

# Regional Operations

Each nation and region the ICDF cooperates with has different geographical, cultural and economic characteristics, and faces different development challenges. To help these nations and regions identify and overcome obstacles impeding development, the ICDF analyzes regional and local conditions, appropriately applies ROC social and economic development expertise and experience, and implements development projects within a rolling three-year program. The ICDF transfers human and material resources, technology, and vital information in order to strengthen and coordinate institutions and organizations (agricultural, economic, medical, political, educational and social) and the workers that people them. To effect these policies, in 2001 the ICDF oversaw 41 technical missions in 34 host nations, implemented 63 financing programs, and sponsored 20 professional classes and seminars supporting sustainable growth and stable national development.

ICDF strategies encourage a continuum of economic expansion, from agricultural improvement, to more expansive agro-industry growth, to advanced industrial development. Social progress, educational enrichment, and environmental protection are monitored and encouraged during the course of these processes.

Below are the ICDF's primary strategies in Africa, Central and South America, the Caribbean and Asia Pacific regions, the Middle East and Europe.

## **Increased Grain Output and Agricultural Quality Upgrade**

Agricultural upgrade includes improving the quality of agricultural products, diversifying agricultural production and placing production and sales on a sound business footing. The ICDF is promoting this strategy in Central and South America, the Eastern Caribbean region and some Asian nations. The ICDF is also fostering increased output of staple grain crops in Africa and the island nations of the Asia Pacific region, to enable sufficient supplies that can ensure adequate nutritional intake.

## **SME Development**

The development of micro-, small and medium enterprises can improve labor and product quality, stimulate the private sector, and foster economic activity. The ICDF is executing this strategy in Central and South America, the Eastern Caribbean region, South Asia and Europe.

## **Social Development**

Social development, including medical services and educational development, is a springboard to long-term development. The ICDF focuses on this approach in Africa, Central and South America and the Eastern Caribbean region.

## **Environmental Development**

Environmental development, including water supply, land reclamation and environmental protection projects, makes for adequate basic living conditions and improved agricultural output. This approach is being pursued in Africa and the Eastern Caribbean region.

Following are detailed examinations of ICDF development efforts and aid strategies in different regions of the world during 2001.





① Successful cultivation of Taichung Hsien No. 10 rice in Burkina Faso  
② Market scene in Swaziland

## Africa

The eight nations with which the ROC maintains formal diplomatic relations in Africa include Burkina Faso, Chad, The Gambia, Liberia, Malawi, Senegal, Swaziland, and São Tomé and Príncipe. The ICDF has long focused on agricultural upgrade and transformation in these nations, to elevate the quality and quantity of food supplies, and increase employment opportunities. In addition to these efforts to build the foundations of economies, the ICDF is now working to improve health care, human resources training and natural resources, which have been deemed high priorities in Africa.

Agriculture is Africa's principal industry, employing approximately 81 percent of the workforces in the nations named above. Unfortunately, a lack of agricultural product diversity, outmoded technology and undeveloped infrastructure have restricted the contribution agriculture makes to overall economic growth. To bolster agricultural quality and output, ICDF assistance during the year included agricultural infrastructure projects such as irrigation engineering and farmland development; transfer of high-yield rice-production technology; financing, including micro-credit to stimulate agricultural industry growth and as a basis for expanded rural financial services; and farmer training in combined production-marketing methods.

Improving and modernizing a nation's agricultural foundation can set into motion a process of superior product production, which contributes to improved regional health and quality of life, spurs agricultural product sales, increases incomes, and leads

to support of nascent industries (including exports of agricultural products, various SMEs and banking and lending activities). From this starting point, widening economic growth can ensue.

As noted, the ICDF has focused energy on staple crop production in Africa. Lack of staple crops has required many African nations to import large quantities of basic foodstuffs such as rice and corn. In 2001, ICDF-sponsored upland rice extension, farmland development, and sweet potato and corn projects provided African nations with essential staple food crops and grains.

Lack of medical resources in Africa is a serious problem, and so in addition to agricultural development, the ROC has established medical missions in Burkina Faso, Chad, Malawi and São Tomé and Príncipe. These missions are providing medical services and equipment, hospital management expertise, outpatient treatment, medical treatment in rural areas, modern obstetrics services and current medical information and technology.

### Medical Service Mission to São Tomé and Príncipe

The medical service mission to São Tomé and Príncipe has gained firsthand understanding of the country's medical needs and drug management requirements. To improve medical standards and practices, the mission is helping strengthen the country's medical organizations, upgrade medical equipment and improve drug management.

Education and human resources enable well-rounded, more promising lives. Underdeveloped elementary education in Africa has contributed to illiteracy, and many adults lack necessary job skills. To help solve this problem, ICDF assistance this year included vocational training projects, such as handicrafts production training in Swaziland and a training project in Malawi, to improve job skills and increase employment opportunities. In addition to in-country programs, 105 Africans attended professional seminars on agricultural development and trade promotion in the ROC. The ICDF is vigorously addressing environmental problems in Africa, and is helping implement sustainable land management and water use in many projects. The Bagre Right Bank farmland development project, and the Kubuta Reservoir Feasibility Study are two large ICDF projects with important environmental ramifications.

### Kubuta Reservoir Feasibility Study

During 2001 the ICDF commissioned Sinotech Engineering Consultants, Ltd. to perform a feasibility study for a new reservoir in Swaziland's Shiselweni District. The reservoir project will improve regional agriculture by developing water resources, and will foster economic growth by creating an environment favorable to industry and commerce.

### Mango Processing Project in Senegal

The Mango Processing Project studied the food processing industry in Senegal and formulated a detailed plan for modernization and growth. The project helped mango growers process their crops and increase the fruit's added value by instituting centralized collection, processing, packing and marketing processes.



- ① Upland rice extension project in Burkina Faso
- ② Bagre Right Bank Farmland Reclamation Project in Burkina Faso
- ③ The ROC and Thailand sign an agricultural technical cooperation contract



### ICDF Africa Projects, 2001

#### Burkina Faso

- Bagre Right Bank farmland development project
- Upland rice extension project
- Cooperative medical services project
- Rural micro-credit project

- Cooperative medical services project
- Overseas volunteers project

#### Senegal

- Assistance and lending for SME projects (2)
- Rice extension project
- Vegetable extension project
- Aquaculture development project

#### Chad

- Rice production improvement project
- Vegetable production-marketing project
- Cooperative medical services project
- Research and application of organic matter project (second year)

#### South Africa

- South African small farmer lending project

#### Liberia

- Rice production project
- Rice and vegetable development project
- Research and application of organic matter project (second year)

#### Swaziland

- Small farmer corn and sweet potato project
- Royal project
- Handicrafts training project
- Highway project
- Kubuta reservoir feasibility study

#### Malawi

- Grain development and extension project
- Horticulture development and extension project
- Cooperative vocational training project
- Cooperative medical services project
- Transportation infrastructure project

#### The Gambia

- Paddy Rice Yield Increase and Agricultural Machinery Center project
- Vegetable yield increase and production-marketing project

#### São Tomé and Príncipe

- Cereal grains project
- Vegetable production improvement project
- Livestock development project

## Asia Pacific and the Middle East

Although it enjoys formal diplomatic relations with only five countries in the Asia Pacific region, the ROC is cultivating productive relations throughout the Asian continent. The ICDF is at the vanguard of this work, and currently has personnel, projects and volunteers active not only in the Marshall Islands, Nauru, Palau, Tuvalu and the Solomon Islands (the ROC's diplomatic allies), but also in Myanmar, Indonesia, Fiji, Papua New Guinea, Saudi Arabia, Bahrain, Thailand, Vietnam, Mongolia and Afghanistan.

Because of Asia's vast geographical extent, different regions and nations have widely divergent development needs. In Southeast and East Asia, for example, ICDF projects are helping increase grain output and crop diversification, easing pressure caused by high population density. In the Asia-Pacific region, rich in marine resources and tourism potential, the ICDF is helping nations tap their tourism resources, develop non-polluting industries, and plan the development of fisheries and aquaculture industries. In the Middle East, the ICDF is helping two nations inject new vitality into their economies, with development of agricultural industries and products. In numerous other countries across Asia, the introduction of high-value crops, the modification of growing periods and the adoption of new marketing plans are helping farmers increase their outputs and reduce grain imports.

Due to their geographic isolation, limited resources and underdeveloped human resources, poverty remains a problem in many of the Asia Pacific nations allied with the ROC, and insufficient agricultural output requires them to import critical staple foods. Although implementation of helpful fiscal and currency policies have helped stabilize economies in the region in recent years, the global economic slowdown in 2001 resulted in slow growth, expected to be only one percent during the year (World Bank). Vigorous development of established and new local industries, as well as of staple crops and other food industries are priorities in these nations.

#### Royal Project in Thailand

The ICDF is training Thai agricultural technicians in this cooperative project, and helping the Thai Royal family encourage hill people living in northern Thailand to cease growing opium poppies and switch to high-value agricultural crops. Diversified crops including vegetables, flowers, mushrooms and tea have been emphasized, as has food processing. Because the project has made progress in eliminating opium poppy production and improving the living standards of the people living in northern Thailand, it has been ranked as one of the most successful in the Asia Pacific Region.



- 1 Tourism and fisheries development seminar
- 2 Horticultural Crop Development project in the Marshall Islands
- 3 Aquaculture development in Indonesia
- 4 5 Aquaculture development in Saudi Arabia

### Fisheries and Tourism Development in the Asia Pacific Region

Because the nations the ICDF works with in the Asia Pacific region are maritime nations, development of the fisheries and tourism industries are deemed priorities. The International Workshop on Fishery Policy and Management for the South Pacific Region, conducted by the ICDF and National Taiwan Ocean University in July 2001, brought together fishing professionals from the Solomon Islands, Papua New Guinea, Tuvalu, the Marshall Islands, Niue Island, Fiji, the Cook Islands and Palau. Academics and experts from Taiwanese universities, fisheries research institutes and fishermen's associations joined workshop participants in discussing fisheries regulation and management, environmental issues, fisheries fleet control, seafood markets, cooperation among maritime nations and coastal development. The seminar embraced the newly-minted ROC policy of "cooperative relationships in diplomacy and fisheries," which the ICDF is continuing to support.

#### Tourism Development

This year the ICDF offered tourism development classes helping allied and friendly nations manage and develop their tourism industries—an area in which the region has competitive advantage. In the Asia Pacific region, the ICDF assisted Palau in conducting a tourism development feasibility study, focusing on improving service quality and linkage with related industries.

### Agriculture, Horticulture and Aquaculture in Asia Pacific and the Middle East

Production in agriculture, horticulture and aquaculture are not fully developed in many Asian nations, and so these industries are central to ICDF work in Asia Pacific and the Middle East. Development of advantageous nascent industries such as aquaculture and horticulture are spurring economic growth, while production of valuable food crops for export and domestic consumption is being encouraged through the work of cooperative farmer's groups and teams.

#### Integrated Production and Marketing

The ICDF technical mission in Indonesia is supporting government policy of developing agribusiness, by introducing high-quality vegetables and joint marketing and distribution approaches, and helping farmers organize themselves into Production Marketing Teams. The technical mission in the Marshall Islands is helping local farmers cultivate horticultural crops, and is performing fruit tree and vegetable variety localization. The goal of this work is to reduce dependence on imported fruits and vegetables, and promote sustainable agriculture concepts.

Far from the Asia Pacific region, the ICDF is cooperating with two countries in the Middle East. Because of their petroleum resources, Bahrain and Saudi Arabia are economically secure, but both are working to extend the parameters of their economies.

The ICDF is currently helping these nations strengthen areas of their agricultural sectors, which account for only six percent of gross domestic product in Saudi Arabia, and one percent in Bahrain (The World Factbook). In Bahrain, the ICDF is helping the nation develop its horticulture industry in a project promoting ornamental cultivation, bedding plants, pot flowers and cut flowers. Also in Bahrain, an ICDF landscaping project is providing technical consultation and assisting in garden design and urban landscaping concepts developed during city beautification in the ROC.

#### Aquaculture Development in Saudi Arabia

The ICDF is cooperating with Saudi Arabia in developing the nation's fisheries and aquaculture industries. Fish disease prevention work is being performed, fresh and saltwater fish research is being conducted, aquaculture technicians are being trained and national fisheries policy assistance is being provided. Aquaculture production rose from 331 metric tons in 1988, to 5,040 metric tons in 1998, in part as a result of cooperative aquaculture development in Saudi Arabia.





International Conference on Agricultural Policy and Rural Development

## ICDF Asia Pacific and Middle East Projects, 2001

### Afghanistan

- Emergency refugee relief

### Bahrain

- Horticulture project
- Landscaping project

### Fiji

- Off-season vegetable project

### Indonesia

- Agricultural integration project
- Livestock project
- Aquaculture project
- Cooperative rural saving and credit system

### Marshall Islands

- Horticultural crop development project
- Livestock project

### Mongolia

- Scholarships for elementary school students

### Myanmar

- Overseas volunteer project

### Nauru

- Loan to Meilun Hotel
- Milkfish aquaculture and management demonstration project

### Palau

- Horticulture and miscellaneous crop extension project
- Palau tourism feasibility research project

### Papua New Guinea

- Cereal grain production project
- Vegetable and miscellaneous crop production-marketing project
- Third urban water supply project

### Saudi Arabia

- Agriculture/fishing technology cooperation project
- Transportation technology cooperation project
- Printing technology cooperation project

### Solomon Islands

- Rice cultivation project
- Rural credit project

### Thailand

- Northern Thailand horticulture and forestry development project
- Thai Royal project

### The Philippines

- Subic Bay industrial zone project, stages I and II
- SME re-lending project
- Re-lending program for agriculture and food processing machinery

### Tuvalu

- Assistance for functional improvement of basic educational equipment

### Vietnam

- SME re-lending project
- Rehabilitation and upgrade of Highway No. 5

## Caribbean Region

Nations allied with the ROC in the Caribbean region include the Dominican Republic, Dominica, Grenada, Haiti, Saint Christopher and Nevis, and Saint Vincent and the Grenadines. Because of geographical constraints faced by these island nations, all have small economies that have found it difficult to navigate the tides of free trade and globalization. However, economic reform during the past several years, regional cooperation through the Organization of Caribbean States and the Central Bank of the Caribbean, vigorous tourism development, and attraction of foreign capital (using instruments such as economic citizenship policies, whereby persons making substantial investments or other contributions to economies may be granted citizenship which they might not otherwise be eligible for) have yielded positive economic results and promoted economic integration and social development.

The ICDF executed 24 projects in the Caribbean region this year. Because agriculture remains the predominant economic activity in the region, the ICDF continued to improve agricultural productivity and diversity in the majority of its projects. Additionally, to promote business and trade development, industry service teams and trade personnel were dispatched to provide consulting for local businesses; Taiwanese firms were given assistance in uncovering feasible business investments and developing partnerships in the region; and a new lending program for micro-businesses was met with excitement. The ICDF also continued its work in environ-

mental improvement and medical services (which are closely interrelated in all countries, but perhaps especially in the Caribbean region), and youth scholarships in the Caribbean.

Key ICDF projects and development foci in the Caribbean region in 2001 are described below.

### Agricultural Development

Apart from the Dominican Republic and Haiti, which have some mineral exports, the Caribbean nations the ICDF cooperates with derive most of their foreign exchange earnings from sales of bananas, sugar, spices, coffee and cacao. These commodities have high production costs and are subject to extreme variations in prices. As a result, they are often buffeted in international markets. With the elimination of US, British and EU import quotas on bananas and sugar, Caribbean nations face the brunt of international competition, and it is expected that





their agricultural sectors will suffer. Agricultural upgrade and diversification are therefore important in ICDF agricultural assistance policies in the region.

ICDF technical missions in the region this year helped farmers diversify their operations in several ways. New fruits, vegetables and garden plants were cultivated; assistance was given in processing raw agricultural products to tap wider agribusiness potential; new livestock and aquaculture practices were introduced; and technical missions helped local farmers improve sales by developing new channels to tourist hotels, supermarkets and cruise ships.

The diminutive geographic areas of these nations limit their agricultural production. This not only restricts production of food products for export, but also that of important staple crops for consumption by local populations. Because of this, the ICDF has worked to increase rice production and yield in the region in projects in Haiti and the Dominican Republic.

In some respects these Caribbean nations are similar to the ROC during its early development. That is, they are island nations with limited natural resources that are developing beyond agricultural economies (the ROC is significantly larger than most of them, although Haiti and the Dominican Republic are comparably sized). With these similarities in mind, the ICDF invited agricultural officials from Caribbean nations to join their fellows from other

nations the ICDF cooperates with at the Agricultural Policy and Rural Development International Conference in 2001. Speakers and attendees at the colloquium, jointly sponsored by National Taiwan University, discussed how agricultural policies could best be planned in conjunction with overall national economic development, modernization and transformation.

### Micro-credit

Caribbean micro-enterprises with only 1-5 employees constitute large proportions economic development in the region, but find themselves in problematic economic positions. Because of their small size, they rarely have notable collateral and their incomes are not high, and thus they have difficulty securing loans to purchase equipment and improve their services. Therefore, these minuscule businesses have trouble growing, and contributing to expanding employment and economic growth.

#### The Micro-Credit Project in the Eastern Caribbean Region

This project will help allay difficulties micro-enterprises in Dominica, Grenada, St. Christopher and Nevis, and St. Vincent and the Grenadines have in obtaining funds for business expansion. Dominica and St. Christopher and Nevis signed lending contracts in 2001, while Grenada and St. Vincent and the Grenadines were to sign soon thereafter.



In addition to the Micro-Credit Project in the Eastern Caribbean Region, the ICDF has small farmholder financing schemes under way in Dominica, St. Christopher and Nevis, and Grenada providing financial assistance to small farmholders who are participating in technical mission subprojects.

### Medical and Environmental Projects

Some Caribbean nations suffer from poor sanitation and water supplies, which can result in dangerous living conditions, the spread of diseases such as malaria and dengue fever (both spread by mosquitoes, which can flourish in uncontrolled or unclean water supplies), and sicknesses caused by poor water quality (such as cholera, typhoid and dysentery). Water and soil conservation, and development of sources of potable water, are thus matters of urgent importance in the region.

ICDF water and natural resources projects in the region include financing of new equipment for wells and a pumping station in the Péionville water supply project, which will improve the water supply and reduce water-borne diseases in Port-au-Prince, Haiti; and forestation projects, such as the Bamboo Planting Project in Haiti, which is providing bamboo-cultivation assistance to farmers and national park personnel, with the aims of preventing soil erosion and conserving water resources.

In addition to the disease problems noted above, the number of HIV-infected citizens in the Caribbean has risen sharply. There is concern that if these health issues cannot be brought under control, tourism will be negatively impacted. In conjunction with the environmental and water supply projects noted above, the ICDF's ongoing Medical Equipment Donation Project in Four Eastern Caribbean Nations is addressing these concerns, and meeting basic humanitarian needs.

#### Medical Equipment Donation Project in Four Eastern Caribbean Nations

The ICDF has donated US\$100,000 worth of medical equipment each to Dominica, Grenada, St. Christopher and Nevis, and St. Vincent and the Grenadines. This project is helping these nations improve their medical equipment and the functioning of their hospitals and clinics (including those in remote areas), and raising the overall quality of community medical services.



① Costa Rican Guava pulp processing plant  
 ② Horticulture project in El Salvador  
 ③ The ROC-CAEDF Board



## Central and South America

Improved macroeconomic policies and fiscal management, trade liberalization and other economic reforms instituted in Central and South America have resulted in improved economic growth in recent years (4.4 percent annually, from 1991-2000). Central and South American nations are cooperating more, and have actively negotiated bilateral free trade agreements and participated in regional economic integration. Furthermore, improvements in public health, education and literacy have led to greater stability and created the foundation for long-term growth.

However, as Central and South American nations have become more integrated into the global economy, they have also become more sensitive to global trends. The economic slowdown in 2001 sharply curtailed growth in Central and South America. Some nations that had developed technology industries, such as Costa Rica, were hurt by slumping demand. Exacerbating this, a collapse of coffee prices negatively impacted growth rates in agriculturally based countries. Across Central and South America, GDP growth was expected to be about two percent in 2001, down from 3.8 percent in 2000 (all above data from the World Bank).

The ROC currently maintains formal diplomatic relations with the Central and South American nations of Belize, Costa Rica,

El Salvador, Guatemala, Honduras, Nicaragua, Panama and Paraguay. International organizations and the nations of Central and South America have agreed that renewed economic growth will emerge from strengthened government institutions, continued fiscal policy reforms, sustainable private sector growth, debt relief, poverty reduction, industrial diversification and ongoing educational system improvements. The ICDF oversaw 58 projects in nine host nations in Central and South America in 2001, addressing several of these areas. Key projects in trade promotion and regional cooperation, industry and agribusiness growth, and educational system development are described below.

### Trade Promotion and Regional Cooperation

The ICDF signed a letter of intent with CABI in October, to deepen economic and technical cooperation between the ROC and CABI member nations. Also in October, the ICDF and the Nicaraguan Ministry of Development, Industry and Commerce and Nicaragua's National Technical Institute signed a memorandum to enhance cooperative work. As part of the agreement, the ICDF will dispatch additional experts to provide professional assistance and management consulting to SMEs in Nicaragua.

### ICDF Caribbean Region Projects, 2001

#### Dominica

- Field and horticultural crop extension project
- Micro-Credit Project
- Small farmholder financing scheme
- Scholarships for elementary and middle school students

#### Dominican Republic

- Rice improvement and yield increase project
- Horticultural crop cultivation and bamboo construction project
- Aquaculture development project
- Industrial technology cooperation project
- Program for modernizing the National Congress and the Office of the Comptroller General
- Free processing zone project

#### Grenada

- Horticulture project
- Agricultural product processing project
- Trade project
- Small farmholder financing scheme
- Overseas volunteers project
- Scholarships for elementary and middle school students

#### Haiti

- Rice yield improvement demonstration and training project
- Bamboo cultivation and processing project
- Drinking water distribution project in Péionville
- Micro-credit and investment program

#### Saint Christopher and Nevis

- Fruit and vegetable project
- Micro-Credit Project
- Small farmholder financing scheme
- Overseas volunteers project
- Scholarships for elementary and middle school students

#### Saint Vincent and the Grenadines

- Horticultural crop development project
- Livestock extension project
- Infrastructure lending project
- Scholarships for elementary and middle school students
- Overseas volunteers project



- ① The Department of Agriculture tissue culture laboratory in Paraguay
- ② The Belize Tourism Development Project is preserving historic Mayan cultural sites
- ③ Women's handicrafts industry in Guatemala

A principal vehicle promoting trade and regional cooperation between the ROC and Central American nations is the ROC-Central American Economic Development Fund (ROC-CAEDF). The Fund supplies financial assistance and other resources to promote and deepen economic, trade and investment cooperation between the ROC and Belize, Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua. This year the ROC-CAEDF admitted seven new participants in its Executive Training Program, approved the budget for the Central American Trade Office in Taipei, and sponsored six students participating in graduate study programs at National Pingtung University of Science and Technology, and National Chengchi University in the ROC.

#### The ROC-Central American Economic Development Fund

The ROC-CAEDF, founded in 1998, finances projects proposed by member nations that strengthen long-term economic and cooperative relations between and among these nations and the ROC. Projects promote regional integration and economic development, perform social and economic research, improve local, regional and state agencies and institutions, and support the ROC-CAEDF Executive Training Program.

#### Industry and Agribusiness Growth

Central and South American industry is growing at a healthy pace, with SMEs currently enjoying stable and balanced

growth, manufacturing taking root in many nations, service industries emerging rapidly, and-because Central America is blessed with many cultural treasures, beautiful environments and a warm climate-tourism a focal point of development efforts. The ICDF this year assisted Central American nations in designing and implementing industrial and SME strategies, fostering cooperation among businesses in the region, providing lending and financing, and developing tourism.

#### Belize Tourism Development Project

The ICDF is cooperating with the IDB to help Belize promote tourism and develop local businesses and communities, and improving access to the magnificent Caracol Mayan ruins in west central Belize. Belizean institutions the ICDF is cooperating with on this project include the Belize Department of Archeology and the Belize Ministry of Tourism and Youth.

Although business development in Central America is promising, most of the nations the ICDF cooperates with in the region are still agriculturally based, exporting products such as coffee, bananas, sugar and beef. These industries are sensitive to changes in commodity prices (such as the collapse in coffee prices noted above) and global economic trends such as elimination of protectionist policies. Many of these nations need additional training and hands-on experience in modern agribusiness production and marketing, to strengthen and diversify their agricultural sectors. To lessen

reliance on crops with declining market value, enable production of new food products, and pave the way for agribusiness development, ICDF agricultural cooperation in Central and South America has shifted from simple demonstration programs to more comprehensive strategies. New food and agribusiness industries, linked through vertical and horizontal integration, are being developed; farmers are being organized into Production Marketing Teams; lending enabling farm and agribusiness growth is being provided; and processed food production is being developed, which is reducing reliance on higher-priced imported processed foods which had originally been exported as lower-priced raw agricultural products.

#### Costa Rican Guava Pulp Processing Manufacturing Plant; Belizean Dried Fruit Project

These projects are providing funds and technology to local farming cooperatives and independent farmers for fruit processing, increasing the added value of their raw produce.

#### Education System Development

Education and training remain linchpins of ICDF development strategies everywhere, and Central America is no exception. A star in this approach is the recently completed Costa Rica Vocational Education Improvement Program, which helped the nation develop a complete vocational education system. The successful project is now being replicated in neighboring nations, which will strengthen labor skills throughout the region.

### ICDF Central and South America Projects, 2001

#### Belize

- Rice production and technology transfer project
- Vegetable and cereal grain production improvement and extension project
- Food processing project
- Southern Highway rehabilitation project
- Small farmholder financing scheme
- Tourism development project
- Public housing project
- Overseas volunteers project

#### Costa Rica

- Fruit tree and floriculture project
- Atlantic fisheries project
- Bamboo processing and planting project
- Public highway project from Naranja to Florencia
- Terminal Moin Port expansion project
- Lending for guava pulp manufacturing plant
- Credit project for small farming
- Export processing zone
- Infrastructure project (jointly with CABEL)





SME Development Project in Macedonia

- SME re-lending project (jointly with CABEL)
- Overseas volunteers project
- Seven-nation Central American SME technical assistance project

### Ecuador

- Development of a specialized coastal irrigated vegetable-growing zone
- Rice Cultivation project

### El Salvador

- Vegetable production extension project
- Fruit tree project
- Aquaculture project
- Environmental Pollution Control Project in Critical Areas of El Salvador
- Hurricane Mitch reconstruction project
- Bamboo Housing project
- SME re-lending project (jointly with CABEL)
- Overseas volunteers project

### Guatemala

- Peten agricultural production project
- Horticultural crop development project
- Bamboo housing project
- Investment and trade development project
- Hurricane Mitch recovery project
- Infrastructure project (jointly with CABEL)
- SME re-lending project (jointly with CABEL)
- Seven-nation Central American SME technical assistance project

### Honduras

- Crop production project
- Hog raising project
- Aquaculture project
- Quimistan Valley irrigation project
- Hurricane Mitch reconstruction project
- Small farmholder financing schemes (2)
- Intensive road maintenance and

- improvement project
- SME re-lending project (jointly with CABEL)
- Seven-nation Central American SME technical assistance project

### Nicaragua

- Horticultural crop production improvement project
- Oilseed and rice production improvement project
- Hog breeding extension project
- Hurricane Mitch reconstruction project (Phase II home rebuilding project)
- Lending project for small farmers cultivating vegetables for export
- SME re-lending project (jointly with CABEL)
- Overseas volunteers project
- Seven-nation Central American SME technical assistance project

### Panama

- Fruit and vegetable project
- Aquaculture project
- Fishing village development project
- Fort David industrial park development project
- Small farmholder financing scheme
- Overseas volunteers project
- Seven-nation Central American SME technical assistance project

### Paraguay

- Farming and livestock production-marketing center project
- Horticulture project
- Hog raising project
- SME re-lending project
- Corporate synergy system project (third year)
- Industrial zone development project

### Peru

- Emergency earthquake relief

## Europe

ICDF work in Europe in 2001 included redevelopment assistance in Macedonia and Kosovo, SME development in Poland and Belarus, and work with the ERBD in private sector expansion, trade investment, and financial system and SME development.

Since gaining independence in 1991, Macedonia has faced issues of modernizing its infrastructure and economic development policies, and creating a legal foundation for the transition from a planned to a market economy. To help the nation make the shift, the ICDF in 1999 drafted a set of coordinated projects based on the ROC's development experience. These projects, promoting and assisting bilateral trade and investment, private sector development, and the construction of economic infrastructure, were under way when the ROC severed formal

diplomatic relations with Macedonia in June 2001. The projects have since been halted.

ICDF aid to Kosovo in 2001 primarily consisted of post-war financial recovery assistance and participation in a development action plan led by the EBRD.

### Microfinance Bank of Georgia-FIISF

In Eurasia in 2001, support of the Microfinance Bank of Georgia provided financial services to small and micro-enterprises. Lending experience will encourage stable growth and enable the establishment of bank branch offices. This project will act as springboard for participation in cooperative private sector and SME development projects throughout central and eastern Europe.

## ICDF European Projects, 2001

### Azerbaijan

- EBRD investment subproject (Azerbaijan Hotel)

### Belarus

- SME re-lending project

### Lithuania

- EBRD investment subproject (Lithuanian Wool Company)

### Macedonia

- Investment promotion project
- SME development project
- Export promotion project
- Skopje export processing zone development project
- Private sector development project
- ICDF equity investment fund to SMEs in Macedonia

### Poland

- SME re-lending project