

## The Republic of China–Central American Economic Development Fund (ROC–CAEDF)

The Republic of China–Central American Economic Development Fund, created in 1998, reflects the enduring importance of the ROC's relationship with the Central American countries. Development efforts funded by the ROC–CAEDF have solidified the ROC's cooperative relations with the Central American members of the Fund: Belize, Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua. The Fund supplies financial and other resources to promote and deepen economic, trade and investment cooperation between the ROC and these countries.

The Fund is managed by a board of directors consisting of a director from each country party to the agreement, and a representative of the General Secretariat of the Central American Integration System. The Minister of Foreign Affairs of the ROC, currently Dr. Hung-mao Tien, serves as chairman of the board.

At its meeting on 13 December 2000, the board approved the administrative budget for the year 2001; the Workshop on the Central American Technical Education and Vocational Training Program; an allocation of NT\$30 million to establish the Central America Trade Office in Taipei as a legal entity; the first two years of the scholarship program for Central American students studying in Taiwan; and a project to strengthen the Central American Organization for the Fisheries and Water Resources Sector.

The ROC contributes US\$20 million annually to the Fund. Between July 1999 and October 2000, the ROC and the Central American Bank for Economic Integration (CABEI) contributed US\$40 million and US\$605,077, respectively, to the Fund.

The accumulated principal at the end of October 2000 was US\$60.74 million. Total administrative expenses for 2001 are estimated to be US\$37,447. Based on accumulated interest of US\$4.82 million, funding available for projects in 2001 will amount to US\$4.47 million. The proceeds of the Fund are managed by the ICDF through a special account.

The ROC–CAEDF funds the following types of projects:

- Projects and programs for sharing economic development experiences between the ROC and the Central American countries.
- The design, study and preparation of projects and programs to strengthen economic and trade integration and development in Central America.
- Feasibility studies for socioeconomic development projects and programs in Central America.
- Central American policy and institutional development, and economic reforms, including improvements in trade, investment and taxation systems.
- Public sector capacity building.
- Scholarship programs for studies in the area of economic development and other relevant training in the Republic of China.
- Operations of the Central America Trade Office in Taipei.
- Management costs for the Fund.

ROC–CAEDF project proposals are submitted by the Secretariat of the Fund to the board of directors for approval. Following are the primary projects the Fund is undertaking in 2001, based on board approval in 2000, and ongoing ROC–CAEDF activities.

## **Executive Training Program**

The Executive Training Program provides funding to the Central American countries and the ROC to train management professionals with leadership potential. The program is strengthening professional capacities and specialization in an increasingly complex world, by developing officials who will contribute productively to international affairs.

Currently, candidates from Honduras (attending Oxford University in England), and the ROC (at Johns Hopkins University in the United States) are participating in the program. One candidate from Nicaragua is planning to attend Harvard University in July 2001 and another from El Salvador has passed the first phase of the selection process.

## **Central America Trade Office**

The ROC and its Central American allies have been working to establish the Central America Trade Office (CATO) in Taipei as a legal entity. CATO was created in 1997 to promote trade, investment and tourism in the Central American members of the ROC–CAEDF. As part of this project, the Board agreed in December that Belize would become a member of CATO. The Board allocated NT\$15 million for CATO operational expenses from 1 July 2000 to 30 June 2001.

## **Workshop on the Central American Technical Education and Vocational Training Program**

The workshop on the Central American Technical Education and Vocational Training Program, which was approved in December, was organized in order to promote information exchange between Central American and ROC technical/vocational education professionals.

Held in Costa Rica from 29 to 31 January 2001, the seminar focused on sharing Costa Rica's successful experience in training, and the future of technical/vocational training in Central America. Topics included technical education systems and manpower demand, teacher training and quality, curriculum development, performance evaluation, and program development.

## **Scholarship Program for Central American Students in Taiwan**

Student and educational exchanges are an important element of the ROC–CAEDF. This two-year scholarship program for Central American students studying in Taiwan will support 12 graduate students and eight professionals in advanced training programs in 2001. The total budget is US\$400,000, providing each student with a US\$20,000 scholarship.

In 2002, the program will be expanded to include 24 graduate students and six professionals in advanced training programs.

## OSPESCA Strengthening Project

The Central American Organization for the Fisheries and Water Resources Sector (OSPESCA) Strengthening Project will improve the operations of this organization, bolstering fisheries and water resources in Central America. The ROC-CAEDF would cover US\$80,000 of the US\$104,600 plan, which was proposed by the Central American Integration System (SICA). The project is under consideration by the ROC-CAEDF, pending receipt of the final SICA plan.

