

Core Strategies and Operational Priorities

The founding mission of the TaiwanICDF calls on the organization to improve universal well-being by "working for humanity, sustainable development and economic progress." Our operations and development assistance programs continue to reflect contemporary trends in international cooperation and development, while also drawing on Taiwan's many comparative advantages.

The TaiwanICDF's operations are project-driven, and the organization deploys resources flexibly — through capital, technology, human resource development and knowledge transfer activities. Projects are designed to meet internationally recognized standards, implemented effectively, and regularly assessed to assure that actions and outcomes are sustainable. Through this approach, partner countries receive the appropriate support required to overcome specific development challenges, which allows for stable social and economic progress alongside environmentally sustainable growth.

Core Strategies

During 2009, the TaiwanICDF's strategic objectives focused on five areas: reducing poverty; maintaining food security; developing public health and medical services; responding to climate change, supporting environmentally friendly and sustainable development; and promoting balanced development throughout the global community. The organization introduced these five core areas into its rolling program of operations, initially through the promotion of private sector development, and environmental protection and clean energy. Throughout this process, the TaiwanICDF successfully integrated resources and implemented joint measures in close cooperation with other international organizations, NGOs and development actors.



Regional Cooperation Strategies

The TaiwanICDF's program for social and economic growth is determined by the organization's overall operational and regional strategies. Staff routinely visit partner countries to identify the potential for new project

work, while our permanent TaiwanICDF technical missions focus on providing a wide range of development services and technical assistance.

Over the years, staff at TaiwanICDF missions have established strong partnerships with their host countries. Technicians have a first-hand understanding of local needs, and are well placed to make modifications to the design and implementation of projects, as necessary. Equally, feedback

on the successes and lessons learned from completed projects informs the design and implementation of future projects. These processes are transparent to our cooperating partners and demonstrate our accountability.

The TaiwanICDF also works in concert with partner governments and international organizations to assess the limitations and challenges facing partner countries during the course of their development. Consequently, we are well

positioned to make informed decisions regarding the types of assistance required, and sensitive to which industries and sectors need the most support. We are then able to set objectives and pool resources. Boosting project efficiency in this way contributes toward the attainment of partner countries' development goals.

Project Implementation

The global economy showed signs of recovery in 2009, and the international community was able to make further commitments to environmental sustainability.

Against this background, the TaiwanICDF built on groundwork accomplished during the previous year by taking further steps to promote the cause of sustainable development. Having boosted food output in many partner countries, TaiwanICDF operations in the agricultural sector focused on promoting the transition to agribusiness and export-oriented agricultural trade. In the public health and health care sectors, Taiwanese doctors and health care specialists maintained their commitment to treating patients in our partner countries, while the organization improved the quality of local services and institutions by training local medical professionals. Meanwhile, efforts were made to raise the quality of human resources and institutional capacity in partner countries, and the development environment of the private sector. In the course of promoting economic growth, resources were also invested in strengthening best practice in environmental sustainability. Drawing on Taiwan's comparative advantages, we deployed a range of solutions to realize these objectives — including specialized MMMs, public health campaigns, technical and vocational education and training (TVET) courses, small- and medium-sized enterprise (SME) development and microfinancing services, and refuse processing and clean energy.

In future, the TaiwanICDF will continue to acknowledge, respect and account for genuine needs and concerns relating to development in partner countries. We will continue to form partnerships based on mutual trust, and steer a course in which our endeavors reflect both international trends and our organizational strengths; and we will formulate well-structured and effective mediumand long-term development projects that exploit limited resources to maximum effect.

Operational Outlook

Operations in 2009 focused on alleviating the impact of the financial crisis on developing partner countries, and on resuming growth. With growth forecast to improve throughout 2010, the TaiwanICDF will continue to promote a range of projects involving investment and lending, technical assistance and consultation, and humanitarian assistance. The organization aspires to strengthen agricultural output, support the expansion of clean energy facilities and the private sector, boost partner countries' trading capacity, and enhance their medical and health care resources. We believe that this approach can turn a crisis into an opportunity.

Summary of Operations in 2009

The TaiwanICDF utilizes its fund to conduct direct and indirect investment and lending, and provide credit guarantees; while Fund interest supports bilateral and multilateral technical assistance, humanitarian aid and similar activities.

The organization follows rigorous procedures when preparing and appraising projects, and projects being implemented receive regular supervision. Funds are committed to developing new projects that reflect strategic objectives, with the appropriate combination of technical cooperation and capital enabling such projects to achieve their stated purpose.

Investment, Lending and Credit Guarantees

The purpose of the TaiwanICDF's investment, lending and credit guarantee activities is to provide a direct channel through which partners can acquire capital. This funding promotes technical advancement and accelerates economic and social development. New operations during 2009 included:

- The approval of two microfinancing projects
- Funding for two small farmholders' financing schemes, to be implemented by overseas missions
- Approval of a public sector project to build institutional capacity in ICT
- Appraisal of a private sector development project and a social sector investment project
- Ongoing negotiation for a public infrastructure lending project

Technical Assistance and Grants

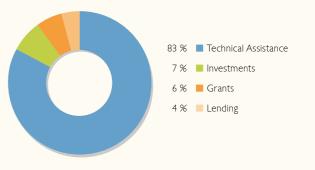
Grants and technical assistance provided by the TaiwanICDF serve multiple purposes, including various forms of training for officials and citizens of partner nations, consultancy and advisory services, the recruitment of volunteers to address specific development issues, humanitarian assistance, and the implementation of projects designed for economic growth and social development. New operations during 2009 included:

- The establishment of the TaiwanICDF Fund for Consulting Services, in cooperation with the Central American Bank for Economic Integration (CABEI)
- A pilot microfinancing fund in a small island country
- Ten technical assistance projects
- Ten research projects
- Two new workshops
- The introduction of a new master's degree in International Health Care Administration as part of the International Higher Education Scholarship Programs

- Two regional seminars held in partner countries
- The placement of 57 new, short- and long-term volunteers at overseas missions
- Agreements with two hospitals to become members of
- One MMM, including the donation of medical equipment
- Eight humanitarian assistance projects, including the establishment of a joint Humanitarian Cooperation Fund with Mercy Corps

Total expenditures associated with all projects in 2009 amounted to NT\$1.96 billion (including disbursements of lending and investments of NT\$229.8 million, and technical assistance and grants of NT\$1.74 billion). The largest share of expenditures was given over to technical assistance projects (83%), and then projects funded by investments (7%), grants (6%), and lending (4%).

Total Expenditures by Project (2009)



Banking and Finance Operations

Strategic planning for the TaiwanICDF's lending and investment operations continues to focus on medium-range work initiated in recent years. We continue to strengthen ties to other international organizations, promote microfinancing projects, invest in TVET, and prioritize development work whose objectives harmonize with the national development strategies of our partner countries.

In 2009, the TaiwanICDF provided second-phase loans to microcredit institutions in the Caribbean. We also cooperated with international organizations to provide long-term capital to commercial banks, which will generate further opportunities for micro-, small- and medium-sized enterprises (MSMEs) to access funding. Our work toward fostering capacity in TVET should also help trainees to develop requisite skills and increase their employment opportunities. On this point, we have investigated the possibility of introducing similar projects to Central America and Africa, but it was concluded that a lack of educational software and hardware resources would inhibit progress. Accordingly, we have recruited a team of specialists to develop interactive learning materials for vocational education.

In line with the national development strategies adopted by governments in our partner countries, we have provided funding for infrastructure projects, and introduced modern information systems that will boost the efficiency and outreach of public administration. At the same time, our policy of encouraging greater private sector participation in development projects continued throughout 2009: The organization joined forces with bilateral and multilateral institutions to found a special private equity fund dedicated to building low-cost housing, which will improve living standards for low- and medium-income households.

In partnership with CABEI, we established the

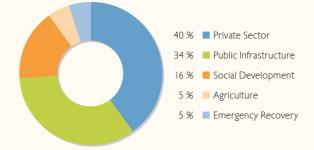


TaiwanICDF Fund for Consultancy Services, which will sponsor Taiwanese experts and consultancy firms to draft initial assessments for technical services required during various projects. Both organizations have also delegated staff to document their experiences during the implementation of projects, which has opened up new possibilities for cooperation.

In addition to strengthening mechanisms for post-investment management, we have worked with partner countries to coordinate the content and direction of projects. This has been a key factor in minimizing the impact of the financial crisis on both the TaiwanICDF and its partners. Throughout this turbulent period, financial institutions and governments in partner countries have continued to receive the benefit of our professional financial planning and management services.

In 2009, overall, the TaiwanICDF continued to assess new projects and supervise and manage existing ones. The organization also introduced seven new projects relating to infrastructure, TVET, e-government, and microcredit — including small farmholders' financing schemes. In future,

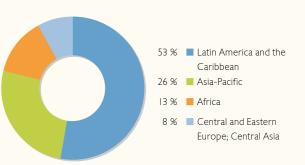
Loans by Sector



we will continue to develop innovative and sustainable projects for microfinance, vocational education, climate change and agricultural development.

In 2009, the TaiwanICDF also oversaw 91 lending and investment projects involving the disbursement and repayment of funds. As of December 31, 2009, aggregate loan commitments amounted to US\$475.21 million. The largest proportion of committed funds was for projects carried out in Central America and the Caribbean (53%), following by Asia and the Pacific (26%), Africa (13%), and Central and Eastern Europe and Central Asia (8%).

Loans by Region



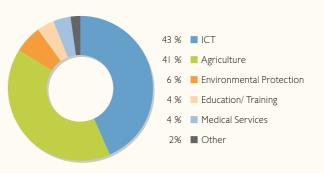
Technical Cooperation

Technical Assistance and Consultation Services

The TaiwanICDF carried out ten technical assistance projects in 2009, including the Seminar on E-Commerce in Central America, and solar energy projects; and initiatives on issues of global concern, such as the use of methane as a renewable energy source, and waste reduction. During the year, MOFA commissioned the TaiwanICDF to oversee ten projects, including e-government development and ICT projects, as well as the Malaria Control Project in São Tomé and Príncipe.



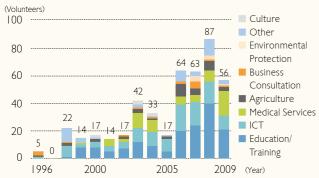
Technical Assistance Projects by Sector (2009)



TaiwanICDF Overseas Volunteers

The TaiwanICDF has dispatched a total of 451 short- and long-term volunteers to 34 partner countries since 1996. In 2009, 56 new volunteers were enlisted for overseas service. Nine of these volunteers are providing environmental protection services in five partner countries, reflecting rising international attention to conservation issues.

TaiwanICDF Overseas Volunteers by Category (Since 1996)



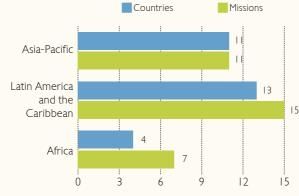
Overseas Missions

MOFA commissions the TaiwanICDF to operate overseas missions and medical missions. At the end of 2009, a total of 33 technical, medical, industrial service and trade missions were stationed in 28 countries, served by 225 technicians.

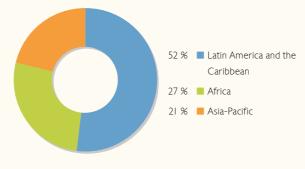
Overseas missions continue to adjust their work according to shifting demand, with an increasing number of projects in ICT and systems planning. Non-agricultural projects accounted for 25 percent of the 91 projects implemented during 2009, compared with 27 percent of projects in 2008.



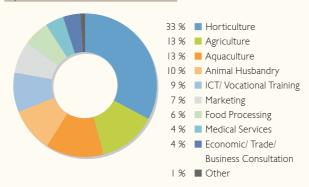
Overseas Missions and Cooperating Countries (2009)



Overseas Mission Expenditures by Region (2009)



Overseas Mission Projects by Sector (2009)



Achievements of Projects Implemented by Overseas Missions (2009)

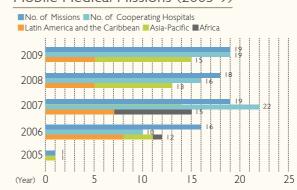
Category of Project	Area (Hectares)	No. of Persons Trained	Value of Output (US\$)
Agriculture	17,710	28,224	35,275,576
Horticulture	2,441	17,524	31,464,282
Aquaculture	101	4,015	7,048,614
Animal Husbandry	-	6,204	3,144,993
Food Processing	-	3,250	2,896,210
Vocational Training	-	1,647	-
Medical Services	-	7,293 (No. of Patients) 49,788	-
ICT		7,194	1,293,454
Other	462	7,892	15,647,036
Total	20,714	83,243	96,770,165

Cooperation in Medicine and Health Care

In 2009, the TaiwanICDF dispatched 19 MMMs, of which 12 were commissioned by MOFA. The organization coordinated and assembled 169 medical personnel from 19 cooperating hospitals and medical institutions in Taiwan, providing services in 15 countries. In total, over 25,000 people in partner countries benefited from the program.

During 2009, the TaiwanICDF also arranged for 33 medical personnel from partner countries to receive three-month training placements at 17 hospitals and medical institutions in Taiwan, as part of the Healthcare Personnel Training Program.

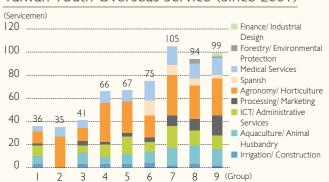
Mobile Medical Missions (2005-9)



Taiwan Youth Overseas Service

In 2009, the TaiwanICDF enrolled 99 servicemen to work at overseas missions. The latest group incorporated servicemen with expertise in banking and finance, and industrial design, reflecting the current focus of TaiwanICDF operations and the need to boost human resource in these sectors within certain partner countries. This was the ninth group of servicemen to be dispatched since 2001, taking up postings in various partner countries in late-November 2009.

Taiwan Youth Overseas Service (Since 2001)



International Human Resource Development

International Workshops

The TaiwanICDF conducts workshops that draw on Taiwan's unique economic development experiences. In addition to long-standing workshops on economics and trade, agricultural technology, health care management, human capital management and women's development, 2009 saw the introduction of two special courses on the development of the tourist sector; and cultural and creative industries, and community development. In response to growing international interest toward energy conservation and the reduction of carbon emissions, the organization organized an inaugural Workshop on Green Industry Development; and also hosted its first Workshop on WTO Technical Barriers to Trade, to promote trade liberalization among developing partners.

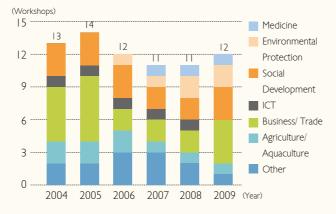
Twelve workshops were held during 2009, attended

International Workshops (2009)

編號	Workshop	No. of Participants/ No. of Countries Represented	Date	
1	Healthcare Management	20/16	3/25-4/7	
2	WTO Trade Facilitation	19/18	5/6-5/19	
3	Natural Disaster Management and Environmentally Sustainable Development	14/12	6/3-6/16	
4	Accessing International Markets: Taiwan SME Experience	23/22	6/24-7/7	
5	Green Industry Development	17/16	7/7-7/20	
6	Taiwan's Media Development	28/27	7/21-7/30	
7	Tourism Development	19/19	8/5-8/18	
8	Women's Development	25/22	9/2-9/11	
9	WTO Technical Barriers to Trade	29/18	9/29-10/12	
10	Human Capital Management	28/28	10/14-10/27	
11	Agribusiness Strategy and Management	25/21	10/22-11/4	
12	Cultural Creative Industries and Community Development	21/19	11/5-11/18	
Total 54 countries, 268 participants				



International Workshops by Category (2004-9)



by 268 government officials from 54 countries. In an effort to expand partners' participation in trade-related activities, the TaiwanICDF also worked with the Agency for International Trade Information and Cooperation (AlTIC) to co-sponsor and organize a Seminar on Trade-related Assistance in the Caribbean Region, held in St. Lucia in June.

International Higher Education Scholarship Programs

The TaiwanICDF International Higher Education Scholarship Programs continued to perform well through 2009, assisting partner countries to satisfy an increasing demand for highly qualified individuals. Funding is provided so that these individuals can undertake long-term study in Taiwan, with an emphasis on challenges to development in their home countries. All courses are taught in English. In 2009, the TaiwanICDF and Taipei Medical University introduced an International Master's Program in Health Care Administration, with a curriculum specifically designed to

meet the needs of hospital managers in partner countries. As of the end of 2009, the TaiwanICDF was cooperating with 16 universities to offer 24 undergraduate, master's and doctoral courses. Since the establishment of the program, 533 students have received scholarships; while as of the end of 2009, 265 students from 28 countries were studying in Taiwan.

The TaiwanICDF also offers primary and secondary school scholarships. Under the TaiwanICDF Scholarship Program in Mongolia, 1,000 children from low-income families receive textbooks and school equipment each year. To date, about 7,000 children have benefited from the program.

TaiwanICDF Alumni Societies

The TaiwanICDF offers annual funding to establish and maintain the operations of TaiwanICDF Alumni Societies, which support the networking activities of former workshop participants and scholarship students. Members engage in a range of activities, such as seminars, orphanage visits, or community service. There are currently 37 societies operating in 36 countries. In December 2009, the 3rd Regional Meeting of TaiwanICDF Alumni Societies in Asia and the Pacific was held in Indonesia, enabling individual societies to share their experiences and discuss the state of trade development with Taiwan.

Foreign Students Enrolled in International Higher Education Scholarship Programs (2009)

NPUST	Undergraduate Program for Tropical Agriculture for Central Americans	_	14	-	_	14
	Master's Program in Tropical Agriculture	3	7	1	_	11
	Ph.D. Program in Tropical Agriculture	2	4	1	_	7
NCCU	International Undergraduate Program in Business Administration	_	27	_	_	27
	International Master's in Business Administration	2	14	1	1	18
	International Master's Program in Taiwan Studies	_	2	1	_	3
NTOU	International Master's Program in Aquatic Sciences and Marine Resources Management	5	5	_	_	10
	International Ph.D. Program in Aquatic Sciences and Marine Resources Management	-	0	1	_	1
NTNU	Graduate Institute of International Workforce Education and Development	2	10	_	_	12
NTHU	International MBA in Technology Management	2	8	-	_	10
	International Master Program in Information Systems and Applications	2	7	-	_	9
NYMU	International Master's Program in Public Health	4	4	_	1	9
	International Ph.D. Program in Public Health	2	1	_	_	3
NCU	International Master's Program in Environment Sustainable Development	2	10	1	_	13
KSU	International Undergraduate Program in Mechanical Engineering	_	35	_	_	35
	International Master Program in Plastic Injection and Precision Mold	1	10	1	3	15
NSYSU	International Master's Program in Electric Power Engineering	1	1	1	1	4
YZU	International Master's Program in Industrial Engineering and Management	2	8	_	_	10
NTCN	International Nursing Master of Science Program	2	6	1	_	9
NTU	International Graduate Program in Agricultural Policy Development and Management	4	6	_	-	10
NCKU	International Graduate Program in Civil Engineering and Management (ICEM)	2	6	1	-	9
MCU	Undergraduate Program in International Trade and Management	_	16	_	_	16
KMU	Master's Program in Clinical Medicine	3	3	-	_	6
TMU	International Master's Program in Health Care Administration	1	3	1	_	5
Total		47	201	11	6	265

TaiwanICDF Alumni Societies

Region	Africa	Latin America	and the Caribbean	Asia-Pacific	Central and Eastern Europe; Central Asia
Chapter	The Gambia Ivory Coast Swaziland South Africa	Argentina Belize Bolivia Chile Colombia Dominican Republic Ecuador El Salvador Guatemala Haiti	Honduras Mexico Nicaragua Panama Paraguay Peru St. Kitts and Nevis St. Vincent and the Grenadines	Fiji Kiribati Indonesia Oman Philippines Solomon Islands Thailand Tuvalu Vietnam: Ho Chi Minh City Vietnam: Hanoi	Czech Republic Hungary Latvia Poland Russia
Total	4		18	9	5

Humanitarian Assistance

International humanitarian assistance operations focus on providing emergency relief to countries in the immediate aftermath of natural disasters, as well as contributing toward post-disaster reconstruction. Initiatives cover emergency search-and-rescue and relief, settlement of and care for displaced persons, and reconstruction and recovery projects. The TaiwanICDF works with international organizations and domestic and international NGOs to perform these operations. Taking advantage of the experience and grassroots networks built up by international organizations and NGOs in individual nations ensures that assistance achieves maximum impact.

Natural Disaster Emergency Relief

From May to July 2009, the TaiwanICDF cooperated with Mercy Corps to deliver donations made by OdysseyRe, and other emergency relief and goods, to residents in Cundinamarca department in Colombia following devastating landslides. Items provided included food, hygiene kits, kitchen utensils and bedding; and post-trauma counseling was provided for children. Community conferences were organized, with local government officials in attendance, so that important groups and disaster victims could discuss reconstruction, relocation and disaster-prevention work.

In order to provide a ready source of emergency aid to disaster victims, the TaiwanICDF also cooperated with the Red Cross Society of the Republic of China to purchase 6,000 sets of essentials and sanitary items that could be distributed whenever the need arises.

In 2009, the organization continued to strengthen collaboration with NGOs, and maintained ties to a long-term partner, Mercy Corps, by establishing a joint Humanitarian Cooperation Fund. The TaiwanICDF is well prepared to tap into funds to provide humanitarian assistance in the event of natural disasters, unrest or wars, whenever and wherever they occur.



Post-disaster Reconstruction and Recovery

During 2009, the TaiwanICDF initiated the Tibetan Refugee Self Help Center Walls Rehabilitation Project in Darjeeling, India, providing assistance so that the center could resume operations following Cyclone Aila. The organization also cooperated with the Pan American Development Foundation (PADF) on a Potable Water Systems Rehabilitation Project in Haiti, helping to restore water systems that were damaged around Cayes-Jamel in the wake of Hurricane Jacmel. This has improved water quality and reduced incidences of water-borne diseases.

At Htin Pone village in Myanmar, schoolchildren were able to return to their studies when the TaiwanICDF partfunded the rebuilding of an elementary school following Cyclone Naris. Meanwhile, the organization cooperated with World Vision after an earthquake struck in Padang, Indonesia, in September. Under this initiative, children in disaster areas received educational materials so that they could continue their studies.

Alleviating Poverty in El Salvador

The TaiwanICDF and SimplyHelp cooperated on the Single Mothers Vocational Training Project in El Salvador, providing courses in baking, cosmetology, cooking, hair styling, domestic service, and bartending. This is supporting single mothers on low incomes to learn skills that will help them find jobs and improve their living conditions.

International Humanitarian Assistance Projects (2009)

Country				
Central America	Central America Materials Assistance Project	Red Cross Society of the Republic of China	Emergency Relief	
Colombia	Emergency Response for Families Displaced by Landslides in Soacha, Comuna IV, Cundinamarca, Colombia	Mercy Corps, OdesseyRe Foundation	Emergency Relief	
El Salvador	Single Mothers Vocational Training Project	SimplyHelp	Poverty Relief	
Global	Humanitarian Cooperation Fund	Mercy Corps	Emergency Relief	
	Potable Water Systems Rehabilitation Project	Pan American Development Foundation	Post-disaster Reconstruction	
Haiti	Desdunes Farmers Union Production and Poverty Reduction Project	Desdunes Farmers Union	Poverty Relief	
India	Tibetan Refugee Self Help Center Walls Rehabilitation Project	Tibetan Refugee Self Help Center	Post-disaster Reconstruction	
Indonesia	Rapid Response to Padang Earthquake in Indonesia	World Vision Indonesia	Post-disaster Reconstruction	
Myanmar	Myanmar Elementary School Reconstruction Proje	Ling Jiou Mountain Buddhist Society	Post-disaster Reconstruction	

The Republic of China (Taiwan)-Central American Economic Development Fund

Founded in 1998, the Republic of China (Taiwan)-Central American Economic Development Fund had a total capital base of US\$204.18 million as of the end of 2009. The secretariat is based at and managed by the TaiwanICDF; and member countries include Taiwan, Belize, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

The Fund carried out four projects during 2009, including:

(1) Operations of the Central American Trade Office (CATO): The project supports the CATO's promotion of projects relating to economic development, and the exchange of business information among member countries of the Fund.

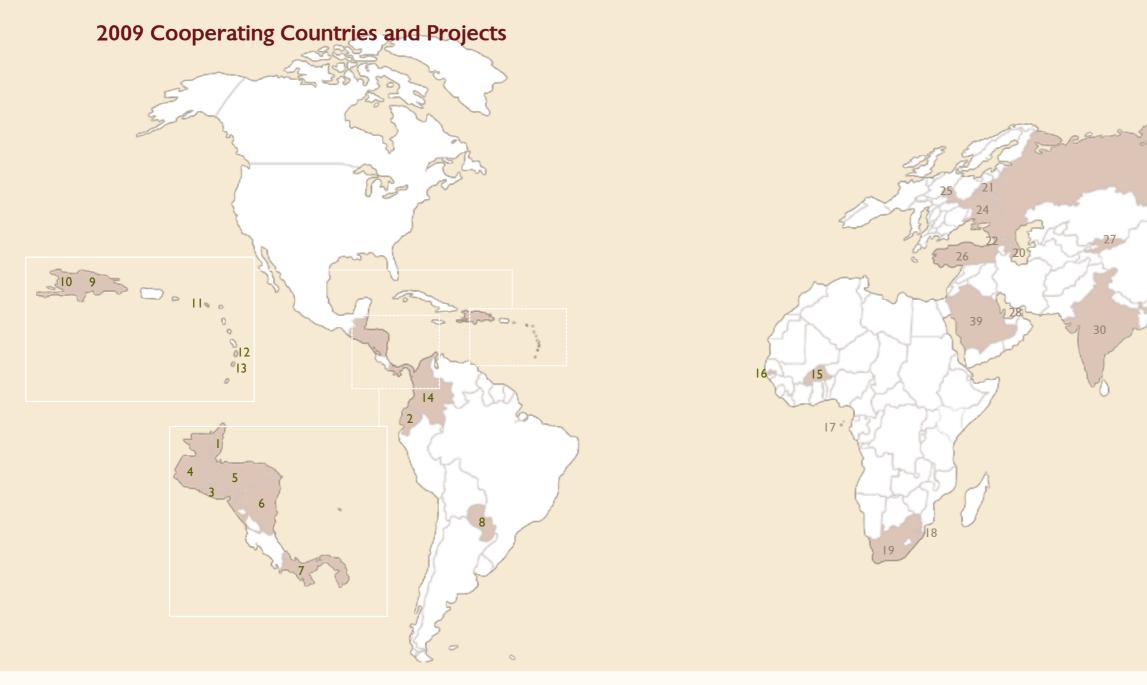
(2) The Scholarship Program for Central American Students Studying in Taiwan: The program aims to enhance capacity building for the Fund's Central American member countries by cultivating young talent and professionals through Taiwan's higher education programs. Full scholarships are awarded only to qualified individuals from the Fund's Central American member countries to undertake undergraduate, graduate and doctorate programs in Taiwan.



As of the end of October 2009, a total of 315 students had benefited from the program, with 183 students enrolled in courses

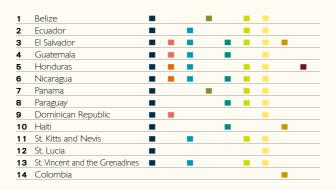
(3) Scholarship Program for Human Resources Strengthening in Socio-Economic and Agricultural Development: From 2004, the project assisted students from Central American member countries by offering scholarships at the University of Zamorano in Honduras and National Pingtung University of Science and Technology. This program was completed in 2009.

(4) Promoting Relations between the ROC and Friendly Countries by way of Best Practice Transfers: As of the end of 2009, US\$600,000 had been disbursed to Central American member nations to execute sub-projects relating to the humanities, education, agriculture, environmental protection, biotechnology, culture, and legal reform.



- Overseas Missions
- Technical Assistance Projects
- Banking and Finance Projects
- International Human Resource Development Projects (excluding Workshops and Scholarship Programs)
- Mobile Medical Missions
- TaiwanICDF Overseas Volunteers
- Taiwan Youth Overseas Service
- International Humanitarian Assistance Projects
- Credit Guarantee Projects

Latin America and the Caribbean



Africa

15	Burkina Faso		-
16	The Gambia		
17	São Tomé and Príncipe		
18	Swaziland		
19	South Africa		

Central and Eastern Europe; Central Asia

20	Azerbaijan
21	Belarus
22	Georgia
23	Russia
24	Ukraine
25	Czech Republic
26	Turkey
27	Kyrgyzstan

Asia-Pacific

