

Summary of 2002 Operations

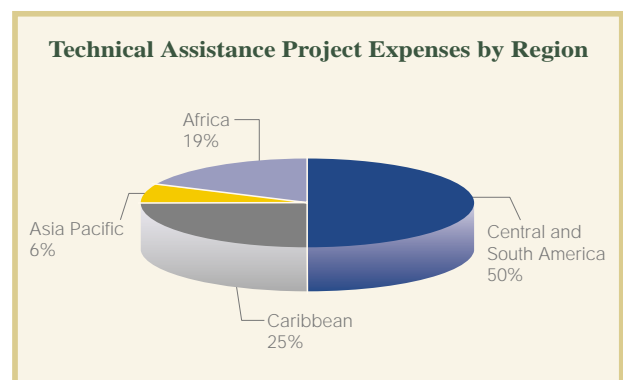
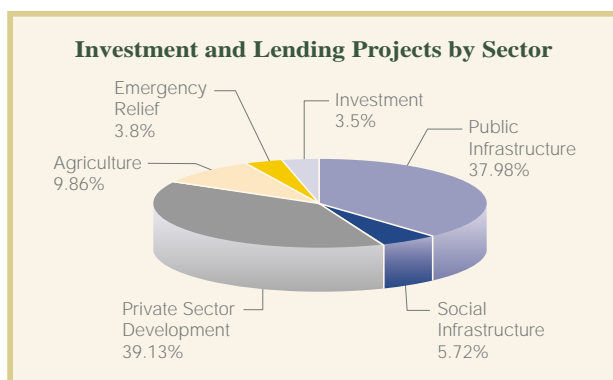
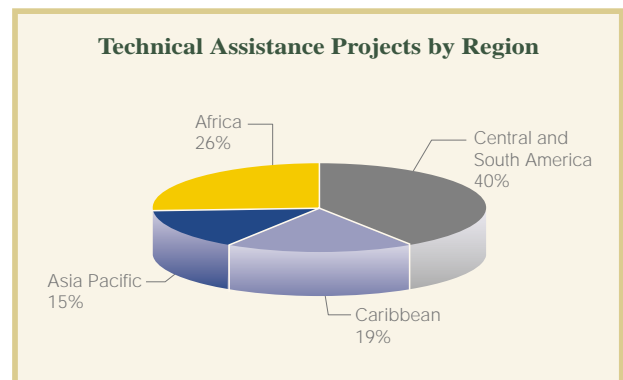
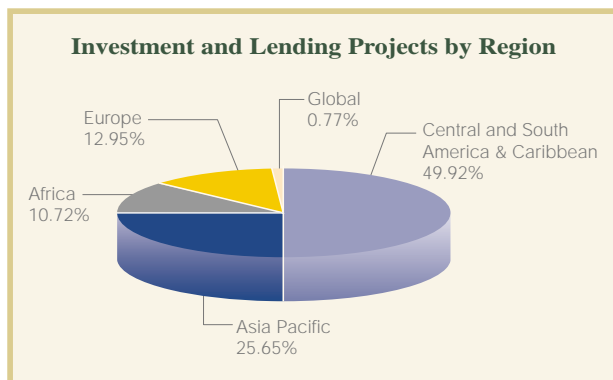
Investment and Lending Operations

Investment and lending operations include implementing core projects approved by the Board of Directors and Supervisors, extending credit guarantees to private companies that invest in developing countries, promoting private sector investment plans, cooperating with international development organizations, and providing agricultural loans for selected areas identified by overseas technical missions. By the end of 2002, the ICDF had signed agreements for 67 investment and lending projects. Financing commitments totaled US\$466.39 million. Five more plans, covering financing of US\$20.9 million, are awaiting to be signed. Of the approved plans, the greatest amount of capital has been channeled to

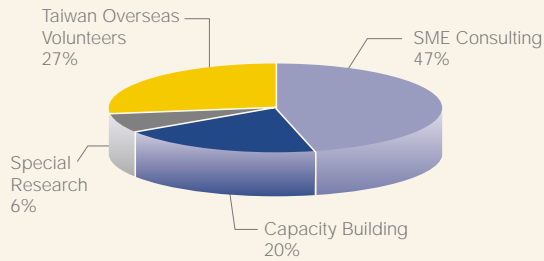
Central and South America (50 percent), followed by the Asia Pacific region (26 percent), Europe (13 percent), and Africa (11 percent).

Technical Assistance

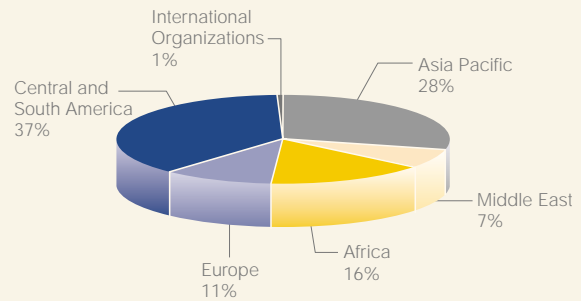
Technical assistance operations include consultancy services for SMEs, institutional capacity building and specialized research. In 2002, the ICDF executed 24 technical assistance projects, with 12 related to SME development, three concerning capacity building, and seven carrying out specialized research. Furthermore, two seminars were conducted in Honduras and St. Vincent and the Grenadines. On average, specialists spent 45.5 person months overseas.



Technical Assistance Project Expenses by Sector



Seminar Participants by Region

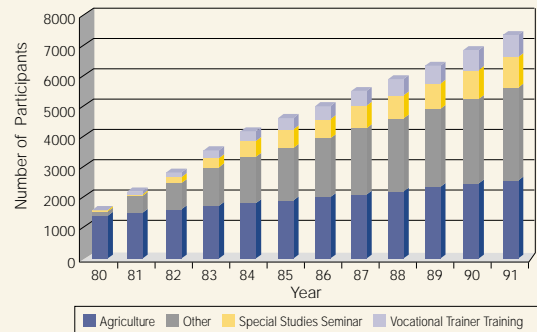


Education and Training

International human resources development operations are devoted to training the personnel needed by allied and friendly countries for economic and social development. Through the end of 2002, the ICDF held 21 seminar courses, providing specialized training for 493 people from 71 countries. By region, 111 persons from Asia Pacific attended these courses, 42 from West Asia, 84 from Africa, 36 from Europe, and 220 from Central and South America.

In 2002, the ICDF utilized bilateral or multilateral cooperation with international organizations in staging five categories of international human resources development. It also worked with World Links, a global learning network linking thousands of students and teachers around the world via the Internet for collaborative projects and integration of technology into learning. Under the auspices of this program, the ICDF provided US\$300,000 for schools in Burkina Faso, Costa Rica, El Salvador, Paraguay and Senegal to develop Internet education. In addition, the ICDF bestowed US\$500,000 in scholarship funds for students in four East Caribbean nations and Mongolia. The Fund also worked with National Pingtung University of Science and Technology and National Chengchi University to conduct graduate and postgraduate courses for over 30 students from allied countries. There are now 30 ICDF Alumni Societies throughout the world where former seminar participants can network and reminisce.

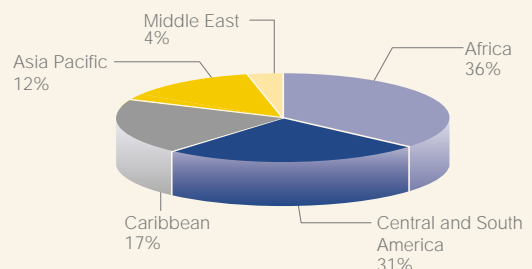
Accumulative Number of Participants Attending Seminars



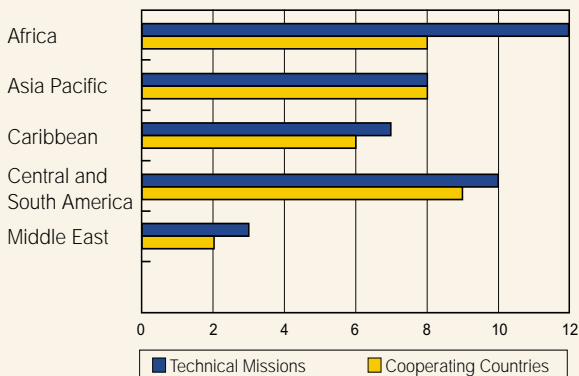
Technical Missions

In 2002, the Ministry of Foreign Affairs continued to commission the ICDF to manage overseas technical missions. At mid year, the ICDF was managing 40 technical missions stationed in 33 countries in Africa, Central and South America, the Caribbean, Asia Pacific and the Middle East. The missions, with a combined staff of 267, are involved in 84 cooperation projects.

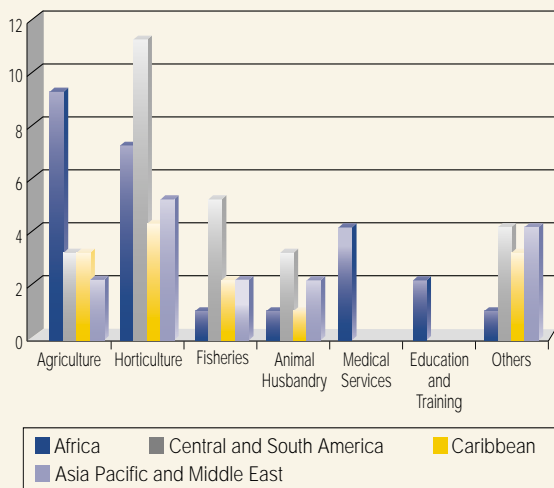
Technical Mission Personnel by Region



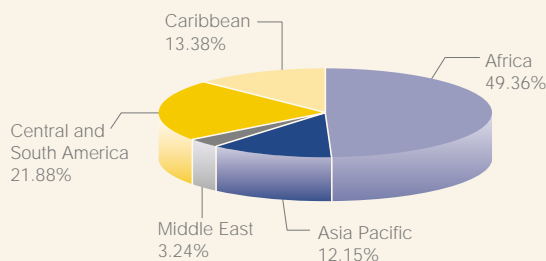
Technical Missions and Cooperating Countries



Technical Missions by Project Sector



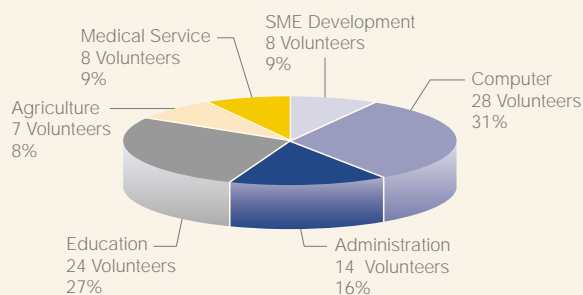
Technical Mission Expenses by Region



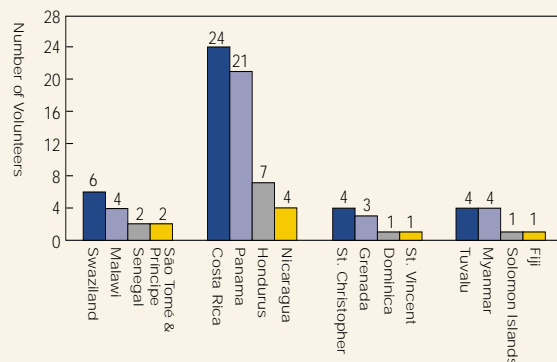
Taiwan Overseas Volunteers

Initiated in 1997 when the ICDF sent five volunteers to Swaziland, the Taiwan Overseas Volunteers Program is now in its sixth year. By the end of 2002, 89 volunteers had participated in the program, which now includes 16 friendly nations. The volunteers engage in a wide range of services, including SME consultation, computer maintenance and training, Chinese and English language teaching, ethnic dance instruction, agricultural product distribution assistance, pest prevention and medical services. Currently, 40 volunteers are serving in Costa Rica, Honduras, Myanmar, Nicaragua, Panama, St. Christopher, São Tomé and Príncipe, and Tuvalu. Volunteer service not only enables a wide range of Taiwan citizens to engage in work that promotes the nation's diplomatic agenda, but also demonstrates Taiwan's willingness to play a role in the international community.

Taiwan Overseas Volunteers by Sector (Since 1997)



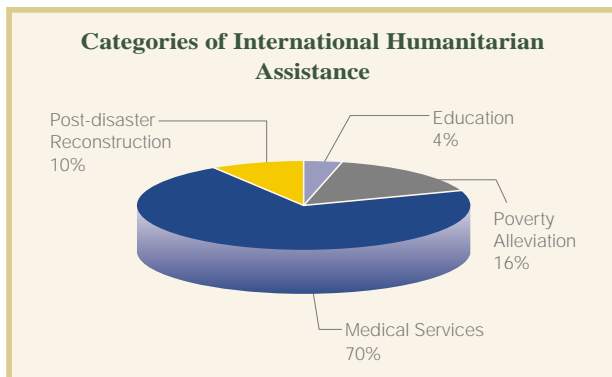
Taiwan Overseas Volunteers by Country (Since 1997)



International Humanitarian Assistance

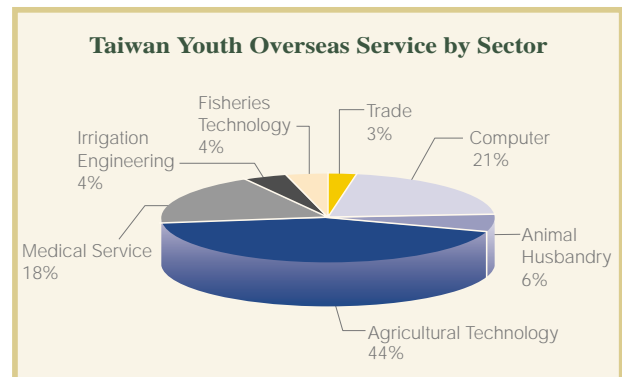
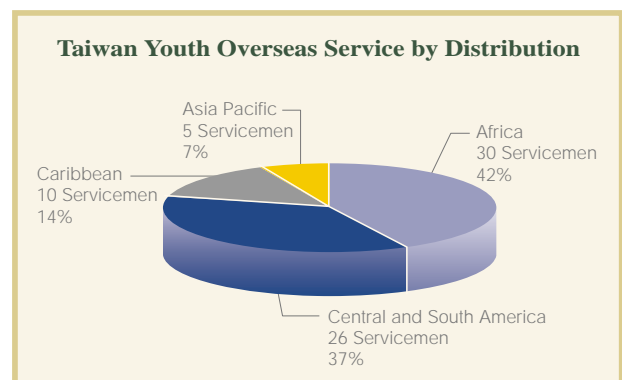
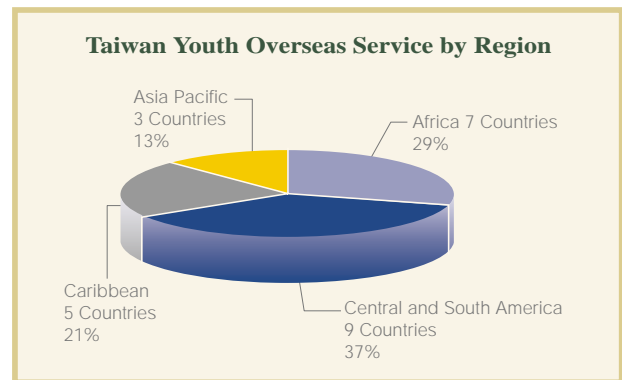
The ICDF's humanitarian assistance focuses on providing emergency assistance to friendly nations following natural disasters. The help consists of grassroots medical, health and nutritional assistance. In 2002, the ICDF provided national disaster relief assistance, post disaster reconstruction work and medical services to Cambodia, the Czech Republic, The Gambia, Paraguay, Senegal and the Tibetan Refugee Self Help Center. More than US\$1 million was spent on these projects.

International Humanitarian Assistance in 2002		
Beneficiaries	Project	Content
Mongolia	Mongolian Children's Scholarship Project	Education
Czech Republic	Post-disaster Reconstruction Project	Emergency Relief and Reconstruction
Paraguay	Small Farmers Supporting Project	Poverty Alleviation
Senegal	Vaccine Donating Project	Medical Enhancement
The Gambia	Vaccine Donating Project	Medical Enhancement
Cambodia	Small Farmers Supporting Project	Poverty Alleviation
Tibetan Refugee and Children Villages in Northern India	Free Clinics in Tibetan Refugee and Children's Villages in Northern India	Medical Enhancement
Tibetan Refugee Self-Help Center	Tibetan Refugee and Children Program	Medical Enhancement



Taiwan Youth Overseas Service

The Taiwan Youth Overseas Service is carried out according to regulations enacted by the Ministry of the Interior. Based on their specialties, people selected to participate in the program do their national service in technical, medical or trade missions stationed abroad. In 2002, 35 men were selected for the program and were sent abroad in mid November. Currently, 71 young men are serving in missions in 24 friendly nations.



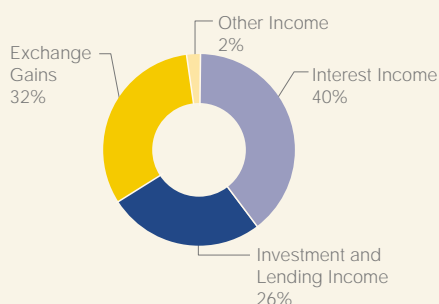
Cooperation with International Organizations and NGOs

The ICDF cooperates in various development projects with the ADB, the AfDB, the CABEL, the EBRD, the IDB and the OAS on a bilateral or multi-lateral basis. The ICDF also works with NGOs in the evaluation, implementation and supervision of various projects. In addition, the ICDF is helping to design projects and is looking for further cooperative opportunities with NGOs. At the end of the year, the ICDF was involved in nearly 50 projects with 41 international organizations and NGOs.

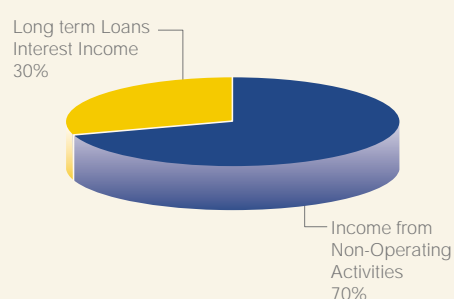
ICDF Fund Utilization

At the end of 2002, the ICDF's pledged investment and lending amounted to approximately US\$466.39 million, with 73.2 percent of those funds being utilized. The ICDF has already recovered US\$112 million of the funds. Recovered loans, funds yet to be used, and pledged funds are deposited primarily at banks and invested in short term bills and bonds. A small portion of the capital is being invested in stock or mutual funds.

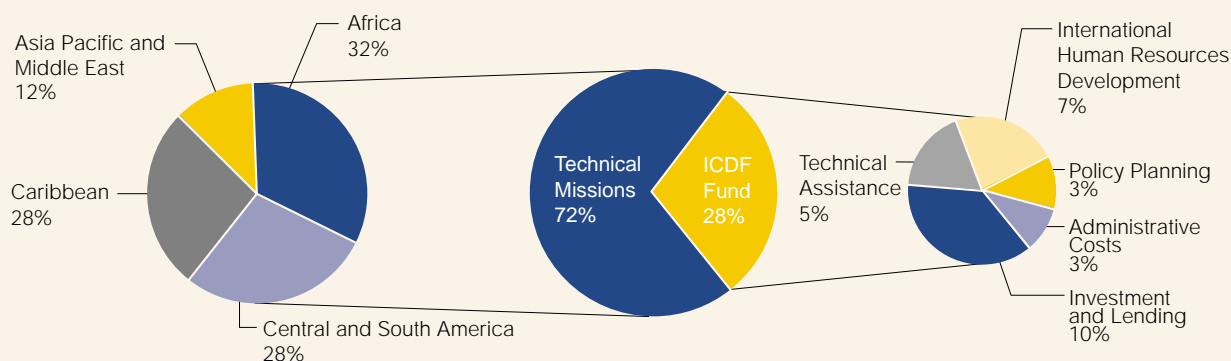
Income from Non Operating Activities



ICDF 2002 Income



ICDF 2002 Expenses



ROC – Central American Economic Development Fund

The ROC – Central American Economic Development Fund had a total capital base of US\$102.91 million at the end of 2002. Funding for various programs comes from interest on these funds, since regulations prohibit use of the base capital. To this point, the Fund has held nine board meetings, at which five projects have been approved, including: (1) Executive Training Project (2) Providing Operational Funds for the Central American Economic and Trade Office (3) Central American Technical Training Seminars (4) Scholarships for Central American Students to Study in Taiwan (5) Strengthening OSPESCA projects.

Latin America Development Company

The Latin America Development Company was established to make diverse investments in Central and South America, thereby promoting economic development in friendly nations and strengthening ties in the region. Uni-President Enterprises, President Chain Store Corp., and President International Investment are among 25 companies that have invested a total of NT\$1.1 billion in the company. The ICDF, which holds three seats on the board, has invested NT\$100 million in the firm to foster development in the region. In 2002, the company cross-invested in another company that is refitting a factory in Nicaragua.

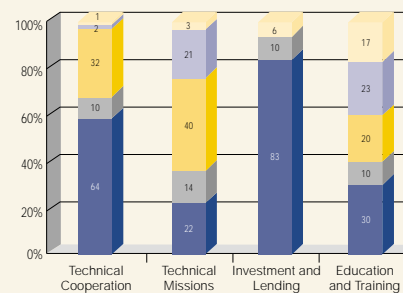
Overseas Investment and Development Corporation

The Overseas Investment and Development Corporation promotes the development of export industries and sustained economic growth in South American, East European and Asia Pacific countries. The company establishes economic and trade networks and provides Taiwan's SMEs with opportu-

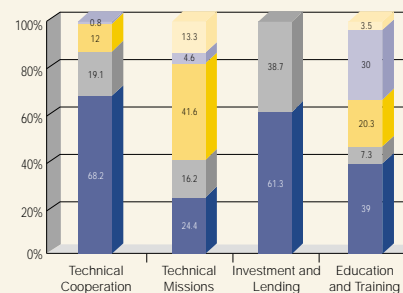
nities to invest in overseas factories. The Overseas Investment Company, which has 31 corporate shareholders, is capitalized at NT\$1 billion. The ICDF holds a 13 percent stake in the venture and has one seat on the board. The company has established six subsidiaries in South America, East Europe and Central and South America that engage in engineering, metals processing and petrochemical production. One of the company's overseas engineering companies is participating in bidding for projects in the capital of Palau.

Distribution of Assistance Projects, 2000-2002

■ 2000 (18 months)



■ 2001



■ 2002

