized Financial Intermediary Development Fund—Pilot Project to Create Housing Finance Market for Transnational Families Between the United States and El Salvador	In conjunction with the MIF of the IDB Group, the TaiwanICDF has set up the Specialized Financial Intermediary Development Fund. The first project under this fund involves assessing and planning new financial services to help low and middle income Salvadoran nationals residing in the United States channel remittances into housing investments in their native country.
SMME Re-lending Project	The TaiwanICDF cooperates with CABEI to provide funds to MSMEs in El Salvador. A re-lending framework not only helps to improve the operational basis of local banking institutions, but also helps pave the way for growth among MSMEs, bolstering El Salvador's economy.
Mobile Medical Mission	The TaiwanICDF and Cheng Hsin General Hospital cooperated in dispatching an MMM to El Salvador to provide medical services.
Taiwan Youth Overseas Service	Nine servicemen were dispatched.

### Guatemala

Bamboo Development Project	Working with Guatemala's National Vocational Training Bureau, the technical mission holds bamboo handicraft training courses, as well as classes on building bamboo housing and bamboo cultivation. Extension of bamboo suited to building structures continues to be carried out, along with the construction of bamboo greenhouses and simple bamboo homes.
Export Crops Development Project	This project organizes production and marketing teams to grow high altitude vegetables, and provides cultivation technology and loans. The mission assists the teams in cooperating with exporters to sell their products to Europe and the United States. There is also a papaya export plan in northern Guatemala which instructs farmers in cultivation and harvesting techniques, as well as packing protocol that conforms to U.S. standards, enabling papayas to be exported to the U.S.
Aquaculture and Farm Product Processing Technology Improvement Project	Local aquaculture experimental stations enable selection of tilapia fry, advanced cultivation techniques, and cage cultivation extension. The mission also helps to repopulate and protect fish stocks in northern regions. In terms of processing, the mission is continuing to provide assistance in technical training, new product development, and the establishment of production procedures and product sales.
Agribusiness Production and Marketing Project	The TaiwanICDF and the Technical Mission in Guatemala help plan and introduce product marketing projects, including papaya industry development in the north, export of vegetables and dragon fruit grown in high altitude regions, Oriental vegetables in the east of the country, tilapia farming, and bamboo constructions and handicrafts.
SME Development Project	Supports cooperating agencies with evaluation and planning of industrial development strategies, and holds classes and seminars to raise the abilities of people involved in foreign trade and SMEs. The wood furniture and food-processing industries are offered technical assistance.
Information Technology Cooperation Project	Three DOCs were established in 2007. Training courses are available at the centers, and information technicians from Guatemala are selected to receive short-term training in Taiwan. Measures are also being taken to promote e-government and to expand the scale and benefits of the overall project.

Technical Education Project	The goal is to establish a new technical school to serve as a model for Guatemala. Funds are being utilized for school buildings and dormitories, curriculum enhancement, educational materials, teacher training, and equipment procurement.
SMME Re-lending Project	The TaiwanICDF cooperates with CABEI to provide funds to MSMEs in Guatemala. A re-lending framework not only helps to improve the operational basis of local banking institutions, but also helps pave the way for growth among MSMEs, bolstering Guatemala's economy.
Taiwan Youth Overseas Service	Seventeen servicemen were dispatched.
<b>Honduras</b>	
Crop Production Project	In order to develop export markets, the technical mission is extending production of Taiwanese guava, papaya, Oriental vegetables, and other crops to local farmers and their production and marketing teams. Training courses are held regularly in cultivation management and propagation technology for agricultural technicians and farmers.
Aquaculture Project	A tilapia fry propagation demonstration station has been created and loans offered to fishermen to purchase production materials. Technical assistance is provided to fishermen in tilapia pond and cage aquaculture, as well as marketing. The project also involves cooperation with aid agencies such as World Vision and FFP to support underprivileged people in raising tilapia to boost incomes and improve lifestyles.
Hog Breeding Project	Operations at a pig farm in Comayagua continue, and a new farm is being developed in Omonita to help farmers raise superior piglets. In addition to instruction in production techniques and disease prevention, loans are provided for pigsties, piglets, and production materials. A small slaughterhouse has been established and the meat is being sold to supermarkets, thereby expanding the array of products and markets and raising the income of farmers.
Marketing Project	Production and marketing concepts are introduced to help farmers establish agribusiness models. Support is provided in the marketing of products, both domestically and overseas, including Oriental vegetables, guavas, and tilapia.
Information Education Loan Project	This project utilizes Taiwan's ICT know-how to provide hardware and set up repair workshops in 228 public primary and junior high schools throughout 18 provinces. Training of instructors is also being provided.
Special Fund for the Social Transformation of Central America—Social Infrastructure Project (FETS-I)	The TaiwanICDF is participating in the CABEI's FETS-I, helping to improve the quality of life and meet the basic needs of people in the region. Two subprojects are being carried out under this fund: The Satellite Market Program in the Central District Municipality of Tegucigalpa, and the Quetzal Corridor Project.
Special Fund for the Social Transformation of Central America—Social Infrastructure Project (FETS-II)	The TaiwanICDF continues to participate in CABEI's FETS-II to improve the quality of life and sanitation environment of low-income households. Roads and power generation, drinking water and sanitation facilities, and other basic infrastructure are being built under the project.
Small Farmholders Financing Scheme—Tilapia Cage Culture Project	To support the technical mission's Aquaculture Project, the TaiwanICDF provides fishermen in the Logo Yojoa region with a revolving fund for working capital and equipment.
SMME Re-lending Project	The TaiwanICDF cooperates with the CABEI in providing funds needed by Honduran MSMEs. A re-lending framework not only helps to improve the operational basis of local banking institutions, but also helps pave the way for growth among MSMEs, bolstering Honduras' economy.
Mobile Medical Mission	The TaiwanICDF and Cardinal Tien Hospital have cooperated in dispatching an MMM to Honduras to provide medical services.
TaiwanICDF Overseas Volunteers	Four long-term volunteers and one short-term volunteer were dispatched.
Taiwan Youth Overseas Service	Fifteen servicemen were dispatched.

## Nicaragua

Oilseed and Rice Production Improvement Project	In conjunction with the Nicaraguan government, varieties of paddy and upland rice are being improved, and outstanding rice and adzuki bean seeds produced and provided to farmers. An agricultural machinery and maintenance center has been established for mechanized contract farming and agricultural machinery maintenance. A rice experimentation center has been completed, improving rice production technology and facilitating technology transfers.
Horticultural Crop Production Improvement Project	This project aims at the extension of vegetables in both high and low altitude areas, and at providing assistance in breeding, propagation and production, greenhouse farming, and marketing work. Training in farming and animal husbandry techniques is provided at correctional facilities to provide food for the prisons and develop inmates' skills. Production of horticultural crops has been extended in the suburbs of the capital and in Sebaco, providing farmers with seedlings, loans, and production technology to boost the volume and quality of crops. The TaiwanICDF also cooperates with FFP, introducing and carrying out extension of Taiwanese guavas in the Leon region.
Livestock Extension Project	Local farmers are provided with superior breeder hogs and sheep, and trained in raising techniques. A waste separator helps create organic fertilizer, improving the management of waste, and protecting the environment. Assistance has also been provided to Tipitapa Prison in raising hens and pigs to improve meals at the facility. The technical mission cooperates with FFP to implement livestock extension in the Rivas area, with FFP providing the capital and the technical mission extending technical assistance.
Marketing Project	The TaiwanICDF assists Nicaragua in developing agribusiness, enhancing output and raising the added value of agricultural products, with the ultimate objective of increasing farmers' incomes.
Small Farmholders' Financing Scheme (II)	In light of the strong results of the first stage of the scheme carried out in cooperation with the Omar Torrijos Cooperative, the TaiwanICDF is continuing to provide funding needed for land re-zoning and irrigation equipment.
Special Fund for the Social Transformation of Central America—Social Infrastructure Project (FETS-I)	Participation in the CABEI's FETS-I is helping improve the quality of life of the needy. Two subprojects are being carried out under this fund: The Low Income Housing Project, and the Integral Health Attention Program for Children.
SMME Re-lending Project	The TaiwanICDF cooperates with the CABEI to provide funds needed by Nicaraguan MSMEs. A re-lending framework not only helps to improve the operational basis of local banking institutions, but also paves the way for MSME growth.
Rice Donation Project	In the wake of damage inflicted by Hurricane Felix in 2007, the TaiwanICDF, in cooperation with the ROC (Taiwan) Embassy in Nicaragua and local government authorities, provided 1,500 tons of rice to residents in afflicted areas.
Mobile Medical Mission	The TaiwanICDF and Chi Mei Medical Center cooperated on dispatching an MMM to Nicaragua to provide medical services.
TaiwanICDF Overseas Volunteers	One long-term volunteer was dispatched.
Taiwan Youth Overseas Service	Twelve servicemen were dispatched.

## Panama

Agricultural Development Project	The technical mission has established propagation centers in eastern, central, and western Panama to provide the seeds and seedlings needed by farmers. In addition, crops such as Taiwan sweet potato, guava, and medicinal herbs are being introduced. An agricultural pesticides residue testing center has been set up to strengthen monitoring of food safety and protect the health of the public.
Food Processing Project	A food-processing research center and small-scale food-processing station have been established. Processing techniques have been developed for fruit and vegetables, nutritional products, and medicinal foods, and food-processing instructors are also being trained.

Fishing Village Development Project	This project has helped fishermen create cooperatives and jointly carry out production and marketing activities, and has also established a collecting and distributing station for catches, helping to boost sales. A fund has been established to provide microloans to fishermen, enabling them to acquire their own fishing boats and equipment, which in return helps boost their incomes. Assistance is also provided to equip cooperatives with computer hardware and Internet connections, turning them into fishing information centers.
Fishing Industry Development Project	Assistance is provided to fishermen's associations to improve production technology, helping them to boost their catches. The TaiwanICDF helps these associations establish production and marketing management systems, enabling them to expand sales avenues.
Small Farmholders' Financing Scheme Fishing Boat project	This scheme is being implemented in conjunction with assistance provided by the technical mission. A fisheries fund has been established, and is providing loans for individual fishermen and cooperatives, helping them to obtain production materials.
TaiwanICDF Overseas Volunteers	Five long-term volunteers were dispatched.
Taiwan Youth Overseas Service	Ten servicemen were dispatched.
<b>Paraguay</b>	
Agricultural Crop Extension Project	New varieties of vegetables are planted on a trial basis, and efforts are made to improve soil conditions. Extension work in fertilizer crops, cotton, sugar cane, and peppers is carried out. Production and marketing teams are provided with seedlings, as well as training courses and demonstrations. A food-processing factory was set up in the Taiwan Industrial Park to manufacture fruit and vegetable chip products.
Floriculture Project	This project aims to raise the quality and quantity of flowers grown in Paraguay. The technical mission reproduces high-quality seedlings and establishes a seedlings supply and cultivation extension system. It also introduces a wide variety of flowers, regularly holds training courses in floriculture production and sales, and provides advisory services.
Hog Raising Project	In cooperation with Universidad Nacional de Asunción, a hog-raising center has been established. In addition to providing quality pork to the market, the center raises and supplies superior breeder pigs to farmers. The technical mission offers loans to farmers for pigsties and production materials, and engages in technical training and product marketing.
Taiwan Industrial Park	Having obtained the title to the industrial park in Ciudad del Este in 2005, the TaiwanICDF has rearranged the management of the park. The park is training and employing operations and management staff in order to attract investment from both local and Taiwanese companies.
Mobile Medical Mission	The TaiwanICDF and Cathay General Hospital cooperated on dispatching an MMM to Paraguay to provide medical services.
TaiwanICDF Overseas Volunteers	Fifteen long-term and four short-term volunteers were dispatched.
Taiwan Youth Overseas Service	Eleven servicemen were dispatched.
<b>Dominican Republic</b>	
Industrial Technology Cooperation Project	Training courses are held to train locals, and promote industrial competitiveness. In 2007, assistance focused on metal processing, furniture design, handicrafts, and food processing, as well as upgrading the ICT abilities of local SMEs.
Rice Extension Project	The technical mission participates in the Dominican Republic's rice research project, testing various types of paddy rice and propagating new varieties of rice seed. Superior paddy rice seed is then provided for extension and yield improvement, and instruction is offered to farmers on paddy rice cultivation and harvesting techniques.

Oriental Vegetables, Tropical Fruit and Bamboo Development Project	The aim is to assist the Dominican Republic in producing and exporting Oriental vegetables. In addition, demonstrations are provided and seed teachers are trained in bamboo house construction. Farmers are trained in orchard cultivation and management.
Aquaculture Development Project	Fresh water fish fry and shrimp fry are propagated and provided to fish and shrimp farmers. New propagation and cultivation techniques are developed and are transferred to fishermen.
Program for Modernizing the National Congress and the Office of the Comptroller General	Cofinanced with the IDB, the aim of the project is to modernize the country's congress, strengthening its legislative and oversight functions. Facilities will be upgraded and consultations and training in law-drafting techniques and procedures will be provided. Budget and fiscal management planning and human resource training are being improved, and relevant information systems are being established.
Mobile Medical Mission	MMMs were sent to the Dominican Republic to provide services to the public. These missions were dispatched in cooperation with Tri-Service General Hospital, Li Shin Hospital, Puli Christian Hospital and National Yang-Ming University School of Medicine.
TaiwanICDF Overseas Volunteers	Two short-term volunteers were dispatched.
Taiwan Youth Overseas Service	Eight servicemen were dispatched.

### Haiti

Food and Crop Research and Development Project	Paddy rice varieties that are resistant to local diseases are being selected, and farmers' cultivation techniques are being improved. Sugar cane and other staple crops have also been introduced and extended.
Horticultural Crop and Bamboo Technology Development Project	Vegetable seedling production, and cultivation demonstration and extension are carried out, and a cultivation and extension center is being established. Meanwhile, bamboo seedlings are propagated and planted, and students are trained in bamboo furniture-manufacturing and marketing.
Chicken Raising Project	The technical mission is supporting farmers in improving technologies to raise chickens for eggs and meat. It is also reducing production costs and boosting self-sufficiency in chicken eggs.
Investment Project to Micro-Credit National S.A.	Capital and technical assistance from international institutions and local FIs were integrated to establish a new microcredit institution that provided microfinancing. This project was completed in February 2007.
Lending Project to Micro-Credit National S.A.—Phase II	The TaiwanICDF provided financing to Micro-Credit National, S. A. to support the extension of its financing operations and internal management. This project ended in February 2007.
Rice Aid Project	In cooperation with FFP and Taiwan's MOFA, the TaiwanICDF shipped rice to Haiti. FFP is distributing the rice to those in need through its distribution network in the country, helping to alleviate hunger.

### St. Kitts and Nevis

Floriculture and Tourist Orchard Development Project	The TaiwanICDF is working with the local Ministry of Agriculture to determine the feasibility of promoting tourism and recreation-oriented agriculture. The TaiwanICDF is also promoting floriculture among farmers.
Agricultural Product Processing Development Project	This project seeks to take advantage of the abundant fruits and vegetables native to St. Kitts and Nevis, as well as those introduced by the technical mission. Simple processing methods that will boost utilization of produce and provide economic benefits are being introduced. Long- and short-term processing technology training courses are being held, helping farmers to boost incomes and found agricultural enterprises.
Agronomy Development Project	Various crops and fruit trees are grown on a trial basis and extended under this project, while organic cultivation techniques are demonstrated. Meanwhile workshops and demonstrations are held regularly, helping to train farmers.

IT Technology Development Cooperation Project	The TaiwanICDF is helping St. Kitts and Nevis to establish a multifunctional information center that can be used for education and training, seminars, and audio-visual conferences.
Renewable Energy Technological Assistance Project	This project is being carried out in conjunction with the IT Technology Development Cooperation Project. It assists in using solar energy to provide the power needs of the information center. Officials and technicians from St. Kitts also come to Taiwan for training.
Microcredit Project	The TaiwanICDF is cooperating with the Foundation for National Development to provide microcredit to microenterprises that would not otherwise have access to funding, given their lack of collateral.
East Caribbean Scholarship Project	The TaiwanICDF provides US\$100,000 annually to help outstanding students to continue their studies. The grant is also used for the purchase of schoolbooks and the training of instructors.
Mobile Medical Mission	The TaiwanICDF and China Medical University Hospital cooperated on dispatching an MMM to St. Kitts and Nevis to provide medical services.
TaiwanICDF Overseas Volunteers	One long-term volunteer was dispatched.
Taiwan Youth Overseas Service	Eight servicemen were dispatched.
<b>St. Lucia</b>	
Fruit and Vegetable Demonstration and Extension Project	Assistance is being provided to help the government of St. Lucia resume operations at Union Farm. A variety of tropical fruits and vegetables will be grown, reducing the need for agricultural imports and helping the country conserve its foreign exchange. In addition, simple greenhouses enable farmers to overcome the island's hot and humid climate and grow crops on a more flexible basis, allowing the country to generate produce throughout the year.
Tissue Culture Project	The TaiwanICDF is assisting St. Lucia in the construction of a modern tissue culture laboratory, producing banana saplings and seedlings for other trees. Local technicians are trained, helping St. Lucia to produce the seedlings it requires.
Fresh Water Fish and Shrimp Development Project	This project is being carried out in conjunction with the local government's policies to develop the aquaculture industry. The TaiwanICDF is teaching locals how to farm fresh water fish and shrimp.
ICT Technology Development Cooperation Project	The TaiwanICDF is helping St. Lucia to establish a multifunctional information center that can be used for education and training, seminars, and audio-visual conferences.
Taiwan Youth Overseas Service	Three servicemen were dispatched.
<b>St. Vincent and the Grenadines</b>	
Agriculture and Horticulture Development Project	This project is helping to train local technicians in pineapple, banana, and flower growing techniques. Farmers are also being supported in vegetable and fruit tree planting, seedling propagation, and the management of orchards.
Food Processing Project	A food-processing facility has been set up, in a joint effort with local agricultural authorities, to promote the processing and packaging of cassava. In addition, other products, such as fruit juices and cured fruits, have been developed, and the techniques of the private processing factories are being upgraded to boost quality. Meanwhile, market information has been collected in the East Caribbean region to bolster the export trade.
Microcredit Project	The TaiwanICDF cooperates with the National Development Foundation of St. Vincent & the Grenadines (NDFSVG) to provide financing to microenterprises in order to help them obtain financial services.
East Caribbean Scholarship Project	The TaiwanICDF provides US\$100,000 annually to help outstanding students continue their studies. The grant is also used for the purchase of schoolbooks and the training of instructors.

TaiwanICDF Overseas Volunteers	Three long-term volunteers were dispatched.
Taiwan Youth Overseas Service	Six servicemen are dispatched.
Regional Cooperation Projects in Latin America and the Caribbean	
Environmental Protection Project	A long-term platform for dialogue has been established with the Central American Commission on Environment and Development. Assistance is provided in supervising and evaluating energy projects in the region, helping to prevent public hazards, while reducing pollution and working toward the goal of environmental sustainability.
Talent and Innovation Competition of the Americas	The TaiwanICDF and the YABT cooperated on holding a competition to encourage the development of innovation in the youth of Latin America and the Caribbean. Young, aspiring entrepreneurs proposed and developed innovative plans for starting businesses, and were assisted in the realization of these projects.
Consolidation Investment in Latin America	This project helps Taiwanese firms invest in Latin America, increasing local production capacity and creating job opportunities, to stimulate economic growth in the region.
Specialized Financial Intermediary Development Fund	In conjunction with the MIF of the IDB, the TaiwanICDF has established the Specialized Financial Intermediary Development Fund. The MIF looks for and evaluates FIs, and helps strengthen their functions via lending. This allows them to increase and upgrade the range of services which they can provide to MSMEs, aiding private sector development.
Special Fund for the Social Transformation of Central America—Social Infrastructure Project (FETS-I)	Participation in the CABEI's FETS-I is helping improve the quality of life for the needy.
Special Fund for the Social Transformation of Central America—Social Infrastructure Project (FETS-II)	The TaiwanICDF continues to participate in CABEI's Special Fund for the Social Transformation of Central America. This assists in the development of infrastructure to improve the quality of life and sanitation environment of low-income households in Honduras and Nicaragua.
SMME Re-lending Project	The TaiwanICDF cooperates with CABEI to provide funds needed by MSMEs in countries throughout the region. The re-lending framework not only helps to improve the operational basis of local banking institutions, but also helps pave the way for growth among MSMEs.
International Higher Education Scholarship Programs	A total of 133 students from 12 Latin American and Caribbean nations are engaging in undergraduate and postgraduate studies in 20 programs. Areas of study include tropical agriculture and international cooperation, aquatic sciences and management, and international workforce development.
International Workshops	A total of 117 participants from 23 Latin American and Caribbean countries attended 11 workshops. Topics included SME development, human resource development, the application of GIS and natural disaster response management, community development and the tourism industry, women's development, and reducing the digital divide.

## Asia and the Pacific

### Bahrain

Horticulture Project	Assistance is provided to the local government in creating a sod and grass production system. This reduces the need for foreign exchange to import ornamentals, and helps local companies develop sod and grass businesses, while increasing employment opportunities and farmers' incomes.
Landscaping Project	The technical mission is cooperating with Bahrain's Ministry of Municipalities & Agriculture Affairs to develop the tourism sector. Specialists are helping locals with urban planning and landscaping work to raise the quality of the environment and life in Bahrain.

Taiwan Youth Overseas Service	Five servicemen were dispatched.
<b>Fiji</b>	
High Quality Vegetable and Tropical Fruit Cultivation and Extension Project	The technical mission has introduced vegetables and tropical fruits appropriate for cultivation in Fiji, and has carried out extension. In addition to instructing farmers in cultivation techniques, it also guides packaging technology essential for exporting high-quality products to Australia and New Zealand, and supplying local tourist hotels and supermarkets.
Chicken Development Project	The technical mission provides guidance to small-scale farmers in raising chickens and growing various produce on small integrated farms. A small chicken farm has been established to demonstrate chicken feeding techniques, and training is provided in how to make feed.
Taiwan Youth Overseas Service	Three servicemen were dispatched.
<b>India</b>	
BTS Private Equity Fund	The TaiwanICDF has jointly invested in the BTS Co. with the ADB, the Swiss Secretariat for Economic Affairs, and the Belgian Investment Company for Developing Countries. The aim is to engage in equity investment in Indian SMEs with a high degree of development potential.
TaiwanICDF Overseas Volunteers	Two long-term volunteers were dispatched.
<b>Indonesia</b>	
General Agriculture Management Project	This project establishes a vegetable production and marketing system to increase farmers' profits. Farmers' organizations have been strengthened, and vegetable and fruit production and marketing teams created.
Aquaculture Project	The focus is on biological purification methods to improve the ecology and water quality of feeding ponds, and to reduce pollution in order to boost shrimp farming. Taiwan agricultural experts were sent to provide assistance on shrimp disease prevention.
Cooperative Rural Saving and Credit System in Indonesia	The project focuses on assisting Indonesia in improving and expanding the financing services of its cooperatives. Loans are offered to BUKOPIN (the executing bank) and then re-lent to the Village Unit Cooperatives.
Mobile Medical Mission	The TaiwanICDF and Kaohsiung Veterans General Hospital cooperated in sending an MMM to Indonesia to provide medical services to the public.
Taiwan Youth Overseas Service	Six servicemen were dispatched.
<b>Kiribati</b>	
Aquaculture Project	In order to develop milkfish-raising techniques and instruct farmers in raising technology, the technical mission cooperates with local fisheries and officials in these areas.
Horticulture Project	Farmers are guided in the development of vegetable cash crops, and improving fruit tree cultivation technology, to provide a more varied nutritional balance for local residents.
Livestock Project	The technical mission cooperates with livestock authorities to raise hogs, improve the environment of livestock farms, and establish waste water systems. It also develops feed for pig and chicken raisers, reducing the need for imported feed. The mission regularly holds hog-farming training courses for local farmers and extension instructors.
Government Personnel Management System Project	Plans are underway to provide the government of Kiribati with the hardware and software for a personnel management system. This includes network infrastructure and applied systems, servers, databases, a system to restrict entry, a personal ID card system, and an attendance system. In addition, education and training is being provided to help run the system.

Mobile Medical Mission	In cooperation with Mackay Memorial Hospital, two MMMs were dispatched to Kiribati to provide medical services to locals. About 1,500 benefited from the program.
TaiwanICDF Overseas Volunteers	One long-term volunteer was dispatched.
Taiwan Youth Overseas Service	Nine servicemen were dispatched.

### Marshall Islands

Horticultural Crop Development Project	Horticultural crops suited to the local environment have been selected and cultivation techniques have been extended. Floriculture management techniques are also shared with local farmers, helping to promote small-sized farms throughout the country, while at the same time improving the environment.
Livestock Project	A demonstration farm with breeder pigs serves as a source of piglets for farmers. In addition, the farm provides egg and meat hens. Farmers are instructed in hog and chicken raising techniques, and feed crops are being developed in suitable outlying islands to provide feed for these animals, helping to reduce production costs.
Aquaculture Project	Assistance is being provided in developing an aquaculture industry in the Marshall Islands. The technical mission is helping to develop a general procurement, and distribution and sales network for fishermen to lower farming costs and boost incomes.
Pacific Allies Agricultural Product Enhancement Project	This project is being carried out in conjunction with Taiwan's Council of Agriculture. The goal is to improve the diets of residents in allied Pacific nations, thereby reducing the incidence of chronic illnesses such as diabetes, high blood pressure, gout, and heart disease. Farming and cookery workshops are held by the technical mission to encourage residents to grow and eat more vegetables, and to enhance their understanding of nutrition.
Government Personnel Management System Project	Plans are underway to assist the Marshall Islands government in establishing the hardware and software for a personnel management system. This includes network infrastructure and applied systems, servers, databases, a system to restrict entry, a personal ID card system, and an attendance system. In addition, education and training is being provided to help operate the system.
Microfinance Fund	This account allows residents in offshore islets to obtain microloans for operational capital, or to start up businesses, helping to boost productivity. The aim is to improve the lives of residents on the islets, and reduce the development gap between the main and offshore islands.
Mobile Medical Mission	The TaiwanICDF cooperated with Taipei Municipal Wan Fang Hospital to dispatch two MMMs to the islands in 2007. Approximately 2,000 people benefited from the program.
TaiwanICDF Overseas Volunteers	Two long-term volunteers and one short-term volunteer were dispatched.
Taiwan Youth Overseas Service	Six servicemen were dispatched.

### Mongolia

Children's Scholarship Program	Cooperating with World Vision Mongolia, the Mongolia-Taiwan Exchange Association, and the Mongolian Ministry of Education, this project provides 1,000 first- to fifth-grade children from low-income families with US\$100 each annually. The funds are used to buy books, pens, paper, meals, sanitation items, and coats, and also for transportation fees.
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### Nauru

Horticulture Project	In cooperation with Nauru's government, cultivation technology for horticultural crops is being extended and the variety of crops expanded. As well as helping to increase production and raise farmers' incomes, this promotes a balanced source of nutrients for islanders, improving general levels of health.
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Livestock Project	The development of the livestock industry is being carried out in cooperation with the local government. The aim is to provide fresh pork, chicken, and eggs to increase sources of protein for residents.
Aquaculture Project	The goals of this project are to develop an aquaculture industry, and to cultivate milkfish that can be sold to consumers and tourists. Feed technology is provided along with assistance in developing substitute feeds, and a joint material procurement and product marketing system is established to help lower costs.
Government Computerization Project	The TaiwanICDF is preparing to assist the government of Nauru in establishing information hardware, internal network systems, and information management systems.
Solar Power Systems Project	Solar power systems have been installed in 60 residences, and training has been provided to local technicians. This project increases the understanding of solar power among the populace and assists Nauru in developing applications using renewable energy.
Mobile Medical Mission	In cooperation with Show Chwan Memorial Hospital, two MMMs were sent to Nauru.
Rice Assistance Project	The TaiwanICDF assists in transporting rice from Taiwan to Nauru, which is provided to needy families.
Taiwan Youth Overseas Service	One serviceman was dispatched.
<b>Palau</b>	
Agriculture and Tourism Development Project	The technical mission is assisting the government in establishing tourist-oriented agricultural development models aimed at sparking sustainable development of both sectors and boosting economic growth.
Government Document Management System Project	With the help of the technical mission, the government of Palau is preparing to establish a variety of electronic applications and services, including a government information portal, and a document and file management system. Assistance will continue with the introduction of computers into government operations.
Mobile Medical Mission	The TaiwanICDF cooperated with Taipei Municipal Wan Fang Hospital in dispatching an MMM to Palau to provide medical services to locals.
TaiwanICDF Overseas Volunteers	One short-term volunteer was dispatched.
Taiwan Youth Overseas Service	Three servicemen were dispatched.
<b>Papua New Guinea</b>	
Cereal Grain Production Project	The technical mission is assisting the local government in achieving its objectives of maintaining levels of cereal grains and reducing rice imports. The mission is also extending the production of upland rice, vegetables, and corn and peanuts each year. Agricultural workshops are held regularly and farmers are instructed in planting technology.
Taiwan Youth Overseas Service	Two servicemen are working in the areas of agronomy and hydraulic engineering.
<b>Philippines</b>	
Food Processing and Agricultural Machinery Re-lending Project	In cooperation with the Development Bank of the Philippines, funds are provided for re-lending to small-sized food-processing companies, agricultural product-processing firms, and farmers in the Philippines.
Subic Bay Industrial Park Development Project—Phase I and II	Comprehensive infrastructure facilities have been established in the industrial park to attract investment from Taiwanese companies. The project has also helped the Philippine government attract foreign investment and promote production technology, creating local employment opportunities and boosting prosperity. Phase II of this project was completed on May 2, 2007.

### Saudi Arabia

Agriculture and Fisheries Project	Aquaculture experiments on raising various types of fish and shrimp are carried out, and market surveys are conducted, to determine which types are most suited to Saudi Arabia's aquaculture environment. In addition, tissue culture technology is used to reproduce large numbers of superior quality date palm seedlings and other crops.
Transportation Technology Cooperation Project	Specialists from Taiwan cooperate with Saudi Arabia's Ministry of Transport in designing and supervising bridge projects, and reviewing structural blueprints and construction standards. Saudi engineers are also being trained in on-site supervision techniques. Surveys are carried out to monitor maintenance issues with existing bridges.

### Solomon Islands

Rice Project	The technical mission assists in the production of superior seed rice, and the setting up of a seed rice propagation system. It also works with the government in instructing farmers on the development of upland rice fields and cultivation, and in the creation of community farms, and production and marketing teams. The mission instructs public and private rice farms in the cultivation of grain crops and vegetables in rotation.
Livestock Project	In conjunction with local authorities, the hog production system is being strengthened in order to provide high-quality breeder hogs. A hog rating system has been designed, a livestock and feed supply center created, and production and marketing teams have been organized. A supply system has also been designed for domestic and export sales.
Government Personnel Management System Project	An information center is being planned for the Solomon Islands' Department of Public Services. Classes are held to teach public servants how to use computers and various systems. The TaiwanICDF is also helping the nation to develop a personnel attendance system, a government office ID card system, and a personnel database.
Rural Credit Project	Capital (especially for rice production) is provided to farmers in the countryside to carry out production activities, helping to ensure the sustainability of their operations.
Mobile Medical Mission	An MMM was dispatched to the Solomon Islands in cooperation with Kaohsiung Medical University's Chung-Ho Memorial Hospital.
Taiwan Youth Overseas Service	Nine servicemen were dispatched.

### Thailand

Material Aid Project	The TaiwanICDF cooperates with the World Hakka Federation to provide blankets and other items to organizations in Thailand's Chiang Mai and Chiang Rai areas, helping local villagers stay warm during the winter months.
TaiwanICDF Overseas Volunteers	Six long-term and two short-term volunteers were dispatched.

### Tuvalu

Horticultural Crop Development Project	The technical mission has created experimental farms for vegetable and fruit production. Suitable crops are selected for extension to farmers who are provided with technology training. This is helping to increase yields and incomes, and enabling farmers to become self-sufficient in fruit and vegetable cultivation, reducing the need to import produce.
Aquaculture Project	The natural fish fry resources of Vaitupu Island are used in milkfish farming. The mission is also gradually developing fish feed made from local byproducts, and is introducing a variety of fishing models, including intensive, lagoon, and ocean cages.

Pacific Allies Agricultural Product Enhancement Project	Vegetable seeds, organic fertilizer and farming utensils are provided by Taiwan's Council of Agriculture. The technical mission is responsible for demonstrations and instruction in farming techniques. It holds family garden competitions and cookery classes. It also trains people to provide extension work on outlying islands. This project helps to address a lack of vegetables in Tuvalu, and offers instruction to the islanders in food preparation and the nutritional value of the produce.
Government Personnel Management System Project	Plans are underway to assist the government of Tuvalu with the establishment of network infrastructure and applied systems, including servers, databases, a system to restrict entry, a personal ID card system, and an attendance system. In addition, education and training is being provided to help operate the system.
Mobile Medical Mission	Two MMMs were dispatched to Tuvalu in cooperation with Chung Shan Medical University Hospital. About 1,750 people benefited.
Taiwan Youth Overseas Service	Two servicemen were dispatched.

### Regional Cooperation Projects in Asia and the Pacific

Forum on Building the Constructive Fishery Partnership between South Pacific Countries and Taiwan	A total of 11 high-ranking fisheries officials came to Taiwan to participate in this conference. The meeting focused on the developmental needs of fisheries in South Pacific nations.
ICT for a Better Education	Decision-makers in the field of education came to Taiwan to learn about the experiences of Taiwan and the international community in reducing the digital divide. They visited academic and research institutions to discuss the direction of cooperation in the future.
International Higher Education Scholarship Programs	A total of 14 students from eight nations in Asia and the Pacific are studying for master's degrees under nine programs including tropical agriculture and international cooperation, international operations management, public health, and plastic injection and precision molding.
International Workshops	A total of 83 participants from 17 countries in the region came to Taiwan to attend 11 workshops, including SME development, human resource development, the application of GIS and natural disaster response management, community development and the tourism industry, women's development, and the digital divide.

### Central & Eastern Europe and Central Asia

#### Azerbaijan

Financial Intermediary Investment Special Fund—UniBank Project	Funding has been channeled through the FIISF, created by the TaiwanICDF and the EBRD, to support UniBank in providing loans to MSMEs in order to promote private sector development.
Financial Intermediary Investment Special Fund—Small Business Account—Bank of Baku Project	Funding has been channeled through the FIISF—SBA, created by the TaiwanICDF and the EBRD, to support the Bank of Baku in providing loans to MSMEs in order to promote private sector development.
Financial Intermediary Investment Special Fund—Small Business Account—Bank Respublika Project	Funding has been channeled through the FIISF—SBA, created by the TaiwanICDF and the EBRD, to support Bank Respublika in providing loans to MSMEs in order to promote private sector development.
Financial Intermediary Investment Special Fund—Small Business Account—ETC Non-bank MFI Framework	In conjunction with the EBRD's FIISF—SBA, the TaiwanICDF has set up a Small Business Account to provide capital to non-banking microfinance institutions in early transition countries (ETCs). The goal is to bolster the development of the microfinance institution CredAgro in Azerbaijan.
Financial Intermediary Investment Special Fund—Trade Facilitation Program	The TaiwanICDF provides trade letters of credit guarantee to Azerbaijani banks via the EBRD's FIISF—TFP. This is bolstering Azerbaijan's trade activities.

<b>Belarus</b>	
SME Re-lending Project	This project is carried out in cooperation with the EBRD. It involves re-lending through local banking institutions to resolve the problem of insufficient capital for SMEs. Private sector development is supported, raising the international competitiveness of enterprises.
<b>Czech Republic</b>	
TaiwanICDF Overseas Volunteers	One long-term and one short-term volunteer were dispatched.
<b>Georgia</b>	
Financial Intermediary Investment Special Fund—ProCredit Bank of Georgia (I)	The TaiwanICDF has provided loans to the ProCredit Bank of Georgia via the FIISF established under the EBRD. The funds are used for branch expansion and for re-lending to MSEs, providing them with much-needed capital.
Financial Intermediary Investment Special Fund—Small Business Account—ProCredit Bank of Georgia (II)	In light of the strong performance of the ProCredit Bank during the first stage of the lending project, the TaiwanICDF has decided to continue lending to the bank. The funds are to be re-lent to MSEs to effectively meet capital needs and raise corporate competitiveness in the country.
<b>Kyrgyzstan</b>	
Financial Intermediary Investment Special Fund—MSE Finance Facility Phase I	This project aims to strengthen the sustainability and profitability of loan operations among local financial institutions.
Financial Intermediary Investment Special Fund—MSE Finance Facility Phase II	The TaiwanICDF continues to provide funds to commercial banks in Kyrgyzstan to be re-lent to MSMEs to meet their capital needs. This project also helps to strengthen local financial institutions.
EBRD Financial Intermediary Investment Special Fund—Small Business Account—ETC Non-bank MFI Framework	The goal is to bolster the development of the microfinance institutions Bai Tushum, Kompanion, and Frontiers.
<b>Moldova</b>	
EBRD Financial Intermediary Investment Special Fund—Small Business Account—ETC Non-bank MFI Framework	In conjunction with the EBRD's FIISF, the TaiwanICDF has set up a Small Business Account to provide capital to non-banking microfinance institutions (MFIs) in early transition countries. The goal is to bolster the development of the Rural Finance Corporation and MicroInvest.
<b>Romania</b>	
EBRD Financial Intermediary Investment Special Fund—ProCredit Bank in Romania	The TaiwanICDF and the EBRD jointly support Romania's ProCredit Bank in strengthening its services by providing the capital needed for its expansion and development of the private sector. The bank is supported in operational growth, boosting financing services to local MSMEs.
<b>Russia</b>	
Food Processing Technology Assistance Project	Cooperating with the local government of Volgograd, the TaiwanICDF is helping local farmers' associations establish vacuum frying factories, and with the processing of dried fruit and vegetable products. This helps to resolve the problem of excess production of fruits and vegetables during the harvest season, and increases incomes for farmers.
Financial Intermediary Investment Special Fund—Trade Facilitation Program	The TaiwanICDF provides trade letters of credit guarantee to Russian banks via the EBRD's FIISF—TFP. This is bolstering Russia's trade activities.
<b>Tajikistan</b>	
Financial Intermediary Investment Special Fund—Small Business Account—ETC Non-bank MFI Framework	The goal is to bolster the development of MFIs, such as the International Micro-loan Fund and MicroInvest.

<b>Ukraine</b>	
Financial Intermediary Investment Special Fund—ProCredit Bank in Ukraine	The TaiwanICDF has provided loans to ProCredit Bank Ukraine via the FIISF established under the EBRD. The funds are used for re-lending to MSMEs, helping to promote private sector development and address the difficulty among MSMEs in accessing funding in Ukraine.
Financial Intermediary Investment Special Fund—Trade Facilitation Program	The TaiwanICDF provides trade letters of credit guarantee to Ukrainian banks via the EBRD’s FIISF—TFP. This is bolstering Ukraine’s trade activities.
<b>Regional Cooperation Projects in Central and Eastern Europe, and Central Asia</b>	
Financial Intermediary Investment Special Fund	MSMEs from Central and Eastern Europe, and Central Asia obtain the investment or financing they require for their development from the FIISF. The project helps to address capital shortfalls or lending difficulties in rural areas. It also aims to promote sustainable operations among local FIs and enable them to provide re-lending to MSMEs.
Financial Intermediary Investment Special Fund—Small Business Account	The FIISF—SBA was established with the EBRD to assist with the development of MSMEs in Eastern European and Central Asian nations. The FIISF—SBA currently provides loans to MFIs in ETCs, supporting the growth of microcredit in these nations.
Financial Intermediary Investment Special Fund—Trade Facilitation Project	The TaiwanICDF continues to support the FIISF—TFP, which provides trade letters of credit guarantee to issuing banks in Russia, Ukraine, and Azerbaijan. This program is helping to promote international trade in these three countries.
Postgraduate Human Resources Training Project	One student from Poland has come to Taiwan to study for a master’s degree in Taiwan studies.
International Workshops	A total of 16 students from six countries in Europe came to Taiwan to attend 11 workshops on subjects such as SME development, human resource development, the application of GIS and natural disaster response management, community development and the tourism industry, women’s development, and reducing the digital divide.
Central & Eastern Europe TaiwanICDF Alumni Society Annual Meeting	Over 40 members from five nations participated in this meeting of the TaiwanICDF Alumni Societies of Central and Eastern European Countries and the CIS.
<b>Global Cooperation Projects</b>	
Emergency Response Fund	The TaiwanICDF and Mercy Corps have cooperated in the establishment of the Emergency Response Fund, supporting initiatives for pre-disaster preparation and providing immediate assistance to people in countries throughout the world that have been affected by natural disasters, wars, and ethnic conflict.
Healthcare Personnel Training Program	A total of 26 people from 17 countries with backgrounds in medicine, pharmacology, nursing, nutrition, physical therapy, laboratory medicine and health care management came to Taiwan to receive three months of clinical training in 14 of the hospitals participating in the IHCSA.

# Cooperation with International Organizations

## Asian Development Bank (ADB)

### **BTS Private Equity Fund**

The TaiwanICDF jointly invested in the BTS Co. with the ADB, the Swiss Secretariat for Economic Affairs, and the Belgian Investment Company for Developing countries. The BTS Co. engages in equity or equity-linked investment in SMEs in India that have outstanding development potential.

## Central American Bank for Economic Integration (CABEI)

### **Special Fund for the Social Transformation of Central America (FETS)–Social Infrastructure Project (I)**

The TaiwanICDF provided a US\$10 million loan to establish this fund with the CABEI, and assists the bank in carrying out social transformation projects in countries in the region, such as Nicaragua and Honduras. The project will be implemented to help reach the MDG of halving extreme poverty by 2015. Subprojects in Nicaragua include a housing construction project for low-income householders, and a comprehensive children's health plan. In Honduras, subprojects consist of reconstruction of a satellite market in Tegucigalpa, and the development of infrastructure in rural areas.

### **Special Fund for the Social Transformation of Central America (FETS) –Social Infrastructure Project (II)**

The TaiwanICDF continues to provide US\$10 million to fund this project in conjunction with the CABEI, assisting in the development of infrastructure to improve the quality of life and the sanitation environment for low-income households.

### **Central America MSME Lending Program**

The TaiwanICDF provides US\$10 million in loans to MSMEs in Central America. The funds are lent through banking institutions in the region, to assist in the growth of MSMEs and increase economic vitality.

## European Bank for Reconstruction and Development (EBRD)

### **SME Re-lending Project in Belarus**

The TaiwanICDF and the EBRD have provided US\$7.5 million and US\$15 million, respectively, as part of a cofinancing project. Funds are re-lent via the National Bank of the Republic of Belarus and domestic financing institutions, helping to hasten the development of SMEs in Belarus.

### **EBRD Financial Intermediary Investment Special Fund**

This provides equity investment and loans to SMEs. Projects currently being implemented via the special fund include the Azerbaijan Unibank Project, the Lithuania Drobe Wool Project, the Georgia Micro-Credit Bank Lending Project, the Romania ProCredit Bank Lending Project, and the Kyrgyzstan MSE Finance Facility—Phase I and II.

### **EBRD Financial Intermediary Investment Special Fund—Small Business Account**

The TaiwanICDF has created the FIISF-SBA with the EBRD to provide financing for the development of MSMEs in Eastern & Central European, and Central Asian nations. This helps to alleviate difficulties among these firms in obtaining funds that could limit their development. The Fund provides loans to non-bank microfinance institutions in ETCs, has pledged funding to Georgia's ProCredit Bank (Project II), and is providing funds to Azerbaijan's Bank of Baku and Bank Respublika to support the development of microfinance services in these countries.

### **EBRD Financial Intermediary Investment Special Fund—Trade Facilitation Program**

The TaiwanICDF participates in the FIISF—TFP through a contribution agreement. This program is to assist in the development of foreign trade in Central and Eastern European countries, and the CIS. The EBRD provides guarantees for confirming banks, and the TaiwanICDF jointly shoulders the political and commercial risk, helping importers and exporters in the region engage in international trade.

## Development Bank of South Africa (DBSA)

### **Lower Usuthu Smallholder Irrigation Project in Swaziland**

This project aims to create an environment beneficial to agricultural production, assisting farmers in developing high-value crops, ensuring food security, boosting income, and alleviating poverty.

## Organization of American States (OAS)

### Talent and Innovation Competition of the Americas

The TaiwanICDF and YABT cooperated on holding competitions to encourage the development of innovation in the youth of Latin America and the Caribbean. Young, aspiring entrepreneurs proposed and developed innovative plans for starting businesses, and were assisted in the realization of these projects.

## Inter-American Development Bank (IDB)

### Program for Environmental Pollution Control in Critical Areas of El Salvador

This project is establishing environmental pollution prevention and control systems in three critical areas: Air quality, water quality, and integrated solid waste management. It also assists local governments in processing refuse.

### Program for Modernizing the National Congress and the Office of the Comptroller General

This project is modernizing the Dominican Republic National Congress and the Office of the Comptroller General, to strengthen their legislative and oversight functions. The long-term goal is to improve democratic governance in the Dominican Republic.

### Specialized Financial Intermediary Development Fund

In conjunction with the IDB's MIF, the TaiwanICDF has established the Specialized Financial Intermediary Development Fund. The MIF looks for and evaluates financial institutions, and helps strengthen their functions via lending. This allows them to increase and upgrade the range of services which they can provide to MSMEs, aiding private sector development.

## World Bank (in Honduras)

### Land Development Project in Honduras

The technical mission stationed in Honduras offers quality breeding swine, plug seedlings of Oriental vegetables, and fruit plantlets. The World Bank, through the UN's Food and Agriculture Organization, provides capital to Hondurans to promote tilapia cultivation, and fruit and vegetable farming. These efforts help to relieve rural poverty.

## Cooperation with Bilateral Development Organizations

### Technical Cooperation

#### Agencia Española de Cooperación Internacional (AECI) in Honduras

Tilapia fry and raising technology is provided by the technical mission, while the AECI is providing capital to Hondurans to create fishponds for the further development of the tilapia culture industry.

### Private Sector Development

#### Belgian Investment Company for Developing Countries (BIO)

The TaiwanICDF has jointly invested in the BTS Co. with the BIO to engage in equity investment in Indian SMEs with a high degree of development potential.

#### Swiss Secretariat for Economic Affairs (SECO)

The TaiwanICDF has jointly invested in the BTS Co. with the SECO to engage in equity investment in Indian SMEs with a high degree of development potential.

# Cooperation with NGOs

## Humanitarian Assistance

### Mercy Corps

The TaiwanICDF and Mercy Corps have cooperated in the establishment of the Emergency Response Fund, supporting the initiative for pre-disaster preparation and providing immediate assistance to people in countries throughout the world that have been affected by natural disasters, wars, and ethnic conflict.

### Food For The Poor (FFP)

In cooperation with FFP and Taiwan's MOFA, the TaiwanICDF is shipping rice to Haiti. FFP is distributing the rice to those in need through its distribution network in the country, helping to alleviate hunger.

### World Hakka Federation

The TaiwanICDF cooperates with the World Hakka Federation to deliver blankets and other goods to organizations in Thailand's Chiang Mai and Chiang Rai provinces, helping local villagers stay warm. A total of 4,200 quilts have been distributed to 29 villages in Chiang Mai and 56 villages in Chiang Rai.

## Microcredit

### Foundation for National Development (FND) of St. Kitts and Nevis

The TaiwanICDF provides funds to be re-loaned to MSEs through the FND, a community-oriented NPO whose mission is to increase employment and incomes in the area.

### National Development Foundation of St. Vincent and the Grenadines (NDFSVG)

The TaiwanICDF provides funds to the NDFSVG for MSE re-lending. The main goal of this non-profit organization is to provide loans and technical assistance to for the development of local MSEs.

### The Village Unit Cooperatives (KUDs) in Indonesia

The TaiwanICDF supports KUDs in strengthening and expanding savings and lending systems in Indonesia.

### Caisse Nationale De Credit Agricole (CNCA) in Burkina Faso

Loans are distributed through CNCA to farmers, women, and youth in Burkina Faso, helping them engage in agricultural production. This boosts employment and alleviates poverty.

### Gambia Village Savings and Credit Associations (VISACAs) and Microfinance Promotion Center (MFPC)

The TaiwanICDF helps strengthen the center's efforts in training villagers to form credit associations, and manage savings and credit services. The organization also supports the center's provision of microloans throughout The Gambia.

## Small Farmholders' Financing Scheme

### Omar Torrijos Cooperative in Nicaragua

The TaiwanICDF continues to provide the Omar Torrijos Cooperative with assistance in land re-zoning, and funding needed for irrigation equipment. The technical mission continues to offer guidance in rice production and administrative and fiscal management.

### Augusto Sandino Cooperative in Nicaragua

The Technical Mission in Nicaragua and the Augusto Sandino Cooperative jointly carry out a rice production project. The technical mission provides training and loans to the locals to procure needed items, and helps members of the cooperative to improve the types of rice grown and with marketing of the end product.

### Belize Enterprise for Sustainable Technology (BEST)

In conjunction with BEST, this scheme provides better financial services to small farmholders.

### Seven Fishermen Cooperatives in Panama

The TaiwanICDF is providing loans for local fishermen to acquire necessary fishing boats and equipment. The loan is managed by the fishermen's cooperative and the Technical Mission in Panama.

### Fisheries Organizations near Lago de Yojoa, Honduras

In cooperating with three fisheries organizations, the Technical Mission in Honduras is providing group loans for tilapia breeding and cultivation activities.

## Technical Cooperation

### Food For The Poor (FFP)

The TaiwanICDF and FFP cooperate in the extension of tilapia farming, husbandry, and horticulture in the Dominican Republic, Honduras, Nicaragua, Guatemala, and El Salvador. The technical mission provides underprivileged households with technology and equipment for a variety of undertakings, including tilapia farming, the raising of pigs, and the cultivation of fruit trees. FFP assists through structures it has erected in the region, and programs to alleviate poverty run by the organization.

### World Vision in Nicaragua

World Vision provides loans to farmers to acquire materials, while the Technical Mission in Nicaragua offers instruction in constructing greenhouses, and in seedling propagation technology. This program is supporting the development of vegetable cultivation in the region around the capital.

### Save the Children in Nicaragua

The technical mission donates sesame seeds, provides loans for materials, and offers cultivation technology. Save the Children is responsible for any extra capital needs and coordinating with the Somotillo City government over participation by farmers in the program. The three parties cooperate in promoting production of oilseed crops, helping to boost economic development in the area.

### International Centre for Tropical Agriculture (CIAT)

In cooperation with CIAT, The Technical Mission in Nicaragua is cultivating high yield upland rice that is resistant to sheath brown rot.

### Fundacion de Investigacion y Desarrollo Rural (FIDER) in Nicaragua

Working with FIDER, the technical mission is promoting a staple foods crop project, helping Nicaraguans to produce upland rice, and black and red beans.

### Plan Malawi

The medical mission in Malawi and Plan Malawi cooperate on a project that provides foods with high nutritional content to AIDS patients.

### World Vision in Honduras

The technical mission is offering instruction in tilapia fry propagation and raising technology. World Vision offers capital to local residents to establish fishponds, helping to develop the saltwater tilapia industry in southern Honduras.

### Ayuda en Accion in Honduras

The technical mission provides tilapia fry and cultivation technology, while the Spanish NGO Ayuda en Accion offers capital to Hondurans to create fishponds for the further development of the tilapia industry. The technical mission also supplies breeder pigs and related technology. Meanwhile, the IDB channels funds through Ayuda en Accion to erect pigsties.

### Samaritan's Purse

The technical mission in El Salvador provides fish fry, feed, equipment, and technical assistance. Samaritan's Purse offers funding for the construction of fish ponds. This program helps to boost farmer incomes and improve lifestyles.

### American Nicaraguan Foundation (ANF: FFP partner in Nicaragua)

The Technical Mission in Nicaragua provides assistance in pig farming and sales techniques, while the ANF offers capital to farmers to purchase materials. The aim of the project is to assist in the development of the pig-farming industry in Nicaragua.

### CityHope International (CHI)

The Medical Mission in Malawi and CHI cooperate on the management and distribution of CHI's donations of medical goods.

# Acronyms and Abbreviations

<b>ADB</b>	Asian Development Bank
<b>AECI</b>	Agencia Española de Cooperación Internacional
<b>AfDB</b>	African Development Bank
<b>AGEXPRONT</b>	Guatemala Non Traditional Products Exporters' Association
<b>ANF</b>	American Nicaraguan Foundation
<b>APEC</b>	Asia-Pacific Economic Cooperation
<b>ASONAIWCO</b>	La Asociación Nacional de Industriales de Muebles, Colchones y Afines
<b>BADEA</b>	Arab Bank for Economic Development in Africa
<b>BEST</b>	Belize Enterprise for Sustainable Technology
<b>BIO</b>	Belgian Investment Company for Developing Countries
<b>CABEI</b>	Central American Bank for Economic Integration
<b>CAD/CAM</b>	computer aided design/computer aided manufacturing
<b>CAEDF</b>	Central American Economic Development Fund
<b>CCAD</b>	Central American Commission for Environment and Development
<b>CHI</b>	CityHope International
<b>CIAT</b>	Centro Internacional de Agricultura Tropical in Colombia
<b>CITC</b>	Committee of International Technical Cooperation
<b>CNCA</b>	Caisse Nationale de Credit Agricole
<b>COHCIT</b>	The Honduras Council of Science and Technology
<b>DBSA</b>	Development Bank of South Africa
<b>DOC</b>	Digital Opportunity Center
<b>EBRD</b>	European Bank for Reconstruction and Development
<b>EDF</b>	European Development Fund
<b>EIB</b>	European Investment Bank
<b>EIP</b>	enterprise information portal
<b>EPA</b>	Environmental Protection Administration
<b>ETC</b>	Early Transition Countries
<b>EU</b>	European Union
<b>FETS</b>	Special Fund for the Social Transformation of Central America
<b>FFP</b>	Food For the Poor
<b>FI</b>	Financial Institution
<b>FIDER</b>	Fundación de Investigación y Desarrollo Rural
<b>FIISF</b>	Financial Intermediary Investment Special Fund
<b>FND</b>	Foundation for National Development of St. Christopher and Nevis
<b>FTAA</b>	Free Trade Area of the Americas
<b>FTC</b>	Feed The Children
<b>GAWFA</b>	The Gambia Women's Finance Association
<b>GDP/ GNI/ GNP</b>	Gross domestic product/ Gross National Income/ Gross National Product
<b>GIS</b>	geographic information system
<b>HIV/AIDS</b>	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
<b>ICT</b>	Information and Communications technology
<b>IDB</b>	Inter-American Development Bank
<b>IECDF</b>	International Economic Cooperation and Development Fund
<b>IFAD</b>	International Fund for Agricultural Development
<b>IFC</b>	International Finance Corporation
<b>IHCSA</b>	International Healthcare Cooperation Strategic Alliance
<b>ISO</b>	International Organization for Standardization
<b>ITLA</b>	Las Americas Institute of Techonology
<b>KSU</b>	Kun Shan University
<b>KUDs</b>	Village Cooperative Unit in Indonesia
<b>MCF</b>	Mongolia Cooperation Fund

<b>MCN</b>	Micro-Credit National
<b>MDGs</b>	Millennium Development Goals
<b>MFPC</b>	Microfinance Promotion Center
<b>MIF</b>	Multilateral Investment Fund
<b>MMM</b>	Mobile Medical Mission
<b>MOEA</b>	Ministry of Economic Affairs, ROC (Taiwan)
<b>MOFA</b>	Ministry of Foreign Affairs, ROC (Taiwan)
<b>MOU</b>	Memorandum of Understanding
<b>MSE</b>	Micro and Small Enterprise
<b>MSME</b>	Micro, Small and Medium Enterprise (also referred to as SMME: Small, Medium and Micro Enterprise)
<b>NCCU</b>	National Chengchi University
<b>NCU</b>	National Central University
<b>NDFSVG</b>	National Development Foundation of St. Vincent and the Grenadines
<b>NGO</b>	nongovernmental organization
<b>NHCA</b>	Taiwan Nongovernmental Hospitals and Clinics Association
<b>NPUST</b>	National Pingtung University of Science and Technology
<b>NSYSU</b>	National Sun Yat-sen University
<b>NT\$</b>	New Taiwan dollars
<b>NTHU</b>	National Tsing Hua University
<b>NTNU</b>	National Taiwan Normal University
<b>NTOU</b>	National Taiwan Ocean University
<b>NYMU</b>	National Yang Ming University
<b>OAS</b>	Organization of American States
<b>OCAC</b>	Overseas Compatriot Affairs Commission
<b>ODA</b>	Official Development Assistance
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>PROMIPYME</b>	Program for Micro-, Small and Medium-sized Enterprises
<b>ROC</b>	Republic of China (Taiwan)
<b>ROC-CAEDF</b>	Republic of China-Central American Economic Development Fund
<b>RS</b>	remote sensing
<b>SATCC</b>	Sino-Africa Technical Cooperation Committee
<b>SECO</b>	Swiss Secretariat for Economic Affairs
<b>SBA</b>	Small Business Account
<b>SME</b>	Small and Medium Enterprise
<b>TaiwanICDF</b>	International Cooperation and Development Fund
<b>TFP</b>	Trade Facilitation Program
<b>TICA</b>	Taiwan International Cooperation Alliance
<b>TICTA</b>	Taiwan ICT Alliance
<b>UN</b>	United Nations
<b>UNDP</b>	United Nations Development Programme
<b>U.S.</b>	The United States
<b>US\$</b>	United States dollars
<b>USAID</b>	United States Agency for International Development
<b>VISACA</b>	Village Savings and Credit Associations
<b>WFNS</b>	World Federation of Neurosurgical Societies
<b>WHO</b>	World Health Organization
<b>WTO</b>	World Trade Organization
<b>YABT</b>	Young Americas Business Trust
<b>YZU</b>	Yuan Ze University



## International Cooperation and Development Fund

The TaiwanICDF's organization identity system emphasizes the core values of co-prosperity and professionalism. The use of the image of sprouting leaves illustrates the central areas of our work. Green reflects our focus on agriculture to eradicate poverty and hunger, and our growing attention to environmental sustainability; and blue represents our use of technology and innovative management to bridge the digital divide and enhance industrial growth. Finally, the white of the lettering stands for our efforts to ease the shortage of medical resources in partner countries. As Taiwan's dedicated development assistance body, we are determined to work as part of the international community to do our utmost to ensure a better world and a brighter future.

### International Cooperation and Development Fund Annual Report 2007

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