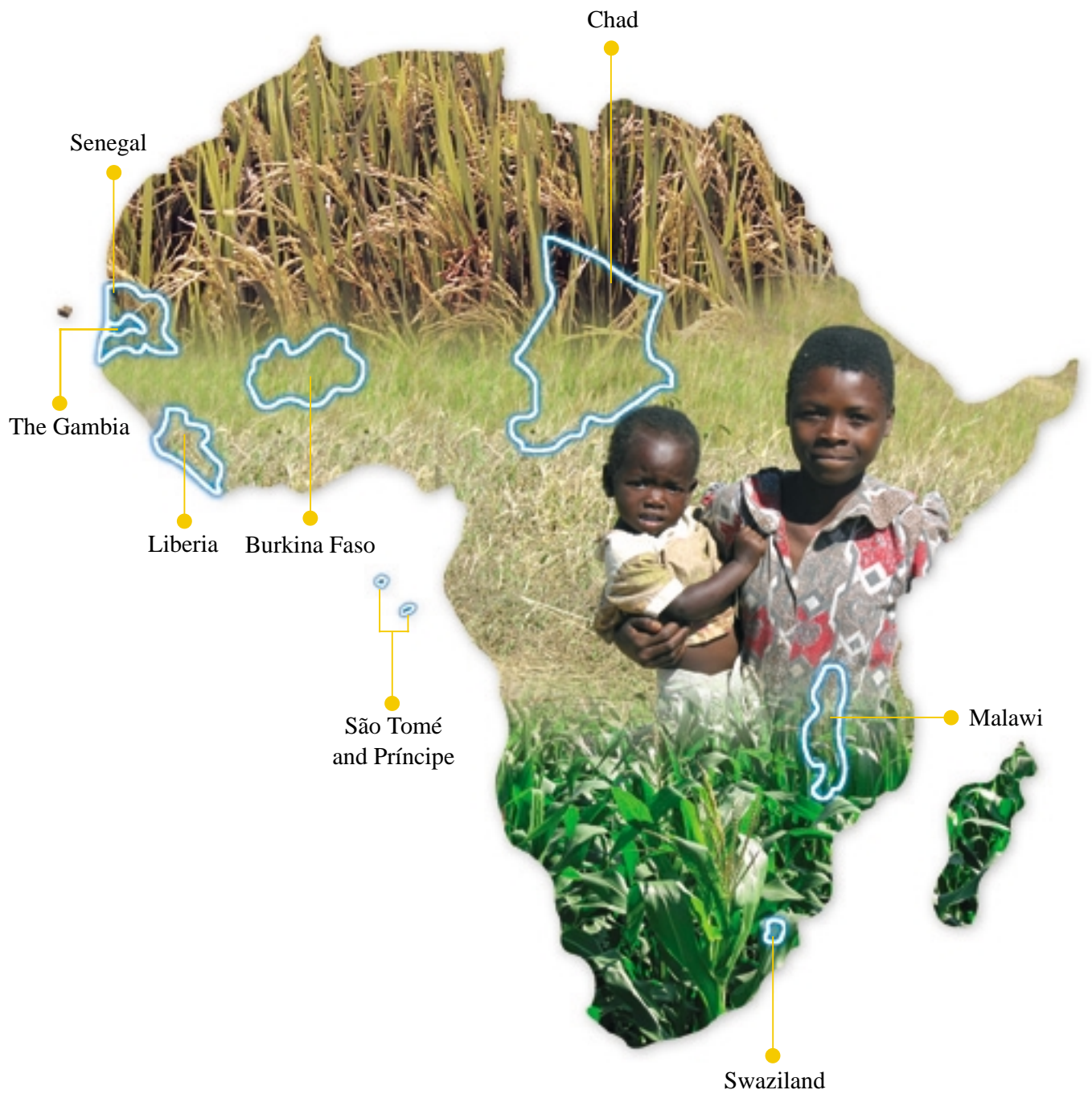




Africa



The ROC maintains formal diplomatic relations with eight countries in Africa: Burkina Faso, Chad, The Gambia, Liberia, Malawi, Senegal, Swaziland, and São Tomé and Príncipe.

Despite its long term potential, Africa continues to face some of the world's greatest challenges. Among the key factors that have contributed to Africa's economic problems in recent years are mounting foreign debts, plummeting commodity prices, low levels of foreign investment and a drastic reduction in international development assistance. Reaching the United Nations Millennium Development Goal of reducing poverty levels in Africa in half by 2015 will require a seven percent annual growth rate in GDP.

Three hundred million Africans – nearly half the region's population – still live in extreme poverty. The spread of HIV/AIDS threatens to wipe out important gains in life expectancy. The tragic events of 11 September 2001 produced negative outcomes in some African countries and could have medium to long term consequences for others. Donor security concerns and the focus on terrorism may also affect aid flows to Africa, where per capita assistance has dropped by about 40 percent over the last decade.

Since July 2002, Africa has been trying to spark foreign investment and development by intensifying its emphasis on democracy and good governance and by replacing the ineffective Organization of African Unity with the African Union. African leaders have hailed the 53 nation African Union as a new organization for a new era one that links a commitment to democracy and human rights to economic development. Plans for the union include a security council, a legislature and an economic development plan.

Addressing the Social and Economic Dimensions of Poverty

Agriculture remains the key sector for most African economies, affecting the well being of most Africans in terms of household income and food security. The objective of ICDF farming programs in Africa is to assist in developing the agricultural sector in order to lay a strong foundation for economic growth and poverty reduction. In addition, the ICDF is working to improve health care, human resources training and natural resources, all of which are deemed to be high priorities in Africa.

Africa is the only region of the world to have achieved absolutely no increase in average agricultural productivity per capita between 1980 and 2000. Increasing that productivity is critical to reducing poverty and improving food security. A growing number of countries have begun to reform their economies by renewing their commitment to rural based agricultural economic growth. Yet much more needs to be done to make certain that Africans have adequate food resources.

Improving and modernizing a nation's agricultural foundation is a focal starting point for ensuring sustained economic growth. Proper agricultural techniques can lead to improved regional



Africa

health and quality of life standards. This stability leads to broad economic growth including the development of support industries, the evolution of various SMEs, and banking activities.

To bolster agricultural quality and output in 2002, ICDF agricultural infrastructure projects focused on irrigation engineering and farmland development, the transfer of high yield rice production technology; financing, microcredit financing to stimulate industry growth and training farmers in combined production and marketing methods.

The development of micro, small and medium enterprises, supporting both new and established industries, is key to economic expansion and diversification. In 2002, the ICDF continued its work in endeavoring to provide African nations with essential staple food crops and grains, through upland rice extension, farmland development, and other produce oriented projects.

The ICDF also held seminars and workshops during the past year on economy, trade, SME development and various topics related to agriculture. In addition to attending domestic programs, many Africans participated in professional seminars on agricultural development and trade promotion in Taiwan. For example, “The Workshop on Agricultural Policy and Rural Development,” was held from 2 to 16 September 2002, and the “Food Processing Workshop” was held earlier in the year.

Global Health: Strategies for Social Assistance

Continued high population growth rates threaten to undermine the best efforts to improve the well being and economic progress of Africans. There is a strong correlation among higher incomes, better education and modern family planning practices. Fertility rates have started to decline in some countries, particularly in those that enjoy relatively higher incomes, but the annual population growth rate of the continent is expected to remain over 2.5 percent through 2010. That is the highest in the world.

The ICDF is vigorously addressing environmental problems in Africa by gearing several of its projects toward the implementation of sustainable land management and water use. For example, the “Biomass Application Research and Demonstration Extension Project” has important environmental ramifications.

Lack of medical resources in Africa is a serious problem, so the ROC has established medical missions in Burkina Faso, Chad, Malawi, and São Tomé and Príncipe. These missions are providing a wide range of medical services to patients in city centers and in rural areas, donating equipment, sharing their expertise in hospital management, and transferring current medical information and technology.

High external indebtedness continues to burden much of Africa, although the picture is brighter this year than previously for the 34 countries participating in the IMF/IBRD Heavily

Indebted Poor Countries (HIPC) Initiative. Through HIPC, external debt can be reduced to sustainable levels if qualifying countries pledge to apply the savings toward poverty relief. Most countries are channeling the savings to health and education.



Burkina Faso



Fast Facts

Capital:

Ouagadougou

Languages:

French, Native African languages

Population:

11.6 million

Area:

274,200 sq km

Religions:

Islam, Indigenous beliefs, Christianity

Currency:

Communaute Financiere Africaine franc



Economic Overview and Outlook

Burkina Faso, formerly known as Upper Volta, is a landlocked country in West Africa. The country embarked on a stabilization and structural adjustment program supported by the IMF and the World Bank in 1991. The country's economic recovery in the 1990s was the result of major institutional reforms including (1) Trade liberalization, especially for agricultural products (2) Public enterprises sector reform (3) Fiscal reform, covering also budget preparation and execution procedure.

Drought, poor soil, lack of adequate communications and other infrastructure, a low literacy rate and a stagnant economy are all long standing problems. The export economy also remains subject to fluctuations in world prices.

The country is attempting to improve its economy by developing mineral resources, improving infrastructure, making the agricultural and livestock sectors more productive and competitive, and stabilizing the supply and prices of food grains.

Close to 90 percent of the population lives in the rural areas and depends on agriculture, raising crops and livestock on a subsistence basis. However, the high population growth rate creates an ever increasing pressure on arable land that, given low rainfall, is already under strain.

Economic growth rates were higher than five percent during the late 1990s but fell to around two percent in 2001. At least 20 percent of the government budget is financed from international assistance, and the majority of infrastructure investments are externally financed. According to the World Bank, Burkina Faso had an external debt of US\$1.3 billion in 2000 and received US\$389 million in assistance. The biggest donors of foreign assistance to the country were the International Development Association (IDA), France and the European Union (EU).

The agricultural economy remains highly vulnerable to fluctuations in rainfall. As noted earlier, most of the people work as subsistence farmers, forced to cope with problems of climate, soil erosion and rudimentary technology. Staple crops are millet, sorghum, maize and rice, and cash crops are cotton, groundnuts, shea nuts and sesame.

The majority of people have access to health services

although these are seriously deficient in resources. Burkina Faso has one of the highest rates of illiteracy in the subregion, with women suffering worst from this: 91 percent of women over the age of 15 cannot read. Burkina Faso's population grew by 2.4 percent in 2001. The fertility rate is 6.5 births per woman, and life expectancy is 44 years.

A stable commercial environment and the potential to exploit the larger West African francophone market offset Burkina Faso's limited market. Maintenance of its macroeconomic progress in the future depends on continued low inflation, reduction in the trade deficit, and the success of reforms designed to encourage private investment.

ICDF Operations

There are one technical mission, two technical assistance projects, one medical mission, one education and training project and one investment and lending project.

Technical Mission

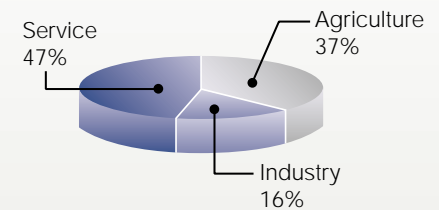
Bagre Right Bank Farmland Reclamation Project

This project is helping the Burkina Faso Ministry of Agriculture in the engineering, development and extension of rice paddies. In addition to raising the national grain output, the project is adding jobs and stimulating peripheral business opportunities that are spurring economic and social progress in Burkina Faso. Activities have included the digging of main and branch ditches, and the construction of main and smaller water supplies, drainage facilities, a divider box, a culvert replacement, an inverted siphon and bridges. This work has made it possible to extend more than 1,000 hectares of existing fields and 200 hectares of new fields.

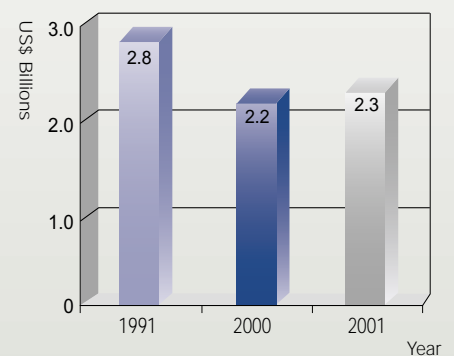
Upland Rice Cultivation Extension Project

Also being executed in conjunction with the Burkina Faso Ministry of Agriculture, this project is developing 6,000 hectares of upland rice, increasing rice yields, extending farmland and transferring sustainable development technology. In 2002, the Burkina Faso Ministry of Agriculture selected a low lying upland rice area and organized farmers, while the ICDF assisted with farmland development and provided project materials such as seeds, fertilizer, pesticides, machinery and tools to farmers' organizations for rotating use. It has also been assisting farmers with land development, cultivation technology and field management.

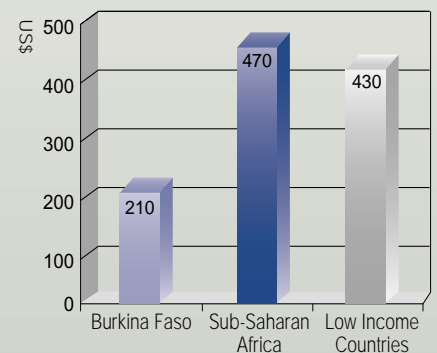
Structure of the Economy 2001 (%GDP)



GDP

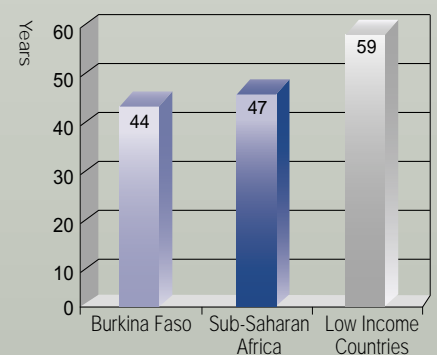


GNI Per Capita 2001



GDP plus net primary income from abroad gives Gross National Income (GNI).

Life Expectancy 2001



Burkina Faso at a Glance

Medical Mission

Through this project, the ICDF is providing medical and dental services at the Friendship Hospital in Koudougou as well as outreach services in technical mission operating areas. During 2002, members of the medical mission served 4,800 patients including 1,671 dental patients and provided support in internal medicine, gynecology, obstetrics, anesthetics and surgery at the Friendship Hospital.

Technical Assistance Projects

Biomass Application Research and Demonstration Extension Project

The ICDF is providing training on the use of green manure and biomass (plant materials and animal waste). Members of the project have conducted surveys on current biomass use and soil fertility on target farms in order to plan and design biomass utilization. They have also held technical seminars on soil management and biomass application and demonstrated biomass application models.

Clothing Industry Vocational Training Project

This project is helping to establish a clothing sector in Burkina Faso. The ICDF is providing experienced teachers to teach students processing techniques and to foster managerial talent in the industry. The ultimate goal is to help Burkina Faso to develop a viable clothing industry that makes better use of the abundant labor that is available.

Investment and Lending Project

Rural Credit Project

This project offers loans to Burkina Faso farmers and women involved in small businesses to help them increase their income and create further employment opportunities. Of the US\$2.5 million loan, US\$500,000 has been allocated to women's

groups, and US\$2 million to the financing of livestock procurement, agricultural equipment and materials related to cultivation.

Education and Training Project

Cooperative Projects with World Links

The ICDF has cooperated with World Links in funding and supporting the use of the Internet in secondary education in Burkina Faso and other nations (including Costa Rica, El Salvador, Paraguay and Senegal). In Burkina Faso, the project has implemented cooperation projects with schools in France, Canada, and Turkey. Currently, some 12 schools, 214 teachers, and 3,200 students have benefitted from the project.

Taiwan Youth Overseas Service

There are currently eight servicemen in Burkina Faso. These young people possess professional skills in agricultural techniques and medical services.



▲ Bagre Right Bank Farmland Reverse Siphon Construction

Chad



Fast Facts

Capital:

N' Djamena

Languages:

French, Arabic, Sara

Population:

7.9 million

Area:

1.284 million sq km

Religions:

Islam, Christianity, Animist beliefs

Currency:

Communaute Financiere
Africaine franc



Economic Overview and Outlook

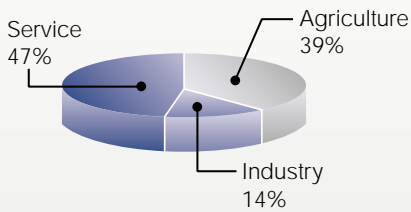
The economy of Chad has registered variable growth, depending largely on fluctuations in annual rainfall. Recently, crude oil deposits were discovered in Southern Chad. It is hoped that exploitation of this resource will lead to an increase in government revenue that will improve its ability to address priority needs. Chad's new laws on poverty reduction provide that 10 percent of the oil royalties and revenues are to be held in trust for future generations, with 80 percent of the funds devoted to education, health, social services and rural development, and five percent to be earmarked for regional development in the oil producing area.

Cotton, which accounts for at least half of exports, is the country's major cash crop. As the cotton sector is privatized over the next three years, it is expected to offer greater opportunities for trade and investment. Chad is already a major exporter of cattle, and there is strong potential to export more meat and processed animal products. Also, it is the world's second largest exporter of gum arabic, and there is strong potential for increased exports of this commodity to the United States. Gum arabic is used in the production of sweets, chewing gum, flavors, confectionery, paints and other industrial products. Significant opportunities exist for the commercialization of groundnuts, sesame and other food crops. A natural market for these products exists in neighboring Nigeria, where over 120 million inhabitants cannot produce sufficient food for domestic needs.

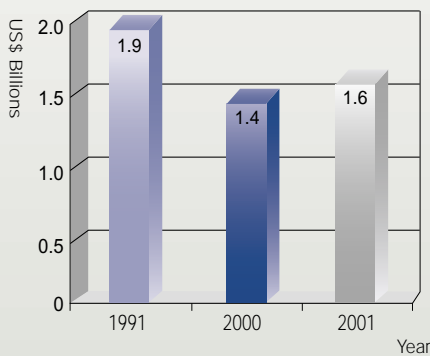
Life expectancy in Chad is 48 years and illiteracy affects 56 percent of the population. More than 80 percent of the work force is involved in agriculture, which generates approximately 39 percent of GDP in the form of subsistence farming, animal husbandry and fishing.

According to the World Bank, Chad had an external debt of US\$1.16 billion in 2000 and received US\$131 million in foreign assistance. France, the IDA and the AfDB were the largest contributors.

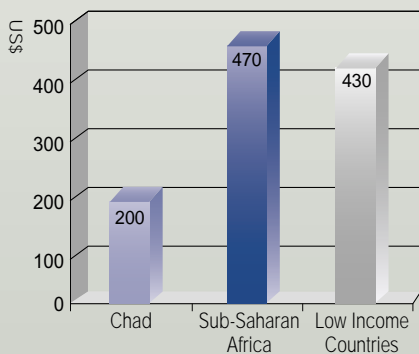
Structure of the Economy 2001 (%GDP)



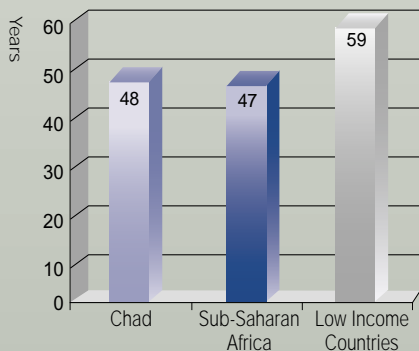
GDP



GNI Per Capita 2001



Life Expectancy 2001



Chad at a Glance

ICDF Operations

There are currently one technical mission, one medical mission, and one technical assistance project. The missions are helping Chad achieve agricultural self sufficiency and improving the quality of medical services.

Technical Mission

Rice Yield Increase Project

The goal of this long term project is to purify seed and increase yield by concluding the extension of paddy rice cultivation on 300 hectares and establishing improved seed rice breeding on seven hectares. This project is extending the cultivation of upland rice and paddy rice in two regions over a three year period. Job opportunities have been created for local farmers, and this will affect positively the lives of numerous rural residents.

Vegetable Production Marketing Team Project

This project is concluding development and extension work, including the construction of roads, irrigation and drainage ditches, and a pumping station. In cooperation with the Chad Ministry of Agriculture, the mission will establish vegetable production marketing teams. The vegetables and melons produced by these teams are shipped to and sold in the capital city of N'Djamena.

Medical Mission

The medical mission is improving the delivery of services for both outpatients and inpatients, and has extended the range and quality of surgery available to them. Working with the Chad Ministry of Health in the Freedom Hospital in the capital city of N'Djamena, this mission is helping to improve medical treatment in gynecology, internal medicine, surgery, pediatrics and ophthalmology.

Technical Assistance Project

Biomass Application Research and Demonstration Extension Project

The project is providing training on the use of green manure and biomass (plant materials and animal waste). The Taichung Agricultural Improvement Station in Taiwan and the ICDF technical missions in the

two countries are providing training in this field, after performing surveys on current biomass use and soil fertility on target farms and designing programs for the best utilization of biomass. The missions are conducting technical seminars on soil management and biomass, and demonstrating application models.

Taiwan Youth Overseas Service

Three servicemen are currently serving in Chad. They are working with the technical and medical missions in building farmland irrigation systems, improving agricultural techniques, and providing daily medical care services.



▲ Medical Mission providing free clinical services



▲ Technical Mission specialist giving harvesting instruction to farmers

The Gambia



Fast Facts

Capital:

Banjul

Languages:

English, Mandinka, Wolof, Fula

Population:

1.3 million

Area:

11,300 sq km

Religions:

Islam, Christianity, Indigenous beliefs

Currency:

Dalasi



Economic Overview and Outlook

The Gambia, the smallest independent country in Africa, is situated on the Atlantic coast at the bulge of Africa between the equator and the Tropic of Cancer. It has a liberal, market based economy that is characterized by traditional subsistence agriculture, a historic reliance on groundnuts, and a significant tourism industry.

During the 1990s, the Gambian economy fought to remain on the path of economic diversification. The Gambia hopes that the development of other crops and the expansion of its services sectors will eliminate its dependency on the production and processing of groundnuts.

Three sectors of the economy – horticulture, fisheries and tourism – have experienced significant growth during recent years, and are expected to be the focus of export oriented investment. Agriculture accounts for 35 percent of GDP and employs 75 percent of the labor force. Within agriculture, groundnut production accounts for 5.3 percent of GDP. Industry accounts for 13 percent of GDP and, of that, manufacturing accounts for five percent.

Relative to the region, the country has fared well during the past decade. GDP growth averaged three percent, inflation remained below five percent, and the population has been the least affected by the HIV/AIDS epidemic. In 2001, The Gambia had a population growth rate of 2.9 percent, a fertility rate of five births per woman, and a life expectancy of 53 years.

According to the World Bank, The Gambia had an external debt of US\$88 million in 2001. The country received US\$51 million in assistance, primarily from the IMF, the IDA and the EU.

ICDF Operations

There is currently one technical mission engaged in two projects helping The Gambia diversify its agricultural and economic sectors.

Technical Mission

Paddy Rice Yield Increase and Agricultural Machinery Center Project

The ICDF technical mission is performing extension tasks on the north and south banks of the Central River province, which is The Gambia's main rice growing area. It is also extending rice cultivation to the Upper River, Lower River and Western provinces. Over the course of five years, this project will extend rice cultivation further in the Central River province.

In 2002, the mission introduced superior domestic and paddy rice varieties for use in yield trials, transferred and developed irrigation and cultivation technologies, extended paddy rice cultivation, prepared land, and trained and organized farmers and other personnel for harvest. The technical mission also completed the reclamation of 70 hectares of paddy rice fields with tide irrigation reclamation.

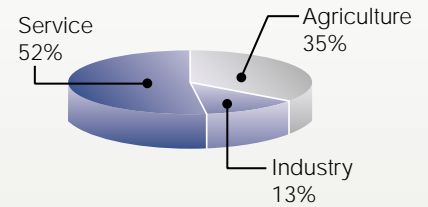
Vegetable Yield Increase and Production and Marketing Project

The mission is helping The Gambia increase vegetable production in the capital city of Banjul. It has established specialized vegetable growing zones and helped to create a vegetable production marketing team.

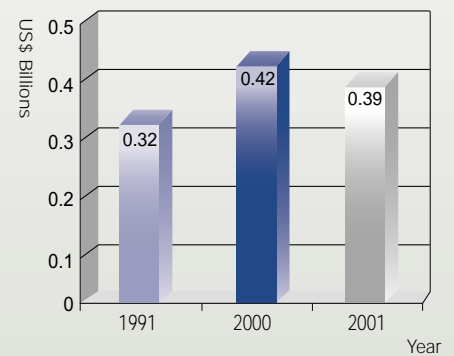
Taiwan Youth Overseas Service

Two servicemen specializing in irrigation works are serving in The Gambia.

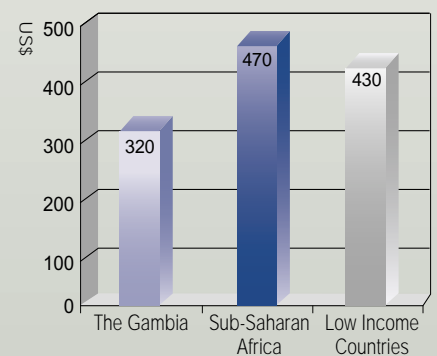
Structure of the Economy 2001 (%GDP)



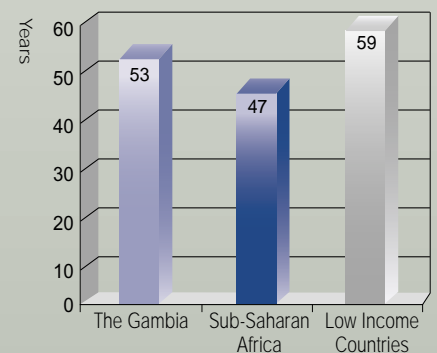
GDP



GNI Per Capita 2001



Life Expectancy 2001



The Gambia at a Glance

Liberia



Fast Facts

Capital:

Monrovia

Languages:

English, Local languages

Population:

3.2 million

Area:

111,370 sq km

Religions:

Indigenous beliefs, Christianity, Islam

Currency:

Liberian dollar



Economic Overview and Outlook

Liberia is located on the west coast of Africa, with a long coastline on the Atlantic Ocean, and it shares borders with Sierra Leone, Guinea and Cote d'Ivoire. The country is a member of the Economic Union of West African States (ECOWAS).

Liberia's economic development depends on the continuing implementation of sound macro and micro economic policies by the government. The economy has shown signs of growth, but more progress needs to be made in addressing the criteria laid out by the IMF for creating an improved economic environment that would attract foreign investment.

In addition to rice and cassava, principal crops being grown in Liberia are cocoa, coffee, oil palm and sugarcane. Also grown are pineapple, banana, papaya and mango. Rice, the staple food of Liberia, comes mostly from imported sources, but the country is capable of developing self sufficiency in rice production.

GDP grew at a rate of 15 percent in 2000, and economic growth is being stimulated by improved economic policies. Sixty percent of the Liberian labor force works in agriculture, and GNI per capita was estimated at US\$1,100 in 2001.

According to the World Bank, Liberia had a foreign external debt of US\$2 billion in 2000 and received US\$37 million in assistance. The United States, the World Food Programme and the EU were the biggest donors. In 2001, Liberia had a population growth rate of 2.7 percent, a fertility rate of six births per woman, and a life expectancy of 47 years.

ICDF Operations

There is currently one technical mission working on three projects. The mission is increasing Liberia's agricultural self sufficiency.

Technical Mission

Rice Production Project

The goal of this project is to restore rice cultivation levels, and to encourage farmers who are now living in cities to return to their villages and engage in grain production. Objectives include extending paddy rice and upland rice cultivation and growing seed rice for extension purposes. The project is providing jobs for farmers, and has the potential of improving the lives of many people. In 2002, the mission selected farmers and provided training to them in rice cultivation, and it also supplied seed rice, fertilizer, pesticides and agricultural machinery.

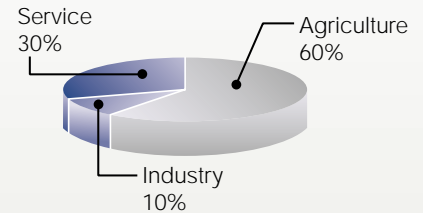
Seed Rice and Vegetable Development Project

The mission is repairing and restoring facilities at the University of Liberia Department of Agriculture farm, to enable it to conduct technical training and grow seedlings. New crop varieties, including rice, vegetables and fruit trees, are being grown on a trial basis. Those most suited to local conditions are being selected, and seeds and seedlings are being mass produced for extension purposes. Improved farming techniques are being introduced and efforts made to raise product quality. In 2002, the mission succeeded in producing seed rice, developing a vegetable production area, and training 150 persons in vegetable and rice cultivation.

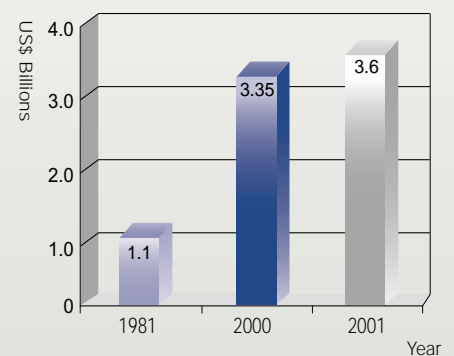
Animal Husbandry and Agriculture Development Project

This product was launched in July 2000 in Bong County. To date it has completed irrigation planning for 45 hectares of land, reclaimed fields, and provided technical training to farmers.

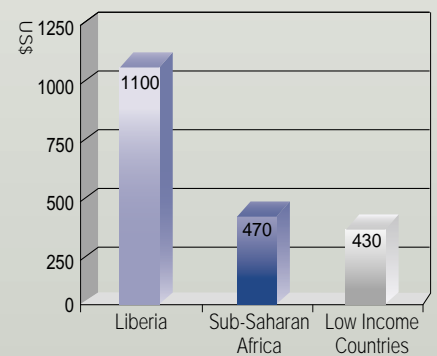
Structure of the Economy 2001 (%GDP)



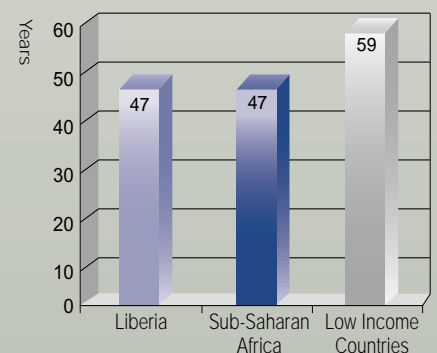
GDP



GNI Per Capita 2001



Life Expectancy 2001



Liberia at a Glance

Malawi



Fast Facts

Capital:

Lilongwe

Languages:

English, Chichewa

Population:

10.5 million

Area:

118,480 sq km

Religions:

Christianity, Islam, Indigenous beliefs

Currency:

Malawian Kwacha



Economic Overview and Outlook

Malawi is a landlocked, independent republic with a democratic government. It lies south of Tanzania and to the west of Mozambique and forms part of the Southern African Region.

The Malawi government is taking positive steps to improve the country's infrastructure. It is improving the regulatory framework and introducing private sector participation in state owned electricity, water and telecommunications companies. In mid 1999, Malawi joined neighboring countries in creating the Mtwara development corridor, a project that aims to promote trade and development in the region.

In an effort to reduce inflation and interest rates, the Minister of Finance and Economic Planning in early 2000 presented a 10 point economic plan to strengthen fiscal discipline, increase accountability and accelerate liberalization. In March 2000 the country started the process for obtaining debt relief under the HIPC Initiative.

Malawi's economy is based largely on agriculture, which accounts for more than 90 percent of export earnings, contributes 37 percent of GDP, and supports 90 percent of the population. The country has some of the most fertile land in the region. Almost 70 percent of agricultural produce comes from smallholder farmers but land distribution is unequal, with more than 40 percent of smallholder households cultivating less than half a hectare. Fish, furniture, gemstones, groundnuts, rice, rubber, sugar, tea and coffee, textiles and knitwear, tobacco and cut flowers dominate the country's export trade.

Malawi still remains heavily dependent on assistance from international financial institutions and individual donors. According to the World Bank, Malawi had an external debt of US\$2.7 billion in 2000 and received US\$445 million in foreign assistance. The IDA, the United Kingdom and the EU were the biggest donors. In 2001 Malawi had a population growth rate of 2.1 percent, a fertility rate of 6.3 births per woman, and a life expectancy of 38 years.

ICDF Operations

There are currently one technical mission conducting three projects, and one medical mission in Malawi. The projects are helping the country to develop self sufficiency in agriculture and improve social infrastructure. Management of the medical mission was transferred to Pingtung Christian Hospital in July 2002.

Technical Mission

Grain Development and Extension Project

Over a period of several years, this project will extend the cultivation of maize and paddy rice. Special importance is being placed on the extension and development of maize fields. Each year, farmers are being organized and supplied with production inputs, including maize seeds, fertilizer, pesticides and agricultural implements. Per-hectare annual corn and rice yields are being increased, raising the country's output. In 2002, the mission helped to establish production marketing teams, propagated superior grains and conducted cultivation classes. It provided agricultural tools and machinery, and established a revolving fund for farmers.

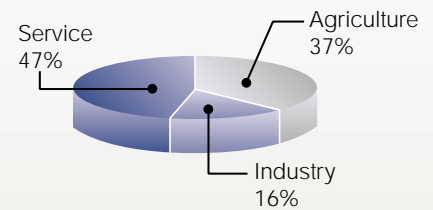
Horticulture Development and Extension Project

Through sessions that are conducted several times annually, the project is training extension personnel to work in agricultural development areas under the Ministry of Agriculture. The objective is to increase the area of vegetable and fruit cultivation, and essential infrastructure is being installed to make this possible. In 2002, the project strengthened acquisitions by the Malawian horticultural center and selected superior varieties for extension. It provided assistance to production marketing teams, and propagated corn foundation seed for production by the Malawian Grain Center.

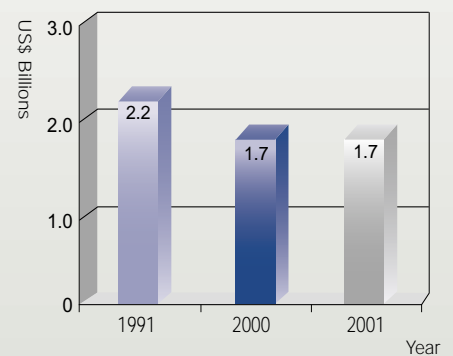
Vocational Training Cooperation Project

This project is assisting Malawi by offering training in word processing, office skills, presentation, Internet and web design to vocational education students. It is also offering training in the repair of automobile engines, chassis, electrical systems and air conditioning systems. Classes in basic electrical engineering, electrical instruments, indoor wiring, industrial electronics, electrical machinery and industrial wiring have been offered. Technical skills examinations have been planned and conducted,

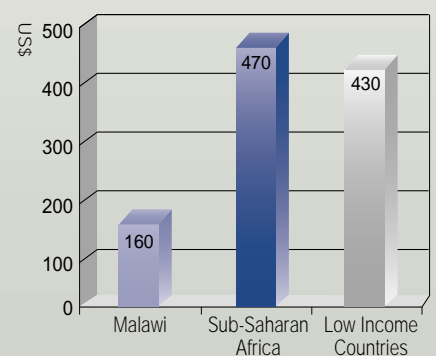
Structure of the Economy 2001 (%GDP)



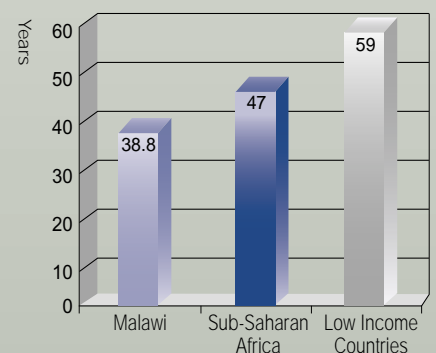
GDP



GNI Per Capita 2001



Life Expectancy 2001



Malawi at a Glance

and vocational skills standards have been established. In each semester of 2002, technical training classes, lectures, demonstrations and labs were offered, and skills examinations focused on Malawi's vocational schools were gradually extended.

Medical Mission

This project is helping to sustain ongoing operations at the Mzuzu Central Hospital and improve

Malawian medical standards. The medical mission's task is to provide medical services, assist in establishing a hospital management system, and train Malawian personnel.

Taiwan Youth Overseas Service

There are currently eight servicemen in Malawi. They are playing a valuable role in assisting the technical and medical missions in daily tasks.



▲ Malawi children working happily



▲ Medical Mission in Malawi providing dental care



▲ Electrical engineering training courses provided by the Vocational Training Cooperation Project

São Tomé and Príncipe



Fast Facts

Capital:

São Tomé

Language:

Portuguese

Population:

154,900

Area:

1,001 sq km

Religion:

Christianity

Currency:

Dobra



Economic Overview and Outlook

Portuguese navigators first discovered the islands of São Tomé and Príncipe between 1469 and 1472. Situated in the equatorial Atlantic, about 250 kilometers off the coast of Gabon, they constitute one of Africa's smallest countries.

Upon attaining independence from Portugal in 1975, São Tomé and Príncipe inherited an economy based exclusively on agriculture and the production and export of a dominant crop: cocoa, representing about 98 percent of exports. Other export crops include copra, palm kernels and coffee.

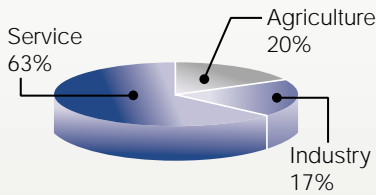
In the past two years, the world price of cocoa has decreased steadily while prices of imports have generally risen, thereby putting a severe strain on incomes and living standards. São Tomé and Príncipe is also burdened by high debt per capita. Given the fragile and undiversified economy and uncertain prospects for cocoa, the country has engaged the Bretton Woods institutions in discussions on a possible adjustment program to help stabilize the macroeconomic situation, introduce structural reforms, and benefit from the HIPC Initiative. In December 2000, the nation received \$200 million in debt relief under the program.

The focus of economic reform since 1991 has been widespread privatization, especially of the state-run agricultural and industrial sectors. Agricultural privatization has met with mixed success, for capital is not readily available. This has led to difficulties in finding private investors to take over many of the currently inefficient means of production in both sectors. In 1993, the government announced plans to designate a free trade zone to attract offshore investors in the hope of further developing the country's shipping and manufacturing sectors.

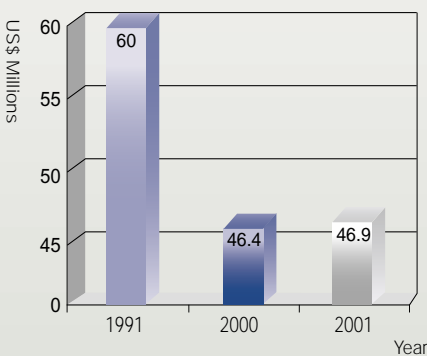
Other than agriculture, the main economic activities are fishing and a small industrial sector engaged in processing local agricultural products and producing a few basic consumer goods. The scenic islands have potential for tourism, and the government is attempting to improve its tourism industry infrastructure.

São Tomé has made great strides toward developing its democratic institutions and further guaranteeing the civil and human rights of its citizens. Indicators for both education and health have generally been good relative to African standards.

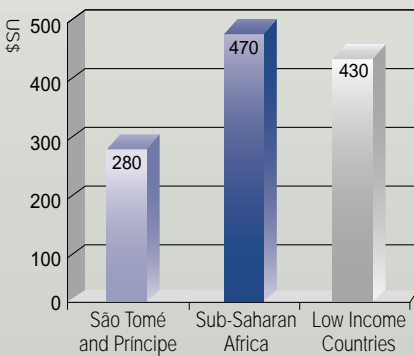
Structure of the Economy 2001 (%GDP)



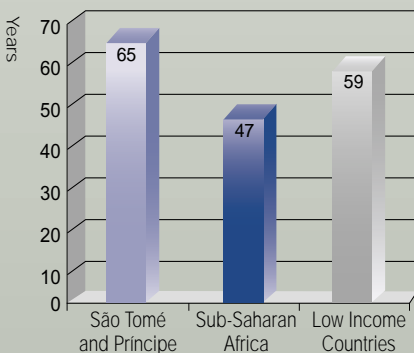
GDP



GNI Per Capita 2001



Life Expectancy 2001



São Tomé and Príncipe at a Glance

São Tomé had a population growth rate in 2001 of 2.1 percent, a fertility rate of 4.5 births per woman, and a life expectancy of 65 years.

According to the World Bank, São Tomé and Príncipe had an external debt of US\$60 million in 2001 and received US\$38 million in foreign assistance. Portugal, France and the EU were the biggest donors.

ICDF Operations

There are currently one technical mission working on three projects and one medical mission. The missions are helping the country improve its agricultural and social sectors.

Technical Mission

Vegetable Yield Increase Project

The project has established an experimental vegetable farm and conducted trial cultivation and comparisons of tomato, cabbage, eggplant, cucumber, watermelon, and asparagus.

Cereal Grains Project

This project has propagated seeds of cereal grains and upland rice varieties, and selected crop varieties suited to local conditions for trial production.

Livestock Development Project

This project has revitalized São Tomé and Príncipe's animal industry by conducting extension projects and by training animal husbandry specialists.

Medical Mission

The goal of this mission is to assist and guide the outpatient center in conjunction with the São Tomé and Príncipe Ministry of Health. This includes assisting and guiding the outpatient center in establishing a complete medical operations system, improving the working environment, elevating the morale of the personnel, establishing regional networks, strengthening drug and medical management capabilities, and generally raising the quality of medical services.

Taiwan Overseas Volunteers

Since 2001, one volunteer was sent to assist in medical and social work at the Medical Mission in São Tomé.

Taiwan Youth Overseas Service

There are currently four servicemen in São Tomé. They are involved in medical services and horticulture work.



Senegal



Fast Facts

Capital:

Dakar

Languages:

French, Wolof, Pulaar, Jola, Mandinka

Population:

9.8 million

Area:

196,190 sq km

Religions:

Islam, Indigenous beliefs, Christianity

Currency:

Communaute Financiere Africaine franc



Economic Overview and Outlook

The former capital of French West Africa, Senegal is a semi arid country located on the westernmost point of Africa. It was among the countries that pioneered democracy in Sub Saharan Africa. Since gaining independence in 1960, it has maintained a high profile in the international arena.

Since 1994, the IMF, the World Bank and other multilateral and bilateral creditors have been supporting the Government of Senegal's structural and sectoral adjustment programs. The broad objectives of the adjustment programs have been to facilitate growth and development by reducing the role of government in the economy, improving public sector management, enhancing incentives for the private sector, and reducing poverty.

Senegal qualified for the HIPC Initiative. In mid February 2000, the IMF approved the third annual loan under its three year poverty reduction and growth facility (PRGF), and extended the facility for a fourth year, to April 2002. Real GDP growth is expected to rise above six percent, while inflation hovered around two percent in 2002.

The economy of Senegal is dominated by agriculture, particularly by peanut production. The modern sector includes fishing, phosphates, tourism and chemical industries. The country's economy is highly vulnerable to declining rainfall, desertification, and changes in world commodity prices. The oil industry is one of the key elements in Senegal's economy. While the upstream potential has yet to be fully assessed, the downstream oil industry is well developed.

Senegal's limited natural resources relative to its high population growth and unemployment rates, and its rapid urbanization, could easily compromise the country's long term development prospects. In addition, with uncertain rainfall levels, Senegal's continued reliance on agriculture (which occupies roughly 70 percent of the workforce) leaves its economic recovery fragile and makes sustained growth difficult to achieve. Because of these factors, the pursuit of sound economic policies is especially crucial.

According to the World Bank, Senegal had an external foreign debt of US\$3.3 billion in 2000 and received US\$424 million in foreign assistance. France, the IDA and Japan were

the largest donors. Senegal had a population growth rate of 2.5 percent in 2001, a fertility rate of 5.1 births per woman, and life expectancy of 52 years.

ICDF Operations

There is currently one technical mission in Senegal working on three agriculture and aquaculture projects. Two technical assistance projects, one investment and lending project, and one education and training project are also helping the country in improving the social and economic environment.

Technical Mission

Rice Extension Project

The intention is to extend rice cultivation and increase output in the Bignona, Ziguinchor and Kolda areas of southern Senegal. The project is making an effort to resolve rural village labor shortages by promoting the use of animal power. It has propagated rice seed for supply to new farms in southern Senegal, conducted farmer demonstrations in northern Senegal districts, and given guidance in the cultivation of deep water rice.

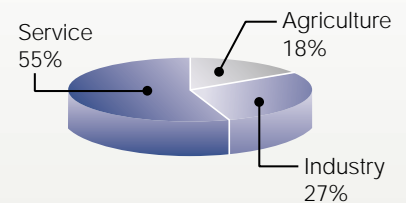
Vegetable Production Marketing Team Project

In cooperation with the Senegal Horticulture Development Center and the Senegal Ministry of Agriculture, this project is being implemented in the capital city of Dakar and its suburbs. The main goals are to provide production and sales assistance to vegetable farmers, convey financial concepts to small farmers, and continue the successful relationship with the participating organizations. The project has acquired new asparagus varieties and provided assistance with vegetable production and sales on 200 hectares near Dakar and Diarniadio. It has offered loans to small farmers, provided technical guidance for a two hectare vegetable extension project in the Kolda district, managed a tea cultivation project experiment in the Kedougou district, and provided technical guidance for banana farmers in Tambakounda.

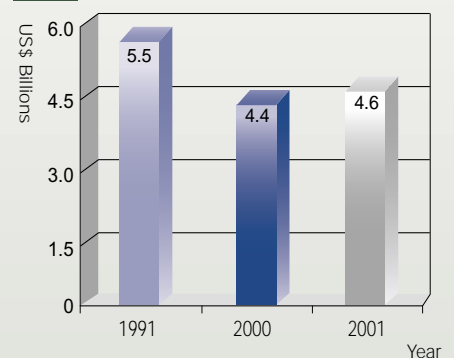
Aquaculture Project

This project, which includes introduction of new species, demonstration experiments, breeding training and extension, and analysis of results, is improving aquaculture technology in Senegal. In southern Senegal,

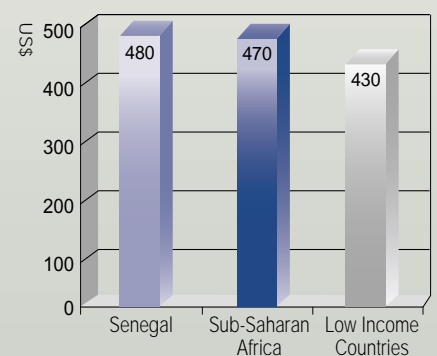
Structure of the Economy 2001 (%GDP)



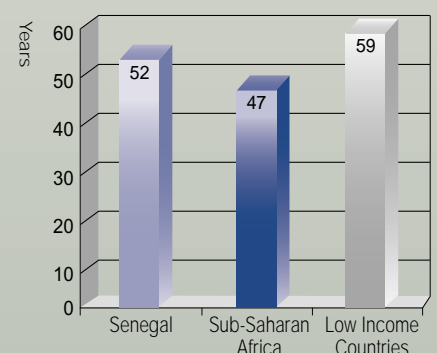
GDP



GNI Per Capita 2001



Life Expectancy 2001



Senegal at a Glance

farmers are learning to farm tilapia fish in order to increase their incomes and protein supply.

Technical Assistance Projects

SME Advisory Project - Food Processing

This project is assisting Senegal in developing special local industries, improving local processing of agricultural products, and raising management and sales standards. It is helping the Senegal government in setting up an effective SME advisory system, improving the processing of the agricultural and other products, and making the country's products more competitive. In 2002, the ICDF helped improve food processing techniques, and assisted in introducing the concept of marketing thereby stimulating the development of SMEs in Senegal and the diversification of its agricultural products.

Biomass Application Research and Demonstration Extension Project

The project is providing training on the use of green manure and biomass. The Taichung Agricultural Improvement Station in Taiwan and the technical mission in Senegal are providing training in this area, based on surveys of current biomass use and soil fertility that they have performed on target farms prior to designing programs for the optimal utilization of biomass. The mission is conducting technical seminars on soil management and biomass, and demonstrating application models.

Investment and Lending Project

SME Relending Project

By providing a line of short and mid term credit, this project is targeting to overcome development constraints faced by SMEs. The ICDF has provided a term loan to the Republic of Senegal's Ministry of Finance, Economics and Planning.

Education and Training Project

Cooperative Projects with World Links

The ICDF is cooperating with World Links in funding and supporting the use of the Internet in secondary education in Senegal and four other nations. In Senegal, schools implemented cultural exchanges with American schools and held charity events for underprivileged families. Some 39 schools, 500 teachers, and 23,200 students have benefitted from the project.

Taiwan Youth Overseas Service

In 2002, the ICDF sent two servicemen specializing in agricultural techniques to assist in the implementation of rice extension and vegetable production projects.



Swaziland



Fast Facts

Capital:

Mbabane

Languages:

English, Siswati

Population:

1.1 million

Area:

17,363 sq km

Religions:

Zionist (a blend of Christianity and Indigenous ancestral worship), Roman Catholicism, Islam, Judaism

Currency:

Lilangeni



Economic Overview and Outlook

The Kingdom of Swaziland, a British protectorate from the 1880s until independence in 1968, is a prime example of a traditional African monarchy. Bounded by Mozambique on the east and by South Africa on the north, west and south, Swaziland is the second smallest country on the African continent.

Swaziland has a free market economy with relatively little government intervention. The government actively encourages foreign investment and is generally committed to an open market policy.

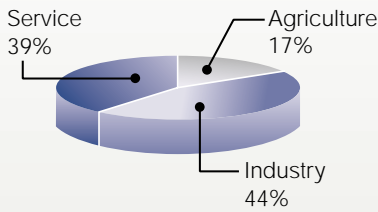
With a tiny domestic market of just under a million people, Swaziland's economy is driven by export oriented industry. The value of exports equals over 65 percent of the country's GDP of US\$1.3 billion. As a result, Swaziland's economic performance tends to echo global trends in growth, world commodity prices, and flows of capital and assistance.

The Swazi economy is heavily dependent on South Africa, from which it receives 83 percent of its imports and to which it sends 74 percent of its exports. Average GDP grew at over six percent between 1968 and 1993. However, political change in South Africa has eroded some of Swaziland's advantage in attracting foreign capital, on which much of the growth has depended in the past. Between 1995 and 2001, GDP growth averaged about three percent.

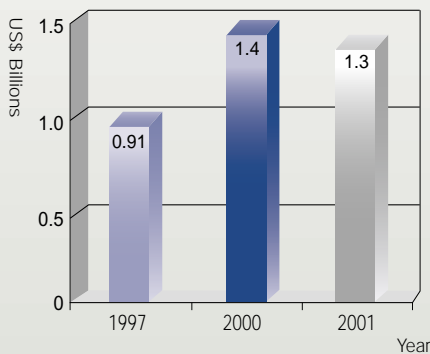
Exports of soft drink concentrate, sugar and wood pulp are the main earners of hard currency, and asbestos and coal are the major minerals. Subsistence agriculture employs about 60 percent of the population.

Recent manufacturing growth is largely attributable to an increase in production of drink processing and sugar based production activities. As infrastructure development proceeds, government services will also continue to play a significant role in the economy. Public sponsored irrigation initiatives, such as the Komati and Usutu River Basin projects, will generate great opportunity for agribusiness, value added manufacturing and infrastructure building. Overgrazing, soil depletion and drought remain as future problems for the country.

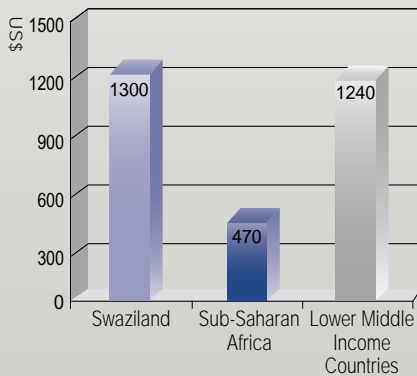
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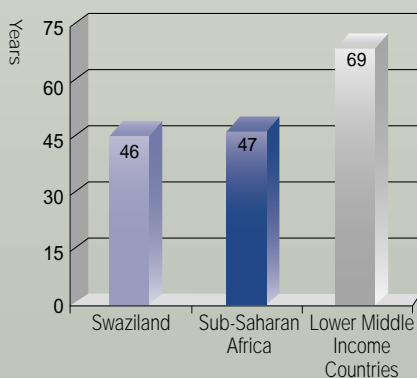
GDP



GNI Per Capita 2001



Life Expectancy 2001



Swaziland at a Glance

Despite relative peace and prosperity and good economic performance over the past decade in terms of growth and financial stability, Swaziland now faces a number of challenges. These include maintaining macroeconomic stability while providing better education and health, governance issues, gender inequality, high unemployment rates, the need to attract new investment, and the necessity to adapt to a changing trade environment. A major challenge lies in stopping the spread of HIV/AIDS, which has been proclaimed a natural disaster for the country. In 2001, Swaziland had a population growth rate of 2.2 percent, a fertility rate of 4.4 births per woman, and a life expectancy of 46 years.

According to the World Bank, Swaziland had an external debt of US\$262 million in 2000 and received US\$ 29 million in foreign assistance. The EU, the United Kingdom and Japan were the three biggest donors.

ICDF Operations

There are currently one technical mission and one investment and lending project in Swaziland. They are helping to diversify agriculture and improve infrastructure.

Technical Mission

Small Farmer Corn and Sweet Potato Project

The goal of this project, which runs to 2003, is to help Swaziland achieve self sufficiency in corn and sweet potato production. The mission is providing production inputs to the Swazi government, and extending cultivation of these vegetables.

Royal Project

This project is being implemented in conjunction with the Royal Family Tisuka Organization and the Ministry of Agriculture and Cooperatives. The goal is to assist in training farm management personnel for the Royal Family Tisuka Organization Farm, to help it reach profitability. Other aims are to strengthen the professional knowledge and training of managers and workers on the Royal ranch, and to implement technology transfer. During the past year, the mission assisted the Tisuka farm in growing fruits and vegetables, conducted field demonstrations and exhibitions.

Handicrafts Training Project

This project is sharing Taiwan's experience and achievements in handicrafts, women's sewing and vocational skills, thus helping Swaziland develop its economy by better utilizing its human resources. Overall goals include (1) Creating a curriculum, training plan and extension plan for handicrafts (2) Accelerating the training of Swazi instructors and localizing the vocational training system (3) Assisting in the establishment of a Swazi display center to promote handicrafts, women's sewing, vocational skills and the marketing of trainees' products.



Investment and Lending Project

Swaziland International Highway Expansion Project

This project involves the construction of two international roads that will improve tourism and help develop the agricultural sector in Swaziland. One part of the project consists of the rehabilitation and upgrade of the 23 kilometers bitumen road between Ngwenya and Mbabane. The first 15 kilometers are dual seven meters wide carriageways with two two meters paved shoulders; the remaining eight kilometers have the same design, with the addition of five meters wide climbing lanes on steep sections. The second part of the project involves upgrading 57 kilometers of road between Luyengo and Sicunusa, with a 6.5 meters wide carriageway.



Taiwan Youth Overseas Service

Three servicemen are in Swaziland helping with agricultural assistance, vocational training and computer related activities.

