



Taiwan has entered the twenty first century well aware of the pace of change in today's world. Much of the change that we now face has been for the better, and the forces of globalization have helped to expand opportunities for millions of people around the world. At the same time, however, the benefits of globalization have been shared unevenly, and many problems have emerged. Poverty is a persistent and daunting challenge. The widening gap between rich and poor, the neglect and abuse of human rights, and severe environmental degradation in various parts of the world also threaten to undermine progress and development.

Since becoming the 144th member of the World Trade Organization (WTO) in January 2002, the Republic of China on Taiwan has become increasingly integrated into the global community. In order to promote greater exchange with other nations, we have sought new ways to share our skills and knowledge abroad.

The International Cooperation and Development Fund (ICDF) is Taiwan's primary international development institution. Its core tasks include investment and lending operations, the provision of technical assistance, the development of human resources, and humanitarian assistance. It carries out its tasks with a commitment to three basic principles: human rights, economic prosperity, and peace and security. These same principles are not only central to the work of the ICDF, but also to Taiwan's diplomacy as a whole.

The ICDF believes that by sharing Taiwan's experiences with our friends and allies in the developing world, we can help in the social and economic development of these countries. Our capacity to undertake cooperation projects throughout the world comes from the expertise that we have gained through our own developmental experience. Macro economic policy management, the development of small and medium enterprises (SMEs), human resources training, the upgrading and transformation of agricultural techniques, and the development of high-tech industries are some of the key areas that we focus on in the cooperation projects we undertake.

In terms of the development of SMEs, the ICDF has implemented a series of strategic assistance projects in Central America. Combining relending to SMEs and human resources training programs, we have provided support packages that have benefited hundreds of enterprises in that region. In the development of human resources, our international seminar programs have provided training for almost 500 people in fields such as trade, agriculture, fisheries, and a range of other vocations. Furthermore, there are currently 30 students from allied countries who, through our graduate and postgraduate scholarship programs, are currently studying towards postgraduate degrees in Taiwan. In terms of agriculture, the ICDF

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has sent approximately 40 technical missions abroad to help improve agricultural techniques in various countries. Underlying our work in this field is the belief that poverty can be alleviated, and hunger eradicated, through rural development.

The ICDF provides development and humanitarian assistance through both financing and technical projects. It has expanded its partnerships with international organizations and nongovernmental organizations, and has promoted bilateral and multilateral cooperation in recent years. For instance, the ICDF has established data exchange and cooperation channels with, amongst others, the Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD), the Central American Bank for Economic Integration (CABEI), the Inter-American Development Bank (IDB), the Organization of American States (OAS), World Links, World Vision, and the Asia Foundation in Taiwan. Through these channels, Taiwan's image and presence on the international stage has been greatly enhanced, thus further increasing opportunities for greater international cooperation.

The ICDF has responded to the policy of "People's Diplomacy" introduced by President Chen Shui-bian, by elaborating the Taiwan Youth Overseas Service and expanding the Taiwan Overseas Volunteer Program. Moreover, in response to Taiwan's entry into the WTO, and in order to help local manufacturers make the most of commercial opportunities abroad, the ICDF has promoted credit guarantee projects for companies investing in our allied countries, and has established an information system through which such opportunities can be publicized.

Looking back on the achievements of the past year, I would like to express my sincere gratitude to the board of directors for their support and instruction, and to the public for their recognition and feedback. I would also like to thank the members of our technical missions, Taiwan Youth Overseas Service and our volunteers, for their dedication. Their devotion and diligence help make our cooperation projects possible and our work abroad such a great success. I would also like to honor the memory of our former technical mission leader in Senegal, Mr. Shi-hu Chen – his sacrifices turned deserts into fertile fields, and helped the people of Senegal to reach a greater level of economic self sufficiency.

International cooperation requires not only a professional and creative team, but also the support of the entire nation. Our contributions to the international community have won us much praise, and serve as a fine example of how we can fulfill our obligations as a responsible member of the world community. It is my hope that, through this annual report, the people of Taiwan, as well as our friends throughout the world, will gain a better understanding of the scope of the ICDF's work.



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ICDF Chairman