

Foreword

Given the enormous and widening gap between rich and poor nations, international humanitarian and development assistance is urgently needed to tackle the problems of poverty and natural disasters that beset less-developed countries. The ROC (Taiwan) was itself the recipient of significant international assistance in the past; indeed, our country successfully used this assistance to emerge from poverty, build up a strong economy, and establish a democratic system of government. It is thus only natural for us to repay the international community by helping others in turn. Likewise, the world hopes to see us shoulder our international responsibilities and make greater contributions in this area.

In view of these expectations and responsibilities, we will maintain our long-term commitment to foreign assistance based on humanitarian principles. This approach is also a major element in strengthening our diplomatic relations and expanding our international space. We believe that the most valuable contribution that Taiwan can make to the world is to share its unique experience: the combination of rapid economic development, technological prowess and democratization.

In the wake of the devastating earthquake that struck Taiwan on 21 September 1999—when nations from around the world came to the country’s aid—a consensus took shape throughout our society to strengthen our feedback to the international community and better fulfill our international responsibilities. The citizens of the ROC are keenly aware that we live in a global village. Our NGOs have long been involved in international humanitarian assistance, often receiving praise from the international community for the quality of their work.

In fact, Taiwan’s efforts in international cooperation have a long history. As Taiwan developed into an industrialized country, these efforts became increasingly specialized and the scope of our international cooperation expanded dramatically from the earliest agricultural and fisheries technical missions. Today we provide partner nations with technical assistance, investment and financing, educational and vocational training programs, development of small and medium enterprises, enhancement of human resources, and humanitarian assistance.

This expansion of our international assistance and cooperation programs led to a reorganization of our cooperation institutions. On 15 January 1996, the “International Cooperation and Development Fund Statute” was enacted, and the former International Economic Cooperation Development Fund under the

Ministry of Economic Affairs was reconstituted as the International Cooperation and Development Fund (ICDF) on July 1st of the same year. One year later the ICDF was merged with the Committee of International Technical Cooperation, which had administered our agricultural and fisheries technical cooperation for close to 40 years. These institutional changes made the country's foreign assistance framework more transparent, legally sound and professional. They also gave a single organization, the ICDF, integrated control over foreign aid resources and overall responsibility to execute our humanitarian and economic development assistance to the ROC's diplomatic allies and friendly developing countries around the world.

The presidential election in 2000 resulted in the first peaceful transfer of power to a new ruling party, highlighting Taiwan's growing maturity in terms of democratic government and promotion of human rights. It also strengthened the country's resolve to contribute to international development. In President Chen Shui-bian's inaugural speech on 20 May 2000, he announced the basic framework of the government's diplomatic and foreign aid policies—building on Taiwan's “democratic achievement and technological and economic prowess”; actively participating “in all types of international nongovernmental organizations”; and, “through humanitarian care, economic cooperation, cultural exchanges and various other methods, we will actively participate in international affairs, expand Taiwan's room for survival in the international arena, and contribute to the welfare of the international community.”

The government subsequently proposed the following guidelines concerning foreign development assistance and international cooperation:

1. Development assistance should take into consideration the universal values of democracy, human rights and humanitarianism.
2. Our financial situation should be carefully evaluated, and emphasis should be placed on sharing Taiwan's experience of political and economic development.
3. The principle of reciprocity should be emphasized.
4. Our volunteer system should be strengthened in order to expand the pool of human resources available for development work.
5. Increased efforts should be made to encourage participation of the private sector and NGOs in foreign assistance work.



In the past year, in accordance with its statutory aims of “strengthening international cooperation and enhancing foreign relations by promoting economic development, social progress and the welfare of the people in partner nations around the world,” the ICDF has implemented many international assistance and development measures. These reflect the ICDF’s professional knowledge, planning, and utilization of human and financial resources. To ensure effectiveness and mutual benefit, all cooperation projects are carried out through an orderly series of procedures that include project identification, assessment, preparation, approval, implementation, supervision and evaluation. In managing its technical assistance, investment loans, education and training programs, and overseas technical missions, the ICDF is taking steps to comply with the new government’s aforementioned principles on foreign aid and international cooperation work. These steps include sending groups of young volunteers abroad and expanding cooperation and exchanges with international institutions and NGOs.

The ICDF’s work has shown significant improvement in terms of both quality and quantity over the past year. Our efforts continue to demonstrate to the international community our commitment to taking active and concrete measures—based on humanitarian concerns and our belief in contributing to the global community—to deepen our cooperative ties with friendly nations, expand our level of participation in international affairs, and secure international friendship and support.

The ICDF is the sole institution in Taiwan providing technical assistance, human resources development, investment and lending, and development funding or grants internationally. There is support from all political parties and enthusiastic public participation for such foreign assistance activities, and our citizens have high expectations for professional conduct in the foreign aid system. Therefore, I am confident that our future international cooperation and development work will increasingly fulfill the three principles of democracy, people’s participation and respect for public opinion.

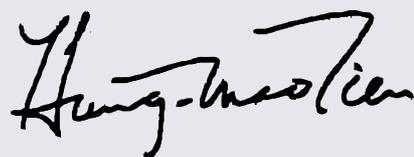
The passage of our draft “International Cooperation Development Law” will be a key step in our efforts to strengthen our foreign assistance system. We hope that this law will be enacted at an early date, so that the country’s future

foreign assistance and international cooperation work will conform to the basic principles of openness, systematization and transparency. This law will also attract more private participation in decision making and execution in this field, eliminating public suspicion of “dollar diplomacy.”

Looking toward the future, the ICDF’s implementation of foreign assistance and international cooperation will continue to uphold its founding principles of improving diplomatic relations and promoting global economic prosperity. The ICDF will pursue pragmatic policies that correspond with mainstream international values, rest on long-term planning, and emphasize the principles of sustainable development and optimal efficiency.

In addition to reducing overhead costs while expanding Taiwan’s participation in international activities through cooperative projects, the ICDF’s efforts will continue to draw upon Taiwan’s plentiful experience and strengths in such fields as agricultural and fisheries production and processing, land reform, export-led development and SMEs. These will take advantage of both public and private resources, align with the country’s foreign investment objectives, capitalize on Taiwan’s implementation of an overseas volunteer system as an alternative to military service, expand public participation, and promote a national consensus on international cooperation and foreign assistance. The goals of our work are to strengthen diplomatic relations, promote international cooperation and fulfill the country’s international responsibilities.

We sincerely hope that this annual report will help all interested parties understand the ICDF’s work during the past year, as well as the direction of its future efforts. We value your continued support, and welcome your comments.



Hung-mao Tien
Chairman of the ICDF