

# Summary of 2006 Operations

A better world, a brighter future

# **Banking and Finance Operations**

The aim of the TaiwanICDF's banking and finance operations is to assist allied and friendly developing countries in their economic development through investment, lending, or credit guarantees. The TaiwanICDF actively collaborates with partner nations or bilateral/ multilateral organizations in these efforts to promote social and economic growth in partner countries.

In 2006, operations included not only implementing core lending and investment projects approved by the Board of Directors and Supervisors, but also working in tandem with Taiwan's economic and trade-oriented policies. Work continued on a number of economic infrastructure projects, and investment in diplomatic allies from Taiwan's private sector is encouraged by credit guarantees. The TaiwanICDF is also strengthening cooperation with international institutions by engaging in investment and lending projects tailored to the needs of partner countries, as well as by holding various seminars on development topics of global concern.

In 2006, the TaiwanICDF promoted 10 investment and lending projects. These included cooperation with the Executive Yuan's Development Fund on Consolidated Investment in Latin America, with expected lending of US\$40 million, and investment of US\$49 million. As of the end of 2006, the TaiwanICDF has signed agreements to carry out investment and lending for 80 projects

#### Signed Projects

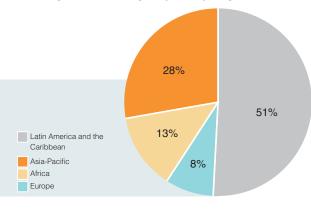
| Name of Project  | Type of Project               | Partner Country or Organization                                 | Budg | get Allocation |
|--|-------------------------------|---|------|----------------|
| Consolidation Investment in Latin<br>America—Joint Investment in Chih-Hsing<br>Textile Co. | Investment/<br>Private Sector | Latin American Nations  | NT\$ | 450,000,000    |
| Specialized Financial Intermediary<br>Development Fund                                     | Investment/<br>Private Sector | Inter-American Development<br>Bank/Multilateral Investment Fund | US\$ | 15,000,000     |
| BTS Equity Investment Fund in India  | Investment/<br>Private Sector | Asian Development Bank  | US\$ | 5,000,000      |
| Trade Facilitation Program   | Investment/<br>Private Sector | European Bank for Reconstruction and Development                | US\$ | 5,000,000      |
| CABEI SMME Re-lending Project  | Lending/<br>Private Sector    | Central American Bank for<br>Economic Integration (CABEI)       | US\$ | 10,000,000     |
| Total  |                               |   | US\$ | 49,062,500     |

Banking and Finance Projects in 2006

#### Approved by the Board but Not Yet Signed

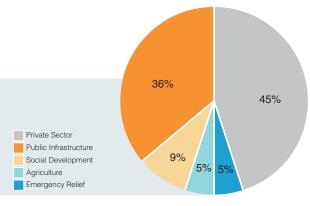
| Name of Project   | Type of Project                  | Partner Country or Organization | <b>Budget Allocation</b> |
|---|----------------------------------|---------------------------------|--------------------------|
| Mundo Maya Project—Rio Amarrillo<br>Airport Construction                      | Lending/Public<br>Infrastructure | Government of Honduras          | US\$ 5,000,000           |
| Social Transformation Special Fund—<br>Social Infrastructure Project—Phase II | Lending/Public<br>Infrastructure | CABEI                           | US\$ 10,000,000          |
| Vocational Education Project in Panama  | Lending/Social<br>Development    | Government of Panama            | US\$ 12,000,000          |
| Xac Bank Project in Mongolia  | Lending/<br>Private Sector       | Xac Bank in Mongolia            | US\$ 3,000,000           |
| Total   |                                  |                                 | US\$ 30,000,000          |
| Consolidation Investment in Latin<br>America*                                 | Investment/<br>Private Sector    | Latin American Nations          | NT\$ 2,050,000,000       |

Note: In November 2005 the TaiwanICDF Board approved a joint venture program under the Executive Yuan's Co-Prosperity Project. The amount invested was NT\$2.5 billion, denominated in U.S. dollars, based on an exchange rate of 32:1. Presently, pledges have been committed for one joint venture.



#### Banking and Financing Projects by Region





covering the areas of public infrastructure, agriculture (including small farmholders' financing schemes), social development (including environment and education), private sector development, (including development of industrial parks and loans to micro, small, and medium enterprises) and emergency relief. Aggregate loan agreements amounted to US\$445.99 million. Of this, US\$405.93 million, or 91%, has been disbursed, and US\$208.96 million or 47%, has been recovered. Of the projects already signed (including projects that have been halted), the greatest amount of capital, or 51%, has been channeled to Latin America and the Caribbean, followed by the Asia-Pacific region at 28%, Africa at 13%, and Europe at 8%.

### **Technical Cooperation**

The TaiwanICDF is commissioned by the MOFA to operate overseas missions and run the Youth Overseas Service program. The TaiwanICDF also utilizes its own capital in implementing other technical assistance projects, including industry consultation, institutional capacity building, and specialized research. Moreover, it also operates the Overseas Volunteers program and Mobile Medical Missions (MMMs).

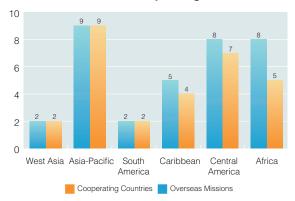
### 1. Projects Commissioned by MOFA and Other Agencies

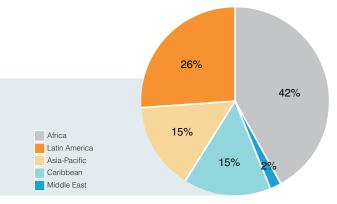
### (1) Overseas Missions and Related Commissioned Projects

In 2006, MOFA commissioned the TaiwanICDF to manage overseas technical and medical missions, as well as special projects, requiring aggregate expenditures of about NT\$1.326 billion. At the end of 2006, a total of 34 missions in technical, medical, industrial service, and investment and trade fields (not including the technical and medical missions in Chad that were terminated in August) were stationed in 29 countries. The missions had a combined staff of 238 people and carried out 84 cooperation projects.

In addition to the funds provided by the government, the overseas missions work with international organizations, such as the Inter-American Organization for Agricultural Cooperation and Colombia's Centro International de Agricultura Tropical (CIAT). The missions also cooperate with the overseas offices of bilateral development organizations like the Canadian International Development Agency (CIDA) office in Honduras, and with international non-governmental organizations (NGOs) such as Food For The Poor (FFP), Save the Children, and World Vision. Combining the technical expertise of specialists stationed abroad with the capital of

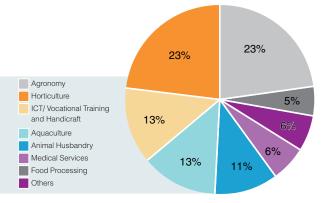






Overseas Missions and Related Commissioned Project Expenditures by Region in 2006

# Overseas Missions and Related Commissioned Projects by Category in 2006



# Achievements of Overseas Missions and Related Commissioned Projects

| Type of Project            | Area<br>(Hectares) | No. of<br>People<br>Trained | Output<br>Value (US\$) |
|----------------------------|--------------------|-----------------------------|------------------------|
| Agronomy                   | 15,427             | 32,491                      | 19,173,964             |
| Horticulture               | 3,088              | 10,336                      | 15,735,870             |
| Aquaculture                | 456                | 2,730                       | 3,752,896              |
| Animal Husbandry           | -                  | 2,558                       | 1,491,511              |
| Food Processing            | -                  | 876                         | 30,424,392             |
| ICT/Vocational<br>Training | -                  | 6,325                       | _                      |
| Medical Services           | -                  | 157                         | —                      |
| Others                     | 15                 | 1,094                       | 996,000                |
| Total                      | 18,986             | 56,567                      | 71,574,633             |

international organizations has proven successful in crop improvement, animal husbandry, and aquaculture projects in Africa and Central America.

### (2) Taiwan Youth Overseas Service

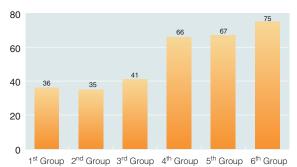
The TaiwanICDF has been commissioned by the MOFA to carry out the Taiwan Youth Overseas Service, being responsible for the training of participants and related management work. Servicemen in the program assist overseas missions based on their areas of expertise. They help the missions in agricultural and fisheries extension, trade/business development and industry consulting, medical services, information technology extension, and education projects.

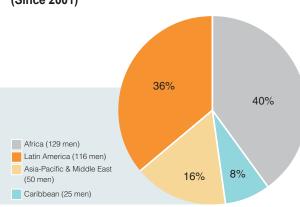
The 66 servicemen of the fourth group, dispatched in 2004, completed their service and returned to Taiwan between December 2005 and February 2006. Meanwhile, the 67 servicemen that comprised the fifth group were dispatched to 24 countries in January 2006 after receiving nine weeks of language and skills training. A sixth group encompasses 75 servicemen, including 19 in agronomy and horticulture, six in aquaculture, four in animal husbandry, three in hydraulic engineering, three in food processing, 23 in economic/trade training and information, and 17 in medicine and public health. After the completion of basic language and skills training, the servicemen were dispatched overseas to their respective postings in early January 2007.

### (3) APEC Digital Opportunity Center (ADOC)

The TaiwanICDF was commissioned by the MOEA's Bureau of Foreign Trade to carry out the ADOC Project in 2006. The aim of the project is to assist APEC member nations in reducing the digital divide, creating

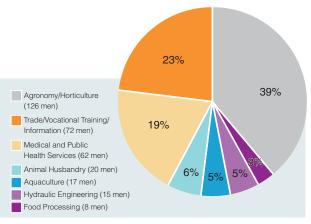
Taiwan Youth Overseas Service Participants (Since 2001)





# Taiwan Youth Overseas Service by Region (Since 2001)





opportunities in information and communications technology (ICT), and promoting activities geared toward the establishment of information economies.

In 2006, the TaiwanICDF was instrumental in establishing 14 Internet and resource centers in six partner countries: Vietnam, the Philippines, Indonesia, Papua New Guinea, Peru, and Chile. Over 15,000 people received training at these centers. Also in 2006, 60 experts and 114 senior officials from APEC member nations were invited to Taiwan to participate in the ADOC annual conference, the ICT Elite Camp, the e-Business Entrepreneurship Seminar, and the Trainers' Training Course. In addition, the TaiwanICDF sent e-commerce consultants to the six partner member economies (PMEs) to hold 12 workshops.

The TaiwanICDF made efforts to promote information exchanges among the partner countries

as well as arrange commercial opportunities. Besides holding a digital business opportunities conference in Taiwan, the TaiwanICDF invited representatives from 24 Taiwan technology companies to hold ICT Road Shows in Vietnam, the Philippines, and Indonesia. This resulted in 236 commercial cooperation agreements. Also, the establishment of the ADOC ICT Alliance has facilitated the involvement of well-known Taiwanese ICT firms in development cooperation, allowing them to function as pioneers, and discover potential for innovation in partner nations, yielding mutually beneficial results.

In April 2006, the TaiwanICDF participated in the APEC Telecommunications and Information Working Group (TEL33), obtaining the right to hold the M-Opportunity for All seminar at TEL34 in Auckland in October. Active involvement in such international conferences allows Taiwan to share its experiences in attempting to bridge the digital divide.

# 2. Projects Employing TaiwanICDF's Fund

### (1) Technical Assistance

The TaiwanICDF's technical assistance operations include providing industry consultation services (as well as consultative missions and consultants), institutional capacity building, and specialized research.

In 2006, the TaiwanICDF implemented 16 technical assistance projects, including four industryconsultation projects, 10 projects related to institutional capacity building, and two involving specialized research. These technical assistance projects focused on four areas: ICT, SME development, agriculture, and medicine and health.

In the area of ICT, projects are being executed to complement the government's Challenge 2008: National Development Plan, which calls for reducing the international digital divide. The TaiwanICDF has initiated ICT cooperation projects in Central America and Africa, focusing on the collection and dissemination of agricultural information, education, upgrading government services, and the development of digital opportunities. In the Asia-Pacific region, extension work in information education is assisting the people of six allied and friendly nations in raising their abilities to utilize information.

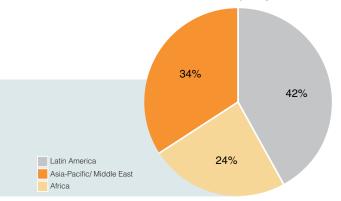
| Region                                 | Country                      | Project Name  | Project Type         |
|--|------------------------------|---|----------------------|
|  | Panama                       | Agriculture Information Upgrading Project   | Capacity Building    |
| L                                      | El Salvador                  | ICT Education Capacity Upgrading Project  | Capacity Building    |
| atin /                                 | Belize                       | Public Service Management System Improvement Project                              | Capacity Building    |
| Latin America                          | South America                | MIT Global Startup Workshop (in cooperation with the YABT*)                       | Industry Consulting  |
|  | Central and South<br>America | Talent and Innovation Competition of the Americas (in cooperation with the YABT*) | Industry Consulting  |
| ~                                      | Malawi                       | Small–Sized Corn Grinding Factory Project   | Industry Consulting  |
| Africa                                 | The Gambia                   | Technical Assistance Project to Reduce Digital Divide                             | Industry Consulting  |
| g                                      | Burkina Faso                 | na Faso Technical Assistance Project to Reduce Digital Divide                     |                      |
|  | Mongolia                     | Water Resources Usage and Well Digging Feasibility Study                          | Specialized Research |
|  | Palau                        | ICT Education Capacity Upgrading Project  | Capacity Building    |
| Asi                                    | The Solomon Islands          | ICT Education Capacity Upgrading Project  | Capacity Building    |
| Asia-Pacific                           | The Marshall Islands         | ICT Education Capacity Upgrading Project  | Capacity Building    |
| ific                                   | Nauru                        | ICT Education Capacity Upgrading Project  | Capacity Building    |
|  | Kiribati                     | ICT Education Capacity Upgrading Project  | Capacity Building    |
|  | Tuvalu                       | ICT Education Capacity Upgrading Project  | Capacity Building    |
| Latin America, Asia-Pacific,<br>Africa |                              | Healthcare Personnel Training Program   | Capacity Building    |

### **Technical Assistance Projects**

\*YABT is an initiative affiliated with the General Secretariat of the Organization of American States (OAS)

In terms of SME development, the TaiwanICDF has cooperated with the Organization of American States' (OAS) Young Americas Business Trust (YABT) in holding conferences and the Talent and Innovation Competition of the Americas, encouraging

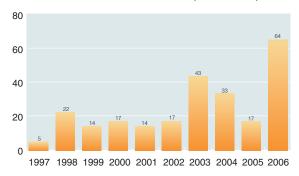




entrepreneurship, innovation, and research and development (R&D) among youth in the region. The two agencies have also implemented the InfoBiz Project, providing young entrepreneurs with an e-commerce information platform. In the area of health and medicine, the TaiwanICDF was involved in the establishment of the International Healthcare Cooperation Strategic Alliance (IHCSA) in 2006. A total of 20 medical personnel from 14 allied and friendly nations received specialized training in Taiwan, in an effort to raise the quality of medical services in those countries.

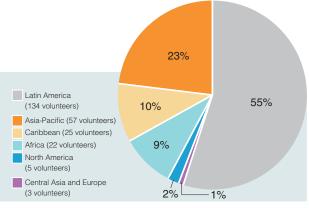
### (2) TaiwanICDF Overseas Volunteers

The TaiwanICDF Overseas Volunteers program enlists both short-term and long-term volunteers for service in partner countries. The program was initiated at the end of 1996 when the first group of volunteers was dispatched to Swaziland. To date, 181 long-term volunteers have been sent to 24 partner nations. Of

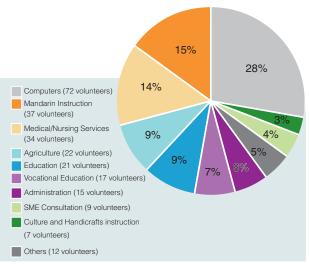


#### TaiwanICDF Overseas Volunteers (Since 1996)

TaiwanICDF Overseas Volunteers by Region (Since 1996)



# TaiwanICDF Overseas Volunteers by Category (Since 1996)



these, 157 people have served for a period of two years, with 24 providing one year of service as of the end of 2006. This first group of one-year volunteers dispatched to 11 countries. In 2006, 24 volunteers were stationed in 11 countries: Panama, Costa Rica, Nicaragua, Honduras, St. Vincent and the Grenadines, Ecuador, Thailand, the Marshall Islands, India, Kiribati, and Burkina Faso.

In an effort to add flexibility to the program and increase operational efficiency, in 2003 the TaiwanICDF began dispatching short-term volunteers overseas for disaster relief, or projects of a special nature. Shortterm volunteers serve mainly for periods of between one and three months, with the longest span not exceeding one year. At the end of 2006, 65 short-term volunteers had been sent overseas to engage in computer hardware maintenance, education (Mandarin, athletics, library management, and cooking), agricultural and industrial assistance (agricultural technology, food processing, and furniture design), public health, translation, and archiving. In 2006, 40 short-term volunteers were sent to Costa Rica, Nicaragua, Panama, Belize, Honduras, the Dominican Republic, the Marshall Islands, Kiribati, Palau, Tuvalu, Indonesia, Thailand, the Philippines, Uzbekistan, and the Czech Republic.

#### (3) Mobile Medical Missions

On February 14, 2006, the TaiwanICDF and private hospitals in Taiwan cooperated to establish the IHCSA, to jointly execute medical assistance projects.

Guided by a belief in universal access to health care, the TaiwanICDF coordinates domestic health care personnel and resources to provide outreach medical services in remote areas. Funded by the MOFA, in 2006, a total of 16 MMMs were dispatched to 12 allied and friendly countries in Africa, Central America, and the South Pacific to provide clinics for residents, stage education and demonstrations in clinical medicine, and engage in exchanges of information and technology. There were 14 participating hospitals including Changhua Christian Hospital, Taipei Municipal Wan Fang Hospital, Kaohsiung Medical University's Chung-Ho Memorial Hospital, and Hualien Yu-Li Veterans Hospital. Over 35,000 people in partner countries have benefited from the program.

| No. of Countries and Missions                     | 12 Countries, 16 Missions<br>Africa: Swaziland<br>Central America: Guatemala (2), Panama, Honduras<br>South Pacific: Marshall Islands (2), Papua New Guinea (2), Fiji, Kiribati, Palau,<br>Solomon Islands (2), Tuvalu, Nauru   |
|---|---|
| No. of Cooperating Hospitals                      | 14 (Changhua Christian Hospital, Taipei Municipal Wan Fang Hospital, Mackay<br>Memorial Hospital, National Yang-Ming University School of Medicine, Taipei<br>Veterans General Hospital, Kaohsiung Medical University's Chung-Ho Memorial<br>Hospital, Chung Shan Medical University Hospital, Chang Hua Show Chwan<br>Memorial Hospital, Taipei Medical University Hospital, Hualien Yu-Li Veterans<br>Hospital, Yilan Hospital, Kaohsiung Municipal Hsiao-kang Hospital, Chu Shang<br>Show Chwan Hospital, and Changbin Show Chwan Memorial Hospital) |
| Total No. of Medical Workers                      | About 150 (each mission on average is comprised of 10-12 people)  |
| Total No. of Days of Service                      | About 120 Days  |
| Total No. of Beneficiaries                        | About 35,000  |
| Total No. of Sister Hospital<br>Agreements Signed | 6   |

## Breakdown of Mobile Medical Mission Operations in 2006

# International Human Resource Development

The TaiwanICDF's international human resource development operations are devoted to the training of personnel needed by diplomatic allies or friendly countries for their economic and social development. In 2006, these operations included the following:

### 1. Specialized Workshops

A total of 13 workshops were held in 2006, for which 310 government officials from 63 countries came to Taiwan for training.

### 2. Scholarship Programs

In 1998, the TaiwanICDF initiated scholarship programs for foreign students from partner nations to pursue advanced studies in Taiwan. The programs aim to meet the increasing demand for highly trained people in Taiwan's partner countries. The first graduate scholarship program was established with National Pingtung University of Science and Technology (NPUST), offering a master's degree in agriculture for foreign students. Over the years, the TaiwanICDF has expanded cooperation programs to other schools, providing a wide variety of coursework in different disciplines. In 2001, Ph.D. programs began to be offered. Meanwhile, in 2003, the Taiwan International Cooperation Alliance (TICA) was established with participating universities, to combine the resources of Taiwan's academic and private sectors while engaging in international cooperation. Then, in 2006, the scholarship programs were expanded to include undergraduate programs for students from Central America.

As of the end of 2006, the TaiwanICDF has cooperated with 10 universities in offering 18 undergraduate, master's and Ph.D. curriculums. A total of 225 students have benefited from the scholarship programs; in 2006, 126 students were enrolled.

In addition to higher education, the TaiwanICDF also offers primary and secondary school scholarships for children in friendly and allied nations in the East Caribbean, as well as in Mongolia.

### 3. Other Education Projects

The TaiwanICDF cooperates with bilateral/ multilateral institutions, or specialized education organizations, in carrying out human resource development projects. In 2006, the TaiwanICDF continued to work with World Links, assisting secondary schools in three Central American partner countries with the development of Internet-related educational capabilities.

### 4. The TaiwanICDF Alumni Societies

In an attempt to broaden the success and pool the efforts of international human resources training programs, the TaiwanICDF offers funding each year to organize and create TaiwanICDF Alumni Societies for former workshop participants and scholarship students to network. Presently, there are 38 societies throughout the world.

# International Humanitarian Assistance

The TaiwanICDF's humanitarian assistance operations

| Number                              | Workshop  | No. of<br>Participants | No. of Countries<br>Represented | Date        |  |
|-------------------------------------|---|------------------------|---------------------------------|-------------|--|
| 1                                   | Workshop on Agricultural Policy and Rural Development                                   | 27                     | 24                              | 03/22-04/04 |  |
| 2                                   | Workshop on Small and Medium Enterprise Development Experience                          | 29                     | 26                              | 04/12-04/25 |  |
| 3                                   | Workshop on Taiwan Economic Planning and Development                                    | 26                     | 25                              | 04/12-04/25 |  |
| 4                                   | Workshop on the Application of GIS for Land Development Planning                        | 16                     | 14                              | 07/26-08/08 |  |
| 5                                   | Workshop on Women's Development   | 24                     | 22                              | 09/13-09/26 |  |
| 6                                   | Workshop on Community Development and Tourism Industry                                  | 26                     | 23                              | 10/04-10/17 |  |
| 7                                   | Workshop on Bridging the Digital Divide   | 25                     | 23                              | 03/22-04/04 |  |
| 8                                   | Workshop on the Quarantine, Biosecurity and Drug Residue of Livestock and Poultry       | 26                     | 22                              | 07/04-07/21 |  |
| 9                                   | Workshop on Writing and Reporting for Press and Media<br>Industries (A)                 | 29                     | 25                              | 06/28-07/11 |  |
| 10                                  | Workshop on Writing and Reporting for the Broadcast and Electronic Media Industries (B) | 24                     | 20                              | 06/28-07/11 |  |
| 11                                  | Workshop on Aquaculture   | 19                     | 17                              | 08/15-09/01 |  |
| 12                                  | Workshop on Food Processing   | 19                     | 18                              | 10/04-10/24 |  |
| 13                                  | Workshop on WTO Trade Facilitation  | 20                     | 20                              | 11/22-12/05 |  |
| Total 62 Countrias 210 Dertisinants |   |                        |                                 |             |  |

# International Human Resource Development Programs in 2006

Total 63 Countries, 310 Participants

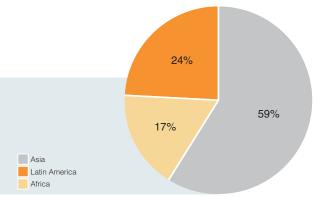
# **Distribution of TaiwanICDF Alumni Societies**

| Area            | Chapter   | Total |
|-----------------|---|-------|
| Africa          | Ivory Coast, Swaziland, South Africa, The Gambia, Malawi  | 5     |
| Asia-Pacific    | Philippines; Indonesia: Jakarta, East and Central Java; Vietnam: Ho Chi Minh City and Hanoi; Thailand , Solomon Islands, Fiji | 8     |
| Middle East     | Oman  | 1     |
| Caribbean       | St. Vincent & the Grenadines, St. Kitts & Nevis, Haiti, Dominican Republic  | 4     |
| Central America | Belize, Costa Rica, El Salvador, Nicaragua, Guatemala, Honduras, Mexico, Panama   | 8     |
| South America   | Chile, Peru, Colombia, Argentina, Bolivia, Paraguay, Ecuador  | 7     |
| Europe          | Czech Republic, Hungary, Lithuania, Poland, Russia  | 5     |

# Number of Foreign Students enrolled in International Higher Education Scholarship Programs in 2006

| University | Program  | Africa | Latin<br>America | Caribbean | Middle<br>East | Asia-<br>Pacific | Total |
|------------|--|--------|------------------|-----------|----------------|------------------|-------|
|            | Undergraduate Program in Tropical<br>Agriculture for Central Americans                   | 0      | 7                | 0         | 0              | 0                |       |
| NPUST      | Master's Program in Tropical Agriculture   | 6      | 5                | 0         | 0              | 2                |       |
|            | Ph.D. Program in Tropical Agriculture  | 6      | 2                | 2         | 0              | 0                |       |
|            | International Undergraduate Program in Business Administration                           | 0      | 6                | 0         | 0              | 0                |       |
| NCCU       | International Master's in Business<br>Administration                                     | 0      | 7                | 2         | 0              | 1                |       |
|            | International Master's Program in Taiwan Studies   | 0      | 1                | 0         | 0              | 0                |       |
| NTOU       | International Master's Program in<br>Aquatic Sciences and Marine Resources<br>Management | 2      | 10               | 1         | 0              | 0                |       |
| NIOU       | International Ph.D. Program in Aquatic<br>Sciences and Marine Resources<br>Management    | 0      | 1                | 0         | 0              | 0                |       |
| NTNU       | Graduate Institute of International<br>Workforce Education and Development               | 1      | 5                | 1         | 0              | 0                | 126   |
| NTHU       | International MBA in Technology<br>Management  | 1      | 12               | 1         | 0              | 0                | 120   |
| MIIIO      | International Master Program in Information<br>Systems and Applications                  | 2      | 5                | 0         | 2              | 0                |       |
| NYMU       | International Master's Program in Public Health  | 1      | 2                | 1         | 0              | 0                |       |
| NTWO       | International Ph.D. Program in Public Health   | 0      | 0                | 0         | 0              | 1                |       |
| NCU        | International Master's Program in<br>Environment Sustainable Development                 | 1      | 6                | 0         | 0              | 0                |       |
| VSU        | International Undergraduate Program in Mechanical Engineering                            | 0      | 11               | 0         | 0              | 0                |       |
| KSU        | International Master Program in Plastic<br>Injection and Precision Mold                  | 0      | 7                | 0         | 0              | 1                |       |
| NSYSU      | International Master's Program in Electric<br>Power Engineering                          | 1      | 0                | 0         | 0              | 0                |       |
| YZU        | International Master's Program in Industrial<br>Engineering and Management               | 0      | 2                | 0         | 1              | 0                |       |

stress the integration of the organization's core programs and its strengths, which include technical assistance, human resource development and microfinancing; and the dispatch of volunteers helps maximize the impact of assistance programs, and enables short-term humanitarian aid to pave the way for longer term development assistance projects. The TaiwanICDF also seeks to promote the government policy of "people-to-people diplomacy," by actively working with domestic and foreign NGOs, introducing international resources into its programs, establishing avenues for the exchange of information, and creating platforms for international cooperation. International Humanitarian Assistance by Region in 2006



In 2006, the TaiwanICDF and Mercy Corps established the Emergency Response Fund. The global manpower network of that organization enables the rapid distribution of emergency aid from Taiwan in the wake of natural disasters or unrest in areas throughout the world. In addition, technical missions also undertake relief work in partner countries. The Technical Mission in Guatemala supported local vegetable production and marketing teams with agricultural recovery and reconstruction activities after the devastation caused by Hurricane Stan.

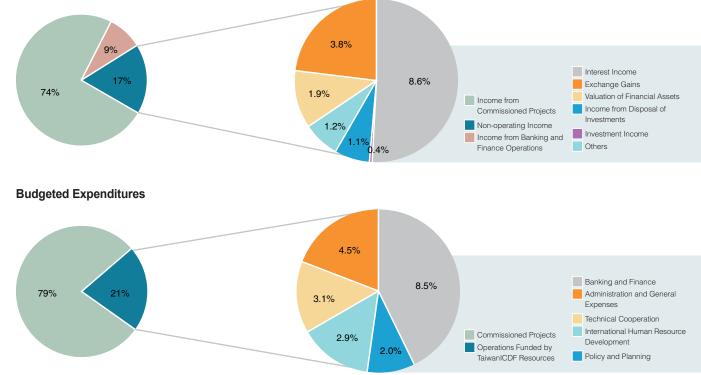
Meanwhile, the TaiwanICDF cooperated with the Taiwan Tibet Exchange Foundation on humanitarian medical assistance to the Tibetan community in Orissa, India. It has also worked with FFP in cultivating tilapia to reduce rural poverty in Haiti. In 2006, the TaiwanICDF cooperated with the Taiwanese company I-Mei Foods Co. on the transportation of used toys to Swaziland, and also implemented the "Tons of Love-Material Aid Distribution Project" on behalf of the MOFA. These activities successfully extended the care and compassion of Taiwanese companies and people to allied and friendly developing countries.

### The TaiwanICDF Fund Utilization

The TaiwanICDF's annual revenues derive mainly from the interest on long-term lending operations, and income from short-term investment. At the end of 2006, the Fund's net value was approximately NT\$15.01 billion, of which NT\$12.47 billion represents the initial and donated fund at the time of inception, while the total assets stood at NT\$15.32 billion. To date, total loans approved stand at about US\$445.99 million, with US\$405.93 million disbursed and US\$208.96 million repaid. Outstanding loans are valued at about US\$178.42 million, while about US\$40 million has been committed but has yet to be disbursed. Unutilized portions of the fund are allocated in short-term financial instruments, such as bank deposits, commercial papers, bonds, and stocks, to enable more efficient use of the Fund. To reduce exposure to currency risk, the Fund diversely holds its assets in NT dollars, U.S. dollars and euros.

| Country  | Project Name   | Cooperative Agency                      | Type of<br>Humanitarian<br>Assistance |  |
|--|--|---|---------------------------------------|--|
| Countries Recovering<br>from Natural Disasters<br>or Facing Unrest | Emergency Response Fund  | Mercy Corps                             | Emergency Relief                      |  |
| Guatemala  | Reconstruction of Vegetable Fields after<br>Hurricane Stan       | _                                       | Post-disaster<br>Reconstruction       |  |
| Haiti  | The Cap Haitien's Tilapia Farm Project                           | Food For The Poor                       | Poverty Relief                        |  |
| Swaziland  | Secondhand Toys for Swaziland Project                            | I-Mei Foods Co.                         | Poverty Relief                        |  |
| Russia   | Tons of Love-Material Aid Distribution Project                   | Russia's "good-will"<br>Charitable Fund | Poverty Relief                        |  |
| India  | Malaria Control Project for the Tibetan<br>Communities in Orissa | Taiwan Tibet<br>Exchange Foundation     | Grassroots Medical<br>Assistance      |  |

### **International Humanitarian Assistance Projects in 2006**



Income Sources

# ROC-Central American Economic Development Fund

At the end of 2006, the ROC-Central American Economic Development Fund (ROC-CAEDF) had a total capital base of US\$140 million. Funding for various programs comes from the interest income of the Fund, as the regulations prohibit use of the base capital. The Fund is presently carrying out three projects. As of the end of 2006, the details of these were as follows,

1) Operational funds allocated for the Central American Trade Office (CATO), which promotes various trade and economic projects and exchanges between Taiwan and the Central American members of the Fund.

- 2) The Higher Education Scholarship Programs: A total of 98 students from seven Central American countries have received scholarships in undergraduate and postgraduate programs in Taiwan.
- 3) Scholarships to study at Zamorano University in Honduras and NPUST in Taiwan:

A total of 29 students have received scholarships in the fields of socio-economic and agricultural/animal husbandry development.