

Foreword



The year 2004 was full of numerous changes and challenges, both at home and abroad. The European Union (EU) expanded to encompass a total of 25 nations, the Middle East was ravaged by war, China deployed more than 600 missiles against Taiwan, a devastating tsunami occurred in the Indian Ocean, and Taiwan successfully completed presidential and legislative elections. All these developments were of relevance to the future of our nation. As Taiwan's Minister of Foreign Affairs, I feel honored to shoulder such heavy responsibilities during such turbulent times. I hope to create a brighter future for our country's foreign policy, despite such uncertain circumstances.

Although Taiwan does not cover a large geographical area, its foreign currency reserves are the third largest in the world. It is also the 17th largest economy and the 15th largest trading nation on earth. In addition, the country plays an important role in the global information technology (IT) industry. Yet these achievements have not come easily. They are the results of a stable government, a free-market economy, and a pluralistic society. These are the foundations and advantages on which our diplomacy must be based.

International cooperation is crucial in the development of diplomacy. Continuous and cumulative, each achievement is built on existing foundations. Results are achieved only when pragmatic and long-term efforts are made. Ever since its establishment, the International Cooperation and Development Fund (TaiwanICDF) has assisted our allies and many other friendly developing nations in core areas of expertise such as banking and finance, technical cooperation, international human resource development, and humanitarian assistance. In recent years, the Fund has also sent many Taiwan Overseas Volunteers and members of the Youth Overseas Service to other countries to further realize our ideal of "people's diplomacy." As Taiwan's principle body overseeing international development, the TaiwanICDF is dedicated to promoting international cooperation, actively participating in the international community, establishing "value-based alliances" with friendly nations, strengthening exchanges, interacting with the international community, and enhancing Taiwan's international reputation. Our achievements are there for all to see.

The TaiwanICDF undertakes international cooperation on a systematic, professional, and transparent basis. It continues to grow and evolve with the passing of time, achieving maximum benefits from finite resources. The Fund underwent some minor restructuring in 2004, changing the titles of numerous departments in order to respond to changing objectives. In addition, the TaiwanICDF trained its foreign mission staff and executive personnel to improve management and planning abilities, reach a consensus on core values, strengthen the Fund's functions, and allow the TaiwanICDF to continue to innovate and surpass current levels.

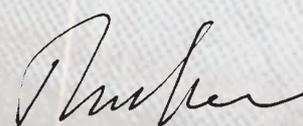
After four decades of development, the nature and content of foreign assistance projects undertaken by the TaiwanICDF cover many areas including agriculture, fisheries, animal husbandry, healthcare, trade, and industrial services. Currently, IT programs have also been added to this group. Making use of Taiwan's numerous strengths, the Fund will continue to help developing nations learn from the "Taiwan experience," so that they can march forward with us towards prosperity and affluence.

In addition, in undertaking each of its projects, the TaiwanICDF has focused on overall measures and sustainable development in order to integrate its resources and achieve maximum benefits. Take agriculture for example: in addition to teaching farmers agricultural skills, the TaiwanICDF teaches them valuable production and marketing skills. Farmers are provided with educational training and taught to apply for microcredit financing. Our philosophy during all of these activities is: “Give a family a fish, you feed them for a day. Teach them how to fish, and you feed them for a lifetime.”

The TaiwanICDF has actively tried to connect and cooperate with international institutions and non-governmental organizations (NGOs). Through multilateral and bilateral cooperation, the TaiwanICDF has sought to leverage the benefits of its cooperation, improve the effectiveness of its plans, and broaden its participation in international affairs. In 2004, in addition to cooperating with the Asian Development Bank (ADB), the Central American Bank for Economic Integration (CABEI), the European Bank of Reconstruction and Development (EBRD), and World Links in providing loans, technical cooperation, and training, the TaiwanICDF worked with many NGOs such as the Taiwan-Russia Association, ORBIS, Mercy Corps, and the Taiwan Root Medical Peace Corps on humanitarian and health projects. In recent years, the government has actively tried to participate in international organizations such as the World Health Organization (WHO). The Fund’s dedication to international cooperation and assistance is significant and beneficial to our government’s international image.

The TaiwanICDF’s achievements in international cooperation are visible to all and have won worldwide recognition. However, many members of the general public are unfamiliar with our foreign assistance work. To educate the public, the Fund undertook a great deal of promotional work in 2004 with the publication of books such as *Bridging the World*, *Global Trends in International Development* and *In a World of Harvest*. The TaiwanICDF also hosted a number of promotional activities to strengthen the local community’s understanding about international cooperation and to allow them to participate in our work.

The future development of international cooperation must be receptive to reality and ideals. It must be framed within pragmatic and realistic policies. I believe that diplomacy relies on stability and continuity. But our next step should be to infuse new concepts into our diplomatic efforts and to think outside of traditional frameworks. With the publication of this year’s annual report, I would like to express my appreciation to all organizations and institutions that have provided the Fund with assistance and cooperation. I also ask for everyone to give us feedback so the work of the TaiwanICDF can continue to improve in the years ahead.



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