

# Operations

This chapter describes technical cooperation projects, investment and lending operations, educational and training programs, and activities conducted by the ROC–CAEDF in Central America.

Technical Cooperation covers services in five principal fields:

- Guidance and advisory services for SMEs
- Capacity building
- Special research projects
- Volunteer programs
- Projects commissioned by the ROC Ministry of Foreign Affairs (MOFA)

Under Investment and Lending Operations, we describe the three-year core rolling programs for the period 1998 to 2000, the core programs for 2000, and some of the cooperative initiatives with international organizations. Also, we present an overview of approved loan projects for 2000.

The pages on Education and Training provide information on seminars, human resources development programs that we are conducting with international organizations, scholarship programs, and the ICDF Alumni Society.

We conclude with an outline of the Republic of China–Central American Economic Development Fund (ROC–CAEDF), which incorporates the Executive Training Program, the Central America Trade Office, seminars on technical and vocational education for Central American countries, the scholarship program for Central American Students in Taiwan, and the OSPESCA Strengthening Project.

## Technical Cooperation

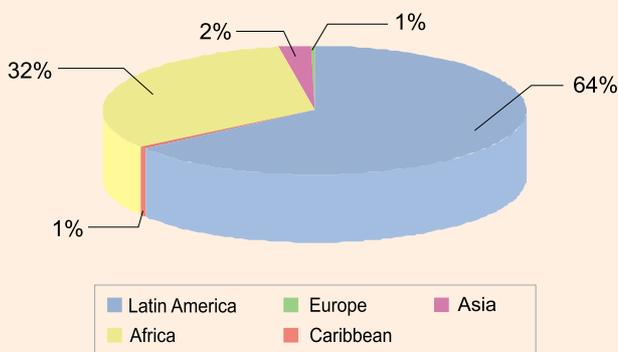
### Summary

In fiscal 2000 the ICDF managed 22 technical assistance projects, six more than in the previous year. These included four SME advisory group and consulting projects; 14 economic, social and political capacity building projects; three special research projects; and the work of the ICDF Volunteer Corps.

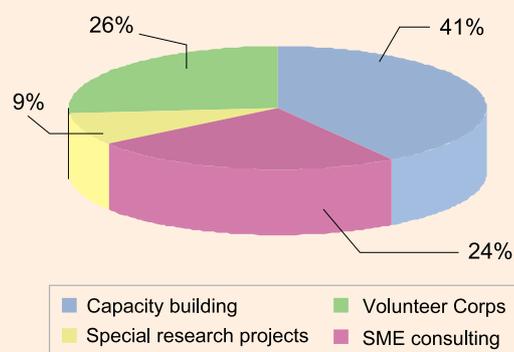
Expenditures for the year's technical cooperation projects totaled US\$5.4 million. Of this, 64 percent was dedicated to Latin American operations, 32 percent to Africa, 2 percent to the Asia Pacific region, 1 percent to the Caribbean, and 1 percent to Europe. The SME projects consumed US\$2.2 million of the total budget, while US\$1.3 million was spent on capacity building projects, and US\$470,000 on special research projects. US\$1.4 million went to the overseas service missions.

On behalf of the Ministry of Foreign Affairs, the ICDF managed 41 technical missions (up from 38 in 1999), with 322 staff members working in 34 partner countries. The 12 technical missions located in eight African countries consumed 40 percent of the total budget of NT\$1.9 billion; 10 missions in nine Latin American countries, 22 percent; seven missions in six Caribbean countries, 14 percent; the single European mission 3 percent; eight missions in eight Asia Pacific countries, 17 percent; and three missions in two Middle Eastern countries, 4 percent.

Technical Cooperation Expenditures by Region



Technical Cooperation Expenditures by Project Type



## **SME Advisory Programs**

Economic development is the key to escaping poverty and strengthening human resources, and small and medium enterprises are essential to sound, steady economic growth. Because SMEs have played a central role in the ROC's economic growth, sharing the country's wealth of experience in this field is a core ICDF tenet. Thus the organization allocated 41 percent (US\$2,210,000) of its total ICDF technical cooperation budget to SME development projects.

After carefully considering each country's long-term economic strategy, ICDF specialists assisted partner countries in drafting SME policies, establishing appropriate organizational frameworks, nurturing entrepreneurial endeavors and developing strategic industries. The ROC's SME development experience is particularly relevant in areas such as credit guarantee funds, industrial synergy schemes, industrial development strategies and export promotion. ICDF experts are helping partner nations to establish competitive businesses in industries that can capitalize on existing national resources and policies, and levels of industrial development.

The assistance provided by the ICDF is wide-ranging: factory planning, materials management, process streamlining, quality control, troubleshooting, and organizational system development. In order to ensure that technology transfer is beneficial, firms that receive guidance are expected to assign technical or management personnel to implement the recommended improvements.

A major SME project concluded in the past year was the ICDF Vegetable Research Cooperation Program in Five Central American Countries. Three other SME projects are in progress.

### **Vegetable Research Cooperation Program in Five Central American Countries**

This program succeeded in creating the Central American Vegetable Research Network, which is now coordinating training, materials exchange, product testing and technology transfer among the five countries. The new technology fostered by the program will aid agronomists and farmers in developing and selecting better vegetable strains. The long-term result will be to make the Central American nations more self-reliant in agricultural research, enhanced conservation efforts, improved breeding stocks, and pest control practices.

### **Small and Medium Enterprises Advisory Project in Senegal**

This project will provide a line of short- and medium-term advisory services to the Republic of Senegal, to assist it in developing special local industries, improving agricultural product processing, raising professional management and sales standards, and setting up an advisory system for SMEs.

### **Paraguay Synergy System Development Project**

The goal is to develop a hub-satellite system that will enable SMEs to function as suppliers for larger industries. The expectation is that, in addition to improving product quality, the system will help to stabilize and enlarge Paraguayan SME markets. In cooperation with the Center for Business Cooperation and Industrial Development (CEDIAL), the specialists selected two factories, Ala Moana and Chemitec, for consultation and demonstration in 2000.

### **SME Advisory Groups in Seven Central American Countries**

This project is helping Central American nations map SME development strategies. Over the past year, it conducted seminars in organizational and systems policy, while continuing to assist the participating nations to establish sound SME policy environments, set up allocated networks in industrial production, improve competitiveness and stimulate exports.

## **Capacity Building Projects**

In order to modernize and expand, a country requires sufficient capacity for growth and improvement in its economy, its governmental institutions, its agricultural and industrial infrastructure, and its socioeconomic service areas. The ICDF is supporting an impressive variety of capacity building projects in different countries.

An important focus of ICDF capacity building was on medical services, especially in Africa. The objective is to enable the partner nations—such as landlocked Chad and the island nation of São Tomé and Príncipe—raise overall standards of medical care by upgrading equipment and helping them to improve management efficiency.

Also in Africa, but in the agricultural sector, the ICDF provided gifts of agricultural equipment to Senegal and The Gambia, in order to enlarge their food production capacities. In Senegal, the ICDF provided several new pieces of milling and processing equipment, and completed its Project for Rice Reclamation.

Among the capacity building projects in Africa which achieved their objectives were the Rice Reclamation and Extension Project in The Gambia, the Capacity Building Project for Rice Reclamation in Senegal, and the Handicraft Training Project in Swaziland. In Burkina Faso the efforts to establish a viable garment manufacturing training center are continuing.

Concluded in Central America was the Product Packaging and Inspection Center Project for Seven Central American Countries, which has modernized product packaging in those countries.

In Europe, the ICDF completed one phase of its Macedonian governmental capacity building project, by providing computer hardware and software, and training in information systems, to Macedonian government agencies.

### **Product Packaging and Inspection Center Project for Seven Central American Countries**

This project, which involved 91 person-months of assistance, was completed in 2000. It was designed to provide packaging and packaging inspection equipment and expertise to countries in Central America, as well as to establish sound management systems and inspection standards, and raise the competitiveness of products in the region. A package inspection center was established at the University of El Salvador. The management and packaging experts trained there will disseminate modern packaging concepts among workers and management throughout the region.

### **Macedonian Government Capacity Building Project**

This governmental capacity building project, which was completed in 2000, involved provision of computer hardware and software, bolstered by information systems training for government personnel. The equipment and training provided will enhance the administrative efficiency and professional capabilities of the Macedonian government.

### **Capacity Building Project for Rice Reclamation in Senegal**

This project, which provided farm machines to farmers in Senegal, resolved many of the existing labor and rice milling problems. The ICDF provided 19 rice mills, 6 rice sifters, 4 package sealing machines, and 45 pairs of dray cattle. These machines and animals are not only lessening labor problems but also making it possible for farmers to earn additional income.

### **Rice Reclamation and Extension in The Gambia**

Also completed, this project's goal was to assist The Gambia in increasing its paddy rice harvest by providing small farming machinery. The ICDF provided farmers with six pedal-operated threshing machines (popular for their portability and efficiency) and seven small rice-milling machines. The equipment has greatly improved farming productivity.

### **Malaria Control Project in São Tomé and Príncipe**

Malaria is the leading cause of death in São Tome and Príncipe, an equatorial island nation in the Gulf of Guinea off the bend of Africa. In October 2000 the ICDF invited experts to conduct an initial evaluation of the disease's distribution and strains in São Tomé and Príncipe.

### **Capacity Building Project for Handicraft Training in Swaziland**

The completion of this project has made handicraft training centers in Swaziland more effective, thus enhancing the competitiveness of the country's handicraft businesses in southern African markets. In addition to providing materials for handicrafts training classes, the project made equipment and tools available to the graduates.

### **Capacity Building Projects for Medicine Management in Chad and for Medical Institutions and Medicine Management in São Tomé and Príncipe**

These projects are helping medical institutions in Chad and São Tomé and Príncipe to serve more patients, improve their overall efficiency, and heighten general health and medicine standards. The missions are assisting medical practitioners and facilities to upgrade their equipment and improve their pharmaceutical handling practices. Currently, the medical missions are intensifying their efforts to develop effective plans for the distribution of donated medical equipment and the improvement of pharmaceutical management.

### **Hog Raising and Extension Project in Nicaragua**

This project involves the donation of premium hogs and breeding and raising equipment to hog farmers; the provision of expertise in the selection and breeding of high-quality, disease-free swine; and assistance in the establishment of new hog farms. Product marketing techniques designed to increase income in this sector are also being developed. The project managers and the Nicaraguan Department of Agriculture agreed to construct a hog farm in Rivas province by February 2001.

### **Burkina Faso Small-scale Vocational Training Center**

The ICDF is assisting the government of Burkina Faso to set up a garment manufacturing training center. The objective is to enable the country's entrepreneurs to manufacture products for domestic markets, thereby lessening the dependence on imports. With the necessary agreements signed, bidding for equipment completed and instructors selected, the project began in earnest during the past year.

### **Special Research Projects**

The special research projects that were conducted in partner countries in 2000 focused primarily on economic and agricultural topics. The in-depth analyses and evaluations that resulted from these projects are serving as bases for governmental planning and policy making recommendations. The research is also helping the ROC to understand better the developmental needs of its partner nations.

Two research projects were completed: one on the bicycle industry in Central America and another on lake fishing in Malawi. A third project, involving research on the effects of fertilizer application on rice production in The Gambia, is continuing.

### **Special Study on Investment and Trade for the Bicycle Industry in Central America**

Although the study concluded that the Central American market is currently too small to support substantial Taiwanese investment in bicycle manufacturing, the findings of this research project will be used to improve bicycle production standards and develop a multinational system of job allocation. The information gathered will also be helpful in building stronger relations with the well-established Taiwanese bicycle industry.

### **Feasibility Study on Lake Fishing in Malawi**

This project studied the feasibility of increasing production in Malawi's lake fishing industry. The conclusion was that fish supplies in Lake Nyasa (Lake Malawi), the largest lake in the country, are seriously depleted, and that action is needed to prevent overfishing and to develop freshwater fish stocks.

### Research on the Effects of Fertilizer Application on Rice Production in The Gambia

The ICDF commissioned experts from the Taichung District Agricultural Improvement Station to conduct specialized research on paddy rice production in The Gambia. The research will include a survey of soil types, testing of fertilizer applications, the development of a plan to expand the rate of land use in paddy areas, and the drawing up of recommendations for the encouragement of sound paddy rice cultivation techniques.

### ICDF Volunteer Corps

In its four and one half years of existence, the ICDF Volunteer Corps has bolstered ICDF operations immeasurably. Dedicated volunteers, supervised by the ICDF technical missions, are working alongside ICDF professionals and local people in several countries around the world.

The ICDF Volunteer Corps recruits qualified people with a global perspective. This year, following rigorous screening, 17 volunteers were selected from 143 applicants. Thirteen recruits were sent to Costa Rica for language training, following which they were dispatched to Central America and the Caribbean to teach folk arts, computer skills, Chinese language, office administration and other subjects. The remaining four recruits were sent to Myanmar to teach Chinese, English and mathematics.

Among the services that ICDF volunteers are currently providing to host countries are basic consulting services for small and medium enterprises; vocational and computer training; instruction in Chinese language, mathematics, science and other subjects; and rural area improvement.



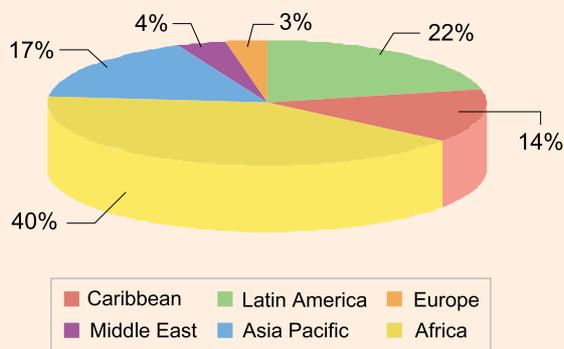
## Technical Mission Achievements

ICDF technical missions were involved in 103 projects in the following eight major categories in 2000:

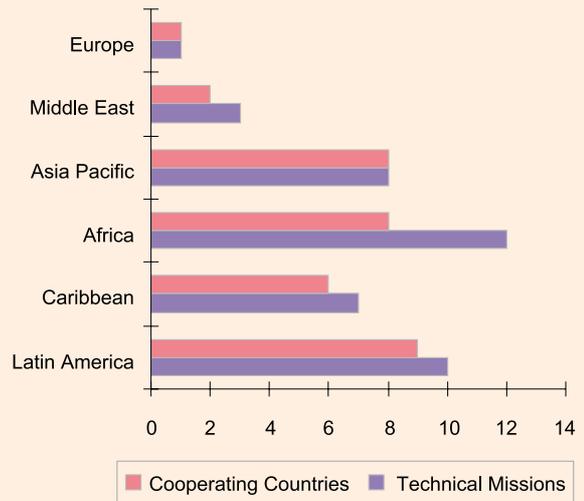
- Crop production enhancement (Belize, Burkina Faso, The Gambia, Honduras, Malawi, Papua New Guinea, Senegal)
- Horticultural crop development (Costa Rica, El Salvador, The Gambia, Guatemala, Indonesia, Nicaragua, Papua New Guinea)
- Handicrafts training and promotion (Costa Rica, Guatemala, Swaziland)
- Aquaculture, including shrimp, saltwater and freshwater fish farming (Honduras, Indonesia, Saudi Arabia)
- Improved livestock breeding and veterinary care (Nicaragua, St. Vincent)
- Commercial development and trade promotion (Macedonia)
- Industry service (Dominican Republic)
- Medical services (Burkina Faso, Chad, Malawi, São Tomé and Príncipe)

Descriptions of the achievements of the technical missions follow by region.

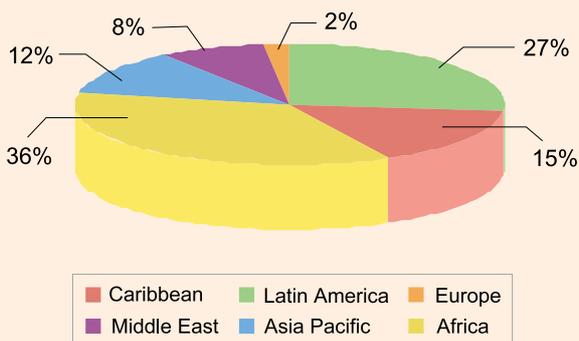
Technical Mission Expenditures by Region



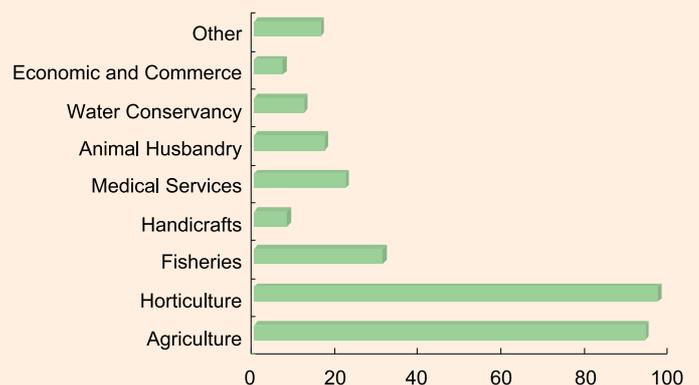
Technical Missions and Cooperating Countries



Mission Personnel by Region



Mission Personnel Expertise



## Africa

### Burkina Faso Technical Mission

In August 2000, the Rice Extension Project completed initial land development of 1,000 hectares, making it possible to grow two rice crops per year. In addition to raising Burkina Faso's grain output by 10,000 tons, the project has added jobs and stimulated peripheral business opportunities, spurring economic and social progress in the African nation.

### Chad Technical Mission

Through the Rice Yield Enhancement Project, the Chad technical mission is training farmers to improve rice yields, and transferring machinery technology to them. In 2000, the project reclaimed 500 hectares of land for rice cultivation, promoted cultivation on an additional 417 hectares, and trained 1,667 people in farming techniques.

The Vegetable Project extended 25 hectares of land for vegetable cultivation and trained 45 farmers. The result is that superior vegetables are being produced, and this has contributed to the creation of peripheral economic opportunities and a tangible improvement in the standard of living.

### The Gambia Technical Mission

The Capacity Building Project for Rice Reclamation and Extension has resulted in cultivation on low-cost, irrigated tidal land, an amelioration of water supply, and solutions to problems of large-area irrigation. Rice production has increased from one ton to five tons per hectare, partly as a result of the installation in 1999 of a farm machinery shop, warehouse and irrigation system.

Seven hundred sixty-two hectares of paddy rice were cultivated in the middle and lower provinces of the Gambia River, while dryland rice was cultivated on 408 hectares of fields in these and other provinces.

Through the Vegetable Production Enhancement and Marketing Project, the mission has aided The Gambia to increase vegetable production in the capital, Banjul, as well as in Banjulnding, Lamin and Sukuta. The project, in which 445 farming households participated, extended cultivation to 21.66 hectares in these three provinces, bringing the total cultivated area to 37.65 hectares. A consumer cooperative was established with income saved in a revolving fund, the proceeds of which will be used to help the Sukuta farm establish another farmers' cooperatives in the future. Profits from cultivated areas reached US\$123,241, with 75 percent of these profits going to working farmers, and 25 percent returning to the revolving fund.

### **Liberia Technical Mission**

The Animal Husbandry and Agriculture Development Project, launched in July 2000 in Bong County, promoted crop cultivation on 100 hectares, and trained 240 people in agricultural and animal husbandry skills.

The goal of the Rice Yield Enhancement Project is to restore rice cultivation in areas left fallow as a result of Liberia's civil war, which ended in 1996. The mission reclaimed or promoted approximately 284 hectares of land for rice cultivation, and provided training to 146 farmers.

In the Rice and Vegetable Development and Extension Project, the mission promoted crop cultivation on 28 hectares of land, trained 131 farmers, and helped restore facilities at the University of Liberia's Department of Agriculture farm. This made it possible for the farm to conduct technical training and grow seedlings for agricultural extension.

### **Malawi Technical Mission**

Through the Horticulture Development and Extension Project, the Malawi technical mission continued its horticultural development and farmer training activities. The mission assisted in growing superior grade rice seed on 1.7 hectares of test beds, for gradual extension throughout the country. It also advised 2,165 farming households on the cultivation of 500 hectares of paddy rice and conducted a husk rice cultivation and marketing seminar for 126 farmers that helped them to triple their incomes. Other activities included the conducting of corn cultivation seminars for farmers from 1,280 households and the promoting of corn on 1,000 hectares.

### **São Tomé and Príncipe Technical Mission**

The technical mission's work with government officials and local farmers in the Food, Horticulture and Animal Husbandry Development Projects resulted in the reclamation of more than 30 hectares of land for cultivation and the production of more than 5,300 kilograms of rice seed and 102 kilograms of vegetable seed. The mission conducted two seminars in production and marketing and trained 199 people in horticulture and animal husbandry.

As part of the efforts to revitalize the animal husbandry industry in São Tomé and Príncipe, the mission helped to raise 13,206 fryer chickens and 5,030 egg-laying chickens. Sixteen new households participated in the poultry production activities.

### **Senegal Technical Mission**

In northern Senegal, the technical mission conducted the Rice, Vegetable and Floriculture Projects. They trained farmers in the “deep-water, direct-seeding” method of rice paddy cultivation and planted rice on more than 3,000 hectares, realizing an average yield of more than 5 to 6 tons per hectare. In southern Senegal, the technical mission promoted half-year dryland rice cultivation and half-year land reclamation on 412.67 hectares, achieving an average yield of 3.5 to 4.5 tons per hectare. The mission promoted rice cultivation on 3,778 hectares, and trained 2,469 farmers.

A new asparagus project, under which the mission provided training to 92 farmers, resulted in the development of 14.4 hectares and the cultivation of asparagus on 35 hectares.

As part of the South Senegal Aquaculture Project, farmers are increasing their incomes and improving the protein supply for their families by farming tilapia (a genus of freshwater fish). In 2000, approximately one third of a hectare of land was reclaimed for use in this project, and 65 people received aquaculture training.

### **Swaziland Technical Mission**

The Small Farmer Corn and Sweet Potato Project, which is scheduled to run until 2003, is helping Swaziland to achieve self-sufficiency in maize and sweet potato cultivation. The mission trained 2,142 farmers, and promoted corn cultivation on 1,626 hectares and sweet potato cultivation on 75 hectares.

The objectives of the multifaceted Royal Project are to cultivate vegetables, rice and miscellaneous crops. These are donated to the Swazi royal family in lieu of rent for fields used by mission headquarters and branches; used to provide support for agricultural shows and conferences, disaster relief efforts and special provincial celebrations; or consumed locally. During the year, the mission reclaimed 108 hectares of land on three farms and trained 37 farmers.

In cooperation with the Swaziland Department of Agriculture, the mission is implementing irrigation systems and rural development projects, and providing assistance to government agencies through the Department of Agriculture Support Project. The mission completed five bridges in water conservancy and irrigation projects and trained eight personnel. Also, the mission worked to reclaim 717 hectares of land.

As part of the Capacity Building Project for Handicraft Training in Swaziland, the handicrafts mission established a training center composed of a library, materials supply center, and research and development group. The center conducts training classes in wood and stone carving, leather working, ceramics, art design, sewing and garment design, mechanical skills, electrical repair and computer skills. Mission members help the local people who have completed their training

to start businesses and sell their products. By improving product quality, the training center is contributing to the development of family handicrafts in rural Swaziland and creating additional sources of family income. The mission conducted handicrafts training sessions for 268 Swazi workers, and held short-term seminars for 120 persons.

## **Asia Pacific**

### **Fiji Technical Mission**

The Off-Season Vegetable Cultivation and Extension Project is establishing a vegetable growing zone where vegetables with a high value will be grown during the summer rainy season.

### **Indonesia Technical Mission**

Under the Horticultural Crop Business Management Project, unified vegetable production and marketing is being established, and Taiwanese investment in relevant industries is being encouraged. The mission held 56 vegetable production and marketing seminars and promoted cultivation on 194 hectares. It also trained 4,542 persons, and participated in the sale of 266,665 kilograms of vegetables valued at 1.1 million rupiahs.

The Indonesian Goat and Husbandry Project is working to develop the meat and milk potential of Indonesian Peranakan Ettawa goats. The project trained 255 farmers in 2000, and assisted in raising 155 goats and 16 cattle.

The Soybean and Superior Seed Production Project is promoting high-yield varieties, improving cultivation methods, and increasing soybean acreage. Over the year, the mission produced 300 kilograms of original progenitor seed and 9,000 kilograms of progenitor rice. It trained 120 farmers in soybean cultivation methods and helped them to produce 270,000 soybean seedlings and earn 5.8 million rupiahs from soybean sales.

The goals of the Mushroom Growing Business Management Project are to improve and increase unit yields of edible fungus, reduce production costs and strengthen product competitiveness. During the last two years, more than 600 mushroom growing facilities have been constructed throughout the Gambertan, Cangkringan, Turi, Kaliurang and Kepoharjo precincts in Rire Province. The past year saw the introduction of a factory to create packaging for the burgeoning supply of Indonesian mushrooms. Farmers produced 42,800 bottles of edible fungus and sold 33,500 kilograms of dried Jew's ear mushrooms valued at 603 million rupiahs. In addition, the mission trained 305 farmers.

The Intensive Grass Shrimp Raising Improvement Experiment and Extension Project is improving the aquaculture environment in Indonesia. The ICDF mission assisted in establishing a mode of combined fish and shrimp cultivation that prevents the occurrence of disease. It also trained 535 farmers and promoted aquaculture to 65 households, while overseeing the production of 2,642 grass shrimp and 34,377 kilograms of tilapia.

### **Nauru Technical Mission**

The goals of the Vegetable and Fruit Tree Project and the Superior Poultry Project are to introduce vegetable and fruit tree varieties that can thrive in Nauru's saline soil, and superior poultry varieties that can adapt to the country's tropical climate. Before local disturbances disrupted the work of the mission, three tenths of a hectare of land had been reclaimed for the cultivation of vegetables and seven tenths of a hectare for fruit trees. Chickens were being raised in two reclaimed warehouses.

### **Palau Technical Mission**

The Horticultural and Miscellaneous Crop Extension Project is accelerating the development and extension of new and traditional crops in order to relieve the current shortage of fruits, vegetables and staple foodstuffs in Palau. The project reclaimed 24 hectares, planted mixed crops on 22.3 hectares and raised 116,270 seedlings. The mission provided consulting services to four community farms, seven households and one criminal farm.

### **Papua New Guinea Technical Mission**

In coordination with the rice development policy of Papua New Guinea, the ICDF technical mission, through the Grain Production Project, promoted rice cultivation in the Lea 3 Mile marsh area. The technical mission also promoted rice cultivation in Paohom, Kuriva and Vanapa, employing traditional labor power and tools. Farmers are still using woven bamboo implements to shell rice, and recycling nylon bags as drying equipment, but the new techniques and cultivation methods are helping to break through traditional rice development and processing bottlenecks in Papua New Guinea.

As part of the Vegetable and Miscellaneous Crop Production/Marketing Project, the mission reclaimed 13 hectares of land for watermelon and vegetable cultivation, and established a five-hectare area for the development of professional farming techniques in Brown River. The mission cooperated with the United Nations Food and Agriculture Organization in setting up an irrigation system in Markham, planting new vegetable varieties, and increasing the vegetable growing area. The project trained 842 farmers, reclaimed 103 hectares for vegetable production, and promoted cultivation on 174 additional hectares.

### **Thailand Technical Mission**

In accordance with Thailand's policy of promoting mixed farming and forestry in the northern highlands, the Northern Thailand Forestry Development Project increased forested land by 20 hectares and established a 20-hectare tea farm. It also planted tea on 10 hectares, fruit trees on five hectares, bamboo on 40 hectares, and vegetables on 50 hectares. Vegetable production and processing brought in revenue of more than 2.5 million baht (US\$60,000). The mission held 46 seminars and trained 1,209 technical personnel and farmers.

### **Solomon Islands Technical Mission**

The Rice Field Reclamation and Production/Marketing Training Assistance Project is helping to increase the annual rice output, thereby raising farmers' incomes and reducing the foreign exchange outflow in the Solomon Islands. The project reclaimed 929 hectares in 2000, promoted the use of an additional 974 hectares, and trained 391 persons.

## **Caribbean**

### **Dominica Technical Mission**

The Horticultural and Field Crop Demonstration Project is helping Dominica diversify its agriculture by selecting superior crop varieties with export potential and encouraging farmers to increase their revenue through the cultivation and export of new crop varieties. The project reclaimed 57 hectares of land and harvested 170,000 pounds of sweet corn, 78,000 pounds of papaya and 185,000 pounds of pineapple. The mission trained 182 students and provided specialized agricultural machinery training to 85 people. Fruit sold to other Caribbean islands generated US\$1,958 in income.

The Aquaculture Extension Project is providing saltwater fish cultivation technology to Dominica. The mission trained six individuals and six households in aquaculture and reclaimed three hectares of land. It also raised 200,000 shrimp fry and 500,000 tilapia fry and harvested 3,000 pounds of shrimp and 2,000 pounds of tilapia. A fish farmers' fund accumulated US\$20,453.

### **Dominican Republic Industry Service Mission**

Established in April 2000, the Dominican Republic Industry Service Mission is providing technical consulting and human resources training to key Dominican Republic industries. The mission is helping manufacturers to upgrade their technology in order to improve competitiveness, and this is stimulating overall industrial and economic development. Simultaneously, the mission's work in facilitating Taiwanese investment in the Dominican Republic is creating a positive force in consolidating the friendship between the two countries.

The Industry Service Mission accomplished several important goals: the organization of diagnostic technical consulting services and seminars, the opening of communication with provincial development associations and the SME office of the Dominican Department of Commerce and Industry, and completion of the first stages of a feasibility study of investments in knife mold making and plastic injection shoe soles.

### **Dominican Republic Technical Mission**

Under the Paddy Rice Improvement Project, the technical mission produced about 138 tons of breeder and foundation seed.

The Horticultural Crop Cultivation and Bamboo Construction Project saw the cultivation of 10 hectares of celery varieties, 6 hectares of Chinese cabbage, 2 hectares of garlic strains, and 6.2 hectares of melon varieties. The mission established a simple breeding center for vegetable seedlings, growing vegetables organically on 40 hectares. The demonstration field covered 1.1 hectare, while seedlings were produced on 12.6 hectares and bamboo was promoted on 19.7 hectares.

In the Freshwater Fish Fry Raising and Release Project, the mission bred 834,700 fish fry, while training 16 fishing personnel and 66 students. The Saltwater Shrimp Raising Project saw the breeding of 8,592 pounds of shrimp and the holding of one seminar.

### **Grenada Technical Mission**

By diversifying agriculture, the Horticultural Crops Project is increasing employment opportunities and improving living conditions for the farmers. The mission is helping Grenada develop a cut flower industry that will also boost tourism. In 2000, the mission reclaimed 1.2 hectares of land, promoted cultivation on 26 hectares, and provided training to 360 individuals and 56 households.

The Aquaculture Extension Project trained one fisheries official and 10 shrimp farmers in 2000. It also conducted seminars on the raising of freshwater shrimp and tilapia and worked to develop Grenadan aquaculture technology.

The goal of the Agricultural Product Processing Project is to help Grenadan small-scale agroprocessing farmers increase their productivity and generally to make the whole processing system more profitable. The mission promoted processing of agricultural products on 13 hectares of land and trained 45 persons.

### **Haiti Technical Mission**

As part of the Rice Yield Increase Demonstration and Training Project, the technical mission promoted cultivation of rice on 786 hectares and trained 308 personnel.

The Bamboo Cultivation and Processing Project was responsible for the reclamation of 5 hectares of land and the propagation of 38,300 bamboo seedlings.

### **St. Kitts and Nevis Technical Mission**

The Fruits and Vegetables Project is extending vegetable and fruit cultivation in St. Christopher. During the past year the mission promoted fruit and vegetable cultivation and trained 310 people.

### **St. Vincent Technical Mission**

St. Vincent and the Grenadines was once almost completely dependent on imported pork. Now, as a result of the Hog Breeding Extension Project, the ICDF technical mission has made it possible for the country to supply approximately 85 percent of its own pork products. In 2000, the technical mission assisted in building one new hog breeding farm, as well as a hog propagation farm in Cemdem Park. Total production reached 11,724 hogs, with a market value of US\$2,538,246. Three hundred eighty-five superior breeder hogs were raised, valued at \$166,705. Ten people received training.

The Horticultural Crop Development Project is working on vegetable cultivation, tropical fruit extension, and banana plant tissue culture development. Crop development was promoted on 70.13 hectares of land, and 30,900 banana seedlings were produced. The mission supervised the training of 137 people, and St. Vincent provided funds to purchase equipment and extend facilities for a plant tissue culture laboratory that will expand capacity.

## Central and South America

### Belize Technical Mission

Through the Seed Rice Production and Technology Transfer Project, the mission helped to reclaim 2.5 hectares of land, produce 10,523 kilograms of superior rice varieties, and cultivate 25 hectares for rice seed development. It is hoped that this seed will, in future, supply two thirds of the total requirements for rice cultivation in Belize. The mission also set up a sustainable rice growing fund and trained 150 Belizeans.

In order to diversify agriculture in Belize, the Vegetable Production and Technology Transfer Project is identifying and developing vegetables, melons and other crops with market potential. The mission promoted vegetable production on 235 hectares and trained 334 people.

The Food Processing Project is contributing to diversification of the Belize agricultural industry by developing value-added products through food processing. In addition to training 120 people, the project offered consulting services on the establishment of a fruit drying factory and technical advice to four food processing factories.

### Costa Rica Technical Mission

In an effort to diversify crops, the mission, through the Fruit, Vegetable and Banana Production Improvement Project, is screening and introducing fruit trees and vegetables suited to Costa Rica's environment. It is transferring propagation technology designed to produce superior seedlings for extension purposes. Over the year, it grew various fruit trees and seedlings on 137 hectares, and educated 372 households in fruit tree cultivation. The mission also cooperated with Turrialba's small farmer agricultural processing agency APPAG, to develop investment for a food processing plant.

In addition to developing handicrafts, the Bamboo Handicraft Development and Bamboo Cultivation Projects are promoting the use of bamboo products in Costa Rican housing construction. The mission completed forestation of 44 hectares, organized a marketing seminar attended by 11 people, provided consulting services to five bamboo processing factories, and trained 25 people. The technical mission is cooperating with JAPDEVA (an Atlantic Coast Economic Development Committee) on this project.

Through the Floriculture Project, the mission is introducing new flower varieties suited to cultivation and extension in Costa Rica. It constructed a new greenhouse with 20 buildings, organized marketing seminars which were attended by 145 households, and trained 401 people in promotion techniques. The mission also worked to establish new management methods for raising orchids.

The Atlantic Fisheries Production Improvement Project is unifying fisheries production and marketing, and providing training to fishing, navigation and engine specialists. The project promoted 46 tilapia pools and trained 91 people in fisheries technology.

### **Ecuador Technical Mission**

In conjunction with the Ecuadoran Department of Agriculture and Animal Husbandry, the Rice Project is providing training and materials to demonstration farmers, and assisting them in growing and preparing seed rice. In 2000 the project reclaimed three hectares of land, produced 30,945 kilograms of seed, promoted the use of 694 additional hectares, and held 10 technical training seminars.

The Vegetable Cultivation Zone Development Project is assisting in the development of vegetable and tropical fruit tree cultivation zones. The project saw the reclamation of 330 hectares of land, the promotion for cultivation of 81 additional hectares, the provision of consulting services to farmers, and the conducting of four marketing seminars and 19 workshops.

### **El Salvador Technical Mission**

As part of the Horticulture Project, the technical mission in El Salvador is extending cultivation of high-elevation, cool-weather vegetables (cabbage, potatoes, lettuce, etc.). Twelve hectares yielded 496,685 pounds of crop in 2000. The El Salvador Department of Agriculture cooperated with the project in building a new vegetable market, which opened new sales channels for farmers. The mission promoted horticulture extension on 161 hectares of land, and grew 63,000 vegetable seedlings.

The Aquaculture Project is extending saltwater shrimp raising and improving aquaculture management techniques in El Salvador. The project promoted the use of 97 hectares of land for aquaculture activities, and assisted in the raising of 3,029,000 sea shrimp, 330,000 freshwater shrimp, 350,000 tilapia fry and 6,600 carp fry. It also trained 407 people.

The goal of the Rice Project is to transfer technology for growing strains of progenitor seed rice to the Central Institute of Agricultural Technology, in order to enable the propagation of seed rice on a large scale. The mission trained 32 El Salvadorans in this technology and promoted the use of 66 hectares of land.

### **Guatemala Technical Mission**

Through the Peten Agricultural Improvement Project, the ICDF technical mission assisted the Non-Traditional Crop Export Promotion Association of the Peten region to cultivate and process chili pepper and asparagus. It guided 86 farmers in growing 78.4 hectares of chilies, which produced 33,200 pounds of fruit. Processors produced 17,600 pounds of chili sauce and 5,000 pounds of chili powder for domestic consumption and for export to the United States and Belize. The project reclaimed 5.6 hectares of land for the fruit tree seedling farm and trained 422 Guatemalans.

The Bamboo Construction Development Project is helping poor farmers cut housing costs, reducing the widespread felling of trees for building materials, and assisting in efforts to conserve water and soil. The technical mission helped to grow 1,200 South American hemp bamboo trees on a 21-hectare bamboo farm. It also coordinated its efforts with XFAM, a nongovernmental organization, to promote the use of bamboo building technology to construct 298 new homes in Retalhuleu.

Technical mission members provided guidance to graduates of the mission's bamboo construction seminars, during the planning and implementation of work on bamboo housing at the San Carlos University and on a Panamanian farm. The project provided consulting services to 14 farms, promoted bamboo cultivation on 21 hectares, and held nine training seminars for 42 people.

The Horticultural Crop Development Project has assisted Guatemala in breeding superior, high-yield crop varieties suitable for domestic cultivation, improving cultivation and processing methods, and organizing vegetable production/marketing teams. The project oversaw the cultivation of 31 hectares of sweet peas and 8.5 hectares of star fruit and guava, the holding of seven vegetable marketing seminars, and the construction of a small warehouse and holding area.

In the Floriculture Development Project, the mission is cooperating with the government in introducing flowers and ornamental plants to Guatemala, and improving cultivation and propagation technology. In 2000, it constructed two new greenhouses, completed irrigation construction on a half hectare of land, cultivated 43 varieties of flowers, grew 68,327 flowers, and conducted a seminar for 42 people.

### Honduras Technical Mission

The goals of the Paddy Rice Project are to establish a three-grade seed rice propagation system, produce high-yield seed rice, increase productivity, and stabilize rice output. In 2000, the project selected Comayagua, in central Honduras, for the cultivation of foundation seed and the transfer of commercial seed cultivation technology to local farmers. It produced 233,200 kg of foundation seed and commercial seed (enough to cultivate 1,036 hectares of rice). The project assisted in reclaiming 21 hectares of breeder seed land and 11.7 hectares of commercial seed land, while promoting seed rice cultivation on 37.9 hectares through both technical instruction and microlending, and it trained 124 households.

The Fruit and Vegetable Project reclaimed 4 hectares for seed and seedling production. It produced 6,000 fruit seedlings, and promoted grape cultivation on 8 hectares and vegetable cultivation on 60 hectares. The mission trained 97 farmers in vegetable cultivation and 90 farmers in fruit growing. The export of vegetables earned US\$875,000 in foreign exchange.

The Hog Breeding Project is improving the quality of local pork, increasing productivity, promoting pork consumption, and raising the incomes of hog raisers. During the year the mission trained 1,649 people and 261 households. The farm produced 4,976 piglets and 726 superior breeder sows, and succeeded in accumulating a fund of about US\$460,000.

Through the Aquaculture Projects, fish farming specialists are training local people to raise tilapia. The technical mission successfully transferred the tilapia cage culture project to the Lago Yojoa Fishermen's Association, completed 52 aquaculture cages, promoted 40 cages, and trained 96 people. They produced 800 superior breedstock fish and 165,000 tilapia fry, and also developed a saltwater cultivation technique that led to a harvest of 5,000 pounds of tilapia.

### Nicaragua Technical Mission

In the Hog Raising Improvement Project, the ICDF is planning a new 8.5-hectare hog farm in Nicaragua's Rivas province. The farm, to be completed in early 2001, will produce disease-free hogs, improve stock quality, and expand the market for Nicaraguan hog exports. The project raised 296 breeder sows, sold 4,069 hogs, and trained 617 hog farmers.

The Horticultural Crop Improvement Project promoted vegetable cultivation to 23 households, which produced crops valued at US\$208,050. Total vegetable exports reached US\$555,559 and domestic sales totaled US\$103,846. The project reclaimed 1.8 hectares, promoted vegetable cultivation on 103 hectares, and trained 346 people. It also raised 45 pounds of loofah and balsam pears for seed. A small farmer loan program is planned, as is Spanish language training for students in the mission's production and marketing class.

The Oil Crops and Rice Production Improvement Project is establishing a three-grade seed rice propagation system. Under this project, the mission reclaimed 67 hectares of land, promoted oil crop and rice cultivation on 12,096 hectares, and trained 1,287 people. It also produced 22,044 kilograms of original progenitor and progenitor seed and harvested an additional 258,887 kilograms of rice seed.

### **Panama Technical Mission**

In the Vegetable Seed Production and Cultivation Project, the mission is using seed vegetable fields for propagation of vegetable and melon seed (as well as the production of rice and maize seed during the rainy season). The mission reclaimed 3.6 hectares of land, promoted seed cultivation on 161 hectares, produced 1,348 kilograms of superior vegetable seed, and trained 86 people.

The Fruit Tree Horticultural Project is promoting the cultivation of fruit and nut trees (mango, papaya, cashew) as a means of increasing agricultural output and improving the environment along Panama's Pacific coast. The project reclaimed one third of a hectare, promoted fruit tree cultivation on 47 hectares, and trained 54 people.

The Marine Shrimp Breeding Project will provide advanced training in shrimp raising to technical personnel. The mission is collaborating with the Panamanian Fisheries Office and the Department of Agriculture and Animal Husbandry in the artificial breeding of disappearing local fish species. The project propagated 2,039,000 late-stage shrimp fry on 32 hectares, raised 166,012 tilapia fry in 22 cages, and trained 54 people.

The Fishing Village Development Project is providing technical assistance and helping to keep the fishing cooperatives on a sound footing. The project provided direction to four fishermen's cooperatives and directed the establishment of a new fishermen's organization. Three other fishermen's organizations have registered for government approval and establishment. The project has trained 252 people, and preparations are being made to offer microcredit to fishermen.

### Paraguay Technical Mission

The Agriculture/Livestock Extension Center Project is organizing an array of activities and projects to aid Paraguayan farmers. In 2000, the project worked on the reclamation of 16 hectares of land, promoted agriculture and livestock extension to 539 households on 1,327 hectares, and trained 841 personnel.

The vegetable component of the Horticulture Project is organizing production/marketing teams, establishing a marketing system, expanding production capacity, and promoting vegetable exports. It reclaimed 10 hectares of land, promoted horticulture extension to 203 households on 109 hectares, trained 3,624 people, and held 25 marketing seminars.

The Hog Raising Project is breeding superior hogs and providing training in their raising, thus helping to expand Paraguay's pork exports. The technical mission has been working with the Paraguayan Department of Agriculture to eliminate swine fever and Newcastle disease in poultry. The mission donated 266,000 swine fever vaccine doses and 1,701,000 Newcastle disease vaccine doses to Paraguay.

## Europe

### Macedonia Technical Mission

As part of the Investment Promotion Project, the ICDF Macedonian mission completed four investment promotion initiatives in 2000: the Compost Investment Project with Bonum; the wooden window manufacturing investment project with Lesnina; the chicken raising project with Taiwan's A-Win Co. Ltd.; and the PP woven bag investment project with LPI.

In addition, the mission completed two reports about the industrial situation in Macedonia, and assisted in setting up organizational statutes for the Macedonian commerce promotion office and the Macedonian commercial promotion and consulting committee. It also completed a report on strategies for SME development in Macedonia, provided advice to the Macedonian government and national industries, and arranged 18 inspection tours for visiting Taiwanese investors.

In view of Macedonia's current export situation, the ICDF's Export Promotion Project mission is helping the country strengthen its export promotion capability, develop new export markets, and establish suitable mechanisms to help local firms increase exports. In 2000, the mission provided advisory services to Macedonian government economic agencies, completed 142 commercial service cases, served 67 Taiwan investors, and conducted 10 training seminars.

Small and medium enterprises are expected to be the principal sector contributing to Macedonia's economic development. The ICDF Macedonian SME Development Project assisted SMEs in 70 cases, completed eight investigations of industrial development, and conducted 17 workshops.

The goal of the Small Hog Farmer Production Technology Improvement Project is to provide the farmers with modern production technology, boost hog raising profits, and increase pork production in Macedonia. In 2000, the ICDF project produced 2,752 breeder sows, 2,152 piglets and 15,778 other hogs. In addition to promoting hog farming, the project provided consulting services to farmers and organized three promotion/information meetings for 90 people.

## **Middle East**

### **Bahrain Technical Mission**

The objective of the Horticulture Project is to develop large-scale flower and fruit tree nursery propagation techniques in Bahrain. The project reclaimed three hectares, promoted India jujube cultivation to 32 households, grew 1,000 papaya seedlings, trained 38 people, and propagated 50,000 trees to be provided to the Bahrain Agriculture Department.

### **Saudi Arabia Technical Mission**

As part of the Agriculture/Fisheries Project in Saudi Arabia, the ICDF technical mission provided substantial veterinary and aquaculture services in 2000. The mission assisted in propagating 60,000 freshwater tilapia fry and 959,500 saltwater tilapia fry, and helped fish farmers to harvest 21.2 tons of India shrimp per hectare. It also trained Saudi Arabian veterinary personnel in parasite examination and diagnosis, conducted 345 examinations, and completed diagnosis of 121 blood and serum sample cases.

Through the Transportation Technology Cooperation Project, specialists from Taiwan are helping to resolve Saudi Arabia's transportation and road engineering problems. In 2000, two Hifnat Al-Duhynah Link Road branches were completed—the 25.4 Bahar Masloom Link, and the 16.7 Hanabeg Link. Budget preparations were completed for the Mulaiha/Um Assawad Roads project, the Jizan Preventive Maintenance Project No. 2, and the R.O.R.M. Preventive Maintenance project.

The ICDF printing technology project in Saudi Arabia is ongoing.

## Medical Missions

The ICDF currently has four medical missions, all in Africa. They are improving medical care in the partner nations by providing clinical instruction, management expertise, technical training and technology transfer. By traveling to remote areas of the country and offering free medical services, the missions are reducing pressure on rural care providers. In addition to easing the suffering of impoverished local residents, the medical visits of the mission staff offer an opportunity to disseminate health information, thus raising the standard of living in rural areas.

### Burkina Faso

In Burkina Faso, the medical mission—staffed by specialists in internal medicine, anesthesiology, dentistry and acupuncture—is providing outpatient services and technical instruction to the Friendship Hospital in the Ougadougou area. The Friendship Hospital treated 12,238 patients in 2000.

### Chad

The medical mission stationed in Chad has medical institution and medicine management capacity building programs under way. These projects will enable the country to upgrade equipment, improve management efficiency, and raise overall standards of medical care. The medical mission, whose specialists support outpatient diagnosis free of charge, is currently providing medical services in internal medicine, surgery, ophthalmology, gynecology and pediatrics at the Freedom Hospital in N'Djamena. The Freedom Hospital treated 11,936 patients in 2000.

### Malawi

The Malawi medical mission, which was inaugurated in February 2000, is expected to continue until at least 2004. The project is providing medical services, assisting in the establishment of a hospital management system, and training Malawian medical personnel. This project is helping Malawi's Central Hospital to sustain operations and improve medical standards. Mission personnel are contributing to both inpatient and outpatient services and conducting examinations and surgical procedures in internal medicine, surgery, gynecology, orthopedics, pathology and dentistry. In the hope of creating a core staff that can assume full management of the Central Hospital, the mission has been selecting Malawian physicians for advanced training in Taiwan.

### São Tomé and Príncipe

Medical institution and medicine management capacity building programs are also under way at the São Tomé and Príncipe medical mission. The specialists in the mission are trained in dentistry, pediatrics, gynecology and acupuncture. Their role consists chiefly of assisting diagnosis and treatment at the Central Hospital and Centro Policlínico de Aqua Grande outpatient center. During the past year the mission donated medicines and medical supplies to the Central Hospital, trained 67 medical personnel, and conducted highly popular free touring clinics.

Another important project in São Tomé and Príncipe is the Malaria Eradication Project, whose objective is to replicate in the African nation the successful elimination of the disease in Taiwan. In October 2000 the ICDF invited experts to conduct an initial evaluation of malaria distribution and disease types in São Tomé and Príncipe. During the year the mission treated 12,911 patients, renovated or reestablished 17 medical stations, and set up medical management systems and a medical network.



## Investment and Lending Operations

### Three-year Rolling Core Programs: 1998–2000

The ICDF's investment and lending activities seek to create wealth, eliminate poverty and encourage social progress worldwide by stimulating economic activities. The ICDF designs and executes its investment and lending services within a three-year rolling program. Between 1998 and 2000, the ICDF continued managing 14 existing plans, which fell into three broad development categories: SME development, microcredit programs, and educational improvement.

During this period, 28 new cases were signed, including 4 SME loan projects, 7 loan programs for small farmers, 4 microcredit and technical assistance projects, and 5 emergency relief and water resources development projects. Investment projects included an investment fund developed with the European Bank for Reconstruction and Development (EBRD), an SME equity investment fund in Macedonia, and various agricultural industry investment programs.

### Core Programs: 2000

Working with many different international finance institutions, local and national government agencies, and nongovernmental organizations, the ICDF signed 13 loan contracts in 11 countries, totaling US\$38.17 million. Reflecting the continuing importance of this economic development area, ICDF Investment and Lending Operations devoted 30 percent of its budget to SME projects. The remaining budget was used for various economic and social development projects.

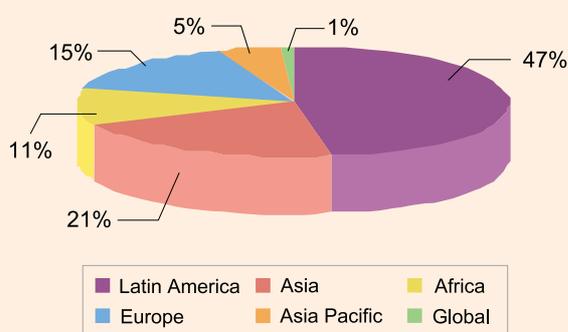
Signed projects during fiscal year 2000 included the Skopje Free Economic Zone in Macedonia—the single largest ICDF Investment and Lending project in 2000 (US\$11.5 million). Development loans to Haiti constituted the second largest ICDF lending project last year. Other signed projects included a water supply project in Haiti, which involved cooperation with the European Investment Bank (EIB).

Supervision and evaluation are critical elements of all investment and lending operations—from initial discovery through planning, execution and evaluation.

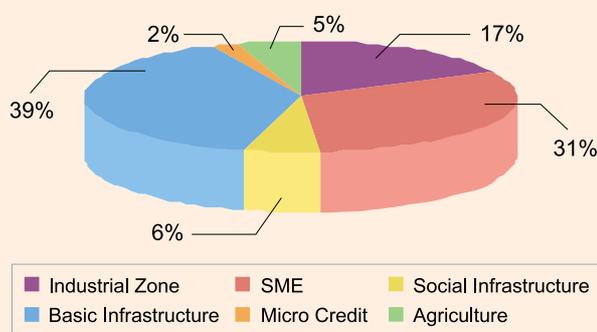
Two prominent investment projects in Macedonia—totaling US\$750,000—were the Bonum Momcilo Ltd. mushroom compost project and the A-Win Co. Chicken Raising project. Elsewhere, the ICDF cooperated with an international finance company to develop the Micro-Credit National Program in Haiti, and participated in Latin American SME development through a Latin American company.

The ICDF board of directors and supervisors is also reviewing five other pending development projects, totaling US\$28.1 million. Four of these involve cooperation with international organizations.

Signed Loan and Investment Projects by Region



Signed Loan and Investment Projects by Type



## Cooperative Programs with International Organizations and NGOs

The ICDF has a productive relationship with the Inter-American Development Bank, with which it is working on the Southern Highway Rehabilitation Project in Belize, an environmental project in El Salvador, tourism in Belize, and the Dominican Republic National Congress capacity building project.

Work with the EBRD is focusing on private sector development projects, and this is strengthening ties with European nations.

The ICDF also has ongoing work and discussions with the Asian Development Bank and the Central American Bank for Economic Integration.

In addition to these established international organizations, the ICDF's Investment and Lending Operations strove in 2000 to forge new relationships with nongovernmental organizations. Because of their small scale and grassroots bases, which help them to understand local needs, the NGOs can be ideal development partners.

## From Rural Development to Vocational Education

In the past, the ICDF has focused on rural development and private sector development as the basis of national economic development. ICDF investment and lending projects, including microcredit programs, local financial development, and programs to upgrade agricultural machinery and techniques, have enabled rural households and communities worldwide to improve standards of living and incomes.

Increasingly, greater emphasis is being placed on programs to upgrade the quality of technical and vocational training and education in different parts of the world. Not only is the ICDF supporting economic and industrial development and enhancing the abilities of developing nations to compete in world markets, but it is also helping them to elevate their human resources standards. Technical and vocational training were at the base of Taiwan's economic development, and the ROC is happy to share this experience with partner nations worldwide.

## Overview of Approved Loan Projects in 2000

### SME Relending Project in Senegal

This project, launched in 1999, is providing a line of credit to be used to loosen constraints faced by Senegalese SMEs due to lack of adequate financial resources.

The ICDF is providing a term loan to the Republic of Senegal via the country's Ministry of Finance, Economics and Planning, which will provide these resources to the Fonds de Promotion Economique (FPE), the project's executing agency. FPE will relend the proceeds of the loan to participating financial institutions, which will ultimately loan funds to SMEs. The ICDF has provided a credit line of US\$4 million for this project, which is to run for 20 years.

### Housing Solidarity Reconstruction Program in El Salvador

This project, in effect since August 1999, has helped people in El Salvador rebuild homes destroyed by Hurricane Mitch. A total of 1,406 houses will be built in five of the provinces that suffered most from the hurricane.

### Small Farmholders Financing Scheme

This project, also launched in 1999, is intended to supplement the ROC's agricultural technical assistance programs and help sustain productivity increases and economic development in the countries aided. ROC technical missions are cooperating with East Caribbean ministries of agriculture in selecting farmers to participate in ICDF agriculture, floriculture, aquaculture and animal husbandry extension programs. The ICDF is providing US\$620,000 to finance loans for the purchase of agricultural machinery and other materials.

The scheme, slated to run until late 2005, currently has eight projects in seven countries.

Small Farmholders Financing Scheme			
Country	Program	Schedule	Credit Line
Grenada	Floriculture and vegetable farming	May 1999 to May 2004	US\$100,000
Saint Christopher & Nevis	Fruit and vegetable farming	September 1999 to May 2004	US\$100,000
Belize	Vegetable, rice & food processing	May 2000 to May 2005	US\$150,000
Dominica	Fruit farming	June 2000 to June 2005	US\$100,000
Honduras	Rice extension	July 2000 to July 2005	US\$20,000
Honduras	Tilapia cage aquaculture	October 2000 to October 2005	US\$150,000
Panama	Fishing village	December 2000 to December 2005	US\$50,000
Costa Rica	Turrialba guava pulp processing project	December 2000 to December 2007	US\$100,000

### Investment and Lending Project to Micro-Credit National S.A., Haiti

This project will create Micro-Credit National, S.A., the first financial institution in Haiti dedicated to lending to microenterprises. The new institution will offer loans ranging from US\$150 to US\$7,500. Five bureaux, in addition to the headquarters in Port-au-Prince, will be established.

The total project costs include US\$2 million in equity investment, US\$1.49 million in technical assistance, and operating costs of US\$10 million for the first five years. The ICDF is making a US\$100,000 equity investment and a US\$1.9 million loan available to this project. The loan, signed in July 2000 by Unibank S.A., runs for 25 years.

### **Drinking Water Distribution Project in Petion-Ville, Haiti**

This project will improve the water supply in Port-au-Prince, Haiti, by constructing new wells, a pumping station, a distribution and main pipeline network, and reservoirs. The project will be carried out by Haiti's Centrale Métropolitaine d'Eau Potable (CAMEP).

The total cost of the project will be approximately US\$25,774,640. The European Investment Bank will finance up to €18 million of the costs of the project, while the ICDF will finance the remainder of the project with a 25-year loan of up to US\$6 million (signed in March 2000).

### **The Skopje Free Economic Zone in Macedonia**

This project is actively developing an export processing zone in Macedonia, to be known as the Skopje Free Economic Zone (FEZ). Planning of the development, management, operation and maintenance of the FEZ is under way.

A joint venture company was established by the China Development Industrial Bank (CDIB) and ICDF, with total equity capital of US\$1 million. CDIB took a 55 percent share of this, and the ICDF took 45 percent. The project is being financed by the ICDF through a nonrecourse loan of US\$11.5 million for a term of 25 years.

## **Investment Overview**

ICDF investment projects spur economic growth and create wealth by organizing investment in partner countries to develop infrastructure, improve social and educational conditions, nurture SMEs, and develop agriculture and aquaculture.

In addition to overseeing its own operations, the ICDF participates in financing projects funded by the government of the Republic of China. These programs include specific projects financed by the government, feasibility studies, and special programs (such as the Credit Guarantee Project) which encourage Taiwanese investors to invest in countries that have formal diplomatic relations with Taiwan.

### ICDF Equity Investment Fund for Small and Medium Enterprises in Macedonia

The ICDF technical mission in Macedonia is identifying potentially profitable SMEs in Macedonia for Taiwanese investment. A fund of US\$2 million is earmarked for equity investment in joint venture projects in Macedonia. Project identification, preparation and appraisal will be carried out by the technical mission and proposed to the ICDF Investment Committee. After that committee has approved the projects, the technical mission and Macedonian investors can negotiate joint venture agreements.

The US\$2 million equity investment fund currently includes two investment schemes: the Mushroom Compost Investment Project with Bonum, and the A-Win Co. Ltd. Chicken Raising Project. The project term for these ventures is March 2000 to March 2002.

A description of both projects will be found under “Special Reports.”

Equity Investment Fund for SMEs in Macedonia				
Project	JV Company	Mode	Investment	ICDF Loan
Mushroom Compost Investment Project	Bonum Momcilo Ltd., Skopje, Macedonia	New company	Total equity US\$1,075,000 Bonum 71.6%; ICDF 28.4%	US\$200,000
Chicken Raising Project	A-Win Co. Ltd., ROC	New company	Total equity US\$470,000 A-Win 70% (US\$329,000); ICDF 30% (US\$141,000)	US\$121,000

## Education and Training

The primary goals of the ICDF's education and training efforts are to strengthen cooperation with international organizations—including NGOs—and to help allied nations develop their human, industrial and natural resources in order to spur social and economic progress.

Education and training activities and programs included seminars and workshops held in Taiwan for foreign participants; scholarships for promising students in developing countries; master's degree programs for foreign technical and managerial personnel; and extensive localized vocational and professional training programs.

### Seminars and Workshops

#### Economic Development

The ICDF held 22 seminars or workshops to share Taiwan's economic development experience in small and medium enterprises, international trade, agriculture, vocational training, and other fields. Over 440 participants from 69 countries and four international organizations attended these programs. Participants included 85 persons from the Asia Pacific region, 21 from Middle Eastern countries, 86 from Africa, 73 from Europe, 173 from Latin America and six from international organizations.

#### Trade and Economics

The Taiwan economic development experience was the subject of six general trade and economics seminars, conducted in seven sessions.

#### Commissioned and International Seminars

The ICDF sponsored five commissioned seminars, consisting of eight sessions, in Taiwan on behalf of the Ministry of Foreign Affairs and the Council of Agriculture. The topics were: Production and Marketing of Agricultural Products; Vegetable Cultivation and Breeding; Plant Tissue and Seedling Propagation; Agricultural Product Processing; and Aquaculture.

Three international workshops on special topics were conducted: Public Sanitation; SME Credit and Disbursement Systems; and Technology of Water and Soil Conservation.

<b>ICDF Human Resource Development Program 2000</b>			
Project	Participants	Training Organization	Dates
<b>ECONOMY, TRADE, SME DEVELOPMENT</b>			
ROC Economic Development Experience	25	World Economics Society	11/23–12/10/99
Development and Management of Taiwan's Industrial Districts and EPZs	19	Sinotech Engineering Consultants with ICDF and EPZ Administration, Ministry of Economic Affairs	3/13–3/27/00
International Trade Promotion I	28	China External Trade Development Council	4/19–5/2/00
Industrial Development in Taiwan and the Establishment of Industrial Synergy	27	Corporate Synergy Development Center	5/9–5/23/00
International Trade Promotion II	20	International Research Faculty, Tamkang University	6/7–6/20/00
SME Assistance Policy in Taiwan, ROC	29	Small Business Integrated Assistance Center	8/8–8/25/00
Agricultural Credit System and Rural Development in Taiwan	30	Sinotech Engineering Consultants and ICDF	10/29–11/10/00
<b>SPECIALIZED WORKSHOPS</b>			
Sanitation Seminar	25	National Public Health Administration, ROC	11/29–12/10/99
Lending to SMEs and Bank Payment Systems	35	Taiwan Academy of Banking and Finance	4/11–5/5/00
Water Soil Conservation Seminar	15	Pingtung University of Science and Technology	4/30–5/6/00
<b>VOCATIONAL TRAINING SEMINARS</b>			
Vocational Training	59	Employment and Vocational Training Association	Aug/Sept 2000
<b>SEMINARS ON AGRICULTURE</b>			
Production and Marketing of Agricultural Products	24	Taichung District Agricultural Improvement Station	9/27–10/16/99
Vegetable and Seed Production	17	ROC's Asia Vegetable Center	11/9–11/27/99
Plant Seedling Culture and Seedling Propagation	20	Taiwan Agricultural Research Institute	10/2–10/21/99
Aquaculture I	18	Taiwan Fisheries Research Institute	3/7–3/28/00
Production and Marketing of Agricultural Products	20	Taichung District Agricultural Improvement Station	9/25–10/14/00
Vegetable and Seed Production II	16	ROC's Asia Vegetable Center	10/17–11/4/00
Agricultural Processing	18	Food Industry Research and Development Center	1/11–1/25/00
Aquaculture II	16	Taiwan Fisheries Research Institute	6/13–7/4/00

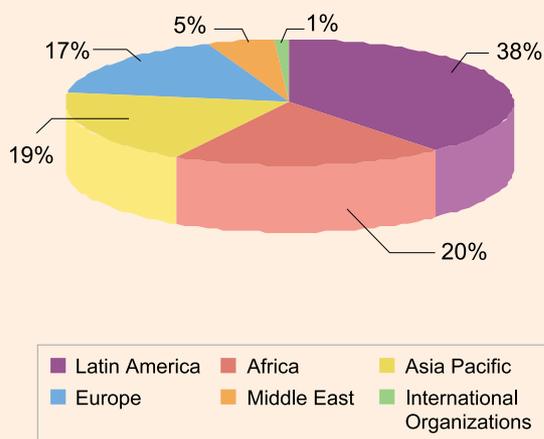
### Vocational Training

Vocational training classes held in 2000 included Computer Usage; Spanish Language Computer Aided Design; Industrial Electronics; Vehicle Repair; and Spanish Program Control.

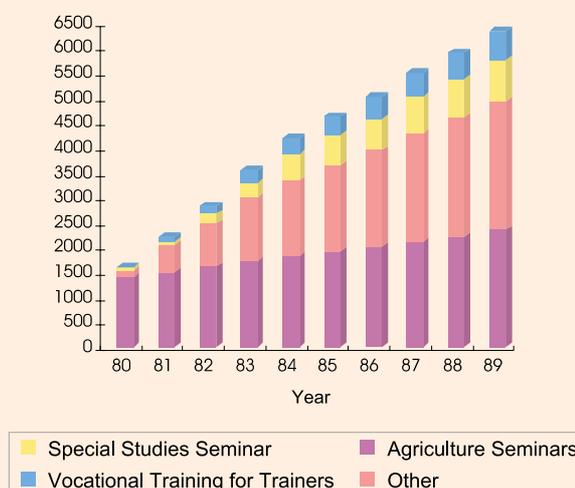
### Promoting the ICDF Foreign Aid Model

To support ICDF technical cooperation undertakings, and to share the organization’s practical foreign aid experience, the ICDF conducts a variety of seminars and workshops for ROC foreign aid workers and officials. In the past year, 18 volunteers received professional training, and 40 participants attended a workshop on foreign aid and international cooperation and development.

Students Attending Seminars by Region



Number of Students Attending Seminars



## Programs on Human Resources Development with International Organizations

### Japan Interchange Association (JIA)

For many years, the ICDF has collaborated with the JIA on the “Third Country Training Project.” This year, joint projects included four training programs for vocational instructors.

### World Trade Organization (WTO)

The ICDF continued to collaborate with the WTO in training officials working in less developed countries. The WTO also regularly sends officers to engage in dialogue with Taiwanese domestic and foreign policy specialists and scholars, or to serve as speakers in ICDF seminars. Two senior WTO trade promotion officials—Mr. Primitivo Gomez Toran and Mr. Raymond Krommenacker—participated as keynote speakers in ICDF seminars in 2000.

### **Netherlands Organization for International Cooperation in Higher Education (NUFFIC)**

The ICDF cooperation with NUFFIC resulted in the sending of two delegations from Taiwan to share their experiences in higher education with specialists in the Netherlands. This year, NUFFIC sent staff to participate in the “Netherlands–ROC Higher Education Seminar.” ICDF and NUFFIC are also working jointly on high-level human resource development.

### **World Links for Development (WorLD)**

The initial period of cooperation with WorLD is from February 2000 to December 2002. The ICDF is working with WorLD to finance education projects in Burkina Faso, Costa Rica, El Salvador, Paraguay and Senegal. Projects include conducting feasibility studies for the introduction of technology in education, supplying schools with new hardware and software, providing Internet services, and training teachers and students in the effective use of information and communication technologies.

In order to assist ROC allies in upgrading educational means and media, the ICDF is also working with WorLD to build educational Web sites worldwide.

## **Scholarships**

The ICDF has been offering scholarships since 1998, when it set up a fund for promising students from the Caribbean region. Since then, it has extended the scholarship programs to Europe and Africa. In 2000, the ICDF provided US\$550,000 in scholarship assistance to students in these regions.

In the Eastern Caribbean, the ICDF conducted the Human Resources Assistance Development Program in St. Christopher and Nevis, the Commonwealth of Dominica, St. Vincent, and Grenada. For the second year, the program provided assistance not only to elementary and junior high school students, but also to teachers and professionals, for advanced specialized training. In addition, the ICDF funded textbook purchases.

In Macedonia, the ICDF is helping 250 elementary school students to continue their studies through a US\$100,000 scholarship program. In Liberia, the ICDF is providing US\$50,000 in assistance to soldiers and students whose education was interrupted by the Liberian civil war. The program has provided short-term vocational training to 425 Liberians.

## Master's Degree Program

The ICDF also provides scholarships to high-level agricultural specialists from allied nations. These professionals are eligible for ICDF scholarships that permit them to study for master's degrees at the National Pingtung University of Science and Technology's Graduate Institute of Tropical Agriculture. In fiscal 2000, 16 foreign students participated in this program. Eight students enrolled in the third phase of the master's program, while eight students continued in their second year of the program.

In order to enlarge the benefits of this training, scholarships are also available for ROC overseas technical mission personnel.

## The ICDF Alumni Society

The ICDF Alumni Society sustains relationships between participants in ICDF programs from all countries, by encouraging continued personal and professional interaction. To enable the society's 5,000 members to stay in touch, share their experiences, and continue helping their countries, the ICDF Alumni Society holds seminars, workshops and conferences. Since the program's inception, 30 workshops have been held.



## 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.

